

# Open Budget Survey 2017

## Questionnaire

**Nepal**

January 2018

## COUNTRY QUESTIONNAIRE: NEPAL

**PBS-1:** What is the fiscal year of the PBS evaluated in this Open Budget Survey questionnaire? Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

**Answer:** Fy 2016-17

**Sources:** n/a

**Comments:** Researcher: There is no practice of bringing PBS in Nepal. However, The Ministry of finance holds pre budget discussions with the limited sections such as federation of Nepalese Chambers of Commerce and Industry (FNCCI) before the EBP is presented to the Parliament. Like wise the budget committee of the legislature-Parliament has also initiated Pre Budget discussions at the regional level to collect and provide inputs to the central government budget.

**Peer Reviewer**

**Opinion:** Agree with Comments

**Comments:** Even if 2016-17 is the fiscal year for the budget evaluated for this survey, since PBS is not published it would not be applicable for this question. Principles and Priorities of the Appropriation Bill 2016 is presented at the Parliament before the Budget Proposal however this document would not qualify as a pre-budget statement.

**PBS-2:** When is the PBS made available to the public?

- a. (100) At least four months in advance of the budget year, and at least one month before the Executive's Budget Proposal is introduced in the legislature
- b. (67) At least two months, but less than four months, in advance of the budget year, and at least one month before the Executive's Budget Proposal is introduced in the legislature
- c. (33) Less than two months in advance of the budget year, but at least one month before the Executive's Budget Proposal is introduced in the legislature
- d. (0) The PBS is not released to the public, or is released less than one month before the Executive's Budget Proposal is introduced to the legislature

**Answer:** d.

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**PBS-3a:** If the PBS is published, what is the date of publication of the PBS? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. Please enter the date in the following format: "DD Month YYYY." For example, 5 September 2016 should be entered as 05 September 2016. If the document is not published or not produced, please mark this question "n/a."

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**PBS-3b:** In the box below, please explain how you determined the date of publication of the PBS. If the document is not published at all, researchers should mark this question “n/a.”

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**PBS-4:** If the PBS is published, what is the URL or weblink of the PBS? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should mark this question “n/a.”

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**PBS-5:** If the PBS is published, are the numerical data contained in the PBS available in a machine readable format?

- a. Yes, all of the numerical data are available in a machine readable format
- b. Yes, some of the numerical data are available in a machine readable format
- c. No
- d. Not applicable

**Answer:** d.

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**PBS-6a:** If the PBS is not publicly available, is it still produced?

- a. Produced but made available online to the public too late (published after the acceptable time frame)
- b. Produced but made available only in hard copy or soft copy (not available online)
- c. Produced for internal purposes/use only
- d. Not produced at all
- e. Not applicable (the document is publicly available)

**Answer:** d.

**Sources:** n/a

**Peer Reviewer**

**Opinion:** Agree

**PBS-6b:** If you selected option “c” or “d” in question PBS-6a above, please specify how you determined whether the PBS was produced for internal use only, versus not produced at all. If option “a,” “b,” or “e” was selected in question PBS-6a, researchers should mark this question “n/a.”

**Answer:** Consultation with Ministry of Finance .

**Sources:** MOF Public Information Officer Mukunda Prasad Poudyal.

**Comments:** Researcher: According to Poudyal the MOF is planning to initiate the PBS from next year in a systematic manner. We came to know him that the MOF has recognized the need of introducing the PBS.

**Peer Reviewer**

**Opinion:** Agree

**PBS-7:** If the PBS is produced, please write the full title of the PBS. If the document is not produced at all, researchers should mark this question “n/a.”

**Answer:** n/a

**Sources:** n/a

**Peer Reviewer**

**Opinion:** Agree

**PBS-8:** Is there a “citizens version” of the PBS?

a. Yes

b. No

**Answer:** b.

**Sources:** n/a

**Comments:** Researcher: The PBS is not produced so there is no option of citizen budget.

**Peer Reviewer**

**Opinion:** Agree

**EBP-1a:** What is the fiscal year of the EBP evaluated in this Open Budget Survey questionnaire? Please enter the fiscal year in the following format: “FY YYYY” or “FY YYYY-YY.”

**Answer:** FY 2016-17

**Sources:** Budget Speech of Fiscal Year 2016/17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)

([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) Red Book 2016/17

[http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...)

([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20fy2016-17_20160912045153.pdf)) Economic Survey 2015/16

<http://www.mof.gov.np/uploads/document/file/Economic%20Surve...>

([http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali\\_20160817092337.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali_20160817092337.pdf)) Statement of Technical

and other assistance 2016/17 <http://www.mof.gov.np/uploads/document/file/TA%20-%20English...>

([http://www.mof.gov.np/uploads/document/file/TA%20-%20English\\_complete\\_20160529052440.pdf](http://www.mof.gov.np/uploads/document/file/TA%20-%20English_complete_20160529052440.pdf)) Annual Policy and Program of Nepal

Government [http://www.mof.gov.np/uploads/document/file/neppolpro\\_201605...](http://www.mof.gov.np/uploads/document/file/neppolpro_201605...)

([http://www.mof.gov.np/uploads/document/file/neppolpro\\_20160509014539\\_20160509101342.pdf](http://www.mof.gov.np/uploads/document/file/neppolpro_20160509014539_20160509101342.pdf)) Budget Formulation Guideline -2073 BS

(Seventh Edition) <http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%...>

(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%9C%E0%A5%87%E0%A4%9F%20%E0%A4%A4%E0%A4%B0%E0%A5%8D%E0>

**Comments:** Researcher: Nepal Budget year 2073-74 refers to FY 16 July 2016 - 15 July 2017.

**Peer Reviewer**

**Opinion:** Agree

**EBP-1b:** When is the EBP submitted to the legislature for consideration? Please enter the date in the following format: “DD Month YYYY.” For example, 5 September 2016 should be entered as 05 September 2016.

**Answer:** 28 May 2016

**Sources:** <https://thehimalayantimes.com/business/govt-presents-annual-budget-1-05-trillion/>) News report shows that the annual budget was tabled in parliament on 28 May 2016.

**Comments:** Researcher: Budget Speech of Fiscal Year 2016/17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) Red Book 2016/17 [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...) [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf)) Economic Survey 2015/16 <http://www.mof.gov.np/uploads/document/file/Economic%20Surve...> [http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali\\_20160817092337.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali_20160817092337.pdf)) Statement of Technical and other assistance 2016/17 <http://www.mof.gov.np/uploads/document/file/TA%20-%20English...> [http://www.mof.gov.np/uploads/document/file/TA%20-%20English\\_complete\\_20160529052440.pdf](http://www.mof.gov.np/uploads/document/file/TA%20-%20English_complete_20160529052440.pdf)) Annual Policy and Program of Nepal Government [http://www.mof.gov.np/uploads/document/file/neppolpro\\_201605...](http://www.mof.gov.np/uploads/document/file/neppolpro_201605...) [http://www.mof.gov.np/uploads/document/file/neppolpro\\_20160509014539\\_20160509101342.pdf](http://www.mof.gov.np/uploads/document/file/neppolpro_20160509014539_20160509101342.pdf)) Budget Formulation Guideline -2073 BS (Seventh Edition) <http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%...> <http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%9C%E0%A5%87%E0%A4%9F%20%E0%A4%AC%E0%A4%B0%E0%A5%8D%E0>

**Peer Reviewer**

**Opinion:** Agree

## EBP-2: When is the EBP made available to the public?

- a. (100) At least three months in advance of the budget year, and in advance of the budget being approved by the legislature
- b. (67) At least two months, but less than three months, in advance of the budget year, and in advance of the budget being approved by the legislature
- c. (33) Less than two months in advance of the budget year, but at least in advance of the budget being approved by the legislature
- d. (0) The EBP is not released to the public, or is released after the budget has been approved by the legislature

**Answer:** c. (33)

**Sources:** <http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain...> [http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))

**Comments:** Researcher: The Parliament had unanimously approved the appropriation bill on July 9,2016 but the subsidiary bills of the budget including Finance Bill, National Debt Recovery Bill, and Debt and Guarantee Bill were endorsed by the Parliament on Sept 30,2016.

**Peer Reviewer**

**Opinion:** Agree with Comments

**Comments:** EBP is made public the same day after it is tabled at the parliament.

**EBP-3a:** If the EBP is published, what is the date of publication of the EBP? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. Please enter the date in the following format: "DD Month YYYY." For example, 5 September 2016 should be entered as 05 September 2016. If the document is not published or not produced, please mark this question "n/a." In the comment boxes below, researchers should also list any supporting documents to the EBP and their date of publication.

**Answer:** 28 May 2016

**Sources:** Budget Speech of Fiscal Year 2016/17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) Red Book 2016/17 [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...)

[http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf)) Economic Survey 2015/16 <http://www.mof.gov.np/uploads/document/file/Economic%20Surve...> [http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali\\_20160817092337.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali_20160817092337.pdf)) Statement of Technical and other assistance 2016/17 <http://www.mof.gov.np/uploads/document/file/TA%20-%20English...> [http://www.mof.gov.np/uploads/document/file/TA%20-%20English\\_complete\\_20160529052440.pdf](http://www.mof.gov.np/uploads/document/file/TA%20-%20English_complete_20160529052440.pdf)) Annual Policy and Program of Nepal Government [http://www.mof.gov.np/uploads/document/file/neppolpro\\_201605...](http://www.mof.gov.np/uploads/document/file/neppolpro_201605...) [http://www.mof.gov.np/uploads/document/file/neppolpro\\_20160509014539\\_20160509101342.pdf](http://www.mof.gov.np/uploads/document/file/neppolpro_20160509014539_20160509101342.pdf)) Budget Formulation Guideline -2073 BS (Seventh Edition) <http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%...> <http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%9C%E0%A5%87%E0%A4%9F%20%E0%A4%AC%E0%A4%B0%E0%A5%8D%E0>

**Comments:** Researcher: The Nepali Version is updated in the same date but the translation version in English is updated on June 2 2016.

[http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

<http://www.mof.gov.np/uploads/document/file/Economic%20Surve...>

[http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English\\_20160812062624.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English_20160812062624.pdf)) The date reflects the date of publication of Budget Speech 2016/17

**Peer Reviewer**  
**Opinion:** Agree

**EBP-3b:** In the box below, please explain how you determined the date of publication of the EBP. If the document is not published at all, researchers should mark this question “n/a.”

**Answer:** The date is mentioned in the appropriation bill posted on the MOF website.

**Sources:** Budget Speech of Fiscal Year 2016/17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf) Red Book 2016/17  
[http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf) Economic Survey 2015/16  
[http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali\\_20160817092337.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali_20160817092337.pdf) Statement of Technical and other assistance 2016/17 [http://www.mof.gov.np/uploads/document/file/TA%20-%20English\\_complete\\_20160529052440.pdf](http://www.mof.gov.np/uploads/document/file/TA%20-%20English_complete_20160529052440.pdf) Annual Policy and Program of Nepal Government [http://www.mof.gov.np/uploads/document/file/neppolpro\\_201605...](http://www.mof.gov.np/uploads/document/file/neppolpro_201605...)  
[http://www.mof.gov.np/uploads/document/file/neppolpro\\_20160509014539\\_20160509101342.pdf](http://www.mof.gov.np/uploads/document/file/neppolpro_20160509014539_20160509101342.pdf) Budget Formulation Guideline -2073 BS (Seventh Edition) <http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%9C%E0%A5%87%E0%A4%9F%20%E0%A4%A4%E0%A4%B0%E0%A5%8D%E0>  
**Comments:** Researcher: n/a

**Peer Reviewer**  
**Opinion:** Agree

**EBP-4:** If the EBP is published, what is the URL or weblink of the EBP? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should mark this question “n/a.” In the comment boxes below, researchers should also list any supporting documents to the EBP and their URL or weblink.

**Answer:** Budget Speech of Fiscal Year 2016/17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf) Red Book 2016/17  
[http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf) Economic Survey 2015/16  
[http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali\\_20160817092337.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali_20160817092337.pdf) Statement of Technical and other assistance 2016/17 [http://www.mof.gov.np/uploads/document/file/TA%20-%20English\\_complete\\_20160529052440.pdf](http://www.mof.gov.np/uploads/document/file/TA%20-%20English_complete_20160529052440.pdf) Annual Policy and Program of Nepal Government [http://www.mof.gov.np/uploads/document/file/neppolpro\\_201605...](http://www.mof.gov.np/uploads/document/file/neppolpro_201605...)  
[http://www.mof.gov.np/uploads/document/file/neppolpro\\_20160509014539\\_20160509101342.pdf](http://www.mof.gov.np/uploads/document/file/neppolpro_20160509014539_20160509101342.pdf) Budget Formulation Guideline -2073 BS (Seventh Edition) <http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%9C%E0%A5%87%E0%A4%9F%20%E0%A4%A4%E0%A4%B0%E0%A5%8D%E0>

**Sources:** Budget Speech of Fiscal Year 2016/17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf) Red Book 2016/17  
[http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf) Economic Survey 2015/16  
[http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali\\_20160817092337.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali_20160817092337.pdf) Statement of Technical and other assistance 2016/17 [http://www.mof.gov.np/uploads/document/file/TA%20-%20English\\_complete\\_20160529052440.pdf](http://www.mof.gov.np/uploads/document/file/TA%20-%20English_complete_20160529052440.pdf) Annual Policy and Program of Nepal Government [http://www.mof.gov.np/uploads/document/file/neppolpro\\_201605...](http://www.mof.gov.np/uploads/document/file/neppolpro_201605...)  
[http://www.mof.gov.np/uploads/document/file/neppolpro\\_20160509014539\\_20160509101342.pdf](http://www.mof.gov.np/uploads/document/file/neppolpro_20160509014539_20160509101342.pdf) Budget Formulation Guideline -2073 BS (Seventh Edition) <http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%9C%E0%A5%87%E0%A4%9F%20%E0%A4%A4%E0%A4%B0%E0%A5%8D%E0>  
**Comments:** Researcher: n/a

**Peer Reviewer**  
**Opinion:** Agree

**EBP-5:** If the EBP is published, are the numerical data contained in the EBP or its supporting documents available in a machine readable format?

- a. Yes, all of the numerical data are available in a machine readable format
- b. Yes, some of the numerical data are available in a machine readable format
- c. No
- d. Not applicable

**Answer:** c.

**Sources:** All documents are in PDF format.

**Comments:** Researcher: The bills are produced but available in PDF format. The Script is in Nepali.

**Peer Reviewer**

**Opinion:** Agree

**EBP-6a:** If the EBP is not publicly available, is it still produced?

- a. Produced but made available online to the public too late (published after the acceptable time frame)
- b. Produced but made available only in hard copy or soft copy (not available online)
- c. Produced for internal purposes/use only
- d. Not produced at all
- e. Not applicable (the document is publicly available)

**Answer:** e.

**Sources:** [http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))

**Comments:** Researcher: The budget was unveiled in the statutory date i.e. 28 May 2016. It is the first time that the Constitution stipulated the date for budget presentation in the parliament. So was done by the executive.

**Peer Reviewer**

**Opinion:** Agree

**EBP-6b:** If you selected option “c” or “d” in question EBP-6a above, please specify how you determined whether the EBP was produced for internal use only, versus not produced at all. If option “a,” “b,” or “e” was selected in question EBP-6a, researchers should mark this question “n/a.”

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**EBP-7:** If the EBP is produced, please write the full title of the EBP. If the document is not produced at all, researchers should mark this question “n/a.” If there are any supporting documents to the EBP, please enter their full titles in the comment box below.

**Answer:** Budget Speech of Fiscal Year 2016/17 Red Book 2016-17 Economic Survey 2015-16 Statement of Technical and other assistance 2016/17 Annual Policy and Program of Nepal Government

**Sources:** Budget Speech of Fiscal Year 2016/17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf) Red Book 2016/17 [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...) ([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf)) Economic Survey 2015/16 <http://www.mof.gov.np/uploads/document/file/Economic%20Surve...> ([http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali\\_20160817092337.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202072-73%20-%20Nepali_20160817092337.pdf)) Statement of Technical and other assistance 2016/17 <http://www.mof.gov.np/uploads/document/file/TA%20-%20English...> ([http://www.mof.gov.np/uploads/document/file/TA%20-%20English\\_complete\\_20160529052440.pdf](http://www.mof.gov.np/uploads/document/file/TA%20-%20English_complete_20160529052440.pdf)) Annual Policy and Program of Nepal Government [http://www.mof.gov.np/uploads/document/file/neppolpro\\_201605...](http://www.mof.gov.np/uploads/document/file/neppolpro_201605...) ([http://www.mof.gov.np/uploads/document/file/neppolpro\\_20160509014539\\_20160509101342.pdf](http://www.mof.gov.np/uploads/document/file/neppolpro_20160509014539_20160509101342.pdf)) Budget Formulation Guideline -2073 BS (Seventh Edition) <http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%...> (<http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%9C%E0%A5%87%E0%A4%9F%20%E0%A4%A4%E0%A4%B0%E0%A5%8D%E0>

**Peer Reviewer**  
**Opinion:** Agree

**EBP-8:** Is there a “citizens version” of the EBP?

- a. Yes
- b. No

**Answer:** b.

**Sources:** Ministry of finance Information Officer Mukunda Prasad Poudyal.  
**Comments:** Researcher: Nepal has not practiced the CB of any budget documents.

**Peer Reviewer**  
**Opinion:** Agree

**EB-1a:** What is the fiscal year of the EB evaluated in this Open Budget Survey questionnaire? Please enter the fiscal year in the following format: “FY YYYY” or “FY YYYY-YY.”

**Answer:** FY 2016-17

**Sources:** [http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))  
<http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202...>  
([http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073\\_20161130063400.pdf](http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073_20161130063400.pdf))  
[http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...)  
([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf))  
**Comments:** Researcher: n/a

**Peer Reviewer**  
**Opinion:** Agree with Comments

**Comments:** Four bills are endorsed by the Parliament and only two bills are made available online. Bill to Raise Public Debt and Loan & Guarantee Bill are not available online. However these bills for earlier year are available on the Website.

**EB-1b:** When was the EB approved (enacted) by the legislature? Please enter the date in the following format: “DD Month YYYY.” For example, 5 September 2016 should be entered as 05 September 2016.

**Answer:** 9 July 2016 30 Sept 2016

**Sources:** [http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))  
[http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...)  
([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf))  
<http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202...>  
([http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073\\_20161130063400.pdf](http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073_20161130063400.pdf)) <http://kathmandupost.ekantipur.com/news/2016-10-01/house-end...> (<http://kathmandupost.ekantipur.com/news/2016-10-01/house-endorses-3-budget-related-bills.html>)  
<http://www.myrepublica.com/news/2346/> (<http://www.myrepublica.com/news/2346/>)  
**Comments:** Researcher: 1 Appropriation bill is endorsed on July 9 2016 and other 3 are in Sept 30 2016. These bills were previously rejected by parliamentarians of Nepali Congress and Communist Party of Nepal (Maoist Centre), among others, to show they had lost confidence in the then government led by KP Sharma Oli. The incumbent government, however, tabled the bills without making any change to the content prepared by the previous government, a senior official of the Ministry of Finance told the Post. The Majority of Parliamentarians endorsed the Appropriation Bill but rejected 3 others Bills on 9th July 2016. Then next government was formed and remaining Bills were approved without any changes in the content on 30 Sept 2016

**Peer Reviewer**  
**Opinion:** Agree

**EB-2:** When is the EB made available to the public?

- a. (100) Two weeks or less after the budget has been enacted
- b. (67) Between two weeks and six weeks after the budget has been enacted
- c. (33) More than six weeks, but less than three months, after the budget has been enacted
- d. (0) The EB is not released to the public, or is released more than three months after the budget has been enacted

**Answer:** a. (100)

**Sources:** [http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))  
<http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202...>  
([http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073\\_20161130063400.pdf](http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073_20161130063400.pdf))  
[http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...)  
([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf))

**Comments:** Researcher: The Nepali version of enacted budget was made available to the public through the Mof website on the day the budget was endorsed. However translated English version was posted later.

**Peer Reviewer**

**Opinion:** Agree with Comments

**Comments:** Bill to Raise Public Debt and Loan & Guarantee Bill are not available online. These are passed alongside appropriation bill and finance bill.

**EB-3a:** If the EB is published, what is the date of publication of the EB? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. Please enter the date in the following format: "DD Month YYYY." For example, 5 September 2016 should be entered as 05 September 2016. If the document is not published or not produced, please mark this question "n/a." Note that the date of publication is not necessarily the same date that is printed on the document.

**Answer:** 9th July 2016.-Appropriation Bill 30th September 2016-Finance Bill, Bill to Raise Public Debt, Loan & Guarantee Bill.

**Sources:** [http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))  
<http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202...>  
([http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073\\_20161130063400.pdf](http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073_20161130063400.pdf))  
[http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...)  
([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf))

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree with Comments

**Comments:** Bill to Raise Public Debt and Loan & Guarantee Bill are not available online.

**EB-3b:** In the box below, please explain how you determined the date of publication of the EB. If the document is not published at all, researchers should mark this question "n/a."

**Answer:** Consultation with ministry of finance officials.

**Sources:** <http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202...>  
([http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073\\_20161130063400.pdf](http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073_20161130063400.pdf))  
[http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...)  
([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf))  
[http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**EB-4:** If the EB is published, what is the URL or weblink of the EB? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should mark this question "n/a."

**Answer:** Appropriation Act- [http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))  
[http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...)  
([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf)) Finance Bill-  
<http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202...>  
([http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073\\_20161130063400.pdf](http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073_20161130063400.pdf))

**Sources:** [http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...)  
([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf))  
<http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202...>  
([http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073\\_20161130063400.pdf](http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073_20161130063400.pdf))  
[http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**EB-5:** If the EB is published, are the numerical data contained in the EB available in a machine readable format?

- a. Yes, all of the numerical data are available in a machine readable format
- b. Yes, some of the numerical data are available in a machine readable format
- c. No
- d. Not applicable

**Answer:** c.

**Sources:** N/A

**Comments:** Researcher: [http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...)  
([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf))  
<http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202...>  
([http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073\\_20161130063400.pdf](http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073_20161130063400.pdf))  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))) Produced but in PDF format.

**Peer Reviewer**

**Opinion:** Agree

**EB-6a:** If the EB is not publicly available, is it still produced?

- a. Produced but made available online to the public too late (published after the acceptable time frame)
- b. Produced but made available only in hard copy or soft copy (not available online)
- c. Produced for internal purposes/use only
- d. Not produced at all
- e. Not applicable (the document is publicly available)

**Answer:** e.

**Sources:** N/A

**Comments:** Researcher: [http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))  
[http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...)  
([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf))  
<http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202...>  
([http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073\\_20161130063400.pdf](http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073_20161130063400.pdf))

**Peer Reviewer**

**Opinion:** Agree

**EB-6b:** If you selected option "c" or "d" in question EB-6a above, please specify how you determined whether the EB was produced for internal use only, versus not produced at all. If option "a," "b," or "e" was selected in question EB-6a, researchers should mark this question "n/a."

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**EB-7:** If the EB is produced, please write the full title of the EB. If the document is not produced at all, researchers should mark this question “n/a.”

**Answer:** Biniyojan Ain (Appropriation Act)

**Sources:** Appropriation Act- [http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)

([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))

[http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...)

([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf)) Finance Bill-

<http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202...>

([http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073\\_20161130063400.pdf](http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073_20161130063400.pdf))

**Comments:** Researcher: Out of the 4 acts related to the budget, the appropriation bill was enacted on July 9, 2016 while other 3 bills were endorsed by the parliament on 30 Sept 2016. It is to note that appropriation act was only posted on website in Nepali version.

**Peer Reviewer**

**Opinion:** Agree

**EB-8:** Is there a “citizens version” of the EB?

a. Yes

b. No

**Answer:** b.

**Sources:** MOF information officer.

**Comments:** Researcher: There is no citizen version of any budget of Nepal.

**Peer Reviewer**

**Opinion:** Agree

**CB-1:** What is the fiscal year of the CB evaluated in this Open Budget Survey questionnaire? Please enter the fiscal year in the following format: “FY YYYY” or “FY YYYY-YY.” If more than one Citizens Budget is produced, for each CB please indicate the document the CB simplifies/refers to, and the fiscal year.

**Answer:** n/a

**Sources:** MOF Officers.

**Comments:** Researcher: There is no any citizen budget in Nepal.

**Peer Reviewer**

**Opinion:** Agree

**CB-2a:** For the fiscal year indicated above, what is the public availability status of the CB. If more than one Citizens Budget is produced, please complete this questions for one of them, specifying in the comment box below which document you are referring to, and – in the same comment box – which other Citizens Budgets are produced and their public availability status.

a. Produced but made available online to the public too late (published after the acceptable time frame)

b. Produced but made available only in hard copy or soft copy (not available online)

- c. Produced for internal purposes/use only
- d. Not produced at all
- e. Not applicable (the document is publicly available)

**Answer:** d.

**Sources:** Th MOF Officers.

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**CB-2b:** If you selected option “c” or “d” in question CB-2a above, please specify how you determined whether the CB was produced for internal use only, versus not produced at all. If option “a,” “b,” or “e” was selected in question CB-2a, researchers should mark this question “n/a.”

**Answer:** From the consultation with spokesperson and information officer Mukunda Prasad Poudyal.

**Sources:** Spokesperson and information officer Mukunda Prasad Poudyal.

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**CB-3a:** If the CB is published, what is the date of publication of the CB? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. Please enter the date in the following format: “DD Month YYYY.” For example, 5 September 2016 should be entered as 05 September 2016. If the document is not published or not produced, please mark this question “n/a.” If more than one Citizens Budget is published, please complete this question for one of them, specifying in the comment box below which document you are referring to, and – in the same comment box – which other Citizens Budgets are produced and their dates of publication.

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**CB-3b:** In the box below, please explain how you determined the date of publication of the CB. If the document is not published at all, researchers should mark this question “n/a.”

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**CB-4:** If the CB is published, what is the URL or weblink of the CB? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should mark this question “n/a.” If more than one Citizens Budget is published, please complete this question for one of them, specifying in the comment box below which document you are referring to, and – in the same comment box – which other Citizens Budgets are produced and their URL or weblink.

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**CB-5:** If the CB is produced, please write the full title of the CB. If the document is not produced at all, researchers should mark this question "n/a." If more than one Citizens Budget is produced, for each CB, indicate the document the CB refers to and, next to it, its full title.

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**CB-6:** If the CB is produced, please indicate which budget document it corresponds to. If more than one Citizens Budget is produced, please complete this question for one of them, specifying in the comment box below which document you are referring to, and – in the same comment box – which other Citizens Budgets are produced and which budget documents they simplify.

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**IYRs-1:** What is the fiscal year of the IYRs evaluated in this Open Budget Survey questionnaire? Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

**Answer:** 2015-16

**Sources:** <http://www.nrb.org.np/> (<http://www.nrb.org.np/>)

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**IYRs-2:** When are the IYRs made available to the public?

- a. (100) At least every month, and within one month of the period covered
- b. (67) At least every quarter, and within one month of the period covered
- c. (33) At least every quarter, and within three months of the period covered
- d. (0) The IYRs are not released to the public, or are released more than three months after the period covered

**Answer:** c. (33)

**Sources:** [http://nrb.org.np/red/publica.php?tp=economic\\_bulletin&&vw=5](http://nrb.org.np/red/publica.php?tp=economic_bulletin&&vw=5) ([http://nrb.org.np/red/publica.php?tp=economic\\_bulletin&&vw=5](http://nrb.org.np/red/publica.php?tp=economic_bulletin&&vw=5))

**Comments:** Researcher: n/a

**Peer Reviewer**  
**Opinion:** Agree

**IYRs-3a:** If the IYRs are published, what are the dates of publication of the IYRs? Specifically: if quarterly In-Year Reports are published, indicate the dates of publication of at least three of the last four IYRs that were publicly available. If monthly IYRs are published, indicate the dates of publication of at least seven of the last 12 IYRs that were publicly available. Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. Please enter the date in the following format: "DD Month YYYY." For example, 5 September 2016 should be entered as 05 September 2016. If the document is not published or not produced, please mark this question "n/a."

**Answer:** 1) 15 July 2016 2) 15 April 2016 3) 15 January 2016 4) 15 July 2015

**Sources:** 1) [https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-07%20\(Mid%20July\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-07%20(Mid%20July).pdf) 2) [http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_April\)-new.pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_April)-new.pdf) 3) [http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_January\).pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_January).pdf) 4) [http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2015-07\\_\(Mid\\_July\).pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2015-07_(Mid_July).pdf)

**Comments:** Researcher: This dates reflect the publication of IYRs by the central bank of Nepal.

**Peer Reviewer**  
**Opinion:** Agree

**IYRs-3b:** In the box below, please explain how you determined the date of publication of the IYRs. If the document is not published at all, researchers should mark this question "n/a."

**Answer:** From the website of the center bank of Nepal.

**Sources:** [http://nrb.org.np/red/publica.php?tp=economic\\_bulletin&&vw=5](http://nrb.org.np/red/publica.php?tp=economic_bulletin&&vw=5) ([http://nrb.org.np/red/publica.php?tp=economic\\_bulletin&&vw=5](http://nrb.org.np/red/publica.php?tp=economic_bulletin&&vw=5))

**Comments:** Researcher: n/a

**Peer Reviewer**  
**Opinion:** Agree

**IYRs-4:** If the IYRs are published, what is the URL or weblink of the IYRs? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should mark this question "n/a." Researchers should provide the weblink to the most recent In-Year Report in the space below, and – in the comment box underneath – the weblinks to older IYRs.

**Answer:** 1) [https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-07%20\(Mid%20July\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-07%20(Mid%20July).pdf) 2) [http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_April\)-new.pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_April)-new.pdf) 3) [http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_January\).pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_January).pdf) 4) [http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2015-07\\_\(Mid\\_July\).pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2015-07_(Mid_July).pdf)

**Sources:** [https://www.nrb.org.np/red/publica.php?tp=economic\\_bulletin&&vw=5](https://www.nrb.org.np/red/publica.php?tp=economic_bulletin&&vw=5) ([https://www.nrb.org.np/red/publica.php?tp=economic\\_bulletin&&vw=5](https://www.nrb.org.np/red/publica.php?tp=economic_bulletin&&vw=5))

**Comments:** Researcher: n/a

**Peer Reviewer**  
**Opinion:** Agree

**IYRs-5:** If the IYRs are published, are the numerical data contained in the IYRs available in a machine readable format?

- a. Yes, all of the numerical data are available in a machine readable format
- b. Yes, some of the numerical data are available in a machine readable format
- c. No
- d. Not applicable

**Answer:** c.

**Sources:** [http://nrb.org.np/red/publica.php?tp=economic\\_bulletin&&vw=5](http://nrb.org.np/red/publica.php?tp=economic_bulletin&&vw=5) ([http://nrb.org.np/red/publica.php?tp=economic\\_bulletin&&vw=5](http://nrb.org.np/red/publica.php?tp=economic_bulletin&&vw=5)) 1)  
[https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...)  
([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-07%20\(Mid%20July\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-07%20(Mid%20July).pdf)) 2)  
[http://nrb.org.np/red/publications/economic\\_bulletin/Quarter...](http://nrb.org.np/red/publications/economic_bulletin/Quarter...)  
([http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_April\)-new.pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_April)-new.pdf)) 3)  
[http://nrb.org.np/red/publications/economic\\_bulletin/Quarter...](http://nrb.org.np/red/publications/economic_bulletin/Quarter...)  
([http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_January\).pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_January).pdf)) 4)  
[http://nrb.org.np/red/publications/economic\\_bulletin/Quarter...](http://nrb.org.np/red/publications/economic_bulletin/Quarter...)  
([http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2015-07\\_\(Mid\\_July\).pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2015-07_(Mid_July).pdf))

**Peer Reviewer**

**Opinion:** Agree

**IYRs-6a:** If the IYRs are not publicly available, are they still produced?

- a. Produced but made available online to the public too late (published after the acceptable time frame)
- b. Produced but made available only in hard copy or soft copy (not available online)
- c. Produced for internal purposes/use only
- d. Not produced at all
- e. Not applicable (the document is publicly available)

**Answer:** e.

**Sources:** [http://nrb.org.np/red/publica.php?tp=economic\\_bulletin&&vw=5](http://nrb.org.np/red/publica.php?tp=economic_bulletin&&vw=5) ([http://nrb.org.np/red/publica.php?tp=economic\\_bulletin&&vw=5](http://nrb.org.np/red/publica.php?tp=economic_bulletin&&vw=5)) 1)  
[https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...)  
([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-07%20\(Mid%20July\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-07%20(Mid%20July).pdf)) 2)  
[http://nrb.org.np/red/publications/economic\\_bulletin/Quarter...](http://nrb.org.np/red/publications/economic_bulletin/Quarter...)  
([http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_April\)-new.pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_April)-new.pdf)) 3)  
[http://nrb.org.np/red/publications/economic\\_bulletin/Quarter...](http://nrb.org.np/red/publications/economic_bulletin/Quarter...)  
([http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_January\).pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_January).pdf)) 4)  
[http://nrb.org.np/red/publications/economic\\_bulletin/Quarter...](http://nrb.org.np/red/publications/economic_bulletin/Quarter...)  
([http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2015-07\\_\(Mid\\_July\).pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2015-07_(Mid_July).pdf))  
**Comments:** Researcher: They are made public to website

**Peer Reviewer**

**Opinion:** Agree

**IYRs-6b:** If you selected option “c” or “d” in question IYRs-6a above, please specify how you determined whether the IYRs were produced for internal use only, versus not produced at all. If option “a,” “b,” or “e” was selected in question IYRs-6a, researchers should mark this question “n/a.”

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**IYRs-7:** If the IYRs are produced, please write the full title of the IYRs. If In-Year Reports are not produced at all, researchers should mark this question “n/a.” Researchers should provide the full title of the most recent In-Year Report in the space below, and – in the comment box underneath – the full titles of older IYRs.

**Answer:** Nepal Rastra Bank Quarterly Economic Bulletin vol 50 Mid July 2016 Nepal Rastra Bank Quarterly Economic Bulletin vol 50 Mid April 2016  
Nepal Rastra Bank Quarterly Economic Bulletin Vol 50 Mid January 2016 Nepal Rastra Bank Quarterly Economic Bulletin vol 50 Mid October 2015  
Nepal Rastra Bank Quarterly Economic Bulletin Vol 49 Mid July 2015

**Sources:** [https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-07%20\(Mid%20July\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-07%20(Mid%20July).pdf)  
[http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_April\)-new.pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_April)-new.pdf)  
[http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_January\).pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_January).pdf)  
[http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2015-10\\_\(Mid\\_October\).pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2015-10_(Mid_October).pdf)  
[http://nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2015-07\\_\(Mid\\_July\).pdf](http://nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2015-07_(Mid_July).pdf)

**Comments:** Researcher: Quarterly Published the economic bulletin by central bank of Nepal.

**Peer Reviewer**

**Opinion:** Agree

**IYRs-8:** Is there a “citizens version” of the IYRs?

- a. Yes
- b. No

**Answer:** b.

**Sources:** Consultation with information officer

**Comments:** Researcher: No any Budget related documents are in citizen version.

**Peer Reviewer**

**Opinion:** Agree

**MYR-1:** What is the fiscal year of the MYR evaluated in this Open Budget Survey questionnaire? Please enter the fiscal year in the following format: “FY YYYY” or “FY YYYY-YY.”

**Answer:** FY 2015-16

**Sources:** [http://www.mof.gov.np/en/document/index.php?page\\_no=2](http://www.mof.gov.np/en/document/index.php?page_no=2) ([http://www.mof.gov.np/en/document/index.php?page\\_no=2](http://www.mof.gov.np/en/document/index.php?page_no=2))

**Comments:** Researcher: The MYR for 2016-17 will be published after January as schedule by the MOF. Since our fiscal year start from mid July.

**Peer Reviewer**

**Opinion:** Agree

**MYR-2:** When is the MYR made available to the public?

- a. (100) Six weeks or less after the midpoint
- b. (67) Nine weeks or less, but more than six weeks, after the midpoint
- c. (33) More than nine weeks, but less than three months, after the midpoint
- d. (0) The MYR is not released to the public, or is released more than three months after the midpoint

**Answer:** a. (100)

**Sources:** <http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...>

(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>)

**Comments:** Researcher: The report is in Nepali version.

**Peer Reviewer**

**Opinion:** Agree

**MYR-3a:** If the MYR is published, what is the date of publication of the MYR? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. Please enter the date in the following format: "DD Month YYYY." For example, 5 September 2016 should be entered as 05 September 2016. If the document is not published or not produced, please mark this question "n/a."

**Answer:** 18 Feb 2016

**Sources:** <http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...>

(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**MYR-3b:** In the box below, please explain how you determined the date of publication of the MYR. If the document is not published at all, researchers should mark this question "n/a."

**Answer:** The date is publication is mentioned at the top of the report posted in MOF website.

**Sources:** <http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...>

(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**MYR-4:** If the MYR is published, what is the URL or weblink of the MYR? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should mark this question "n/a."

**Answer:** <http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...>

(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>

**Sources:** <http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...>

(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**MYR-5:** If the MYR is published, are the numerical data contained in the MYR available in a machine readable format?

- a. Yes, all of the numerical data are available in a machine readable format
- b. Yes, some of the numerical data are available in a machine readable format
- c. No
- d. Not applicable

**Answer:** c.

**Sources:** <http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...>

(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>

**Comments:** Researcher: The Report is published but it is in PDF format.

**Peer Reviewer**

**Opinion:** Agree

**MYR-6a:** If the MYR is not publicly available, is it still produced?

- a. Produced but made available online to the public too late (published after the acceptable time frame)
- b. Produced but made available only in hard copy or soft copy (not available online)
- c. Produced for internal purposes/use only
- d. Not produced at all
- e. Not applicable (the document is publicly available)

**Answer:** e.

**Sources:** <http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...>

(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>

**Comments:** Researcher: Available through the MOF website. Specifically the report has also analyzed macroeconomic and financial status (economic growth, inflation, foreign exchange reserve, total internal borrowing, banks and financial institutions, cash flow and monetary scenario, foreign trade and balance of payment, collateral and insurance business), implementation status of key policy and programmes (Election Commission, anti-graft constitutional body, Prime Minister's Office etc), progress status of national pride projects, public expenditure management and analysis (annual budget allocation, status of ministry/agency-wise expenditure, status of functional expenditure, priority-wise expenditure status, status of expenditure on strategic pillars, status of projects operated on foreign aid and assistance, amended assumptions of expenditure and its bases). In addition, the review also touches on resource management (status of revenue collection, revenue related main functions of the fiscal year, challenges faced during revenue collection), management of foreign aid (current status of foreign aid, major achievements made during review period, major challenges surfaced in course of aid management and implementation and measures for reforms on aid mobilization) and efforts and major achievements made for the implementation of budget. The MYR includes revised budget estimates and priorities. Specifically the document has encompassed the revised estimates of overall expenditure and resources for the second part of the fiscal year. Among others are estimates of recurrent expenses, Capital expenses and financial management.

**Peer Reviewer**

**Opinion:** Agree

**MYR-6b:** If you selected option "c" or "d" in question MYR-6a above, please specify how you determined whether the MYR was produced for internal use only, versus not produced at all. If option "a," "b," or "e" was selected in question MYR-6a, researchers should mark this question "n/a."

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**MYR-7:** If the MYR is produced, please write the full title of the MYR. If the document is not produced at all, researchers should mark this question "n/a."

**Answer:** Arthik Barsha (2072/73) ko Budget Madhyabadi Samikshya Pratibedan(Mid- Year Report -2015/16)

**Sources:** <http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...>

(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**MYR-8:** Is there a "citizens version" of the MYR?

- a. Yes
- b. No

**Answer:** b.

**Sources:** The Spokesperson and Information Officer Mukunda Prasad Poudyal.

**Comments:** Researcher: There is no practice of making citizen budget.

**Peer Reviewer**

**Opinion:** Agree

**YER-1:** What is the fiscal year of the YER evaluated in this Open Budget Survey questionnaire? Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

**Answer:** FY 2014/15

**Sources:** Nepal Budget year 2071-72 refers to FY 16 July 2014 - 15 July 2015.

**Comments:** Researcher: Ministry-wise Progress Report for FY 2014/5 <http://www.mof.gov.np/uploads/document/file/Progress%20Final...> ([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) Consolidated Financial Statement 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)

**Peer Reviewer**

**Opinion:** Agree

**YER-2:** When is the YER made available to the public?

- a. (100) Six months or less after the end of the budget year
- b. (67) Nine months or less, but more than six months, after the end of the budget year
- c. (33) More than nine months, but within 12 months, after the end of the budget year
- d. (0) The YER is not released to the public, or is released more than 12 months after the end of the budget year

**Answer:** a. (100)

**Sources:** The Ministry-wise Progress report FY 2014/15 was published within 6 months of the end of the fiscal year 2014/15.

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**YER-3a:** If the YER is published, what is the date of publication of the YER? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. Please enter the date in the following format: "DD Month YYYY." For example, 5 September 2016 should be entered as 05 September 2016. If the document is not published or not produced, please mark this question "n/a."

**Answer:** 2 December 2015 4 July 2016

**Sources:** Ministry-wise Progress Report for FY 2014/5 <http://www.mof.gov.np/uploads/document/file/Progress%20Final...> ([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) Consolidated Financial Statement 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**YER-3b:** In the box below, please explain how you determined the date of publication of the YER. If the document is not published at all, researchers should mark this question "n/a."

**Answer:** The date of publication is at the top of the report posted on MOF website.

**Sources:** Ministry-wise Progress Report for FY 2014/5 <http://www.mof.gov.np/uploads/document/file/Progress%20Final...> ([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) Consolidated Financial Statement 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)

**Comments:** Researcher: n/a

**Peer Reviewer**  
**Opinion:** Agree

**YER-4:** If the YER is published, what is the URL or weblink of the YER? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should mark this question “n/a.”

**Answer:** Ministry-wise Progress Report for FY 2014/5 <http://www.mof.gov.np/uploads/document/file/Progress%20Final...>  
([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) Consolidated Financial Statement 2014/15  
<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)

**Sources:** Ministry of Finance of Nepal. Financial Comptroller General Office.  
**Comments:** Researcher: n/a

**Peer Reviewer**  
**Opinion:** Agree

**YER-5:** If the YER is published, are the numerical data contained in the YER available in a machine readable format?

- a. Yes, all of the numerical data are available in a machine readable
- b. Yes, some of the numerical data are available in a machine readable format
- c. No
- d. Not applicable

**Answer:** c.

**Sources:** The reports are available only in .PDF format  
**Comments:** Researcher: The report is published but it is in PDF format.

**Peer Reviewer**  
**Opinion:** Agree

**YER-6a:** If the YER is not publicly available, is it still produced?

- a. Produced but made available online to the public too late (published after the acceptable time frame)
- b. Produced but made available only in hard copy or soft copy (not available online)
- c. Produced for internal purposes/use only
- d. Not produced at all
- e. Not applicable (the document is publicly available)

**Answer:** e.

**Sources:** Ministry-wise Progress Report for FY 2014/5 <http://www.mof.gov.np/uploads/document/file/Progress%20Final...>  
([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) Consolidated Financial Statement 2014/15  
<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)  
**Comments:** Researcher: The document is publicly available through MOF website.

**Peer Reviewer**  
**Opinion:** Agree with Comments

**Comments:** Another year end report is also produced but is not available online.

**YER-6b:** If you selected option “c” or “d” in question YER-6a above, please specify how you determined whether the YER was produced for internal use only, versus not produced at all. If option “a,” “b,” or “e” was selected in question YER-6a, researchers should mark this question “n/a.”

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**YER-7:** If the YER is produced, please write the full title of the YER. If the document is not produced at all, researchers should mark this question "n/a."

**Answer:** Arthik Barsha 2072/73 Ko Mantralayagat Pragati Bibaran (Ministry Wise Progress Report of F/Y 2014/15) Consolidated Financial Statement 2014-15.

**Sources:** Minsitry-wise Progress Report for FY 2014/5 <http://www.mof.gov.np/uploads/document/file/Progress%20Final...> ([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) Consolidated Financial Statement 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree with Comments

**Comments:** There is one more report published by the Ministry of Finance that could potentially qualify for the Year End Report. Name: Ministry-wise Progress Report 2014/15 Link: <http://www.mof.gov.np/uploads/document/file/Progress> (<http://www.mof.gov.np/uploads/document/file/Progress>) Final 2071-72\_20150712015656.pdf Date of Publication: This report is published after the budget speech which takes place in the month of May 2016. This will have the actual budget spending for 2014-2015 and 8 months of progress of current budget year. The actual date when its online is exactly not known and I have received multiple answers from the government official but it is always after the budget speech. Content: It does have aggregate data spent by each ministry (segregated by capital and current budget function/department under ministry of finance) and also has updates on project progress. However revenue is only mentioned for the budget year underway. It does not have information on revenue. It has information what was budgeted and what was spent (actual) and for 8 months of the budget year that's underway. Each chapter is divided by ministry where actual spending of 2014-15 is presented. It has months actual budget for the previous budget year and 8 months of the current budget year.

**YER-8:** Is there a "citizens version" of the YER?

a. Yes

b. No

**Answer:** b.

**Sources:** MOF Spokesperson nad Information Officer Mukunda Prasad Poudyal.

**Comments:** Researcher: There is no practice of Citizen version in Nepal.

**Peer Reviewer**

**Opinion:** Agree

**AR-1:** What is the fiscal year of the AR evaluated in this Open Budget Survey questionnaire? Please enter the fiscal year in the following format: "FY YYYY" or "FY YYYY-YY."

**Answer:** FY 2014-15

**Sources:** <http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0...>

(<http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%A4%BE%E0%A4%B2%E0%A5%87%E0%A4%96%E0%A4%BE%20%E0%A4%>)

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**AR-2:** When is the AR made available to the public?

a. (100) Six months or less after the end of the budget year

b. (67) 12 months or less, but more than six months, after the end of the budget year

- c. (33) More than 12 months, but within 18 months, after the end of the budget year  
d. (0) Does not release to the public, or is released more than 18 months after the end of the budget year

**Answer:** b. (67)

**Sources:** <http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%...>

(<http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%A4%BE%E0%A4%B2%E0%A5%87%E0%A4%96%E0%A4%BE%20%E0%A4%>

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**AR-3a:** If the AR is published, what is the date of publication of the AR? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. Please enter the date in the following format: "DD Month YYYY." For example, 5 September 2016 should be entered as 05 September 2016. If the document is not published or not produced, please mark this question "n/a."

**Answer:** 11 April 2016

**Sources:** From the website of Office of Auditor General, Nepal

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**AR-3b:** In the box below, please explain how you determined the date of publication of the AR. If the document is not published at all, researchers should mark this question "n/a."

**Answer:** From the website of Office of Auditor General, Nepal

**Sources:** <http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%...>

(<http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%A4%BE%E0%A4%B2%E0%A5%87%E0%A4%96%E0%A4%BE%20%E0%A4%>

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**AR-4:** If the AR is published, what is the URL or weblink of the AR? Researchers should respond to this question if the document is published either within the time frame accepted by the OBS methodology or too late. If the document is not published at all, researchers should mark this question "n/a."

**Answer:** <http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%...>

(<http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%A4%BE%E0%A4%B2%E0%A5%87%E0%A4%96%E0%A4%BE%20%E0%A4%>

**Sources:** From OAG officials.

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**AR-5:** If the AR is published, are the numerical data contained in the AR available in a machine readable format?

- a. Yes, all of the numerical data are available in a machine readable format  
b. Yes, some of the numerical data are available in a machine readable format  
c. No  
d. Not applicable

**Answer:** c.

**Sources:** <http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%...>

(<http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%A4%BE%E0%A4%B2%E0%A5%87%E0%A4%96%E0%A4%BE%20%E0%A4%>

**Comments:** Researcher: The Report is available in the website but in PDF format.

**Peer Reviewer**

**Opinion:** Agree

**AR-6a:** If the AR is not publicly available, is it still produced?

a. Produced but made available online to the public too late (published after the acceptable time frame)

b. Produced but made available only in hard copy or soft copy (not available online)

c. Produced for internal purposes/use only

d. Not produced at all

e. Not applicable (the document is publicly available)

**Answer:** e.

**Sources:** <http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%...>

(<http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%A4%BE%E0%A4%B2%E0%A5%87%E0%A4%96%E0%A4%BE%20%E0%A4%>

**Comments:** Researcher: Report is publicly available through website.

**Peer Reviewer**

**Opinion:** Agree

**AR-6b:** If you selected option “c” or “d” in question AR-6a above, please specify how you determined whether the AR was produced for internal use only, versus not produced at all. If option “a,” “b,” or “e” was selected in question AR-6a, researchers should mark this question “n/a.”

**Answer:** n/a

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**AR-7:** If the AR is produced, please write the full title of the AR. If the document is not produced at all, researchers should mark this question “n/a.”

**Answer:** Mahalekhariksiyak ko Tripannau Barshik Pratibedan 2072(53 rd edition of Annual report of Auditor's General)

**Sources:** <http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%...>

(<http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%A4%BE%E0%A4%B2%E0%A5%87%E0%A4%96%E0%A4%BE%20%E0%A4%>

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**AR-8:** Is there a “citizens version” of the AR?

a. Yes

b. No

**Answer:** b.

**Sources:** <http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%...>

(<http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%A4%BE%E0%A4%B2%E0%A5%87%E0%A4%96%E0%A4%BE%20%E0%A4%>

**Comments:** Researcher: There is no practice of Citizen version.

**Peer Reviewer**

**Opinion:** Agree

**GQ-1a:** Are there one or more websites or web portals for disseminating government fiscal information? If yes, please provide the necessary links in the comment/citation.

**a.** Yes

**b.** No

**Answer:** a.

**Sources:** [http://www.mof.gov.np/en/document/index.php?page\\_no=4](http://www.mof.gov.np/en/document/index.php?page_no=4) ([http://www.mof.gov.np/en/document/index.php?page\\_no=4](http://www.mof.gov.np/en/document/index.php?page_no=4))

**Comments:** Researcher: The government is preparing the web portal to disclose all types of government related information including fiscal.but it has yet to come into operation.

**Peer Reviewer**

**Opinion:** Agree

**GQ-1b:** On these websites/portals, can revenue and expenditure data for the current fiscal year be downloaded as a consolidated file (or set of files)? If yes, please provide the necessary links in the comment/citation.

**a.** Yes

**b.** No

**Answer:** a.

**Sources:** [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...)

([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf))

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**GQ-1c:** On these websites/portals, can consolidated revenue and expenditure data be downloaded for multiple years in consistent formats? If yes, please provide the necessary links and details in the comment/citation.

**a.** Yes

**b.** No

**Answer:** a.

**Sources:** [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...)

([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf))

**Comments:** Researcher: The Red Book has presented the revenue and expenditure of 3 fiscal years 2014-15,2015-16.2016-17.

**Peer Reviewer**

**Opinion:** Agree

**GQ-1d:** On these websites/portals, are infographics/visualizations or other similar tools used to simplify data access and analysis? If yes, please provide the necessary links and details in the comment/citation.

**a.** Yes

**b.** No

**Answer:** b.

**Sources:** Information officer and spokesperson of MOF Mukunda Prasad Poudyal, [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...) ([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20FY2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20FY2016-17_20160912045153.pdf))

**Comments:** Researcher: The aid management platform has presented the graphs and charts of aid disbursement and flow but the ministry website as such does not present such info graphs of budgetary data to facilitate citizen understanding on budget.

**Peer Reviewer**

**Opinion:** Agree

**GQ-2:** Are there laws in place guiding public financial management and/or auditing? If yes, please provide the necessary details and links in the comment/citation, and specify whether and where the law(s) contains specific provisions for budget transparency and/or participation.

a. Yes

b. No

**Answer:** b.

**Sources:** <http://www.oagnep.gov.np/downloadfile/CPA%20Karyabedi%20%202...> ([http://www.oagnep.gov.np/downloadfile/CPA%20Karyabedi%20%202073\\_1466321850.pdf](http://www.oagnep.gov.np/downloadfile/CPA%20Karyabedi%20%202073_1466321850.pdf)) <http://nhsp.org.np/wp-content/uploads/2016/08/Local-Level-An...> (<http://nhsp.org.np/wp-content/uploads/2016/08/Local-Level-Annual-Planning-Process.pdf>)

**Comments:** Researcher: The recently released the CPA workprocedure 2073 B.S. has identified and stipulated people's participation in audit process.

**Peer Reviewer**

**Opinion:** Agree

**GQ-3:** Are there additional laws regulating: (1) access to information; (2) government transparency; or (3) citizens participation? If yes, please provide the necessary details and links in the comment/citation, and specify whether and where these laws contain specific provisions for budget transparency and/or participation.

a. Yes

b. No

**Answer:** a.

**Sources:** <http://www.moic.gov.np/acts-regulations/right-to-information...> (<http://www.moic.gov.np/acts-regulations/right-to-information-act.pdf>) <http://www.gogofoundation.org/downloads/Good%20Governance%20...> (<http://www.gogofoundation.org/downloads/Good%20Governance%20Act-2006.pdf>)

**Comments:** Researcher: Though these acts do not directly relate to people participation in the budget process, the Right to Information Act and Good Governance Act do offer opportunities for public to obtain information and demand good governance from public agencies. Article 20 of Good Governance Act also has the provision for consultation with civil society or stakeholders while implementing the matters of public concern.

**Peer Reviewer**

**Opinion:** Disagree

**Suggested answer:** a.

**Comments:** The researcher rightly has cited two acts, Right to Information Act and Good Governance Act which would then mean that the answer to this question would be "a".

**1:** Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the budget year that are classified by administrative unit (that is, by ministry, department, or agency)?

a. (100) Yes, administrative units accounting for all expenditures are presented.

b. (67) Yes, administrative units accounting for at least two-thirds of, but not all, expenditures are presented.

c. (33) Yes, administrative units accounting for less than two-thirds of expenditures are presented.

d. (0) No, expenditures are not presented by administrative unit.

e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Budget Speech presents summary of the expenditure for the budget year that are classified by administrative units in its annex. Annex 7, pp.14-17 Budget Speech [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Comments:** Researcher: In addition, the Red Book-2016 also presents sufficient details of expenditure for all administrative units. Red Book for fiscal year 2016-17 [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...)  
([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20fy2016-17_20160912045153.pdf))

**Peer Reviewer**

**Opinion:** Agree

**2: Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the budget year by functional classification?**

- a. (100) Yes, expenditures are presented by functional classification.
- b. (0) No, expenditures are not presented by functional classification.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Budget Speech for Fiscal Year 2016-17 have presented the expenditure by functional classification. For instance the classification includes general public service, defense, public order and safety, economic affairs, environmental protection, housing and community amenities, education, social protection. The annex 5 of the Budget Speech presents the actual expenditure of 2014-15, revised expenditure of 2015-16 and estimates for 2016-17. Budget Speech: [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) Annex 5, pp. 8-9

**Comments:** Researcher: In addition to the citation noted above for Budget Speech, the Red Book also provides the relevant information in Annex 1 under the title 'Service and Functional Details (including Financing)' Red Book Report 25, Page 1/8  
[http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...)  
([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20fy2016-17_20160912045153.pdf))

**Peer Reviewer**

**Opinion:** Agree

**3: If the Executive's Budget Proposal or any supporting budget documentation presents expenditures for the budget year by functional classification, is the functional classification compatible with international standards?**

- a. (100) Yes, the functional classification is compatible with international standards.
- b. (0) No, the functional classification is not compatible with international standards, or expenditures are not presented by functional classification.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The functional classification presented in the Budget Speech is assessed as being consistent with the international standard, Budget Speech [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) Annex 5. pp 8-9

**Comments:** Researcher: According to Under Secretary at MoF Budget Formulation Division, Iswori Aryal, the present classification meet the GFS 2001 Standards of IMF Note, functional classification data are also provided in the Red Book Annex 1, Report 25; pp. 1/8--8/8 Red Book  
[http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...)  
([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20fy2016-17_20160912045153.pdf))

**Peer Reviewer**

**Opinion:** Agree

**4: Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the budget year by economic classification?**

- a. (100) Yes, expenditures are presented by economic classification.
- b. (0) No, expenditures are not presented by economic classification.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Annex 8 and 9 of the Budget Speech for the fiscal year 2016-17 has presented the expenditure by economic classification such as wages and salaries in cash and kind, grants to local bodies, grants to social service and social security, among others. Annex 8, pp.18-22 Annex 9, pp.23-24 Budget Speech [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**  
**Opinion:** Agree

**5: If the Executive's Budget Proposal or any supporting budget documentation presents expenditures for the budget year by economic classification, is the economic classification compatible with international standards?**

- a. (100) Yes, the economic classification is compatible with international standards.
- b. (0) No, the economic classification is not compatible with international standards, or expenditures are not presented by economic classification.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The economic classifications of expenditure specified in the Executive Budget Proposal (Budget Speech) is compatible to the international standards. The classifications are assessed as being in line with the GFS system. Annex 6, pp.10-13 Budget Speech  
[http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)

([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Comments:** Researcher: In addition, the Red Book (also part of EBP documentation) also presents the economic classification data. Red Book Annex 2, Report 26, pp.1/4-4/4 [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...)

([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf))

**Peer Reviewer**  
**Opinion:** Agree

**6: Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for the budget year?**

- a. (100) Yes, programs accounting for all expenditures are presented.
- b. (67) Yes, programs accounting for at least two-thirds of, but not all, expenditures are presented.
- c. (33) Yes, programs accounting for less than two-thirds of expenditures are presented.
- d. (0) No, expenditures are not presented by program.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Red Book presents expenditure for individual programs for the fiscal year 2016-17 accounting for all expenditures. Program-level spending data are provided in presentation of expenditures for each administrative unit. Report No.23, pp.1/635-635/635 Red Book  
[http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...)

([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf))

**Comments:** Researcher: According to PFM expert Madhukar Upadhyay, the Annual Development Program of the National Planning Commission presents the expenditure of central level projects not of district level. However OBS only requires Central level Program data. District level program expenditure is presented in the document prepared by the respective District Development Committee.

**Peer Reviewer**  
**Opinion:** Agree

**7: Does the Executive's Budget Proposal or any supporting budget documentation present expenditure estimates for a multi-year period (at least two-years beyond the budget year) by any of the three expenditure classifications (by administrative, economic, or functional classification)?**

- a. (100) Yes, multi-year expenditure estimates are presented by all three expenditure classifications (by administrative, economic, and functional classification).
- b. (67) Yes, multi-year expenditure estimates are presented by two of the three expenditure classifications.
- c. (33) Yes, multi-year expenditure estimates are presented by only one of the three expenditure classifications.
- d. (0) No, multi-year expenditure estimates are not presented by any expenditure classification.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** EBP documentation (Red Book, Budget Speech or others) does not provide multi-year expenditure estimates for any of the 3 expenditure classifications.

**Comments:** Researcher: Although no expenditure data for multi-year horizon was found to be presented in the accepted EBP documentation, it is understood that Nepal has (in the past) employed a Medium Term Expenditure Framework (MTEF) process, but no recent MTEF documentation has been examined. Older MTEF document [http://prad-nepal.com/add\\_study/nepal\\_medium\\_exp\\_09.pdf](http://prad-nepal.com/add_study/nepal_medium_exp_09.pdf) ([http://prad-nepal.com/add\\_study/nepal\\_medium\\_exp\\_09.pdf](http://prad-nepal.com/add_study/nepal_medium_exp_09.pdf))

**Peer Reviewer**

**Opinion:** Agree

**8:** Does the Executive's Budget Proposal or any supporting budget documentation present expenditure estimates for a multi-year period (at least two-years beyond the budget year) by program?

- a. (100) Yes, multi-year estimates for programs accounting for all expenditures are presented.
- b. (67) Yes, multi-year estimates for programs accounting for at least two-thirds of, but not all, expenditures are presented.
- c. (33) Yes, multi-year estimates for programs accounting for less than two-thirds of expenditures are presented.
- d. (0) No, multi-year estimates for programs are not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** EBP documentation (including Red Book, Budget Speech or others) does not provide any multi-year expenditure estimates, including for program-level data.

**Peer Reviewer**

**Opinion:** Agree

**9:** Does the Executive's Budget Proposal or any supporting budget documentation present the individual sources of tax revenue (such as income tax or VAT) for the budget year?

- a. (100) Yes, individual sources of tax revenue accounting for all tax revenue are presented.
- b. (67) Yes, individual sources of tax revenue accounting for at least two-thirds of, but not all, tax revenues are presented.
- c. (33) Yes, individual sources of tax revenue accounting for less than two-thirds of all tax revenues are presented.
- d. (0) No, individual sources of tax revenue are not presented.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Budget Speech presents all sources of tax revenue. Annex 2, pp.2-5  
[http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**

**Opinion:** Agree

**10:** Does the Executive's Budget Proposal or any supporting budget documentation present the individual sources of non-tax revenue (such as grants, property income, and sales of government-produced goods and services) for the budget year?

- a. (100) Yes, individual sources of non-tax revenue accounting for all non-tax revenue are presented.
- b. (67) Yes, individual sources of non-tax revenue accounting for at least two-thirds of, but not all, non-tax revenues are presented.
- c. (33) Yes, individual sources of non-tax revenue accounting for less than two-thirds of all non-tax revenues are presented.
- d. (0) No, individual sources of non-tax revenue are not presented.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Annex 2 of Budget Speech presents individual sources of non-tax revenue such as property income (interests, dividends, rent and royalty, sales of goods and services, administrative fees and penalties etc) Budget Speech Annex 2, pp.2-5  
[http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**

**Opinion:** Agree

**11: Does the Executive's Budget Proposal or any supporting budget documentation present revenue estimates by category (such as tax and non-tax) for a multi-year period (at least two-years beyond the budget year)?**

- a. (100) Yes, multi-year estimates of revenue are presented by category.
- b. (0) No, multi-year estimates of revenue are not presented by category.
- c. Not applicable/other (please comment).

**Answer:** b.

**Sources:** No multi-year estimates of revenue are not presented by category.

**Comments:** Researcher: In the past, the Government of Nepal used to produce a Medium Term Expenditure Framework (MTEF), but it seems the practice is not in place this year around.

**Peer Reviewer**

**Opinion:** Agree

**12: Does the Executive's Budget Proposal or any supporting budget documentation present estimates for individual sources of revenue presented for a multi-year period (at least two-years beyond the budget year)?**

- a. (100) Yes, multi-year estimates for individual sources of revenue accounting for all revenue are presented.
- b. (67) Yes, multi-year estimates for individual sources of revenue accounting for at least two-thirds of, but not all, revenue are presented.
- c. (33) Yes, multi-year estimates for individual sources of revenue accounting for less than two-thirds of revenue are presented.
- d. (0) No, multi-year estimates for individual sources of revenue are not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** No multi-year estimates of revenue are not presented.

**Comments:** Researcher: In the past, the Government of Nepal used to produce a Medium Term Expenditure Framework (MTEF), but it seems the practice is not in place this year around.

**Peer Reviewer**

**Opinion:** Agree

**13: Does the Executive's Budget Proposal or any supporting budget documentation present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?**

- a. (100) Yes, all three estimates related to government borrowing and debt are presented.
- b. (67) Yes, two of the three estimates related to government borrowing and debt are presented.
- c. (33) Yes, one of the three estimates related to government borrowing and debt are presented.
- d. (0) No, none of the three estimates related to government borrowing and debt are not presented.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** Estimates for 2 of the 3 core elements is presented in EBP documentation. Interest payments for debt servicing for budget year: Budget Speech Annex 1: Budget Summary, p.1 or Red Book Annex 2: Expenditure Estimates by Line Item wise Details (Including Financing) Report 26, p.2/4 Net new borrowing for budget year: Budget Speech Annex 1: Budget Summary, p.1 or Annex 4: Financing Economic Overview, p.7 Budget Speech [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) Red Book [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...) ([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf))

**Comments:** Researcher: Note: Debt service data available in Red Book as cited above offers debt service (interest payments) broken down by domestic and foreign loans.

**Peer Reviewer**

**Opinion:** Agree

**14: Does the Executive's Budget Proposal or any supporting budget documentation present information related to the composition of the total debt outstanding at the end of the budget year? (The core information must include interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)**

- a. (100) Yes, information beyond the core elements is presented for the composition of the total debt outstanding.
- b. (67) Yes, the core information is presented for the composition of the total debt outstanding.
- c. (33) Yes, information is presented, but it excludes some core elements.
- d. (0) No, information related to composition of total debt outstanding is not presented.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** Government debt is classified as domestic and external loan. But the information on maturity profile and interest rates is not available. Budget Speech Annex 4: Financing Economic Overview, p.7 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**  
**Opinion:** Agree

**15: Does the Executive's Budget Proposal or any supporting budget documentation present information on the macroeconomic forecast upon which the budget projections are based? (The core information must include a discussion of the economic outlook with estimates of nominal GDP level, inflation rate, real GDP growth, and interest rates.)**

- a. (100) Yes, information beyond the core elements is presented for the macroeconomic forecast.
- b. (67) Yes, the core information is presented for the macroeconomic forecast.
- c. (33) Yes, information is presented, but it excludes some core elements.
- d. (0) No, information related to the macroeconomic forecast is not presented.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** EBP documentation provides information for some but not all of the core elements. There is a relatively extensive discussion of macroeconomic indicators for BY-1 (FY2015/16) in the Economic Survey. Table "Macroeconomic Indicators", p xx to xxv Economic Survey Fiscal Year 2015/16 There is also some mention of macroeconomic indicators for BY-1 (FY2015/16) in the Budget Speech, with some specific comments about economic growth expected to be 0.8% for the year (Point 7(b), p.2. However, there is relatively little presentation of information about the core macroeconomic indicators for the budget year (FY2016/17) Budget Speech, p.42 (Point 447): "Inflation rate will be contained within 7.5 percent through the use of fiscal, monetary and administrative measures. Nepal Rastra Bank, the central bank of Nepal, will introduce the monetary policy soon in order to support the implementation of this budget." Economic Survey 2015-16 <http://www.mof.gov.np/uploads/document/file/Economic%20Surve...> ([http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English\\_20160812062624.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English_20160812062624.pdf)) Budget Speech [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**  
**Opinion:** Agree

**16: Does the Executive's Budget Proposal or any supporting budget documentation show the impact of different macroeconomic assumptions (i.e., sensitivity analysis) on the budget? (The core information must include estimates of the impact on expenditures, revenue, and debt of different assumptions for the inflation rate, real GDP growth, and interest rates.)**

- a. (100) Yes, information beyond the core elements is presented to show the impact of different macroeconomic assumptions on the budget.
- b. (67) Yes, the core information is presented to show the impact of different macroeconomic assumptions on the budget.
- c. (33) Yes, information is presented, but it excludes some core elements.
- d. (0) No, information related to different macroeconomic assumptions is not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** There is no alternative budget forecasts based on alternative assumptions or scenarios for the underlying macroeconomics forecast.

**Peer Reviewer**  
**Opinion:** Agree

**17: Does the Executive's Budget Proposal or any supporting budget documentation present information for at least the budget year that shows how new policy proposals, as distinct from existing policies, affect expenditures?**

- a. (100) Yes, estimates that show how all new policy proposals affect expenditures are presented, along with a narrative discussion.
- b. (67) Yes, estimates that show how all new policy proposals affect expenditures are presented, but a narrative discussion is not included.
- c. (33) Yes, information that shows how some but not all new policy proposals affect expenditure is presented.
- d. (0) No, information that shows how new policy proposals affect expenditure is not presented.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** While presenting the Executive Budget Proposal the Finance Minister presents several existing and new sectoral policies and Programmes and also puts forth the resource management plan for the implementation of the measures. Point number 288,300,321 of the Budget Speech (p 29,30,31) presents the resource management plan. These new Policies measures affect the expenditures. measures affect the expenditure. . Annex 2 of the budget speech (p2) under the heading 'Receipts of Revenue and Grant Estimates' presents the new measures and its effect on revenue. Budget Speech for fiscal year 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**

**Opinion:** Agree

**18: Does the Executive's Budget Proposal or any supporting budget documentation present information for at least the budget year that shows how new policy proposals, as distinct from existing policies, affect revenues?**

- a. (100) Yes, estimates that show how all new policy proposals affect revenues are presented, along with a narrative discussion.
- b. (67) Yes, estimates that show how all new policy proposals affect revenues are presented, but a narrative discussion is not included.
- c. (33) Yes, information that shows how some but not all new policy proposals affect revenues are presented.
- d. (0) No, information that shows how new policy proposals affect revenues is not presented.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The annex 2 of the budget speech presented by the Minister for Finance to the parliament presents the existing and new measures under the heading of Receipts of Revenue and Grants Estimates. Items 397-445 pp38-42 Budget Speech for fiscal year 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**

**Opinion:** Disagree

**Suggested answer:** b.

**Comments:** A revenue policy is discussed in the Budget Speech that highlights new ways of tax and non-tax revenue processes that will be simplified. "Receipts of Revenue and Grants Estimate" that the researcher has quoted lists increased revenue under the heading "new measures" that shows increased revenues for line items. However it is difficult to connect which policy change might have brought about that increase. Also most of the revenue increase is attributed to tax processes reforms. For instance, "Revenue leakage will be controlled through policy and administrative reform. Capable and transparent tax system will be developed by bringing informal economy into the tax net. Tax reform initiatives will be further broadened and intensified in line with the spirit of "Clean administration: Fair Business" for enhanced mobilization of domestic resources."

**Researcher response:** Acknowledging Reviewer's comment that there may be some challenge in linking "specific" measures/steps taken as described in the narrative of Budget Speech to the specific amounts of revenue changes identified in the Annex table under column for "new measures", I still think the scope/presentation of both the narrative (in text of Budget Speech) and the revenue data presented (in Annex) is sufficient to support the "a" response originally selected, rather than changing to "b" that Peer Reviewer has advised. So no change to response required (from my perspective), though we do want to acknowledge the point made by Peer Reviewer.

**19: Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for the year preceding the budget year (BY-1) by any of the three expenditure classifications (by administrative, economic, or functional classification)?**

- a. (100) Yes, expenditure estimates for BY-1 are presented by all three expenditure classifications (by administrative, economic, and functional classification).
- b. (67) Yes, expenditure estimates for BY-1 are presented by two of the three expenditure classifications.
- c. (33) Yes, expenditure estimates for BY-1 are presented by only one of the three expenditure classifications.
- d. (0) No, expenditure estimates for BY-1 are not presented by any expenditure classification.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Budget Speech presents estimates for expenditures for BY-1 for all 3 expenditure classifications: Administrative classification: Annex 7, pp.14-17 Functional classification: Annex 5, pp. 8-9 Economic classification: Annex 8, pp.18-22 Table: Expenditure by Economic Heads and LineItem(Including Financing) Annex 9, pp.23-24 Table: Line-Item wise Estimates Budget Speech for fiscal year 2016-17

[http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)

**Peer Reviewer**

**Opinion:** Agree

**20:** Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for the year preceding the budget year (BY-1)?

- a. (100) Yes, programs accounting for all expenditures are presented for BY-1.
- b. (67) Yes, programs accounting for at least two-thirds of, but not all, expenditures are presented for BY-1.
- c. (33) Yes, programs accounting for less than two-thirds of expenditures are presented for BY-1.
- d. (0) No, expenditures are not presented by program for BY-1.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Red Book presents expenditure for individual programs for BY-1 (fiscal year 2015-16) accounting for all expenditures. Program-level spending data are provided in presentation of expenditures for each administrative unit. Report No.23, pp.1/635-635/635 Red Book  
[http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...)  
([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf))

**Peer Reviewer**

**Opinion:** Agree

**21:** In the Executive's Budget Proposal or any supporting budget documentation, have expenditure estimates of the year prior to the budget year (BY-1) been updated from the original enacted levels to reflect actual expenditures?

- a. (100) Yes, expenditure estimates for BY-1 have been updated from the original enacted levels.
- b. (0) No, expenditure estimates for BY-1 have not been updated from the original enacted levels.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** EBP documentation presents revised expenditure estimates for BY-1 (FY2015-16). This can be seen in both the Red Book and in Budget Speech sources. Budget Summary for Appropriated Items in the Red Book (Report Number 34). Red Book  
[http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...)  
([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf)) Similarly Annex 5, Annex 7, Annex 8 and Annex 9 of the Budget Speech show revised expenditure estimates for BY-1 (2015-16). Budget Speech for fiscal year 2016-17  
[http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**

**Opinion:** Agree

**22:** Does the Executive's Budget Proposal or any supporting budget documentation present estimates of expenditure for more than one year prior to the budget year (that is, BY-2 and prior years) by any of the three expenditure classifications (by administrative, economic, or functional classification)?

- a. (100) Yes, expenditure estimates for BY-2 and prior years are presented by all three expenditure classifications (by administrative, economic, and functional classification).
- b. (67) Yes, expenditure estimates for BY-2 and prior years are presented by two of the three expenditure classifications.
- c. (33) Yes, expenditure estimates for BY-2 and prior years are presented by only one of the three expenditure classifications.
- d. (0) No, expenditure estimates for BY-2 and prior years are not presented by any expenditure classification.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Budget Speech presents (actual) expenditures for BY-2 for all 3 expenditure classifications: Administrative classification: Annex 7, pp.14-17 Functional classification: Annex 5, pp. 8-9 Economic classification: Annex 8, pp.18-22 Table: Expenditure by Economic Heads and LineItem(Including Financing) Annex 9, pp.23-24 Table: Line-Item wise Estimates Budget Speech for fiscal year 2016-17  
[http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**  
**Opinion:** Agree

**23:** Does the Executive's Budget Proposal or any supporting budget documentation present expenditures for individual programs for more than one year preceding the budget year (that is, BY-2 and prior years)?

- a. (100) Yes, programs accounting for all expenditures are presented for BY-2 and prior years.
- b. (67) Yes, programs accounting for at Least two-Thirds of, but not all, expenditures are presented for BY-2 and prior years.
- c. (33) Yes, programs accounting for less than two-Thirds of expenditures are presented for BY-2 and prior years.
- d. (0) No, not expenditures are presented by program for BY-2 and prior years.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Red Book presents expenditure for individual programs for BY-2 (fiscal year 2014-15) accounting for all expenditures. Program-level spending data are provided in presentation of expenditures for each administrative unit. Report No.23, pp.1/635-635/635 Red Book [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...)  
([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20FY2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20FY2016-17_20160912045153.pdf))

**Peer Reviewer**  
**Opinion:** Agree

**24:** In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which all expenditures reflect actual outcomes?

- a. (100) Two years prior to the budget year (BY-2).
- b. (67) Three years prior to the budget year (BY-3).
- c. (33) Before BY-3.
- d. (0) No actual data for all expenditures are presented in the budget or supporting budget documentation.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** EBP documentation presents actual expenditure data for BY-2. For example, the Budget Speech presents actual expenditures for BY-2 for all 3 expenditure classifications: Administrative classification: Annex 7, pp.14-17 Functional classification: Annex 5, pp. 8-9 Economic classification: Annex 8, pp.18-22 Table: Expenditure by Economic Heads and LineItem(Including Financing) Annex 9, pp.23-24 Table: Line-Item wise Estimates Budget Speech for fiscal year 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**  
**Opinion:** Agree

**25:** Does the Executive's Budget Proposal or any supporting budget documentation present revenue by category (such as tax and non-tax) for the year preceding the budget year (BY-1)?

- a. (100) Yes, revenue estimates for BY-1 are presented by category.
- b. (0) No, revenue estimates for BY-1 are not presented by category.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Annex 1 of the Budget Speech presents information about (revised) revenue estimates for BY-1 (Fiscal Year 2015-16). Annex 1 includes information for categories including tax revenue and non-tax revenue. Annex 1, p.1 Table: Budget Summary 2016-17 Budget Speech for fiscal year 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**  
**Opinion:** Agree

**26: Does the Executive's Budget Proposal or any supporting budget documentation present individual sources of revenue for the year preceding the budget year (BY-1)?**

- a. (100) Yes, individual sources of revenue accounting for all revenue are presented for BY-1.
- b. (67) Yes, individual sources of revenue accounting for at least two-thirds of, but not all, revenue for BY-1 are presented.
- c. (33) Yes, individual sources of revenue accounting for less than two-thirds of all revenues for BY-1 are presented.
- d. (0) No, individual sources of revenue are not presented for BY-1.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Annex 2 of the Budget Speech (p 2-5) presents the more disaggregated level of information, including data for BY-1 (FY2015-16) It includes the revenue headings such as taxes (taxes on income, profit and goods and services, capital grants, investment and other income, pay roll and work force, property, financial and capital transactions, international trade and transactions, grants from foreign governments), non-tax revenue (property income, sales of goods and services, administrative fees, penalties etc). Annex 2, pp.2-5 Table: Receipts of Revenue and Grants Estimate Budget Speech for fiscal year 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**

**Opinion:** Agree

**27: In the Executive's Budget Proposal or any supporting budget documentation, have the original estimates of revenue for the year prior to the budget year (BY-1) been updated to reflect actual revenue collections?**

- a. (100) Yes, revenue estimates for BY-1 have been updated from the original enacted levels.
- b. (0) No, revenue estimates for BY-1 have not been updated from the original enacted levels.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Annex 2 of the Budget Speech presents revised revenue estimates for BY-1 (FY2015-16). Annex 2, pp.2-5 Table: Receipts of Revenue and Grants Estimate Budget Speech for fiscal year 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**

**Opinion:** Agree

**28: Does the Executive's Budget Proposal or any supporting budget documentation present revenue estimates by category (such as tax and non-tax) for more than one year prior to the budget year (that is, BY-2 and prior years)?**

- a. (100) Yes, revenue estimates for BY-2 and prior years are presented by category.
- b. (0) No, revenue estimates for BY-2 and prior years are not presented by category.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Annex 1 of the Budget Speech presents (actual) revenue data for broad categories such as tax, non-tax and grant revenues for BY-2 (FY2014-15). Annex 1, p.1 Table: Budget Summary Budget Speech for fiscal year 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**

**Opinion:** Agree

**29: Does the Executive's Budget Proposal or any supporting budget documentation present individual sources of revenue for more than one year prior to the budget year (that is, BY-2 and prior years)?**

- a. (100) Yes, individual sources of revenue accounting for all revenue are presented for BY-2 and prior years.
- b. (67) Yes, individual sources of revenue accounting for at least two-thirds of, but not all, revenue are presented for BY-2 and prior years.
- c. (33) Yes, individual sources of revenue accounting for less than two-thirds of all revenues are presented for BY-2 and prior years.
- d. (0) No, individual sources of revenue are not presented for BY-2 and prior years.

e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Annex 2 of the Budget Speech presents (actual) revenue data for individual sources of revenue for BY-2 (FY2014-15). Annex 2, pp.2-5 Table: Receipts of Revenue and Grants Estimate Budget Speech for fiscal year 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**

**Opinion:** Agree

**30:** In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which all revenues reflect actual outcomes?

- a. (100) Two years prior to the budget year (BY-2).
- b. (67) Three years prior to the budget year (BY-3).
- c. (33) Before BY-3.
- d. (0) No actual data for all revenues are presented in the budget or supporting budget documentation.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Both Annex 1 and Annex 2 of the Budget Speech present actual revenue data for BY-2 (FY2014-15). Annex 1, p.1 Table: Budget Summary Annex 2, pp.2-5 Table: Receipts of Revenue and Grants Estimate Budget Speech for fiscal year 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**

**Opinion:** Agree

**31:** Does the Executive's Budget Proposal or any supporting budget documentation present information on government borrowing and debt, including its composition, for the year proceeding the budget year (BY-1)? (The core information must include the total debt outstanding at the end of BY-1; the amount of net new borrowing required during BY-1; interest payments on the debt; interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)

- a. (100) Yes, information beyond the core elements is presented for government debt.
- b. (67) Yes, the core information is presented for government debt.
- c. (33) Yes, information is presented, but it excludes some core elements.
- d. (0) No, information related to government debt is not presented.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** The Budget Speech, Red Book and Economic Survey all provide relevant information. 1. Total debt outstanding at the end of BY-1 Economic Survey – paragraph 2.46 on p.48 provides amount of outstanding debt as of 8 months of BY-1 (2015/16). Data for estimate of year-end BY-1 debt is not available. Note that Table 2(m) on p.48 covers period through BY-2. 2. Amount of net new borrowing required during BY-1 Budget Speech, Annex 4, p.7 "Financing Economic Overview" shows revised estimates of both domestic and external annual net borrowing for BY-1 (2015/16) 3. Interest payments on the debt Budget Speech, Annex 3, p.6 "Expenditure Estimates" shows revised estimates of interest payments for both foreign and domestic debt (loans) for BY-1 (2015/16) 4. Interest rates on the debt instruments Economic Survey – Paragraph 4.22 on p.66 and Table 4(e) on p.67 provide some data for interest rates on Treasury bills, including some data for BY-1. 5. Maturity profile of the debt No explicit information about maturity profile of debt, although there is some discussion of the composition of debt across different types of debt instruments in Economic Survey – Paragraphs 2.47-2.48, pp.38-39, but more for previous years and not much information for BY-1 (2015/16). 6. Domestic and external debt Economic Survey - Table 2(i) and Chart 2(c) on p.31 present revised estimates of domestic debt and foreign debt through BY-1 (2015/16), including amounts and ratios to GDP. Other citations noted above provide domestic and external breakdown of debt service (interest payments) and of annual borrowing. Budget Speech [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) Red Book [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...) ([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20FY2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20FY2016-17_20160912045153.pdf)) Economic Survey /file/Economic%20Survey%202015-16%20-%20English\_20160812062624.pdf

**Comments:** Researcher: In sum, information is presented across all core elements except one (maturity profile), although some partial information can be derived about this from the information provided about the composition of debt by type of debt instrument (Treasury bills, development bonds, savings certificates, debt held by commercial banks, etc. Applying accepted OBS methodology for cases where information for all but one core element is presented, the availability of substantial information beyond the core elements (particularly in the Economic Survey, support an "upgrade" to "b" response.

**Peer Reviewer**  
**Opinion:** Agree

**32:** In the Executive's Budget Proposal or any supporting budget documentation, what is the most recent year presented for which the debt figures reflect actual outcomes?

- a. (100) Two years prior to the budget year (BY-2).
- b. (67) Three years prior to the budget year (BY-3).
- c. (33) Before BY-3.
- d. (0) No actual data for government debt are presented in the budget or supporting budget documentation.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Information for total debt outstanding at the end of BY-2 (FY2014-15), including a breakdown between domestic and foreign debt, is provided in the Economic Survey 2015-16 Table 2(m): Outstanding Stock of Public Debt and Principle Repayment and Interest Expenditure, p.48 Economic Survey 2016 <http://www.mof.gov.np/uploads/document/file/Economic%20Surve...> ([http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English\\_20160812062624.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English_20160812062624.pdf)) Also, debt-related information in the Budget Speech also includes actual data for BY-2 (FY2014-15) Annex 3, p.6 Table: Expenditure Estimates (for interest payments on both foreign and internal/domestic loans) Annex 4, p.7 Table: Financing Economic Overview (for net new borrowing, both from external and domestic sources)

**Peer Reviewer**  
**Opinion:** Agree

**33:** Does the Executive's Budget Proposal or any supporting budget documentation present information on extra-budgetary funds for at least the budget year? (The core information must include a statement of purpose or policy rationale for the extra-budgetary fund; and complete income, expenditure, and financing data on a gross basis.)

- a. (100) Yes, information beyond the core elements is presented for all extra-budgetary funds.
- b. (67) Yes, the core information is presented for all extra-budgetary funds.
- c. (33) Yes, information is presented, but it excludes some core elements or some extra-budgetary funds.
- d. (0) No, information related to extra-budgetary funds is not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** There is no practice of setup of extra-budgetary funds in Nepal.

**Comments:** Researcher: Thaba Raj Adhikari. Director of Office of General said that there is no existence of any dedicated special fund that have their own separate earmarked source of revenue to finance specific fund related expenditures. for example in case of pension the government arranges the set up of zero balance account in the designated banks to provide pension to the government service retirees officers. The banks deposits the stated pension amount to the beneficiary in which the government is the guarantor.

**Peer Reviewer**  
**Opinion:** Agree

**IBP comment:** For cross-country consistency, IBP revised the response from "e" to "d." IBP notes the 2015 PEFA report as a reference: <https://pefa.org/sites/default/files/assessments/comments/NP-M...> (<https://pefa.org/sites/default/files/assessments/comments/NP-May15-PFMPR-Public.pdf>)

**34:** Does the Executive's Budget Proposal or any supporting budget documentation present central government finances (both budgetary and extra-budgetary) on a consolidated basis for at least the budget year?

- a. (100) Yes, central government finances are presented on a consolidated basis.
- b. (0) No, central government finances are not presented on a consolidated basis.
- c. Not applicable/other (please comment).

**Answer:** b.

**Sources:** The Red Book itself is the consolidated document containing budgetary items. There is no practice of presenting extra-budgetary finances in a consolidated manner which itself is a challenge to budget transparency. For example, the amount provided by government to any institutions or individuals on Cabinet decision is not presented in a consolidated basis. Red Book for fiscal year 2016-17 [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...) ([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20FY2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20FY2016-17_20160912045153.pdf))

**Comments:** Researcher: The Cabinet provides some amount of money to individual and institutions which may not be earmarked in the EBP. But the information about the Cabinet decision is posted on the MoF website

**Peer Reviewer**

**Opinion:** Agree

**IBP comment:** For cross-country consistency, the answer is revised from "a" to "b." IBP notes the 2015 PEFA report as a reference: <https://pefa.org/sites/default/files/assessments/comments/NP-M...> (<https://pefa.org/sites/default/files/assessments/comments/NP-May15-PFMPR-Public.pdf>)

**35: Does the Executive's Budget Proposal or any supporting budget documentation present estimates of intergovernmental transfers for at least the budget year?**

- a. (100) Yes, estimates of all intergovernmental transfers are presented, along with a narrative discussion.
- b. (67) Yes, estimates of all intergovernmental transfers are presented, but a narrative discussion is not included.
- c. (33) Yes, estimates of some but not all intergovernmental transfers are presented.
- d. (0) No, estimates of intergovernmental transfers are not presented.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Budget Speech presents estimates of intergovernmental transfers, but only relatively limited narrative discussion. Annex 5, pp.8-9. Table: Functional Expenditure Estimates (Including Financing) (Note item on p.8: "Transfers of a general character between levels of government") Annex 6, pp.10-13 Table: Cash and Non Cash Expenditure by Economic Heads and Line Items Annex 8, p.18 Table: Expenditure by Economic Heads and LineItem(Including Financing) Very limited narrative discussion in Budget Speech: Point 289, p.29 - "doubled the grants for municipalities to develop infrastructures...allocated Rs. 32.64 billion for the grants to local bodies." Budget Speech 2016/17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) The Economic Survey provides both extensive intergovernmental transfer data for previous years, as well as a more comprehensive narrative discussion of the main transfer (and other financing) mechanisms for local bodies: District Development Committee (DDC) Grants Municipal Grants Village Development Committee (VDC) Grants Local Development Tax Fund For historic data, see: Table 2 (o) : Government Grant to Local Bodies, p.45 For additional data and narrative discussion, see: Financial Arrangement of Local Bodies, pp.40-46 (in Chapter 2 of Economic Survey) Economic Survey 2016 <http://www.mof.gov.np/uploads/document/file/Economic%20Surve...> ([http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English\\_20160812062624.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English_20160812062624.pdf))

**Peer Reviewer**

**Opinion:** Agree

**36: Does the Executive's Budget Proposal or any supporting budget documentation present alternative displays of expenditures (such as by gender, by age, by income, or by region) to illustrate the financial impact of policies on different groups of citizens, for at least the budget year?**

- a. (100) Yes, at least three alternative displays of expenditures are presented to illustrate the financial impact of policies on different groups of citizens.
- b. (67) Yes, two alternative displays of expenditures are presented to illustrate the financial impact of policies on different groups of citizens.
- c. (33) Yes, one alternative display of expenditures is presented to illustrate the financial impact of policies on different groups of citizens.
- d. (0) No, alternative displays of expenditures are not presented to illustrate the financial impact of policies on different groups of citizens.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** The Budget Speech presents three alternative display of expenditure (gender, pro-poor and environment) illustrate the financial impacts of policies. Annex 13 of Budget Speech (p 35-41) presents the information about gender responsive budgeting while information on pro-poor budgeting are presented in Annex 14 (p 49-55) and information on climate budget are presented in annex 16 (p 60-66). Budget Speech for Fiscal Year 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))  
**Comments:** Researcher: Note: Nepal's presentation of EBP information using 3 alternative displays for climate, gender and poverty alleviation) compares quite favourably relative to most other countries.

**Peer Reviewer**

**Opinion:** Agree

**IBP comment:** After IBP's review, the score is revised from 'a' to 'b' because while there is a table on climate-related budgetary expenditures, environmental programs are not included as an 'alternate display' that illustrates the impact on different groups.

**37: Does the Executive's Budget Proposal or any supporting budget documentation present estimates of transfers to public corporations for at least the budget year?**

- a. (100) Yes, estimates of all transfers to public corporations are presented, along with a narrative discussion.
- b. (67) Yes, estimates of all transfers to public corporations are presented, but a narrative discussion is not included.
- c. (33) Yes, estimates of some but not all transfers to public corporations are presented.
- d. (0) No, estimates of transfers to public corporations are not presented.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** The Budget Speech presents estimates of total Subsidies to Public Corporation for the budget year (with a breakdown for operating and capital subsidies). However, a specific narrative discussion of spending (or revenue) related to public corporations is not provided in the Budget Speech. Annex 3, p.6 Table: Expenditure Estimates Annex 6, p.11 Table: Cash and Non Cash Expenditure by Economic Heads and Line Items Budget Speech for Fiscal Year 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) in addition, the Economic Survey provides comprehensive data and narrative discussion of finances and policies related to public enterprises, but with coverage only through BY-2 (FY2014/15). Section 14, pp.263-273 Economic Survey - Fiscal Year 2015/16 <http://www.mof.gov.np/uploads/document/file/Economic%20Survey...> ([http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English\\_20160812062624.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English_20160812062624.pdf))

**Comments:** Researcher: While not in strict accordance with the response options, the "score" of "b" is assessed as an appropriate compromise assessment to reflect the provision of aggregate data for the scope of information provided, including both the amount of subsidies to public enterprises (operating and capital) for the budget year as presented in the Budget Speech, together with the extensive narrative discussion of finances for public enterprises in recent years as provided in the Economic Survey.

**Peer Reviewer**

**Opinion:** Agree

**38: Does the Executive's Budget Proposal or any supporting budget documentation present information on quasi-fiscal activities for at least the budget year? (The core information must include a statement of purpose or policy rationale for the quasi-fiscal activity and the intended beneficiaries.)**

- a. (100) Yes, information beyond the core elements is presented for all quasi-fiscal activities.
- b. (67) Yes, the core information is presented for all quasi-fiscal activities.
- c. (33) Yes, information is presented, but it excludes some core elements or some quasi-fiscal activities.
- d. (0) No, information related to quasi-fiscal activities is not presented.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** The Government of Nepal does engage in quasi-fiscal activities, for example in the form of supporting subsidised interest rates for loans to support rebuilding of homes for people impacted by the recent devastating earthquake. The government had asked private banks to provide loans to survivors at the subsidised rate of 2 % for this purpose. The Central Bank of Nepal has issued a circular to private banks. Other types of subsidies related to charges for public services have also been implemented. While some of these might be operating as QFAs in cases when the spending by the Government is directed to public enterprises or private companies providing service, the full extent of QFAs is uncertain and is not explicitly or not clearly designated in EBP documentation See section of Budget Speech on "Post-Earthquake Reconstruction", including Point 25, p.5 Budget Speech for Fiscal Year 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**

**Opinion:** Agree

**39: Does the Executive's Budget Proposal or any supporting budget documentation present information on financial assets held by the government? (The core information must include a listing of the assets, and an estimate of their value.)**

- a. (100) Yes, information beyond the core elements is presented for all financial assets.
- b. (67) Yes, the core information is presented for all financial assets.
- c. (33) Yes, information is presented, but it excludes some core elements or some financial assets.
- d. (0) No, information related to financial assets is not presented.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** EBP documentation does not include a list of financial assets and their estimated values. It is not reflected because Government of Nepal is not preparing balance sheet anymore. Nepal government is practicing cash based accounting system not the accrual system so that the liabilities and properties are not clearly reflected in the government budget documents. The SAI has recommended the government adopt accrual-based accounting

system . EBP documentation (including both the Budget Speech and the Economic Survey) does provide some limited amount of information related to the flow of resources related to financial assets. Relevant information presented in the Budget Speech is for revenues received, which includes some references to interest and dividend income, but again without a clear and definite identification of these receipts being derived from financial assets. Annex 2, p.4 Table: Receipts of Revenue and Grants Estimate Budget Speech [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) Information about income from assets is provided in the Economic Survey, although it is unclear if this is from financial or non-financial assets and the data extend only through BY-1 (FY2015/16) Table 2 (j) : Detail of Revenue Income, p.33 Table 2(k) : Revenue Detail (Revenue Detail of first eight months of fiscal year), p.34 Economic Survey - Fiscal Year 2015/16 <http://www.mof.gov.np/uploads/document/file/Economic%20Surve...> ([http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English\\_20160812062624.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English_20160812062624.pdf))

**Peer Reviewer**

**Opinion:** Agree

**40: Does the Executive's Budget Proposal or any supporting budget documentation present information on nonfinancial assets held by the government? (The core information must include a listing of the assets by category.)**

- a. (100) Yes, information beyond the core elements is presented for all nonfinancial assets.
- b. (67) Yes, the core information is presented for all nonfinancial assets.
- c. (33) Yes, information is presented, but it excludes some nonfinancial assets.
- d. (0) No, information related to nonfinancial assets is not presented.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** EBP documentation does not include a list of non-financial assets and their estimated values. It is not reflected because Government of Nepal is not preparing balance sheet anymore. Nepal government is practicing cash based accounting system not the accrual system so that the liabilities and properties are not clearly reflected in the government budget documents. The SAI has recommended the government adopt accrual-based accounting system . EBP documentation (including both the Budget Speech and the Economic Survey) does provide some limited amount of information related to the flow of resources related to non-financial assets. Relevant information presented in the Budget Speech is for revenues received, which includes some references to non-tax revenues in the form of interest, dividend and rent & royalty from Government-owned property. Annex 2, p.4 Table: Receipts of Revenue and Grants Estimate Budget Speech [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) Information about income from assets is also provided in the Economic Survey, although it is unclear if this is from financial or non-financial assets and the data extend only through BY-1 (FY2015/16) Table 2 (j) : Detail of Revenue Income, p.33 Table 2(k) : Revenue Detail (Revenue Detail of first eight months of fiscal year), p.34 Economic Survey - Fiscal Year 2015/16 <http://www.mof.gov.np/uploads/document/file/Economic%20Surve...> ([http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English\\_20160812062624.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English_20160812062624.pdf))

**Peer Reviewer**

**Opinion:** Agree

**41: Does the Executive's Budget Proposal or any supporting budget documentation present estimates of expenditure arrears for at least the budget year?**

- a. (100) Yes, estimates of all expenditure arrears are presented, along with a narrative discussion.
- b. (67) Yes, estimates of all expenditure arrears are presented, but a narrative discussion is not included.
- c. (33) Yes, estimates of some but not all expenditure arrears are presented.
- d. (0) No, estimates of expenditure arrears are not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** The EBP documentation does not provide information about arrears for the budget year.

**Comments:** Researcher: There is one mention of "arrears" in the Economic Survey. However, the reference is a brief mention to "Agricultural Credit" being in arrears for years up through 8 months of BY-1. There is no information provided for the budget year. Economic Survey - Fiscal Year 2015/16, p.131 <http://www.mof.gov.np/uploads/document/file/Economic%20Surve...> ([http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English\\_20160812062624.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English_20160812062624.pdf))

**Peer Reviewer**

**Opinion:** Agree

**42: Does the Executive's Budget Proposal or any supporting budget documentation present information on contingent liabilities, such as government loan guarantees or insurance programs? (The core information must include a statement of purpose or policy rationale for each contingent liability; the new guarantees or insurance commitments**

proposed for the budget year; and the total amount of outstanding guarantees or insurance commitments (the gross exposure) at the end of the budget year.)

- a. (100) Yes, information beyond the core elements is presented for all contingent liabilities.
- b. (67) Yes, the core information is presented for all contingent liabilities.
- c. (33) Yes, information is presented, but it excludes some core elements or some contingent liabilities.
- d. (0) No, information related to contingent liabilities is not presented.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** There is not information for the budget year (FY2016-17) presented in the EBP documentation regarding contingent liabilities, loan guarantees or similar categories of liabilities and commitments.

**Comments:** Researcher: The Economic Survey does include discussion and some data for the amounts of (unfunded) liabilities, mainly in relation to pension-type payments, attributable to public enterprises. These figures generally refer to amounts as of the end of BY-2 (FY2014/15) and not for the budget year (FY2016/17). Economic Survey Section 14, pp-263-273 <http://www.mof.gov.np/uploads/document/file/Economic%20Surve...> ([http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English\\_20160812062624.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English_20160812062624.pdf))

**Peer Reviewer**

**Opinion:** Agree

**43:** Does the Executive's Budget Proposal or any supporting budget documentation present projections that assess the government's future liabilities and the sustainability of its finances over the longer term? (The core information must cover a period of at least 10 years and include the macroeconomic and demographic assumptions used and a discussion of the fiscal implications and risks highlighted by the projections.)

- a. (100) Yes, information beyond the core elements is presented to assess the government's future liabilities and the sustainability of its finances over the longer term.
- b. (67) Yes, the core information is presented to assess the government's future liabilities and the sustainability of its finances over the longer term.
- c. (33) Yes, information is presented, but it excludes some core elements.
- d. (0) No, information related to future liabilities and the sustainability of finances over the longer term is not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** EBP documentation does not include any assessments or projections of the Government's future long-term liabilities or long-term sustainability based on macroeconomic, fiscal and demographic indicators.

**Peer Reviewer**

**Opinion:** Agree

**44:** Does the Executive's Budget Proposal or any supporting budget documentation present estimates of the sources of donor assistance, both financial and in-kind?

- a. (100) Yes, estimates of all sources of donor assistance are presented, along with a narrative discussion.
- b. (67) Yes, estimates of all sources of donor assistance are presented, but a narrative discussion is not included.
- c. (33) Yes, estimates of some but not all sources of donor assistance are presented.
- d. (0) No, estimates of the sources of donor assistance are not presented.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Statement of Technical and Other Assistance FY 2016/17 produced and public by the Ministry of Finance as part of EBP presents the information on assistance received from bilateral and multilateral sources including assistance from INGOs. The book also presents the narratives of the assistance such as name of the project/program, starting/ending date, major activities, total project cost, estimated annual amount of assistance, donors. The Statement of Technical and Other Assistance FY 2016/17 <http://www.mof.gov.np/uploads/document/file/TA%20-%20English...> ([http://www.mof.gov.np/uploads/document/file/TA%20-%20English\\_complete\\_20160529052440.pdf](http://www.mof.gov.np/uploads/document/file/TA%20-%20English_complete_20160529052440.pdf))

**Comments:** Researcher: Nepal receives development assistances both from bilateral as well as multilateral development partners. In addition, the Government is also able to track the foreign aid mobilized by the INGOs. The development cooperation in Nepal is mobilized in two ways. One is through the Government budgetary system and another is outside the Government budgetary system. Those projects/programs reflected in the Annual Income and Expenditure Estimates (Red Book) of the Government are on-budget and those projects/programs which are not covered in the national budget are understood as off-budget projects/programs. All off-budget projects/programs are presented in the form of the Statements of Technical and Other Assistance (TA Book). Aid Management Platform (AMP) of the International Economic Cooperation Coordination Division of the Ministry of Finance and the information received from both DPs and sectoral ministries have been used as the primary sources of information related to Technical Assistance. Likewise, for the programs implemented through INGOs, the information received from Social Welfare Council has been used as the primary source. It has been anticipated that this publication will be useful to Government agencies and Development Partnersto implement and

monitor the off-budget projects/programs, and to all other professionals, economists, researchers, teachers, students, and other individuals interested in foreign aid mobilization in Nepal.

**Peer Reviewer**

**Opinion:** Agree

**45: Does the Executive's Budget Proposal or any supporting budget documentation present information on tax expenditures for at least the budget year? (The core information must include a statement of purpose or policy rationale for each tax expenditure, the intended beneficiaries, and an estimate of the revenue foregone.)**

- a. (100) Yes, information beyond the core elements is presented for all tax expenditures.
- b. (67) Yes, the core information is presented for all tax expenditures.
- c. (33) Yes, information is presented, but it excludes some core elements or some tax expenditures.
- d. (0) No, information related to tax expenditures is not presented.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** The Budget Speech includes presentation of tax policy measures which include a range of "tax incentives" intended to promote growth and/or employment. There are no estimates of revenue foregone, but the information is assessed as providing at least some partial information about the scope/nature of tax expenditures in Nepal. Budget Speech Points 420-429, pp.40-41 Budget Speech for FY 2016-17  
[http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**

**Opinion:** Agree

**46: Does the Executive's Budget Proposal or any supporting budget documentation present estimates of earmarked revenues?**

- a. (100) Yes, estimates of all earmarked revenues are presented, along with a narrative discussion.
- b. (67) Yes, estimates of all earmarked revenues are presented, but a narrative discussion is not included.
- c. (33) Yes, estimates of some but not all earmarked revenues are presented.
- d. (0) No, estimates of earmarked revenues are not presented.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** EBP documentation provides information (including budget year estimates of the revenues going into the Fund) for what appears to be one "earmarked" revenue, the Local Development Tax. The Budget Speech provides the budget year revenue estimates, listed under the category of customs and import duties. Annex 2, p.3 Table: Receipts of Revenue and Grants Estimate Budget Speech  
[http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...)  
([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) The Economic Survey for FY2015/16 provides a good narrative discussion of the Local Development Tax Fund, together with amounts for spending in recent years, but these spending amounts extend only through BY-1 and there is little/no information about the revenue side. The narrative discussion explains that the Local Development Tax Fund is funded by a 1.5% customs duty on goods entering the country through various customs check-points. These funds are deposited into the Local Development Fund, which is then used to fund mostly "unconditional grants" to municipalities, but with an intention that the funding be used for infrastructure projects. Economic Survey Local Development Tax Fund, p.44 (Paragraph 2.58) Economic Survey Fiscal Year 2015-16  
<http://www.mof.gov.np/uploads/document/file/Economic%20Surve...>  
([http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English\\_20160812062624.pdf](http://www.mof.gov.np/uploads/document/file/Economic%20Survey%202015-16%20-%20English_20160812062624.pdf))  
**Comments:** Researcher: Discussion and presentation of the spending estimates in the Economic Survey only extend through BY-1 (FY2015/16), so that spending information does not satisfy the criteria set out for this question as being relevant data for the budget (FY2016/17). However, the brief but informative narrative discussion, together with the revenue estimates for the budget year (FY2016/17) found in the Budget Speech are assessed as sufficient to support a "c" response.

**Peer Reviewer**

**Opinion:** Agree

**47: Does the Executive's Budget Proposal or any supporting budget documentation present information on how the proposed budget (both new proposals and existing policies) is linked to government's policy goals for the budget year?**

- a. (100) Yes, estimates that show how the proposed budget is linked to all the government's policy goals for the budget year are presented, along with a narrative discussion.

- b. (67) Yes, estimates that show how the proposed budget is linked to all the government's policy goals for the budget year are presented, but a narrative discussion is not included.
- c. (33) Yes, information that shows how the proposed budget is linked to some but not all of the government's policy goals for the budget year is presented.
- d. (0) No, information on the link between the budget and the government's stated policy goals for the budget year is not presented.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** The Budget Speech provides a relatively thorough identification and narrative discussion of the Government's budget policy priorities, setting out a list at the start (p.9) of 8 broad sector/policy areas (for spending) and then proceeding to identify specific budget initiatives pertaining to each of the 8 sector/policy areas (as well "sub-sector" areas). In addition, the Budget speech identifies broad categories for revenue-related policies and identifies the specific revenue policy and revenue administration measures intended to support achievement of the policy goals. The narrative description of individual spending initiatives include many references to planned amounts of spending for specific initiatives, although not all of the descriptions include estimates. A full set of detailed estimates including a breakdown for each administrative unit by categories that can be considered qualifying as "program-level" spending, is provided in the Red Book. However, despite the detail, it is not easy to link the policy initiatives set out and described in the Budget Speech to specific spending estimates provided in the Red Book, since the latter does not distinguish new versus existing levels of spending for either administrative units or for "program-level" level spending (noting that the latter are often identified by a more specific administrative unit (e.g. department) rather than by an output-based program label. A third EBP document (in Nepali only) adds to the available information about the Government's annual policy priorities. That third document is the "Annual and Program of Nepali Government" Commission). Budget Speech for FY 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) Red Book 2016-17 [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...) ([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20FY2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20FY2016-17_20160912045153.pdf)) Annual Policy and Program of Nepal Government [http://www.mof.gov.np/uploads/document/file/neppolpro\\_201605...](http://www.mof.gov.np/uploads/document/file/neppolpro_201605...) ([http://www.mof.gov.np/uploads/document/file/neppolpro\\_20160509014539\\_20160509101342.pdf](http://www.mof.gov.np/uploads/document/file/neppolpro_20160509014539_20160509101342.pdf))

**Comments:** Researcher: Neither the Red Book nor the Budget Speech provide a complete presentation of estimates associated specifically with new policy initiatives. In addition, the relatively extensive and well structured presentation of both budget policy priorities and budget initiatives set out in the narrative discussion of the Budget Speech does not provide estimates for each initiative discussion. So although there is complete coverage of spending at what can be called a "program level" (in the Red Book), one cannot easily link the narrative discussion in the Budget Speech to specific spending amounts for those new policy initiatives in a complete or comprehensive way. For this reason, the "compromise" assessment assigned, while not aligning exactly to the response options, is a "b", based on a strong narrative discussion of policy priorities and descriptions of budget policy initiatives, together with a complete set of "program level" estimates, but challenges in the linkage between the two.

**Peer Reviewer**

**Opinion:** Agree

**48:** Does the Executive's Budget Proposal or any supporting budget documentation present information on how the proposed budget (both new proposals and existing policies) is linked to government's policy goals for a multi-year period (for at least two years beyond the budget year)?

- a. (100) Yes, estimates that show how the proposed budget is linked to all the government's policy goals for a multi-year period are presented, along with a narrative discussion.
- b. (67) Yes, estimates that show how the proposed budget is linked to all the government's policy goals for a multi-year period are presented, but a narrative discussion is not included.
- c. (33) Yes, information that shows how the proposed budget is linked to some but not all of the government's policy goals for a multi-year period is presented.
- d. (0) No, information on the link between the budget and the government's stated policy goals for a multi-year period is not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** The EBP documentation does not include multi-year estimates of new policy initiatives and the focus of narrative descriptions of policy initiatives is on the annual budget, not a medium-term horizon. Note, this response is based on assessment of the following EBP documents: Budget Speech for FY 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) Red Book 2016-17 [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...) ([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20FY2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20FY2016-17_20160912045153.pdf)) Annual Policy and Program of Nepal Government [http://www.mof.gov.np/uploads/document/file/neppolpro\\_201605...](http://www.mof.gov.np/uploads/document/file/neppolpro_201605...) ([http://www.mof.gov.np/uploads/document/file/neppolpro\\_20160509014539\\_20160509101342.pdf](http://www.mof.gov.np/uploads/document/file/neppolpro_20160509014539_20160509101342.pdf))

**Peer Reviewer**

**Opinion:** Agree

**49:** Does the Executive's Budget Proposal or any supporting budget documentation present nonfinancial data on inputs to be acquired for at least the budget year?

- a. (100) Yes, nonfinancial data on inputs to be acquired are provided for each program within all administrative units (or functions).

- b. (67) Yes, nonfinancial data on inputs to be acquired are presented for all administrative units (or functions) but not for all (or any) programs.
- c. (33) Yes, nonfinancial data on inputs to be acquired are presented for some programs and/or some administrative units (or functions).
- d. (0) No, nonfinancial data on inputs to be acquired are not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** According to ex-government official who worked in Ministry of Finance, the non-financial information/data are furnished during the time of budget formulation process but not presented publicly.

**Peer Reviewer**  
**Opinion:** Agree

**50: Does the Executive's Budget Proposal or any supporting budget documentation present nonfinancial data on results (in terms of outputs or outcomes) for at least the budget year?**

- a. (100) Yes, nonfinancial data on results are provided for each program within all administrative units (or functions).
- b. (67) Yes, nonfinancial data on results are presented for all administrative units (or functions) but not for all (or any) programs.
- c. (33) Yes, nonfinancial data on results are presented for some programs and/or some administrative units (or functions).
- d. (0) No, nonfinancial data on results are not presented.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** There is a substantial amount of information about expected outputs described in the narrative discussion of the Budget Speech. There is discussion of expected outputs across many different sectors - roads, energy, housing, agriculture, etc, as well as across many of the specific budget initiatives within the policy priority areas set out in the Budget Speech (pp.5-36). Budget Speech 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**  
**Opinion:** Agree

**51: Are performance targets assigned to nonfinancial data on results in the Executive's Budget Proposal or any supporting budget documentation?**

- a. (100) Yes, performance targets are assigned to all nonfinancial data on results.
- b. (67) Yes, performance targets are assigned to most nonfinancial data on results.
- c. (33) Yes, performance targets are assigned to some nonfinancial data on results.
- d. (0) No, performance targets are not assigned to nonfinancial data on results, or the budget does not present nonfinancial data on results.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** The Budget Speech includes information on performance targets for most non-financial results data aligned to sectors. The table is quite comprehensive in indicating the level of performance as at the end of BY-1 (FY2015/16), the expected level of service provide or performance at the end of the budget year (FY2016/17) and the incremental performance improvement to be achieved (the difference) over the course of the budget year. Annex 19, pp.70-73. Budget Speech 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf))

**Peer Reviewer**  
**Opinion:** Agree

**52: Does the Executive's Budget Proposal or any supporting budget documentation present estimates of policies (both new proposals and existing policies) that are intended to benefit directly the country's most impoverished populations in at least the budget year?**

- a. (100) Yes, estimates of all policies that are intended to benefit directly the country's most impoverished populations are presented, along with a narrative discussion.
- b. (67) Yes, estimates of all policies that are intended to benefit directly the country's most impoverished populations are presented, but a narrative discussion is not included.
- c. (33) Yes, estimates of some but not all policies that are intended to benefit directly the country's most impoverished populations are presented.
- d. (0) No, estimates of policies that are intended to benefit directly the country's most impoverished populations are not presented.

e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Budget Speech presents both an extensive discussion of budget policy initiatives, including frequent identification of how individual initiatives are designed or expected to benefit vulnerable segments of the population, including both the poor and women. In addition, Annex tables in the Budget Speech document provide "alternative displays" of all spending by each administrative unit based on the extent to which spending for each unit is assessed as "pro-poor" or intended to address gender-related objectives. There is also a 3rd "alternative display" focusing on climate change issues, which also has important implications for vulnerable segments of the population who are most affected by climate change (farmers, rural population, poorer households, etc.). a 4th annex in the Budget Speech provides summary of spending categorised by "Sustainable Development Goals" that highlight a range of equity issues. Gender Responsive budget Annex 13, pp.41-48 Pro-Poor budget Annex 14, pp.49-55 Climate Change budget Annex 16, pp.60-66 STG Code(Sustainable Development Goals) wise Allocation Annex 18, p.69 Budget Speech 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) These "alternative display" annexes presented in the Budget Speech are also presented in the Red Book, which in its main report (Report 23) adds a detailed breakdown of all spending by administrative unit with some "program-level" labels for spending activities that can be identified as targeting vulnerable segments of the population. Red Book for Fiscal year 2016-17 [http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English...](http://www.mof.gov.np/uploads/document/file/Red_Book_English...) ([http://www.mof.gov.np/uploads/document/file/Red\\_Book\\_English%20Fy2016-17\\_20160912045153.pdf](http://www.mof.gov.np/uploads/document/file/Red_Book_English%20Fy2016-17_20160912045153.pdf))

**Peer Reviewer**

**Opinion:** Agree

**53:** Does the executive release to the public its timetable for formulating the Executive's Budget Proposal (that is, a document setting deadlines for submissions from other government entities, such as line ministries or subnational government, to the Ministry of Finance or whatever central government agency is in charge of coordinating the budget's formulation)?

- a. (100) Yes, a detailed timetable is released to the public.
- b. (67) Yes, a timetable is released, but some details are excluded.
- c. (33) Yes, a timetable is released, but it lacks important details.
- d. (0) No, a timetable is not issued to the public.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The budget formulation guideline produced by the Ministry of Finance and made public presents the timeline for budget formulation. Chapter 3 (pp.171-173) has presents a table with guideline information on determination of budget size and three-year expenditure estimates, responsible agency and timeline. Likewise, p.174 presents such information on district focused programme. Budget Formulation Guideline -2073 BS (Seventh Edition) <http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%...> (<http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%9C%E0%A5%87%E0%A4%9F%20%E0%A4%A4%E0%A4%B0%E0%A5%8D%E0>)

**Comments:** Researcher: The 14 step participatory planning process which has the timeline for formulating bottom-up plans is made public. The planning process document produced by Local Body Resource Mobilization and Management Guideline 2069 BS presents steps, activities, stakeholders and timeline. Local Body Resource Mobilization and Management Guideline 2069 BS <http://www.bardibasmun.gov.np/sites/bardibasmun.gov.np/files...> (<http://www.bardibasmun.gov.np/sites/bardibasmun.gov.np/files/documents/karaybidhi.pdf>)

**Peer Reviewer**

**Opinion:** Agree

**54:** Does the Pre-Budget Statement present information on the macroeconomic forecast upon which the budget projections are based? (The core information must include a discussion of the economic outlook with estimates of nominal GDP level, inflation rate, real GDP growth, and interest rates.)

- a. (100) Yes, information beyond the core elements is presented for the macroeconomic forecast.
- b. (67) Yes, the core information is presented for the macroeconomic forecast.
- c. (33) Yes, information is presented, but it excludes some core elements.
- d. (0) No, information related to the macroeconomic forecast is not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** A Pre-Budget Statement meeting OBS requirements is not produced and made public, although some documents are produced before the Executive Budget Proposal and presented to the parliament (see Comment below).

**Comments:** Researcher: The Ministry of Finance produces and publishes the Principles and Priorities of the Appropriation Bill 2016 as part of the budget formulation. The government officials claim it to be the PBS but it does not meet the generic requirements of the PBS as per the Open Budget Survey Methodology. It lacks key information for the PBS including total estimates of revenues and expenditures, macroeconomic forecasts, clearly stated revenue and expenditure priorities and policies. It was specifically addressed to the Parliament, but the PBS should be published to kick off the

open public debates. Principles and Priorities of Appropriation Bill, 2016 [http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...)  
([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf))

**Peer Reviewer**

**Opinion:** Agree

**55:** Does the Pre-Budget Statement present information on the government's expenditure policies and priorities that will guide the development of detailed estimates for the upcoming budget? (The core information must include a discussion of expenditure policies and priorities and an estimate of total expenditures.)

- a. (100) Yes, information beyond the core elements is presented for the government's expenditure policies and priorities.
- b. (67) Yes, the core information is presented for the government's expenditure policies and priorities.
- c. (33) Yes, information is presented, but it excludes some core elements.
- d. (0) No, information related to the government's expenditure policies and priorities is not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** A Pre-Budget Statement meeting OBS requirements is not produced and made public, although some documents are produced before the Executive Budget Proposal and presented to the parliament (see Comment below).

**Comments:** Researcher: The Ministry of Finance produces and publishes the Principles and Priorities of the Appropriation Bill 2016 as part of the budget formulation. The government officials claim it to be the PBS but it does not meet the generic requirements of the PBS as per the Open Budget Survey Methodology. It lacks key information for the PBS including total estimates of revenues and expenditures, macroeconomic forecasts, clearly stated revenue and expenditure priorities and policies. It was specifically addressed to the Parliament, but the PBS should be published to kick off the open public debates. Principles and Priorities of Appropriation Bill, 2016 [http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...)  
([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf))

**Peer Reviewer**

**Opinion:** Agree

**56:** Does the Pre-Budget Statement present information on the government's revenue policies and priorities that will guide the development of detailed estimates for the upcoming budget? (The core information must include a discussion of revenue policies and priorities and an estimate of total revenues.)

- a. (100) Yes, information beyond the core elements is presented for the government's revenue policies and priorities.
- b. (67) Yes, the core information is presented for the government's revenue policies and priorities.
- c. (33) Yes, information is presented, but it excludes some core elements.
- d. (0) No, information related to the government's revenue policies and priorities is not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** A Pre-Budget Statement meeting OBS requirements is not produced and made public, although some documents are produced before the Executive Budget Proposal and presented to the parliament (see Comment below).

**Comments:** Researcher: The Ministry of Finance produces and publishes the Principles and Priorities of the Appropriation Bill 2016 as part of the budget formulation. The government officials claim it to be the PBS but it does not meet the generic requirements of the PBS as per the Open Budget Survey Methodology. It lacks key information for the PBS including total estimates of revenues and expenditures, macroeconomic forecasts, clearly stated revenue and expenditure priorities and policies. It was specifically addressed to the Parliament, but the PBS should be published to kick off the open public debates. Principles and Priorities of Appropriation Bill, 2016 [http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...)  
([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf))

**Peer Reviewer**

**Opinion:** Agree

**57:** Does Pre-Budget Statement present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?

- a. (100) Yes, all three estimates related to government borrowing and debt are presented.
- b. (67) Yes, two of the three estimates related to government borrowing and debt are presented.
- c. (33) Yes, one of the three estimates related to government borrowing and debt are presented.
- d. (0) No, none of the three estimates related to government borrowing and debt are not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** A Pre-Budget Statement meeting OBS requirements is not produced and made public, although some documents are produced before the Executive Budget Proposal and presented to the parliament (see Comment below).

**Comments:** Researcher: The Ministry of Finance produces and publishes the Principles and Priorities of the Appropriation Bill 2016 as part of the budget formulation. The government officials claim it to be the PBS but it does not meet the generic requirements of the PBS as per the Open Budget Survey Methodology. It lacks key information for the PBS including total estimates of revenues and expenditures, macroeconomic forecasts, clearly stated revenue and expenditure priorities and policies. It was specifically addressed to the Parliament, but the PBS should be published to kick off the open public debates. Principles and Priorities of Appropriation Bill, 2016 [http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...) ([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf))

**Peer Reviewer**

**Opinion:** Agree

**58:** Does the Pre-Budget Statement present estimates of total expenditures for a multi-year period (at least two-years beyond the budget year)?

- a. (100) Yes, multi-year expenditure estimates are presented.
- b. (0) No, multi-year expenditure estimates are not presented.
- c. Not applicable/other (please comment).

**Answer:** b.

**Sources:** A Pre-Budget Statement meeting OBS requirements is not produced and made public, although some documents are produced before the Executive Budget Proposal and presented to the parliament (see Comment below).

**Comments:** Researcher: The Ministry of Finance produces and publishes the Principles and Priorities of the Appropriation Bill 2016 as part of the budget formulation. The government officials claim it to be the PBS but it does not meet the generic requirements of the PBS as per the Open Budget Survey Methodology. It lacks key information for the PBS including total estimates of revenues and expenditures, macroeconomic forecasts, clearly stated revenue and expenditure priorities and policies. It was specifically addressed to the Parliament, but the PBS should be published to kick off the open public debates. The Principles and Priorities also does not include any expenditure estimates. Principles and Priorities of Appropriation Bill-2016 [http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20...](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20...) ([http://www.mof.gov.np/uploads/document/file/PPA\\_Bill\\_2016\\_20160506071441.pdf](http://www.mof.gov.np/uploads/document/file/PPA_Bill_2016_20160506071441.pdf))

**Peer Reviewer**

**Opinion:** Agree

**59:** Does the Enacted Budget present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?

- a. (100) Yes, the Enacted Budget presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).
- b. (67) Yes, the Enacted Budget presents expenditure estimates by two of the three expenditure classifications.
- c. (33) Yes, the Enacted Budget presents expenditure estimates by only one of the three expenditure classifications.
- d. (0) No, the Enacted Budget does not present expenditure estimates by any expenditure classification.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** The Appropriation Act includes data for 2 of the 3 expenditure classifications: Economic classification Annex 1, p.45 Administrative classification Annex 2, pp.46-48 Appropriation Act for 2016-17 <http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain...> ([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))

**Comments:** Researcher: Note: Nepal Constitution 2015 (page number 76 and 77) has specified provisions on the Finance Bill and its endorsement process along with its concerning subjects. The EBP presented by the Minister for Finance is approved by the parliament without any revisions in the figures so the EBP and Enacted Budget are same. Annex 5 of Budget Speech (p. 8) with heading "Functional Expenditure Estimates (Including Financing) Fiscal Year 2016-17" presents the information for functional expenditure. Annex 7 (pp.14-17) with heading "Administrative Expenditure Estimates (Including Financing)" presents the expenditure information by administrative classification. Annex 8 (pp.18-21) with heading "Expenditure by Economic Heads and Line Item (Including Financing) Fiscal year 2016-17" presents expenditure by economic classification. Budget Speech for fiscal year 2016-17 [http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_fi...](http://www.mof.gov.np/uploads/document/file/Budget_Speech_fi...) ([http://www.mof.gov.np/uploads/document/file/Budget\\_Speech\\_final\\_2016\\_20160602105902.pdf](http://www.mof.gov.np/uploads/document/file/Budget_Speech_final_2016_20160602105902.pdf)) Budget Speech

**Peer Reviewer**

**Opinion:** Agree

**Researcher response:** OBS methodology does not allow for citation of EBP documentation as a source for EB-related questions (Q.59-Q.63) except when either of two specific conditions are met: (i) the EBP documentation is directly cited in the EB documentation as containing the requisite information; or (ii) the EBP documentation is reissued as an EB document with a revised date of issuance or some other change in the presentation of the document to indicate it has been reissued. In the absence of either of these two strict conditions being met, EBP cannot be cited in response to EB questions, even

when there has been no change to the specific content of the estimates of either expenditures or revenues during the budget approval process. This rule is applied equally to all countries participating in the OBS. Finally, it can be noted that in some cases where there are no changes made to the content of EBP documentation during the budget approval process, it is possible that the information requested in a given question pertaining to EB documentation may, in fact, be available in an EBP document, even if that information is not found/available within the qualifying EB documentation.

### 60: Does the Enacted Budget present expenditure estimates for individual programs?

- a. (100) Yes, the Enacted Budget presents estimates for programs accounting for all expenditures.
- b. (67) Yes, the Enacted Budget presents estimates for programs accounting for at least two-thirds of, but not all, expenditures.
- c. (33) Yes, the Enacted Budget presents estimates for programs accounting for less than two-thirds of expenditures.
- d. (0) No, the Enacted Budget does not present expenditure estimates by program.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** EB documentation (Appropriations Act) does not provide any program-level estimates of expenditures. Appropriation Act for 2016-17  
[http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))

#### Peer Reviewer

**Opinion:** Agree

**Researcher response:** OBS methodology does not allow for citation of EBP documentation as a source for EB-related questions (Q.59-Q.63) except when either of two very specific conditions are met: (i) the EBP documentation is directly cited in the EB documentation as containing the requisite information; or (ii) the EBP documentation is reissued as an EB document with a revised date of issuance or some other change in the presentation of the document to indicate it has been reissued. In the absence of either of these two strict conditions being met, EBP cannot be cited in response to EB questions, even when there has been no change to the specific content of the estimates of either expenditures or revenues during the budget approval process. This rule is applied equally to all countries participating in the OBS. Finally, it can be noted that in some cases where there are no changes made to the content of EBP documentation during the budget approval process, it is possible that the information requested in a given question pertaining to EB documentation may, in fact, be available in an EBP document, even if that information is not found/available within the qualifying EB documentation.

### 61: Does the Enacted Budget present revenue estimates by category (such as tax and non-tax)?

- a. (100) Yes, the Enacted Budget presents revenue estimates by category.
- b. (0) No, the Enacted Budget does not present revenue estimates by category.
- c. Not applicable/other (please comment).

**Answer:** b.

**Sources:** EB documentation (Appropriations Act) does not include any revenue estimates. Appropriation Act for 2016-17  
[http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))

#### Peer Reviewer

**Opinion:** Agree

**Researcher response:** OBS methodology does not allow for citation of EBP documentation as a source for EB-related questions (Q.59-Q.63) except when either of two very specific conditions are met: (i) the EBP documentation is directly cited in the EB documentation as containing the requisite information; or (ii) the EBP documentation is reissued as an EB document with a revised date of issuance or some other change in the presentation of the document to indicate it has been reissued. In the absence of either of these two strict conditions being met, EBP cannot be cited in response to EB questions, even when there has been no change to the specific content of the estimates of either expenditures or revenues during the budget approval process. This rule is applied equally to all countries participating in the OBS. Finally, it can be noted that in some cases where there are no changes made to the content of EBP documentation during the budget approval process, it is possible that the information requested in a given question pertaining to EB documentation may, in fact, be available in an EBP document, even if that information is not found/available within the qualifying EB documentation.

### 62: Does the Enacted Budget present individual sources of revenue?

- a. (100) Yes, the Enacted Budget presents individual sources of revenue accounting for all revenue.
- b. (67) Yes, the Enacted Budget presents individual sources of revenue accounting for at least two-thirds of, but not all, revenue.
- c. (33) Yes, the Enacted Budget presents individual sources of revenue accounting for less than two-thirds of all revenues.
- d. (0) No, the Enacted Budget does not present individual sources of revenue.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** EB documentation (Appropriations Act) does not include any revenue estimates. Appropriation Act for 2016-17 [http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf)) Economic Act  
<http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202...>  
([http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073\\_20161130063400.pdf](http://www.mof.gov.np/uploads/document/file/Arthik%20Ain%202073_20161130063400.pdf)) Page number 2 to 12 Annex 1 to 5 Page 315 to 457 Have the information about the sources of revenue on Economic Act. It has provided comprehensive information on sources of revenue including several taxes (Excise Duty,VAT,Health service tax etc)

**Peer Reviewer**

**Opinion:** Agree

**Researcher response:** OBS methodology does not allow for citation of EBP documentation as a source for EB-related questions (Q.59-Q.63) except when either of two very specific conditions are met: (i) the EBP documentation is directly cited in the EB documentation as containing the requisite information; or (ii) the EBP documentation is reissued as an EB document with a revised date of issuance or some other change in the presentation of the document to indicate it has been reissued. In the absence of either of these two strict conditions being met, EBP cannot be cited in response to EB questions, even when there has been no change to the specific content of the estimates of either expenditures or revenues during the budget approval process. This rule is applied equally to all countries participating in the OBS. Finally, it can be noted that in some cases where there are no changes made to the content of EBP documentation during the budget approval process, it is possible that the information requested in a given question pertaining to EB documentation may, in fact, be available in an EBP document, even if that information is not found/available within the qualifying EB documentation.

**63:** Does the Enacted Budget present three estimates related to government borrowing and debt: the amount of net new borrowing required during the budget year; the total debt outstanding at the end of the budget year; and interest payments on the debt for the budget year?

- a. (100) Yes, all three estimates related to government borrowing and debt are presented.
- b. (67) Yes, two of the three estimates related to government borrowing and debt are presented.
- c. (33) Yes, one of the three estimates related to government borrowing and debt are presented.
- d. (0) No, none of the three estimates related to government borrowing and debt are not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** The Appropriations Act does not contain any estimates related to government borrowing and debt. Appropriation Act for 2016-17 [http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_...](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_...)  
([http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain\\_20160724073700.pdf](http://www.mof.gov.np/uploads/document/file/Biniyojan%20ain_20160724073700.pdf))

**Peer Reviewer**

**Opinion:** Agree

**Researcher response:** OBS methodology does not allow for citation of EBP documentation as a source for EB-related questions (Q.59-Q.63) except when either of two very specific conditions are met: (i) the EBP documentation is directly cited in the EB documentation as containing the requisite information; or (ii) the EBP documentation is reissued as an EB document with a revised date of issuance or some other change in the presentation of the document to indicate it has been reissued. In the absence of either of these two strict conditions being met, EBP cannot be cited in response to EB questions, even when there has been no change to the specific content of the estimates of either expenditures or revenues during the budget approval process. This rule is applied equally to all countries participating in the OBS. Finally, it can be noted that in some cases where there are no changes made to the content of EBP documentation during the budget approval process, it is possible that the information requested in a given question pertaining to EB documentation may, in fact, be available in an EBP document, even if that information is not found/available within the qualifying EB documentation.

**64:** What information is provided in the Citizens Budget? (The core information must include expenditure and revenue totals, the main policy initiatives in the budget, the macroeconomic forecast upon which the budget is based, and contact information for follow-up by citizens.)

- a. (100) The Citizens Budget provides information beyond the core elements.
- b. (67) The Citizens Budget provides the core information.
- c. (33) The Citizens Budget provides information, but it excludes some core elements.
- d. (0) The Citizens Budget is not published.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** Citizens Budget document is not produced in Nepal.

**Peer Reviewer**

**Opinion:** Agree

**65: How is the Citizens Budget disseminated to the public?**

- a. (100) A Citizens Budget is disseminated widely through a combination of at least three different appropriate tools and media (such as the Internet, billboards, radio programs, newspapers, etc.).
- b. (67) A Citizens Budget is published by using at least two, but less than three, means of dissemination, but no other dissemination efforts are undertaken by the executive.
- c. (33) A Citizens Budget is disseminated only by using one means of dissemination.
- d. (0) A Citizens Budget is not published.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** Citizens Budget document is not produced in Nepal.

**Peer Reviewer**

**Opinion:** Agree

**66: Has the executive established mechanisms to identify the public's requirements for budget information prior to publishing the Citizens Budget?**

- a. (100) Yes, the executive has established mechanisms to identify the public's requirements for budget information in the Citizen's Budget, and these mechanisms are accessible and widely used by the public.
- b. (67) Yes, the executive has established mechanisms to identify the public's requirements for budget information in the Citizen's Budget; while these mechanisms are accessible they are not widely used by the public.
- c. (33) Yes, the executive has established mechanisms to identify the public's requirements for budget information in the Citizen's Budget, but these mechanisms are not accessible.
- d. (0) No, the executive has not established any mechanisms to identify the public's requirements for budget information in the Citizen's Budget.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** Citizens Budget document is not produced in Nepal.

**Peer Reviewer**

**Opinion:** Agree

**IBP comment:** Based on OBS methodology, since there is no Citizen Budget produced this scores as 'd'.

**67: Are "citizens" versions of budget documents published throughout the budget process?**

- a. (100) A citizens version of budget documents is published for each of the four stages of the budget process (budget formulation, enactment, execution, and audit).
- b. (67) A citizens version of budget documents is published for at least two of the four stages of the budget process.
- c. (33) A citizens version of budget documents is published for at least one stage of the budget process.
- d. (0) No citizens version of budget documents is published.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** Citizens Budget document is not produced in Nepal.

**Peer Reviewer**

**Opinion:** Agree

**68: Do the In-Year Reports present actual expenditures by any of the three expenditure classifications (by administrative, economic, or functional classification)?**

- a. (100) Yes, the In-Year Reports present actual expenditures by all three expenditure classifications (by administrative, economic, and functional classification).
- b. (67) Yes, the In-Year Reports present actual expenditures by two of the three expenditure classifications.
- c. (33) Yes, the In-Year Reports present actual expenditures by only one of the three expenditure classifications.
- d. (0) No, the In-Year Reports do not present actual expenditures by any expenditure classification.

e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** The Quarterly Economic Bulletin produced by Central Bank of Nepal does not provide expenditure data by any of the 3 classifications (administrative, economic or functional). Quarterly Economic Bulletin - Nepal Rastra Bank Number 3 (Q3) - Volume 50 (FY2015/16) - April 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...) ([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_April\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_April).pdf)) Quarterly Economic Bulletin - Nepal Rastra Bank Number 2 (Q2) - Volume 50 (FY2015/16) - January 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...) ([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_January\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_January).pdf))

**Peer Reviewer**

**Opinion:** Agree

**69: Do the In-Year Reports present actual expenditures for individual programs?**

- a. (100) Yes, the In-Year Reports present actual expenditures for programs accounting for all expenditures.
- b. (67) Yes, the In-Year Reports present actual expenditures for programs accounting for at least two-thirds of, but not all, expenditures.
- c. (33) Yes, the In-Year Reports present actual expenditures for programs accounting for less than two-thirds of expenditures.
- d. (0) No, the In-Year Reports do not present actual expenditures by program.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** The Quarterly Economic Bulletin produced by Central Bank of Nepal does not provide program-level expenditure data. Quarterly Economic Bulletin - Nepal Rastra Bank Number 3 (Q3) - Volume 50 (FY2015/16) - April 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...) ([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_April\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_April).pdf)) Quarterly Economic Bulletin - Nepal Rastra Bank Number 2 (Q2) - Volume 50 (FY2015/16) - January 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...) ([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_January\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_January).pdf))

**Peer Reviewer**

**Opinion:** Agree

**70: Do the In-Year Reports compare actual year-to-date expenditures with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?**

- a. (100) Yes, comparisons are made for expenditures presented in the In-Year Reports.
- b. (0) No, comparisons are not made for expenditures presented in the In-Year Reports.
- c. Not applicable/other (please comment).

**Answer:** b.

**Sources:** The Quarterly Economic Bulletin produced by Central Bank of Nepal does not provide comparisons of actual expenditure data relative to budgeted amounts for the period or against the previous year's actual data for the same time period. Quarterly Economic Bulletin - Nepal Rastra Bank Number 3 (Q3) - Volume 50 (FY2015/16) - April 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...) ([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_April\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_April).pdf)) Quarterly Economic Bulletin - Nepal Rastra Bank Number 2 (Q2) - Volume 50 (FY2015/16) - January 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...) ([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_January\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_January).pdf))

**Peer Reviewer**

**Opinion:** Agree

**71: Do In-Year Reports present actual revenue by category (such as tax and non-tax)?**

- a. (100) Yes, In-Year Reports present actual revenue by category.
- b. (0) No, In-Year Reports do not present actual revenue by category.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Quarterly Economic Bulletin produced by Central Bank of Nepal does provide actual revenue data by main categories of revenue. Table 56 - Government Revenue (New Series), p.70. Quarterly Economic Bulletin - Nepal Rastra Bank Number 3 (Q3) - Volume 50 (FY2015/16) - April 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...)

([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_April\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_April).pdf)) Quarterly Economic Bulletin - Nepal Rastra Bank Number 2 (Q2) - Volume 50 (FY2015/16) - January 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...)  
([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_January\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_January).pdf))

**Peer Reviewer**

**Opinion:** Agree

## 72: Do In-Year Reports present the individual sources of revenue for actual revenues collected?

- a. (100) Yes, In-Year Reports present individual sources of actual revenue accounting for all revenue.
- b. (67) Yes, In-Year Reports present individual sources of actual revenue accounting for at least two-thirds of, but not all, revenue.
- c. (33) Yes, In-Year Reports present individual sources of actual revenue accounting for less than two-thirds of all revenue.
- d. (0) No, In-Year Reports do not present individual sources of actual revenue.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Quarterly Economic Bulletin produced by Central Bank of Nepal does provide actual revenue data for individual sources of revenue covering all revenues. Table 56 - Government Revenue (New Series), p.70. Quarterly Economic Bulletin - Nepal Rastra Bank Number 3 (Q3) - Volume 50 (FY2015/16) - April 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...)  
([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_April\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_April).pdf)) Quarterly Economic Bulletin - Nepal Rastra Bank Number 2 (Q2) - Volume 50 (FY2015/16) - January 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...)  
([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_January\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_January).pdf))

**Comments:** Researcher: Note: Combined amounts of revenue classified as either "other tax" or "other non-tax revenue" is less than 1% of total tax and non-tax revenue. Assessment of "a" according to OBS methodology requires that "other" categories be no more than 3% of total revenue.

**Peer Reviewer**

**Opinion:** Agree

## 73: Do the In-Year Reports compare actual year-to-date revenues with either the original estimate for that period (based on the enacted budget) or the same period in the previous year?

- a. (100) Yes, comparisons are made for revenues presented in the In-Year Reports.
- b. (0) No, comparisons are not made for revenues presented in the In-Year Reports.
- c. Not applicable/other (please comment).

**Answer:** b.

**Sources:** The Quarterly Economic Bulletin produced by Central Bank of Nepal does not provide data for comparison of actual year-to-date revenues against either original budget estimates for the same period or against actual revenues for the same period in the previous year. Quarterly Economic Bulletin - Nepal Rastra Bank Number 3 (Q3) - Volume 50 (FY2015/16) - April 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...)  
([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_April\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_April).pdf)) Quarterly Economic Bulletin - Nepal Rastra Bank Number 2 (Q2) - Volume 50 (FY2015/16) - January 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...)  
([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_January\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_January).pdf))

**Peer Reviewer**

**Opinion:** Agree

## 74: Do In-Year Reports present three estimates related to actual government borrowing and debt: the amount of net new borrowing; the total debt outstanding; and interest payments?

- a. (100) Yes, all three estimates related to government borrowing and debt are presented.
- b. (67) Yes, two of the three estimates related to government borrowing and debt are presented.
- c. (33) Yes, one of the three estimates related to government borrowing and debt are presented.
- d. (0) No, none of the three estimates related to government borrowing and debt are not presented.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** The Quarterly Economic Bulletin produced by Central Bank of Nepal does provides information for some but not all of the core elements. It is worth noting, however, that there is also substantial information "beyond the core elements", particularly in the form of highly disaggregated data for net borrowing, total outstanding debt and interest payments across different "lenders" or holders of the debt, despite the fact that data for some core elements is incomplete. 1. Net new borrowing: Domestic - Table 54: Government Budgetary Operations New Series under Sources of Financing, p.68

External - Table 84: Direct External Debt of Government of Nepal, p.119 2. Total stock of outstanding debt (not available for external debt) Domestic - Table 57. Ownership Pattern of Government Bonds and Treasury Bills, p.71 3. Interest payments (not available for domestic debt) External - Table 84: Direct External Debt of Government of Nepal, p.119 Quarterly Economic Bulletin - Nepal Rastra Bank Number 3 (Q3) - Volume 50 (FY2015/16) - April 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...)

([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_April\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_April).pdf)) Quarterly Economic Bulletin - Nepal Rastra Bank Number 2 (Q2) - Volume 50 (FY2015/16) - January 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...) ([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_January\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_January).pdf))

**Comments:** Researcher: The assessment of "b" is based on the availability of at least some information across all 3 core elements, but noting that information for two of the core elements (total debt burden and interest payments) is incomplete.

**Peer Reviewer**

**Opinion:** Agree

**75: Do In-Year Reports present information related to the composition of the total actual debt outstanding? (The core information must include interest rates on the debt instruments; maturity profile of the debt; and whether it is domestic or external debt.)**

- a. (100) Yes, information beyond the core elements is presented for the composition of the total actual debt outstanding.
- b. (67) Yes, the core information is presented for the composition of the total actual debt outstanding.
- c. (33) Yes, information is presented, but it excludes some core elements.
- d. (0) No, information related to composition of total actual debt outstanding is not presented.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** The Quarterly Economic Bulletin produced by Central Bank of Nepal does provide some information for all 3 core elements as well as information "beyond the core elements". 1. Interest rates on debt (domestic debt) Tables 33-37, pp.50-52 2. Maturity profile of debt (domestic debt) Tables 57: Ownership Pattern of Government Bonds and Treasury Bills, p.71 Table 58: Auction of Treasury Bills, pp.72-74 3. Domestic versus external debt (both domestic and external for borrowings, but only domestic for total stock) Table 54: Government Budgetary Operations New Series for domestic vs external borrowing, p.68 Table 57: Ownership Pattern of Government Bonds and Treasury Bills, p.71 Table 84: Direct External Debt of Government of Nepal, pp.114-119 for breakdown of external borrowing Quarterly Economic Bulletin - Nepal Rastra Bank Number 3 (Q3) - Volume 50 (FY2015/16) - April 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...)

([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_April\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_April).pdf)) Quarterly Economic Bulletin - Nepal Rastra Bank Number 2 (Q2) - Volume 50 (FY2015/16) - January 2016 [https://www.nrb.org.np/red/publications/economic\\_bulletin/Qu...](https://www.nrb.org.np/red/publications/economic_bulletin/Qu...) ([https://www.nrb.org.np/red/publications/economic\\_bulletin/Quarterly\\_Economic\\_Bulletin--2016-01\\_\(Mid\\_January\).pdf](https://www.nrb.org.np/red/publications/economic_bulletin/Quarterly_Economic_Bulletin--2016-01_(Mid_January).pdf))

**Comments:** Researcher: The appropriate response is assessed as "b", recognising that while some aspects of information about the core elements are missing, there is also information "beyond the core elements" in the level of detail provided (noting, for example, the breakdowns for both specific issuances of Govt bond/bills, as well as the breakdown of foreign debt by individual countries).

**Peer Reviewer**

**Opinion:** Agree

**76: Does the Mid-Year Review of the budget include an updated macroeconomic forecast for the budget year underway?**

- a. (100) Yes, the estimates for the macroeconomic forecast have been updated, and an explanation of all of the differences between the original and updated forecasts is presented.
- b. (67) Yes, the estimates for macroeconomic forecast have been updated, and an explanation of some of the differences between the original and updated forecasts is presented.
- c. (33) Yes, the estimates for macroeconomic forecast have been updated, but an explanation of the differences between the original and updated forecast is not presented.
- d. (0) No, the estimates for macroeconomic forecast have not been updated.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The document presents revised macroeconomic forecasts relative to the original Budget Forecasts and a comparison of original Budget and the revised Mid Year Forecasts. The revised macroeconomic forecasts and comparisons to original budget forecasts are presented on pages: There is discussion to explain the underlying reasons for revisions and differences between the revised and original forecasts on pages: MYR document contains analysis of macroeconomic and financial indicators, including: economic growth, inflation, foreign exchange reserve, total internal borrowing, banks and other financial institutions, cash flow and monetary scenario, foreign trade and the balance of payments Mid-Term Review 2016 <http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...>

(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>)

**Peer Reviewer**

**Opinion:** Agree

**77: Does the Mid-Year Review of the budget include updated expenditure estimates for the budget year underway?**

- a. (100) Yes, expenditure estimates have been updated, and an explanation of all of the differences between the original and updated expenditure estimates is presented.
- b. (67) Yes, expenditure estimates have been updated, and an explanation of some of the differences between the original and updated expenditure estimates is presented.
- c. (33) Yes, expenditure estimates have been updated, but an explanation of the differences between the original and updated expenditure estimates is not presented.
- d. (0) No, expenditure estimates have not been updated.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** The MYR does not provide updated/revised estimates of expenditures for the whole year. Mid Term Review-2016

<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...>

(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>

**Comments:** Researcher: Although the MYR does not provide the required updated estimates of expenditures for the year, the annexes to the MY (from p.58 onward) do include expenditure data with comparisons of 6-month actual expenditures against the original budget forecasts for the year. There is also some narrative discussion of the 6-month actual data in the text of the MYR.

**Peer Reviewer**

**Opinion:** Agree

**78: Does the Mid-Year Review of the budget present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?**

- a. (100) Yes, the Mid-Year Review presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).
- b. (67) Yes, the Mid-Year Review presents expenditure estimates by two of the three expenditure classifications.
- c. (33) Yes, the Mid-Year Review presents expenditure estimates by only one of the three expenditure classifications.
- d. (0) No, the Mid-Year Review does not present expenditure estimates by any expenditure classification.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The MYR provides expenditure estimates for all 3 expenditure classifications. Functional classification Annex 2, Economic classification:

Annex 3 Administrative classification Annex 5 Mid Term Review 2016 <http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...>

(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>

**Peer Reviewer**

**Opinion:** Agree

**79: Does the Mid-Year Review of the budget present expenditure estimates for individual programs?**

- a. (100) Yes, the Mid-Year Review presents estimates for programs accounting for all expenditures.
- b. (67) Yes, the Mid-Year Review presents estimates for programs accounting for at least two-thirds of, but not all, expenditures.
- c. (33) Yes, the Mid-Year Review presents estimates for programs accounting for less than two-thirds of expenditures.
- d. (0) No, the Mid-Year Review does not present expenditure estimates by program.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** Mid Term Review 2016 does not contain information on estimates for individual program.

<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...>

(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>

**Peer Reviewer**

**Opinion:** Disagree

**Suggested answer:** b.

**Comments:** Some program level details are presented in mid-year report. For instance they have information on some ministries, under education they have segregated by primary education, secondary education, additional additional support in education etc. There are some program level details in the mid-year review. Therefore, "b" is more appropriate for this question.

**Researcher response:** The Peer Reviewer correctly points out that MYR documents present data for education sub-sectors such as primary, secondary and non-formal education in the annex citing the source of Comptroller General Office Report. The research has reviewed the content of the MYR document and assesses that the amount for all possible individual programs is Nrs 179,760,509,000, equal to approximately (22% of total annual budgetary expenditure estimates (at Nrs 819,468,884,000). However, this program-level expenditure data does not cover the data of national pride projects. The MYR document shows that 8.2% of total expenditures were incurred for these programs. In sum, MYR presents estimates for program-level spending amounting to less than 2/3 of total expenditures, and therefore, the appropriate revised response is 'c'.

**IBP comment:** IBP has reviewed the comments from Peer Reviewer and from the researcher based on assessment of the MYR documentation, it is expected that some additional program-level data is present within the MYR document for such item as debt service interest payments, specific types of social benefits, and possibly other types of spending at "sub-sector" level (as in the case of education). However, the sum of all such program-level spending data in the MYR is assessed as still being under 2/3 of total expenditures. Therefore, the final assessment is that the revised "c" response indicated by the researcher is appropriate.

## 80: Does the Mid-Year Review of the budget include updated revenue estimates for the budget year underway?

- a. (100) Yes, revenue estimates have been updated, and an explanation of all of the differences between the original and updated revenue estimates is presented.
- b. (67) Yes, revenue estimates have been updated, and an explanation of some of the differences between the original and updated revenue estimates is presented.
- c. (33) Yes, revenue estimates have been updated, but an explanation of the differences between the original and updated revenue estimates is not presented.
- d. (0) No, revenue estimates have not been updated.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** Revised revenue estimates are presented both in Table 2.06 (p.20) and in Annex 1. Discussion of the revised revenue estimates and some of the underlying factors is included in Section 2. Mid-Year Review 2016 <http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...> (<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>

**Peer Reviewer  
Opinion:** Agree

## 81: Does the Mid-Year Review of the budget present revenue estimates by category (such as tax and non-tax)?

- a. (100) Yes, the Mid-Year Review presents revenue estimates by category.
- b. (0) No, the Mid-Year Review does not present revenue estimates by category.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Annex 1 and Annex 4 of the MYR 2016 present revenue estimates by categories. <http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...> (<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>

**Peer Reviewer  
Opinion:** Agree

## 82: Does the Mid-Year Review of the budget present individual sources of revenue?

- a. (100) Yes, the Mid-Year Review presents individual sources of revenue accounting for all revenue.
- b. (67) Yes, the Mid-Year Review presents individual sources of revenue accounting for at least two-thirds of, but not all, revenue.
- c. (33) Yes, the Mid-Year Review presents individual sources of revenue accounting for less than two-thirds of all revenues.
- d. (0) No, the Mid-Year Review does not present individual sources of revenue.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Annex 4 of the MYR 2016 presents individual sources of revenues accounting for all revenue. <http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...> (<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>

**Comments:** Researcher: Comment from IBP: We still need to check if the amount of revenues classified as "other" satisfies the requirement that it be no more than 3% of total revenue in order to support "a" response, based on standard OBS methodology. This calculation has not been performed and checked for compliance.

**Peer Reviewer**  
**Opinion:** Agree

**83:** Does the Mid-Year Review of the budget include updated estimates of government borrowing and debt, including its composition, for the budget year underway?

- a. (100) Yes, estimates of government borrowing and debt have been updated, and information on all of the differences between the original and updated estimates is presented.
- b. (67) Yes, estimates of government borrowing and debt have been updated, and information on some of the differences between the original and updated estimates is presented.
- c. (33) Yes, estimates of government borrowing and debt have been updated, but information on the differences between the original and updated estimates is not presented.
- d. (0) No, estimates of government borrowing and debt have not been updated.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** The MYR documentation provides updated estimates for 2 of the 6 core elements related to Government debt and borrowing - net new borrowing and interest payments. 1. Net new borrowing in FY2015-16 - with a breakdown between external and domestic borrowing Annex 1 (see attached translation) 2. Interest payments for debt service in FY2015-16 - with a breakdown between interest/debt service payments for external and domestic debt/borrowing Annex 2 (line item 1.7) and Annex 3 (line items 24111 and 24211) Mid-Term Review 2016  
<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%...>  
(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AE%E0%A4%A7%E0%A5%8D%E0%A4%AF%E0%A4%BE%E0%A4%B5%E0%A4%A7%E0%A4>)

**Peer Reviewer**  
**Opinion:** Agree

**84:** Does the Year-End Report present the differences between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for expenditures?

- a. (100) Yes, estimates of the differences between the enacted levels and the actual outcome for all expenditures are presented, along with a narrative discussion.
- b. (67) Yes, estimates of the differences between the enacted levels and the actual outcome for all expenditures are presented, but a narrative discussion is not included.
- c. (33) Yes, estimates of the differences between the enacted levels and the actual outcome for some but not all expenditures are presented.
- d. (0) No, estimates of the differences between the enacted levels and the actual outcome for expenditures are not presented.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** YER documentation provides estimates of the differences between actual outcomes and original budget estimates for all expenditures, but the narrative discussion of these differences is very limited with no explanation about the causes or reasons for variances between budgeted amounts and actual outcomes. Comparisons of actual expenditure outcomes against budget estimates are available at varying levels of detail or disaggregation, including for broad fiscal aggregate categories such as total, recurrent and capital expenditures, as well as for a full administrative classification of spending. 1. Broad fiscal aggregate measures for expenditure: Table 23, p.28 Figure 7, p.29 Table 24, p.29 Figure 8, p.30 2. Administrative classification of expenditures (with additional details for all "virements"/revisions to original budget estimates: Annex 17, pp.190-192 - current spending by administrative units Annex 18, pp.193-195 - capital spending by administrative units Govt of Nepal Consolidated Financial Statements - Fiscal Year 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)  
**Comments:** Researcher: Note: Another important assessment of actual outcomes versus budget plans is provided by the annual document: Arthik Barsha 2071/72 Ko Mantralayagat Pragati Bibaran (Ministry Wise Progress Report of F/Y 2014-15). <http://www.mof.gov.np/uploads/document/file/Progress%20Final...> ([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) This extensive 433-page document (in Nepali) includes detailed data, including program-level spending information, as well as narrative discussion. However, this "Progress Report" does not capture actual outcomes for the full fiscal year.

**Peer Reviewer**  
**Opinion:** Agree

**85:** Does the Year-End Report present expenditure estimates by any of the three expenditure classifications (by administrative, economic, or functional classification)?

- a. (100) Yes, the Year-End Report presents expenditure estimates by all three expenditure classifications (by administrative, economic, and functional classification).
- b. (67) Yes, the Year-End Report presents expenditure estimates by two of the three expenditure classifications.

- c. (33) Yes, the Year-End Report presents expenditure estimates by only one of the three expenditure classifications.
- d. (0) No, the Year-End Report does not present expenditure estimates by any expenditure classification.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** YER documentation provides estimates of expenditures for all three expenditure classifications: 1. Administrative classification Annex 6, pp.59-60 Annex 14, pp. 93-174 (with detailed economic classification for each administrative unit - recurrent spending) Annex 15, pp. 175-188 (with detailed economic classification for each administrative unit - capital spending) 2. Economic classification Table 7, pp.9-10 Annex 7, pp.61-65 (with more detailed version of economic classification) 3. Functional classification Annex 2, pp.46-47 Annex 5, pp.54-58 (with more detailed version showing administrative units within each functional category) Govt of Nepal Consolidated Financial Statements - Fiscal Year 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)

**Comments:** Researcher: Note: Another important assessment of actual outcomes versus budget plans is provided by the annual document: Arthik Barsha 2071/72 Ko Mantralayagat Pragati Bibaran(Ministry Wise Progress Report of F/Y 2014-15). <http://www.mof.gov.np/uploads/document/file/Progress%20Final...> ([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) This extensive 433-page document (in Nepali) includes detailed data, including program-level spending information, as well as narrative discussion. However, this "Progress Report" does not capture actual outcomes for the full fiscal year.

**Peer Reviewer**

**Opinion:** Agree

### 86: Does the Year-End Report present expenditure estimates for individual programs?

- a. (100) Yes, the Year-End Report presents estimates for programs accounting for all expenditures.
- b. (67) Yes, the Year-End Report presents estimates for programs accounting for at least two-thirds of, but not all, expenditures.
- c. (33) Yes, the Year-End Report presents estimates for programs accounting for less than two-thirds of expenditures.
- d. (0) No, the Year-End Report does not present expenditure estimates by program.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** YER documentation does provide estimates of expenditures for some program-level spending accounting for less than 2/3 of all expenditures. These program-level data include: Some pension-related social benefit programs Table 7, pp.9-10 Data provided for some detailed sub-sector functional categories that effectively meet the OBS criteria as program-level spending (e.g. water supply, hospital services, outpatient services, primary education, etc.) Annex 5, pp.54-58 Govt of Nepal Consolidated Financial Statements - Fiscal Year 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)

**Comments:** Researcher: Note: Another important assessment of actual outcomes versus budget plans is provided by the annual document: Arthik Barsha 2071/72 Ko Mantralayagat Pragati Bibaran(Ministry Wise Progress Report of F/Y 2014-15). <http://www.mof.gov.np/uploads/document/file/Progress%20Final...> ([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) This extensive 433-page document (in Nepali) includes detailed data, including program-level spending information, as well as narrative discussion, as part of the review of "progress" for each administrative unit. However, this "Progress Report" does not capture actual outcomes for the full fiscal year.

**Peer Reviewer**

**Opinion:** Agree

**IBP comment:** During an IBP review it is noted that debt service payments are not considered as program level data, however due to the inclusion of outcomes and budget plans in the annual document, this score is confirmed as 'c'.

### 87: Does the Year-End Report present the differences between the enacted levels (including in-year changes approved by the legislature) and the actual outcome for revenues?

- a. (100) Yes, estimates of the differences between the enacted levels and the actual outcome for all revenues are presented, along with a narrative discussion.
- b. (67) Yes, estimates of the differences between the enacted levels and the actual outcome for all revenues are presented, but a narrative discussion is not included.
- c. (33) Yes, estimates of the differences between the enacted levels and the actual outcome for some but not all revenues are presented.
- d. (0) No, estimates of the differences between the enacted levels and the actual outcome for revenues are not presented.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** YER documentation does provide information (data) for the differences between budget estimates of revenues and actual outcomes for all revenue, but narrative discussion of the variances is limited. Table 22, p.27 (broad categories) Figure 6, p.28 Annex 4, pp.51-53 (more detailed data) Govt of Nepal Consolidated Financial Statements - Fiscal Year 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)

**Comments:** Researcher: Note: Another important assessment of actual outcomes versus budget plans is provided by the annual document: Arthik Barsha 2071/72 Ko Mantralayagat Pragati Bibaran(Ministry Wise Progress Report of F/Y 2014-15).

<http://www.mof.gov.np/uploads/document/file/Progress%20Final...> ([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) This extensive 433-page document (in Nepali) includes data for revenues as well as narrative discussion. However, this "Progress Report" does not capture actual outcomes for the full fiscal year.

**Peer Reviewer**

**Opinion:** Agree

**88:** Does the Year-End Report present revenue estimates by category (such as tax and non-tax)?

- a. (100) Yes, the Year-End Report presents revenue estimates by category.
- b. (0) No, the Year-End Report does not present revenue estimates by category.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** YER documentation does provide information (data) for the differences between budget estimates of revenues and actual outcomes for all revenue, but narrative discussion of the variances is limited. Table 22, p.27 (broad categories) Figure 6, p.28 Annex 4, pp.51-53 (more detailed data) Govt of Nepal Consolidated Financial Statements - Fiscal Year 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)

**Comments:** Researcher: Note: Another important assessment of actual outcomes versus budget plans is provided by the annual document: Arthik Barsha 2071/72 Ko Mantralayagat Pragati Bibaran (Ministry Wise Progress Report of F/Y 2014-15). <http://www.mof.gov.np/uploads/document/file/Progress%20Final...> ([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) This extensive 433-page document (in Nepali) includes data for revenues as well as narrative discussion. However, this "Progress Report" does not capture actual outcomes for the full fiscal year.

**Peer Reviewer**

**Opinion:** Agree

**89:** Does the Year-End Report present individual sources of revenue?

- a. (100) Yes, the Year-End Report presents individual sources of revenue accounting for all revenue.
- b. (67) Yes, the Year-End Report presents individual sources of revenue accounting for at least two-thirds of, but not all, revenue.
- c. (33) Yes, the Year-End Report presents individual sources of revenue accounting for less than two-thirds of all revenues.
- d. (0) No, the Year-End Report does not present individual sources of revenue.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** YER documentation does provide information (data) for the differences between budget estimates of revenues and actual outcomes for all revenue, but narrative discussion of the variances is limited. Annex 4, pp.51-53 (detailed revenue data for individual sources) Govt of Nepal Consolidated Financial Statements - Fiscal Year 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>) Note: In accordance with OBS methodology, the amount of revenue classified as "other" has been assessed and is well below the 3% limit for applying "Score" of "a".

**Comments:** Researcher: Note: Another important assessment of actual outcomes versus budget plans is provided by the annual document: Arthik Barsha 2071/72 Ko Mantralayagat Pragati Bibaran (Ministry Wise Progress Report of F/Y 2014-15). <http://www.mof.gov.np/uploads/document/file/Progress%20Final...> ([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) This extensive 433-page document (in Nepali) includes data for revenues as well as narrative discussion. However, this "Progress Report" does not capture actual outcomes for the full fiscal year.

**Peer Reviewer**

**Opinion:** Agree

**90:** Does the Year-End Report present the differences between the original estimates of government borrowing and debt, including its composition, for the fiscal year and the actual outcome for that year?

- a. (100) Yes, estimates of the differences between all of the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented, along with a narrative discussion.
- b. (67) Yes, estimates of the differences between all the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented, but a narrative discussion is not included.
- c. (33) Yes, estimates of the differences between some but not all of the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year are presented.
- d. (0) No, estimates of the differences between the original estimates of government borrowing and debt for the fiscal year and the actual outcome for that year is not presented.

e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** YER documentation provides information about differences between the original estimates and actual outcomes for 1 of the 6 core elements related to Government borrowing and debt - interest payments. Interest payments (recurrent spending on debt service with breakdown for external vs. domestic debt) Annex 17, p.190 Govt of Nepal Consolidated Financial Statements - Fiscal Year 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>) Note: The YER document also provides extensive and detailed information for all other core elements, but that information is limited to actual outcomes for the FY2014-15, without any comparisons to the original budget estimates. The additional detailed information include amounts of net new borrowing, total stock of outstanding debt, interest rates for specific debt instruments (both external and domestic), information about the maturity for individual debt instruments and a detailed breakdown of both annual borrowing and total outstanding debt from both external and domestic sources.

**Comments:** Researcher: Note: Another important assessment of actual outcomes versus budget plans is provided by the annual document: Arthik Barsha 2071/72 Ko Mantralayagat Pragati Bibaran (Ministry Wise Progress Report of F/Y 2014-15). <http://www.mof.gov.np/uploads/document/file/Progress%20Final...> ([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) This extensive 433-page document (in Nepali) includes some data related to Government debt and borrowing, as well as narrative discussion. However, this "Progress Report" does not capture actual outcomes for the full fiscal year.

**Peer Reviewer**

**Opinion:** Agree

**91:** Does the Year-End Report present the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year?

a. (100) Yes, estimates of the differences between all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, along with a narrative discussion.

b. (67) Yes, estimates of the differences between all the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented, but a narrative discussion is not included.

c. (33) Yes, estimates of the differences between some but not all of the original macroeconomic assumptions for the fiscal year and the actual outcome for that year are presented.

d. (0) No, estimates of the differences between the original macroeconomic forecast for the fiscal year and the actual outcome for that year is not presented.

e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** The YER documentation does not provide information about differences between the original budget macroeconomic assumptions for the fiscal year and actual outcomes. Govt of Nepal Consolidated Financial Statements - Fiscal Year 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)

**Peer Reviewer**

**Opinion:** Agree

**92:** Does the Year-End Report present the differences between the original estimates of nonfinancial data on inputs and the actual outcome?

a. (100) Yes, estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome are presented, along with a narrative discussion.

b. (67) Yes, estimates of the differences between all of the original estimates of nonfinancial data on inputs and the actual outcome are presented, but a narrative discussion is not included.

c. (33) Yes, estimate of the differences between some but not all of the original estimates of nonfinancial data on inputs and the actual outcome are presented.

d. (0) No, estimates of the differences between the original estimates of nonfinancial data on inputs and the actual outcome are not presented.

e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** The YER documentation does not provide information about differences between the original budget data for non-financial inputs for the fiscal year and actual outcomes. Govt of Nepal Consolidated Financial Statements - Fiscal Year 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)

**Comments:** Researcher: Note: Another important assessment of actual outcomes versus budget plans is provided by the annual document: Arthik Barsha 2071/72 Ko Mantralayagat Pragati Bibaran (Ministry Wise Progress Report of F/Y 2014-15). <http://www.mof.gov.np/uploads/document/file/Progress%20Final...> ([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) This extensive 433-page document (in Nepali) includes some data and narrative discussion for non-financial inputs for the fiscal year. However, this "Progress Report" does not capture actual outcomes for the full fiscal year.

**Peer Reviewer**

**Opinion:** Agree

**93:** Does the Year-End Report present the differences between the original estimates of nonfinancial data on results and the actual outcome?

- a. (100) Yes, estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome are presented, along with a narrative discussion.
- b. (67) Yes, estimates of the differences between all of the original estimates of nonfinancial data on results and the actual outcome are presented, but a narrative discussion is not included.
- c. (33) Yes, estimate of the differences between some but not all of the original estimates of nonfinancial data on results and the actual outcome are presented.
- d. (0) No, estimates of the differences between the original estimates of nonfinancial data on results and the actual outcome are not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** The YER documentation does not provide information about differences between the original budget data for non-financial results (outputs) for the fiscal year and actual outcomes. Govt of Nepal Consolidated Financial Statements - Fiscal Year 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>

**Comments:** Researcher: Note: Another important assessment of actual outcomes versus budget plans is provided by the annual document: Arthik Barsha 2071/72 Ko Mantralayagat Pragati Bibaran (Ministry Wise Progress Report of F/Y 2014-15). [http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf) This extensive 433-page document (in Nepali) includes some data and narrative discussion for non-financial results or outputs for the fiscal year. However, this "Progress Report" does not capture actual outcomes for the full fiscal year.

**Peer Reviewer**

**Opinion:** Agree

**94:** Does the Year-End Report present the differences between the enacted level of funds for policies (both new proposals and existing policies) that are intended to benefit directly the country's most impoverished populations and the actual outcome?

- a. (100) Yes, estimates of the differences between the enacted level for all policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are presented, along with a narrative discussion.
- b. (67) Yes, estimates of the differences between the enacted level for all policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are presented, but a narrative discussion is not included.
- c. (33) Yes, estimates of the differences between the enacted level for some but not all of the policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are presented.
- d. (0) No, estimates of the differences between the enacted level for policies that are intended to benefit directly the country's most impoverished populations and the actual outcome are not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** YER documentation does not provide (significant) information for the differences between budget estimates of revenues and actual outcomes for policies intended to benefit the country's most impoverished population. The only spending categories targeted to assist the most impoverished population for which data presented includes BOTH actual amounts and budget estimates is for highly aggregated spending on social protection as part of a broad administrative classification. Annex 17, pp.190-192 - current spending by administrative units Ministry of Women, Children & Social Welfare Ministry of Cooperative and Poverty Alleviation However, for actual data only, there is also relevant information provided in Annex 12 (pp.78-85) "Function wise Actual Expenditure, Fiscal Year 2014/15 (2071/72)" This table presents data according to a functional classification within administrative units also listed under each functional category. The table has 7 column headings that include spending associated with "poverty alleviation" (Col.1) and "inclusive and equitable development" (Col.3). Govt of Nepal Consolidated Financial Statements - Fiscal Year 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>

**Comments:** Researcher: Note: Another important assessment of actual outcomes versus budget plans is provided by the annual document: Arthik Barsha 2071/72 Ko Mantralayagat Pragati Bibaran (Ministry Wise Progress Report of F/Y 2014-15). [http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf) This extensive 433-page document (in Nepali) includes detailed data, including program-level spending information, as well as narrative discussion, including data on spending programs targeting impoverished population and other vulnerable groups. However, this "Progress Report" does not capture actual outcomes for the full fiscal year.

**Peer Reviewer**

**Opinion:** Agree

**95:** Does the Year-End Report present the differences between the original estimates of extra-budgetary funds and the actual outcome?

- a. (100) Yes, estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome are presented, along with a narrative discussion.
- b. (67) Yes, estimates of the differences between all of the original estimates of extra-budgetary funds and the actual outcome are presented, but a narrative discussion is not included.
- c. (33) Yes, estimates of the differences between some but not all of the original estimates of extra-budgetary funds and the actual outcome are presented.
- d. (0) No, estimates of the differences between the original estimates of extra-budgetary funds and the actual outcome is not presented.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** YER documentation does not provide information about differences between the original estimates of extra-budgetary funds and the actual outcomes. Govt of Nepal Consolidated Financial Statements - Fiscal Year 2014/15 <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)

**Comments:** Researcher: Note: Another important assessment of actual outcomes versus budget plans is provided by the annual document: Arthik Barsha 2071/72 Ko Mantralayagat Pragati Bibaran (Ministry Wise Progress Report of F/Y 2014-15). <http://www.mof.gov.np/uploads/document/file/Progress%20Final...> ([http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72\\_20150712015656.pdf](http://www.mof.gov.np/uploads/document/file/Progress%20Final%202071-72_20150712015656.pdf)) This extensive 433-page document (in Nepali) includes detailed data, including program-level spending information, as well as narrative discussion. However, this "Progress Report" does not capture actual outcomes for the full fiscal year.

**Peer Reviewer**

**Opinion:** Agree

**96:** Is a financial statement included as part of the Year-End Report or released as a separate report?

- a. (100) Yes, a financial statement is part of the Year-End Report or is released as a separate report.
- b. (0) No, a financial statement is neither part of the Year-End Report nor released as a separate report.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The YER document is itself the Consolidated Financial Statement 2014-15 produced by Financial Comptroller General Office, an internal audit institution under Ministry of Finance.. <http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-1...> (<http://www.fcgo.gov.np/wp-content/uploads/Fiscal-Year-2014-15.pdf>)

**Peer Reviewer**

**Opinion:** Agree

**97:** What type of audits (compliance, financial, or performance) has the Supreme Audit Institution (SAI) conducted and made available to the public?

- a. (100) The SAI has conducted all three types of audits (compliance, financial, or performance) and made them available to the public.
- b. (67) The SAI has conducted two of the three types of audits, and made them available to the public.
- c. (33) The SAI has conducted one of the three types of audits, and made them available to the public.
- d. (0) The SAI has not conducted any of the three types of audits, or has not made them available to the public.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The OAG conducts all 3 types of audits - compliance, financial and performance. Compliance and financial audit procedures are demonstrated by the OAGs main annual audit report. Complete Audit Report-2016 - Financial and Compliance Audit(s) <http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%...> (<http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%A4%BE%E0%A4%B2%E0%A5%87%E0%A4%96%E0%A4%BE%20%E0%A4%Performance%20Audits%20Report%202016.pdf>) Performance audits are conducted for selected agencies and programs. OAG shared the report with civil society representatives in a public meeting. Performance Audit <http://www.oagnep.gov.np/auditofficename.php?part=Performanc...> (<http://www.oagnep.gov.np/auditofficename.php?part=Performance%20Audit&fiscalyear=2071/72>)

**Peer Reviewer**

**Opinion:** Agree

**98:** What percentage of expenditures within the mandate of the Supreme Audit Institution (SAI) has been audited?

- a. (100) All expenditures within the SAI's mandate have been audited.
- b. (67) Expenditures representing at least two-thirds of, but not all, expenditures within the SAI's mandate have been audited.
- c. (33) Expenditures representing less than two-thirds of expenditures within the SAI's mandate have been audited.
- d. (0) No expenditures have been audited.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** Expenditures representing at least two-thirds of, but possibly not all, expenditures within OAG's mandate have been audited. Projects directly funded by the donors submit the reports to the government only for information and not for audit. These projects constitute approximately one-third of the total annual expenditures and are not audited. A portion of local government grant is not audited by OAG because this authority has been given to local bodies as per the Local Self Governance Act 1999. However, the use of these funds is indirectly audited, since the District Development Committees (DDCs) and Ministry of Local Development and Federal Affairs are audited by OAG. Audit Report-2016  
<http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%...>  
(<http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%A4%BE%E0%A4%B2%E0%A5%87%E0%A4%96%E0%A4%BE%20%E0%A4%>

**Peer Reviewer**

**Opinion:** Agree

**99: What percentage of extra-budgetary funds within the mandate of the Supreme Audit Institution (SAI) has been audited?**

- a. (100) All extra-budgetary funds within the SAI's mandate have been audited.
- b. (67) Extra-budgetary funds accounting for at least two-thirds of, but not all, expenditures associated with extra-budgetary funds within the SAI's mandate have been audited.
- c. (33) Extra-budgetary funds accounting for less than two-thirds of expenditures associated with extra-budgetary funds within the SAI's mandate have been audited.
- d. (0) No extra-budgetary funds have been audited.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** No extra-budgetary funds have been audited. Annual Audit Report 2016 <http://www.oagnep.gov.np/auditofficename.php?part=Complete%2...> (<http://www.oagnep.gov.np/auditofficename.php?part=Complete%20Audit%20Report&fiscalyear=2071/72>)

**Peer Reviewer**

**Opinion:** Agree

**100: Does the annual Audit Report(s) prepared by the Supreme Audit Institution (SAI) include an executive summary?**

- a. (100) Yes, the annual Audit Report(s) includes one or more executive summaries summarizing the report's content.
- b. (0) No, the annual Audit Report(s) does not include an executive summary.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Annual Audit Report 2016 has summary of the report. <http://www.oagnep.gov.np/auditofficename.php?part=Complete%2...> (<http://www.oagnep.gov.np/auditofficename.php?part=Complete%20Audit%20Report&fiscalyear=2071/72>)

**Peer Reviewer**

**Opinion:** Agree

**101: Does the executive make available to the public a report on what steps it has taken to address audit recommendations or findings that indicate a need for remedial action?**

- a. (100) Yes, the executive reports publicly on what steps it has taken to address audit findings.
- b. (67) Yes, the executive reports publicly on most audit findings.
- c. (33) Yes, the executive reports publicly on some audit findings.
- d. (0) No, the executive does not report on steps it has taken to address audit findings.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** Based on consultations with Ministry of Finance officials, there is a Central Committee of Monitoring and Evaluation for Errors Clearance within the Ministry of Finance. They periodically produce relevant reports, with specific reference a report on progress in resolving the arrears of all ministries, a recommendation identified by the Auditor General's audit report.

**Peer Reviewer**

**Opinion:** Disagree

**Suggested answer:** d.

**Comments:** Although the audit reports are public, and there may be reports produced internally, none of them could be found online.

**Researcher response:** However, the reports are not available online. The response was made based on the conversation with the MOF official. So, I agree the answer should be 'd' on this basis.

**102:** Does either the Supreme Audit Institution (SAI) or legislature release to the public a report that tracks actions taken by the executive to address audit recommendations?

- a. (100) Yes, the SAI or legislature reports publicly on what steps the executive has taken to address all audit recommendations.
- b. (67) Yes, the SAI or legislature reports publicly on most audit recommendations.
- c. (33) Yes, the SAI or legislature reports publicly on some audit recommendations.
- d. (0) No, neither the SAI nor legislature reports on steps the executive has taken to address audit recommendations.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** The Auditor General's annual report for the following fiscal year includes a section (pp.267-268) reporting on measures taken by the Government in the preceding year to address specific audit recommendations, with specific reference to progress in resolving payment arrears issues. In addition, the Foreword of the Auditor General also make some general references to measures taken by the Government to address audit recommendations. Annual Audit Report 2016 <http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%...>  
(<http://www.oagnep.gov.np/downloadfile/%E0%A4%AE%E0%A4%B9%E0%A4%BE%E0%A4%B2%E0%A5%87%E0%A4%96%E0%A4%BE%20%E0%A4%>

**Peer Reviewer**

**Opinion:** Agree

**103:** Is there an Independent Fiscal Institution (IFI) that conducts budget analyses for the budget formulation and/or approval process?

- a. (100) Yes, there is an IFI, its independence is set in law, and it has sufficient staffing and resources, including funding, to carry out its tasks.
- b. (67) Yes, there is an IFI, but either its independence is not set in law or its staffing and resources, including funding, are insufficient to carry out its tasks.
- c. (33) Yes, there is an IFI, but its independence is not set in law and its staffing and resources, including funding, are insufficient to carry out its tasks.
- d. (0) No, there is no IFI.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** Senior economist and former vice chair person of National Planning Commission Mr. Prithivi Raj Ligal stated that there is no IFI in place to conduct budget study and analysis to support the budget formulation and approval process. Senior economist and former senior official pf Nepal Rastra Bank (The Central Bank of Nepal), Mr. Keshav Acharya

**Comments:** Researcher: There is no exclusive IFI conducting budget analysis for the budget formulation and or approval process. However, there are some private organisations such as Freedom Forum, Policy Research and Development Nepal(PRAD) which undertake some sorts of budget analysis in different sectors. But Independence of such organisations are not set out in Law. Likewise another senior economist and former senior official pf Nepal Rastra Bank(The Central Bank of Nepal),Mr. Keshav Acharya also noted that there is no as such independent institutions to carry out study and research budget within the government structure in Nepal. The institutions such as National Planning Commission(NPC) should be obligated to do so but the NPC is not doing that task.Oversight institutions like Office of Auditor General and Parliamentary Public Accounts Committee are also obliges to analyse the budget but there analysis is not link to budget formulation and/or approval process.

**Peer Reviewer**

**Opinion:** Agree

**104:** Does the Independent Fiscal Institution (IFI) publish macroeconomic and/or fiscal forecasts?

- a. (100) Yes, the IFI publishes its own macroeconomic and fiscal forecasts.
- b. (67) Yes, the IFI publishes its own macroeconomic or fiscal forecast.
- c. (33) No, the IFI does not publish its own macroeconomic or fiscal forecast, but it does publish an assessment of the official macroeconomic and/or fiscal forecasts produced by the executive.

- d. (0) No, there is no IFI; or the IFI neither publishes its own macroeconomic and/or fiscal forecasts, nor a commentary on the official forecasts produced by the executive.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**105:** Does the Independent Fiscal Institution (IFI) publish its own costings of new policy proposals, to assess their impact on the budget?

- a. (100) Yes, the IFI publishes its own costings of all new policy proposals.
- b. (67) Yes, the IFI publishes its own costings of major new policy proposals.
- c. (33) Yes, the IFI publishes its own costings of a limited number of new policy proposals.
- d. (0) No, there is no IFI; or the IFI does not publish its own costings of new policy proposals.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**106:** In the past 12 months, how frequently did the head or a senior staff member of the Independent Fiscal Institution (IFI) take part and testify in hearings of a committee of the legislature?

- a. (100) Frequently (i.e., five times or more).
- b. (67) Sometimes (i.e., three times or more, but less than five times).
- c. (33) Rarely (i.e., once or twice).
- d. (0) Never.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** n/a

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**107:** Does the full legislature and/or a legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal?

- a. (100) Yes, the full legislature debates budget policy prior to the tabling of the Executive's Budget Proposal, and approves recommendations for the upcoming budget.
- b. (67) Yes, a legislative committee debates budget policy prior to the tabling of the Executive's Budget Proposal, and approves recommendations for the upcoming budget.
- c. (33) Yes, the full legislature and/or a legislative committee debates budget policy prior to the tabling of the Executive's Budget Proposal, but it does not approve recommendations for the upcoming budget.
- d. (0) No, neither the full legislature nor any legislative committee debate budget policy prior to the tabling of the Executive's Budget Proposal.
- e. (0) Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** Interview with official of Economy Committee of Parliament Mr Krishna Hari Khadka. According to Khadka the Parliamentary Economy Committee holds discussion on budget policy prior to the presentation of the BP. The Legislative Committee also held Pre- budget discussion in

different 6 areas of Nepal a month prior to the tabling of EBP. Mr. Khadka also states that the committee provides recommendations for the upcoming budget and there are evidences that several recommendations of budget policy debate have been considered in the formulation of EBP.

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

### 108: How far in advance of the start of the budget year does the legislature receive the Executive's Budget Proposal?

- a. (100) The legislature receives the Executive's Budget Proposal at least three months before the start of the budget year.
- b. (67) The legislature receives the Executive's Budget Proposal at least two months, but less than three months, before the start of the budget year.
- c. (33) The legislature receives the Executive's Budget Proposal at least one month, but less than two months, before the start of the budget year.
- d. (0) The legislature receives the Executive's Budget Proposal less than one month before the start of the budget year, or does not receive it all.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** Interview with Mr. Jibaraj Budhathoki, Joint Secretary, Parliament on October 26, 2016. During the interview, Mr. Budhathoki notes that the budget comprising budget speech and 4 other bills are secret documents and are opened to the legislature after the EBP is presented at the Parliament. So there is no legal provision and practice to provide to EBP to legislature before the budget is presented.

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

**Researcher response:** Further review of the relevant dates for submission of the EBP to Parliament and for the start of the fiscal year (FY) has led to a revision of the original response, with the correct response being "c", since the EBP is reported as delivered to Parliament on 28 May, with a start date for the FY of 16 July. (with the period between these dates being more than 1 month but less than 2 months).

### 109: When does the legislature approve the Executive's Budget Proposal?

- a. (100) The legislature approves the budget at least one month in advance of the start of the budget year.
- b. (67) The legislature approves the budget less than one month in advance of the start of the budget year, but at least by the start of the budget year.
- c. (33) The legislature approves the budget less than one month after the start of the budget year.
- d. (0) The legislature approves the budget more than one month after the start of the budget year, or does not approve the budget.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** <http://www.myrepublica.com/news/6581> (<http://www.myrepublica.com/news/6581>) <https://www.google.com.np/webhp?sourceid=chrome-instant&ion=...> (<https://www.google.com.np/webhp?sourceid=chrome-instant&ion=1&espv=2&ie=UTF-8#q=appropriation+bill+passed>) <http://www.myrepublica.com/news/2346> (<http://www.myrepublica.com/news/2346>)

**Comments:** Researcher: The Nepal Constitution 2015 that made a statutory provision that the national budget must be presented in the parliament on May 28 (Mid of Nepali Month of Jestha). One of the four budget related bills i.e Appropriation Bill was endorsed by the parliament on July 9, 2016- before the start of fiscal year.(July 16) while 3 others subsidiary bills were endorsed only on Sept 29, 2016 due to political wrangling. This provision was followed while bringing the EBP this year. However the budget related bills were not endorsed before the start of the new fiscal year. It has dampened the constitutional spirit to expedite the budget implementation by enacting its laws.

**Peer Reviewer**

**Opinion:** Agree

### 110: Does the legislature have the authority in law to amend the Executive's Budget Proposal?

- a. (100) Yes, the legislature has unlimited authority in law to amend the Executive's Budget Proposal.
- b. (67) Yes, the legislature has authority in law to amend the Executive's Budget Proposal, with some limitations.
- c. (33) Yes, the legislature has authority in law to amend the Executive's Budget Proposal, but its authority is very limited.
- d. (0) No, the legislature does not have any authority in law to amend the Executive's Budget Proposal.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** Interview with Mr. Surendra Aryal, Parliamentary Secretariat Official. Mr (<http://official.Mr>). Aryal insistent that the Parliament as a law making body has the authority to amend executive budget proposal even if it is not stated anywhere.

**Comments:** Researcher: The Legislature-Parliament has authority to amend all provisions of the Executive Budget Proposal except non-votable expenses i.e constitutional expenses. In the parliamentary system of Nepal, the Legislature-Parliament can amend and make any laws by simple majority. The constitution is the only document which requires two-third majority for amendment. So, the question of authority in law to amend EBP itself is less relevant in our case. The government falls when the budget is not passed or simple majority disapproves the EBP. In practice, there is no change in the EBP when it is presented at the parliament. Please see the link for those sections (Articles 89-99).  
<http://www.lawcommission.gov.np/index.php> (<http://www.lawcommission.gov.np/index.php>)? option=com\_remository&Itemid=17&func=fileinfo&id=163&lang=en

**Peer Reviewer**

**Opinion:** Agree

**111:** During the most recent budget approval process, did the legislature use its authority in law to amend the Executive's Budget Proposal?

- a. (100) Yes, the legislature used its authority in law to amend the Executive's Budget Proposal, and (at least some of) its amendments were adopted.
- b. (67) Yes, the legislature used its authority in law to propose amendments to the Executive's Budget Proposal, but no amendments were adopted.
- c. (33) No, while the legislature has the authority in law to propose amendments to the Executive's Budget Proposal, no amendments were offered.
- d. (0) No, the legislature does not have any such authority.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** Interview with Mr. Surendra Aryal, Parliamentary secretariat official. <http://www.myrepublica.com/news/2346> (<http://www.myrepublica.com/news/2346>)

**Comments:** Researcher: In the budget approval process during the fiscal year 2016-17, the Legislature-Parliament endorsed the Appropriation Bill tabled at the House seeking approval. The Finance Minister had delivered the budget speech and presented four finance related bills including Appropriation Bill, Finance Bill, Bill to Mobilize Internal Loans, and Loan and Guarantee Bill and Debt Recovery Bill. But the remaining bills were not passed. Then the erstwhile government changed and new coalition government got the subsidiary bills passed from the parliament later. It is general practice and set out in law that the minority cannot government and also not makes and amend laws.

**Peer Reviewer**

**Opinion:** Agree

**112:** During the last budget approval process, did a specialized budget or finance committee in the legislature examine the Executive's Budget Proposal?

- a. (100) Yes, a specialized budget or finance committee had at least one month to examine the Executive's Budget Proposal, and it published a report with findings and recommendations prior to the budget being adopted.
- b. (67) Yes, a specialized budget or finance committee had less than one month to examine the Executive's Budget Proposal, and it published a report with findings and recommendations prior to the budget being adopted.
- c. (33) Yes, a specialized budget or finance committee examined the Executive's Budget Proposal, but it did not publish a report with findings and recommendations prior to the budget being adopted.
- d. (0) No, a specialized budget or finance committee did not examine the Executive's Budget Proposal.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** Interview with Mr. Krishna Hari Khadka, Secretary legislature Parliamentary Finance Committee. The Finance Committee according to Khadka has the only directive role in course of the formulation process. It has not definite role in the budget approval process. He also mentioned that the budget is the secret document and is only unveiled at the moment it is presented by the Finance Minister at the parliament.

**Comments:** Researcher: The Legislature -Parliament also gets the EBP copies only on the day it is presented in the Parliament. Role of the Finance committee can be found here: <http://parliament.gov.np/np/legislature/fc.html> (<http://parliament.gov.np/np/legislature/fc.html>)

**Peer Reviewer**

**Opinion:** Agree

**113:** During the last approval process, did legislative committees, responsible for particular sectors (e.g., health, education, defense, etc.), examine spending in the Executive's Budget Proposal related to the sector for which they are responsible?

- a. (100) Yes, sector committees had at least one month to examine the Executive's Budget Proposal, and they published reports with findings and recommendations prior to the budget being adopted.

- b. (67) Yes, sector committees had less than one month to examine the Executive's Budget Proposal, and they published reports with findings and recommendations prior to the budget being adopted.
- c. (33) Yes, sector committees examined the Executive's Budget Proposal, but they did not publish reports with findings and recommendations prior to the budget being adopted.
- d. (0) No, sector committees did not examine the Executive's Budget Proposal.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** Mr. Surendra Aryal employee at Legislature Parliamentary,

**Comments:** Researcher: According to the budgetary system and practice of Nepal, the executive Budget Proposal is made public only after finance Minister presents the annual budget at the Parliament. The budget document is consider to be secret for its implication on revenues, It is not subject to discussion in any legislature committee.

**Peer Reviewer**

**Opinion:** Agree

**114:** In the past 12 months, did a committee of the legislature examine in-year implementation of the Enacted Budget during the relevant budget execution period?

- a. (100) Yes, a committee examined in-year implementation on at least three occasions during a fiscal year, and it published reports with findings and recommendations.
- b. (67) Yes, a committee examined in-year implementation on one or more occasion (but less than three times), and it published a report with findings and recommendations.
- c. (33) Yes, a committee examined in-year implementation, but it did not publish any report with findings and recommendations.
- d. (0) No, a committee did not examine in-year implementation.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** Interview with Mr. Surendra Aryal-Senior Official at PAC of Legislature-Parliament and Jibaraj Budhathoki-Joint Secretary Legislature-Parliament.

**Comments:** Researcher: According to Mr. Aryal the Public Accounts Committee conducts investigation on particular cases of budget misuse and irregularities . The PAC forms sub committee to probe into the cases which are found during the examination of the implementation of the EB. The sub committee produces the report with findings and recommendations which is later discussed in the full PAC but not in the full House. Aryal further noted that the number of the cases is not defined but normally 10 to 15 sub committee to look after the cases are formed.

**Peer Reviewer**

**Opinion:** Agree

**115:** Does the executive seek approval from the legislature prior to shifting funds between administrative units that receive explicit funding in the Enacted Budget, and is it legally required to do so?

- a. (100) The executive is required by law or regulation to obtain approval from the legislature prior to shifting funds between administrative units, and it does so in practice.
- b. (67) The executive obtains approval from the legislature prior to shifting funds between administrative units, but is not required to do so by law or regulation.
- c. (33) The executive is required by law or regulation to obtain approval from the legislature prior to shifting funds between administrative units, but in practice the executive shifts funds before obtaining approval from the legislature.
- d. (0) There is no law or regulation requiring the executive to obtain approval from the legislature prior to shifting funds between administrative units, and in practice the executive shifts funds between administrative units before obtaining approval from the legislature.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** Section 121 of the Nepal Constitution-2015 (Page Number 78) & Financial Work Procedure Act 1998 Constitution of Nepal-2015 <http://www.lawcommission.gov.np/en/documents/2016/01/constitution...> (<http://www.lawcommission.gov.np/en/documents/2016/01/constitution-of-nepal-2.pdf>) 121. Supplementary estimates: (1) The Minister for Finance of the Government of Nepal may lay before the House of Representatives a supplementary estimate if it is found in any financial year,- (a) that the sum authorized to be spent for a particular service by the Appropriation Act for the current financial year is insufficient, or that a need has arisen for expenditures on some new service not provided for by the Appropriation Act for that year, or (b) that the expenditures made during that financial year are in excess of the amount authorized by the Appropriation Act. (2) The sums included in the supplementary estimate shall be specified under the related heads in a Supplementary Appropriation Bill. Financial Work Procedure Act (Section 8) [http://www.lawcommission.gov.np/index.php?option=com\\_remosit...](http://www.lawcommission.gov.np/index.php?option=com_remosit...) ([http://www.lawcommission.gov.np/index.php?option=com\\_remository&Itemid=25&func=download&id=642&chk=c111bed6b9c418c4d84f20a0ae8d9a62&no\\_html=1&lang=en](http://www.lawcommission.gov.np/index.php?option=com_remository&Itemid=25&func=download&id=642&chk=c111bed6b9c418c4d84f20a0ae8d9a62&no_html=1&lang=en))

**Comments:** Researcher: Financial work procedure Act has clearly mentioned that government can transfer the budget within the ceiling prescribed by appropriation Act. Appropriation Act provides government the right to transfer budget from one head to other not exceeding 10% of total budget in aggregate but development budget and financial management cannot be transferred to recurrent expenditure. (Section 3 of Appropriation Act 2013 and Section 8 of Financial Work Procedure Act 1998.)

**Peer Reviewer**  
**Opinion:** Agree

**116:** Does the executive seek approval from the legislature prior to spending excess revenue (that is, amounts higher than originally anticipated) that may become available during the budget execution period, and is it legally required to do so?

- a. (100) The executive is required by law or regulation to obtain approval from the legislature prior to spending excess revenues, and it does so in practice.
- b. (67) The executive obtains approval from the legislature prior to spending excess revenue, but is not required to do so by law or regulation.
- c. (33) The executive is required by law or regulation to obtain approval from the legislature prior to spending excess revenues, but in practice the executive spends these funds before obtaining approval from the legislature.
- d. (0) There is no law or regulation requiring the executive to obtain approval from the legislature prior to spending excess revenues, and in practice the executive spends these funds before obtaining approval from the legislature.
- e. Not applicable/other (please comment).

**Answer:** d.

**Sources:** MoF Official

**Comments:** Researcher: 'The 'Government of Nepal spends money saying within the ceiling prescribed by parliament whatever be the revenue'' Said MoF official. But there is no practice based on revenue. Normally revenue exceeds than expected which might reduce the need for additional internal debt because Nepal practices deficit budget.

**Peer Reviewer**  
**Opinion:** Agree

**117:** Does the executive seek approval from the legislature prior to reducing spending below the levels in the Enacted Budget in response to revenue shortfalls (that is, revenues lower than originally anticipated) or other reasons during the budget execution period, and is it legally required to do so?

- a. (100) The executive is required by law or regulation to obtain approval from the legislature prior to reducing spending below the enacted levels in response to revenue shortfalls or other reasons, and it does so in practice.
- b. (67) The executive obtains approval from the legislature prior to reducing spending below enacted levels, but is not required to do so by law or regulation.
- c. (33) The executive is required by law or regulation to obtain approval from the legislature prior to reducing spending below enacted levels, but in practice the executive implements these cuts before seeking approval from the legislature.
- d. (0) There is no law or regulation requiring the executive to obtain approval from the legislature prior to reducing spending below enacted levels, and in practice the executive implements these spending cuts before seeking prior approval from the legislature.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Section 121 of the Nepal Constitution-2015 (Page Number 78) Constitution of Nepal-2015

<http://www.lawcommission.gov.np/en/documents/2016/01/constitution...> (<http://www.lawcommission.gov.np/en/documents/2016/01/constitution-of-nepal-2.pdf>) 121. Supplementary estimates: (1) The Minister for Finance of the Government of Nepal may lay before the House of Representatives a supplementary estimate if it is found in any financial year,- (a) that the sum authorized to be spent for a particular service by the Appropriation Act for the current financial year is insufficient, or that a need has arisen for expenditures on some new service not provided for by the Appropriation Act for that year, or (b) that the expenditures made during that financial year are in excess of the amount authorized by the Appropriation Act. (2) The sums included in the supplementary estimate shall be specified under the related heads in a Supplementary Appropriation Bill.

**Comments:** Researcher: n/a

**Peer Reviewer**  
**Opinion:** Agree

**118:** Did a committee of the legislature examine the Audit Report on the annual budget produced by the Supreme Audit Institution (SAI)?

- a. (100) Yes, a committee examined the Audit Report on the annual budget within three months of its availability, and it published a report with findings and recommendations
- b. (67) Yes, a committee examined the Audit Report on the annual budget within six months (but more than three months) of its availability, and it published a report with findings and recommendations.

- c. (33) Yes, a committee examined the Audit Report on the annual budget, but it did so after the report had been available for more than six months or it did not publish any report with findings and recommendations.
- d. (0) No, a committee did not examine the Audit Report on the annual budget.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** Interview with Mr. Babu Ram Gautam, Spokesperson, office of OAG. At OAG office on November 9.

**Comments:** Researcher: The Public Accounts Committee (PAC) of the Legislature - Parliament examines the audit report published by OAG on Mid April every fiscal year. The annual audit report is submitted to President which she sent to Prime Minister. The Finance Minister on behalf of the Executive presents annual audit report to Parliament. PAC examines and conducts hearing on the audit report amid Secretary of the concerned Ministry, OAG representatives, Lawmakers and Media. The public hearing is free for media. The PAC constitute different sub committee to examine the ministry wise issues and a consolidated report is produced and submitted to PAC full committee which the PAC submits to the Parliament. Roles and responsibilities of PAC committee can be found here: <http://parliament.gov.np/np/legislature/pac.html> (<http://parliament.gov.np/np/legislature/pac.html>)

**Peer Reviewer**

**Opinion:** Agree

**119:** Was the process of appointing (or re-appointing) the current head of the SAI carried out in a way that ensures his or her independence?

- a. (100) Yes, the head of the SAI may only be appointed by the legislature or judiciary, or the legislature or judiciary must give final consent before the appointment takes effect.
- b. (0) No, the executive may appoint the head of the SAI without the final consent of the legislature or judiciary.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Interview with Mr. Babu Ram Gautam, Spokesperson, office of OAG. At OAG office on November 9.

**Comments:** Researcher: Constitutional Council headed by the Prime Minister with Chief Justice, speaker of the House, National Assembly Chair, Opposition Party Leader as member will recommend the name of Auditor General. It goes to the Public Hearing Special Committee (PHSC) of Legislature Parliament. After the clearance from PHSC it goes to the President for appointment. It is a fixed term appointment for the tenure of 6 years or up to the age of 65 whichever comes first. See Part 22 "Auditor General" of the Constitution of Nepal. <http://www.lawcommission.gov.np/en/documents/2016/01/constit...> (<http://www.lawcommission.gov.np/en/documents/2016/01/constitution-of-nepal-2.pdf>)

**Peer Reviewer**

**Opinion:** Agree

**120:** Must a branch of government other than the executive (such as the legislature or the judiciary) give final consent before the head of the Supreme Audit Institution (SAI) can be removed from office?

- a. (100) Yes, the head of the SAI may only be removed by the legislature or judiciary, or the legislature or judiciary must give final consent before he or she is removed.
- b. (0) No, the executive may remove the head of the SAI without the final consent of the judiciary or legislature.
- c. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Interview with Mr. Babu Ram Gautam, Spokesperson, office of OAG. At OAG office on November 9.

**Comments:** Researcher: See Part 22 "Auditor General" of the Constitution of Nepal. <http://www.lawcommission.gov.np/en/documents/2016/01/constit...> (<http://www.lawcommission.gov.np/en/documents/2016/01/constitution-of-nepal-2.pdf>) 2/3 rd majority of the legislature Parliament can remove the Auditor General through impeachment process.

**Peer Reviewer**

**Opinion:** Agree

**121:** Who determines the budget of the Supreme Audit Institution (SAI)?

- a. (100) The SAI determines its own budget (i.e., submits it to the executive, which accepts it with little or no change, or directly to the legislature), or the budget of the SAI is determined by the legislature or judiciary (or some independent body), and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.

- b. (67) The budget of the SAI is determined by the executive, and the funding level is broadly consistent with the resources the SAI needs to fulfill its mandate.
- c. (33) The budget of the SAI is determined by the legislature or judiciary (or some independent body), but the funding level is not consistent with the resources the SAI needs to fulfill its mandate.
- d. (0) The budget of the SAI is determined by the executive, and the funding level is not consistent with the resources the SAI needs to fulfill its mandate.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** Interview with Mr. Babu Ram Gautam, Spokesperson, office of OAG. At OAG office on November 9.

**Comments:** Researcher: SAI purposes the budget required to fulfill its mandate and the executive committee determine the ceiling of the budget. By the provision of the constitution the expenses of the Auditor General is non- votable.

**Peer Reviewer**

**Opinion:** Agree

### 122: Does the Supreme Audit Institution (SAI) have the discretion in law to undertake those audits it may wish to?

- a. (100) The SAI has full discretion to decide which audits it wishes to undertake.
- b. (67) The SAI has significant discretion, but faces some limitations.
- c. (33) The SAI has some discretion, but faces considerable limitations.
- d. (0) The SAI has no discretion to decide which audits it wishes to undertake.
- e. Not applicable/other (please comment).

**Answer:** a. (100)

**Sources:** Audit Act 1991 <http://www.oagnep.gov.np/actsandlaws.php> (<http://www.oagnep.gov.np/actsandlaws.php>)

**Comments:** Researcher: n/a

**Peer Reviewer**

**Opinion:** Agree

### 123: Are the audit processes of the Supreme Audit Institution (SAI) reviewed by an independent agency?

- a. (100) Yes, an independent agency conducts and publishes a review of the audit processes of the SAI on an annual basis.
- b. (67) Yes, an independent agency conducts and publishes a review of the audit processes of the SAI at least once in the past five years, but not annually.
- c. (33) No, but a unit within the SAI conducts a review of the audit processes of the SAI on a regular basis.
- d. (0) No, the audit processes of the SAI are reviewed neither by an independent agency nor by a unit within the SAI.
- e. Not applicable/other (please comment).

**Answer:** b. (67)

**Sources:** Interview with Mr. Babu Ram Gautam, Spokesperson of the OAG. The interview was conducted over telephone in Kathmandu.

**Comments:** Researcher: The SAI office India had conducted SAI Performance Measurements Framework Review in 2014. The report was published on the website of OAG Nepal for the public use. [http://www.oagnep.gov.np/uploads/022-207172-004\\_Peer%20Revie...](http://www.oagnep.gov.np/uploads/022-207172-004_Peer%20Revie...)  
([http://www.oagnep.gov.np/uploads/022-207172-004\\_Peer%20Review%20by%20SAI-India%20SAI-PMF%202014\(1\).pdf](http://www.oagnep.gov.np/uploads/022-207172-004_Peer%20Review%20by%20SAI-India%20SAI-PMF%202014(1).pdf))

**Peer Reviewer**

**Opinion:** Agree

### 124: In the past 12 months, how frequently did the head or a senior staff member of the Supreme Audit Institution (SAI) take part and testify in hearings of a committee of the legislature?

- a. (100) Frequently (i.e., five times or more).
- b. (67) Sometimes (i.e., three times or more, but less than five times).
- c. (33) Rarely (i.e., once or twice).
- d. (0) Never.
- e. Not applicable/other (please comment).

**Answer:** c. (33)

**Sources:** Interview with Mr. Babu Ram Gautam, Spokesperson of the OAG. The interview was conducted over telephone in Kathmandu.

**Comments:** Researcher: The annual audit report is discussed in the full meeting of the PAC in Legislature-Parliament. During the discussion on audit report senior officials of OAG including Auditor General, Assistant Auditor General and Deputy Auditor General took part and testify in hearings of the Legislative committee i.e. PAC, however there is no record.

**Peer Reviewer**

**Opinion:** Agree

**125:** Does the executive use participation mechanisms through which the public can provide input during the formulation of the annual budget (prior to the budget being tabled in parliament)?

- a. (100) Yes, the executive uses open participation mechanisms through which members of the public and government officials exchange views on the budget.
- b. (67) Yes, the executive uses open participation mechanisms through which members of the public provide their inputs on the budget.
- c. (33) Yes, the executive uses participation mechanisms during the budget formulation phase, but either these mechanisms capture only some ad-hoc views, or the executive invites specific individuals or groups for budget discussions (participation is not, in practice, open to everyone).
- d. (0) The requirements for a "c" response or above are not met.
- e. Not applicable (please comment).

**Answer:** c. (33)

**Sources:** Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar. Although there are no reports available online about public participation, discussion with government officials indicates that budget formulation processes do include consultations both with local population as part of a bottom-up planning process as well as consultations with selected private sector (Chamber of Commerce) and academic economists associated with a think-tank (SAWTEE). Of the two consultative mechanism noted, the consultations with the Chamber of Commerce and SAWTEE is the most substantial form of public engagement. An invitation letter is attached. This supports a 'c' response.

**Comments:** Researcher: There is an additional annual process whereby the MoF issues a public notice in the newspaper calling for public input on budget formulation. NGOs do respond to the notice providing inputs, though it is not clear how the input is used. The MoF publishes notices through nation wide newspapers and 'Ministries websites' to seek public inputs and comments. Discussion with sectoral experts groups and economists also take place during the budget formulation process. Individuals also come to the ministry of finance and provide their inputs on their budget in writing or through direct meeting with ministers, secretary and MoF budget division officials. These are only available through print. According to the budget formulation Guidelines publish by MoF and participatory District Development Planning Process published by National Planning Commission, larger section of stakeholders and beneficiaries including citizens should be provided platforms for their involvement in the budget/program formulation at the local level. However they are not mandatory.

**Peer Reviewer**

**Opinion:** Agree

**Researcher response:** NA

**126:** With regard to the mechanism identified in question 125, does the executive take concrete steps to include vulnerable and under-represented parts of the population in the formulation of the annual budget?

- a. (100) Yes, the executive takes concrete steps to include individuals and/or CSOs representing vulnerable and underrepresented parts of the population in the formulation of the annual budget.
- b. (0) The requirements for an "a" response are not met.
- c. Not applicable (please comment).

**Answer:** b.

**Sources:** Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar.

**Comments:** Researcher: According to Mr. Aryal the government has opened different mechanisms for public to provide their inputs in the budget. Among them are Pre budget discussion, focused group discussion, local level planning process, public notices and online submissions of inputs through email and websites. There are several social protection packages offered to the citizens representing vulnerable and unrepresented parts of the population. Though the existing outreach mechanism of the government is not applicable to them, several NGOs and CSOs provide volunteer support to bring them into the connection with the executive for example the nomadic population of Nepal (Raute, Kusunda, Chepang etc) are seen to have direct excess with the Prime Minister and the other Ministers. There are several social programs for women, Dalit and Disadvantage Groups in the budget and their groups and representatives are consulted during the formulation of budget. The social protection bill is on discussion in the Parliament and its enactment will open participation of these groups in the budget formulation process.

**Peer Reviewer**

**Opinion:** Disagree

**Suggested answer:** b.

**Comments:** The government does not actively reach out to vulnerable communities in the budget making process. A ceiling is sent to each ministry who then sends that to its departments to send programs for the year. A council (which may include vulnerable groups) will finalize programs and send it back to the ministry who then sends it to ministry of finance. While we have earmarked budget for disadvantaged groups through Local Governance and Community Development Program (LGCDP) it doesn't necessarily mean they are consulted during the budget formulation process.

**Researcher response:** Following OBS methodology, within the specific mechanism identified in Q.125 as the most substantial form of public consultation (that is, with the Chamber of Commerce), there is no clear action to include vulnerable and under-represented population groups. However, it should be noted that there are other forms of public consultation that do engage with vulnerable and disadvantaged groups of the population including the Federation of Dalit and ethnic NGOs. But following OBS methodology, the response for this question must focus only on the public engagement mechanism identified as the most substantial in Q.125. Therefore, the "score" is revised to a "b".

### 127:

During the budget formulation stage, which of the following key topics does the executive's engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Macroeconomic issues
2. Revenue forecasts, policies, and administration
3. Social spending policies
4. Deficit and debt levels
5. Public investment projects
6. Public services

- a. (100) The executive's engagement with citizens covers all six topics
- b. (67) The executive's engagement with citizens covers at least three (but less than six) of the above-mentioned topics
- c. (33) The executive's engagement with citizens cover at least one (but less than three) of the above-mentioned topics
- d. (0) The requirements for a "c" response or above are not met
- e. Not applicable (please comment)

**Answer:** b. (67)

**Sources:** Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar.

**Comments:** Researcher: Generally a large section of citizens do not have concerned on macroeconomics issues of the budget. They are more concerned on social spending policies (Old Age Pensions, Single Women, School Mid Day Meal, Free Health Services, Books Materials, Drinking Water, Rural Road and essential Public Service Delivery). Of late citizens are more aware and concerned on public investment projects such as hydro power and banks and financial institutions and public/private enterprises.

#### Peer Reviewer

**Opinion:** Disagree

**Suggested answer:** c.

**Comments:** There is very minimal engagement with the citizens during the budget formulation process. While there are some avenues through which citizens can send in their comments, as discussed earlier it's done in a very ad hoc basis. Therefore the answer to this question would be "c" at the most.

**Researcher response:** Based on media reporting and the interview with Govt official, the scope of discussions with the Chamber of Commerce and SAWATEE includes revenue policies (taxes), public investment projects (infrastructure) and macroeconomic issues, while the consultations with selected ethnic and Dalit NGOs is more focused on social spending policies and public services. In total, that covers 5 of 6 topics and the "score" is therefore revised to "b".

**128:** Does the executive use participation mechanisms through which the public can provide input in monitoring the implementation of the annual budget?

- a. (100) Yes, the executive uses open participation mechanisms through which members of the public and government officials exchange views on budget implementation.
- b. (67) Yes, the executive uses open participation mechanisms through which members of the public provide their inputs on budget implementation.
- c. (33) Yes, the executive uses participation mechanisms during the budget implementation phase, but either these mechanisms capture only some ad-hoc views, or the executive invites specific individuals or groups for budget discussions (participation is not, in practice, open to everyone).
- d. (0) The requirements for a "c" response or above are not met.
- e. Not applicable (please comment).

**Answer:** c. (33)

**Sources:** Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar.

**Comments:** Researcher: At central level there is no strong civic participation mechanism through which the public can provide input in monitoring the implementation of the annual budget however third party audit practices are evolving to listen to and redress complains. The mechanism such as "Hello Sarkar" is in place with is open for public complains and inputs. In the district and local level there is the practice of users committee no project is implemented without having consultations with the users likewise in the donor funded projects there are several participation mechanisms, to ensure public inputs and involvement in the decision making process. The legal mechanism such as the RTI(Right to Information) Act is in place through which every citizen can demand information on any public importance and provide informed inputs in monitoring the implementation of the annual budget. For example Freedom Forum had mobilize RTI Activist to request information of expenses under the constituency development fund (Part of the Annual Budget) and made the information collected public for media use so this tool can be used for civic monitoring of the budget. <http://hellosarkarnepal.blogspot.com/2017/01/hello-sarkar-ne...> (<http://hellosarkarnepal.blogspot.com/2017/01/hello-sarkar-nepal-government.html>) <https://blogs.worldbank.org/publicsphere/grievance-redress-m...> (<https://blogs.worldbank.org/publicsphere/grievance-redress->

mechanism-case-nepal-s-hello-sarkar) <http://www.internationalbudget.org/2017/04/freedom-forums-wo...>  
(<http://www.internationalbudget.org/2017/04/freedom-forums-work-with-right-to-information-and-the-media-nepal/>)

**Peer Reviewer**

**Opinion:** Agree

**Researcher response:** NA

**IBP comment:** Citizen scan track budget implementation with the use of Right to Information. Such as citizens had demanded information on the Constituency Development Fund using RTI. Please find the link of blog I had written for IBP as an example <http://www.internationalbudget.org/2017/04/freedom-forums-work-wi...> (<http://www.internationalbudget.org/2017/04/freedom-forums-work-with-right-to-information-and-the-media-nepal/>)

**129:** With regard to the mechanism identified in question 128, does the executive take concrete steps to receive input from vulnerable and under-represented parts of the population on the implementation of the annual budget?

- a. (100) Yes, the executive takes concrete steps to receive input from individuals from and/or organizations representing vulnerable and underrepresented parts of the population on the implementation of the annual budget.
- b. (0) The requirements for an "a" response are not met.
- c. Not applicable (please comment).

**Answer:** b.

**Sources:** Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar.  
**Comments:** Researcher: There is no adequate resource to reach out to all sections of the society to receive their inputs. However citizen from any sections or weaker section are open to provide their inputs during the implementation of the Annual Budget. As Nepal is the welfare state the proportionate allocations and spending of budget is taken into consideration, Aryal shared. Still their is huge spending to social protection. The Capital spending is quite low which ultimately does not contribute to uplift the status of hard core poor and under represented.

**Peer Reviewer**

**Opinion:** Agree

**130:**

During the implementation of the annual budget, which of the following topics does the executive's engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Changes in macroeconomic circumstances
2. Delivery of public services
3. Collection of revenue
4. Implementation of social spending
5. Changes in deficit and debt levels
6. Implementation of public investment projects

- a. (100) The executive's engagement with citizens covers all six topics
- b. (67) The executive's engagement with citizens covers at least three (but less than six) of the above-mentioned topics
- c. (33) The executive's engagement with citizens cover at least one (but less than three) of the above-mentioned topics
- d. (0) The requirements for a "c" response or above are not met.
- e. Not applicable (please comment).

**Answer:** c. (33)

**Sources:** Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar.  
**Comments:** Researcher: The executive engagement with citizens covers delivery of public services, implementation of the social spending and public investment projects.

**Peer Reviewer**

**Opinion:** Disagree

**Suggested answer:** c.

**Comments:** There is very minimal engagement of the executive with the citizens during budget implementation and there is no clear mechanism through which executive does this on a regular basis. Therefore the answer to this question would be "c".

**Researcher response:** I had already mentioned the mechanisms used by the government to engage citizens in budget implementation. There are legal mechanism like RTI through which citizens can also demand information. However, there are no routine mechanisms to deal with the things from government side. I agree with the reviewer in this point. <http://freedomforum.org.np/content/publications/books/Please>

(<http://freedomforum.org.np/content/publications/books/Please>) go through the link of a compilation 'Information and News English' which has presented several success stories on how RTI mechanism was used to engage citizens in different subjects stipulated in the questions. For example page 8-11 has presented a story 'Embezzlement in Social Security Allowance in Jajarkot' which deals the topics of implementation of social spending. Page 15-16 presents similar story 'Corruption in Baglung DDC'; page 17-18 has the story about 'MPs development fund goes to musical instruments'. All these examples are related to the misuse of public funds. Page 20-21 titled 'RTI in Banke: Success in issues ranging from citizenship to gratuity' deals with public service delivery whereas Page 25-26 entitled 'Rs 35 Million arrears recovered in one month due to RTI' has presented the story of public revenue. Page 35-37 entitled 'MPs are addicted to money; Rs 3.3 billion in petty projects' presents the story about the implementation of public investment projects. Page 40-41 titled 'Irregularities in Health in Salyan' also shows the status of public service in health sector where there has been the government spending. These are some of the examples documented as to how RTI mechanism was used in engaging citizens in the topics related to public services, revenue collection, implementation of public investment projects and implementation of social spending.

**IBP comment:** IBP revised the score to "c" on the basis of the mechanism cited by researcher in Q. 128, "Hello Sarkar", which mainly covers key topic #2 Delivery of Public Services and #4 Implementation of Social Spending.

**131:**

When the executive engages with the public, does it provide comprehensive prior information on the process of the engagement, so that the public can participate in an informed manner?

Comprehensive information must include at least three of the following elements:

1. Purpose
2. Scope
3. Constraints
4. Intended outcomes
5. Process and timeline

- a. (100) Comprehensive information is provided in a timely manner prior to citizens engagement in both budget formulation and implementation phases.
- b. (67) Comprehensive information is provided in a timely manner prior to citizens engagement only prior to one of the two phases (formulation OR implementation).
- c. (33) Information is provided in a timely manner in both or one of the two phases, but it is not comprehensive.
- d. (0) The requirements for a "c" response or above are not met.
- e. Not applicable (Please comment).

**Answer:** c. (33)

**Sources:** The MoF publishes notice in the national broadsheet daily 'Gorkhapatra' asking public for their engagement. Producing Gorkhapatra notice right now is impossible to find. The public notice published in the Gorkhapatra and letter from MoF to FNCCI for pre budget discussion have been attached. Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar.

**Comments:** Researcher: The Executive provides information on the process of the engagement basically the purpose and the time line. The Ministry of Federal Affairs and local development has developed a guide line for the public to participating in local development affairs.

**Peer Reviewer**

**Opinion:** Agree

**Researcher response:** NA

**132:** With regard to the mechanism identified in question 125, does the executive provide the public with feedback on how citizens' inputs have been used in the formulation of the annual budget?

- a. (100) Yes, the executive provides a written record which includes both the list of the inputs received and a detailed report of how the inputs were used in the formulation of the annual budget.
- b. (67) Yes, the executive provides a written record which includes both the list of inputs received and a summary of the how the inputs were used in the formulation of the annual budget.
- c. (33) Yes, the executive provides a written record which includes either the list of the inputs received or a report or summary on how they were used.
- d. (0) The requirements for a "c" response or above are not met.
- e. Not applicable (please comment).

**Answer:** d.

**Sources:** Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar.

**Comments:** Researcher: Though the executive receives feedback and inputs from the citizen in the formulation of the annual budget, there is no such practice to provide the public with feedback how their input has been used in the formulation.

**Peer Reviewer**

**Opinion:** Agree

**133:** With regard to the mechanism identified in question 128, does the executive provide the public with information on how citizens' inputs have been used to assist in monitoring the implementation of the annual budget?

- a. (100) Yes, the executive provides a written record which includes both the list of the inputs received from the public and a detailed report of how the inputs were used to assist in monitoring the annual budget.
- b. (67) Yes, the executive provides a written record which includes both the list of inputs received and a summary of the how the inputs were used to assist in monitoring the annual budget.
- c. (33) Yes, the executive provides a written record which includes either the list of the inputs received or a report or summary on how they were used.
- d. (0) The requirements for a "c" response or above are not met.
- e. Not applicable (please comment).

**Answer:** d.

**Sources:** Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar.

**Comments:** Researcher: Not in Practice.

**Peer Reviewer**

**Opinion:** Agree

**134:** Are participation mechanisms incorporated into the timetable for formulating the Executive's Budget Proposal?

- a. (100) Yes, the executive incorporates participation into its timetable for formulating the Executive's Budget Proposal and the timetable is available to the public.
- b. (0) The requirements for an "a" response are not met.
- c. Not applicable (please comment).

**Answer:** b.

**Sources:** The Budget Formulation Guideline (<http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%...>  
(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%9C%E0%A5%87%E0%A4%9F%20%E0%A4%A4%E0%A4%B0%E0%A5%8D%E0>  
does not include timeline for consultation.

**Comments:** Researcher: Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar.

**Peer Reviewer**

**Opinion:** Agree

**Researcher response:** The Budget Formulation Guideline (<http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%...>  
(<http://www.mof.gov.np/uploads/document/file/%E0%A4%AC%E0%A4%9C%E0%A5%87%E0%A4%9F%20%E0%A4%A4%E0%A4%B0%E0%A5%8D%E0>  
does not include timeline for consultation so the answer should be revised to B.

**135:** Do one or more line ministries use participation mechanisms through which the public can provide input during the formulation or implementation of the annual budget?

- a. (100) Yes, at least one line ministry uses open participation mechanisms through which members of the public and government officials exchange views on the budget.
- b. (67) Yes, at least one line ministry uses open participation mechanisms through which members of the public provide their inputs on the budget.
- c. (33) Yes, at least one line ministry uses participation mechanisms during the budget formulation or implementation phase, but either these mechanisms capture only some ad-hoc views, or the executive invites specific individuals or groups for budget discussions (participation is not, in practice, open to everyone).
- d. (0) The requirements for a "c" response or above are not met.
- e. Not applicable (please comment).

**Answer:** c. (33)

**Sources:** Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar. This is a link of the LGCDP Program ii Progress Report (July 2015-March 2016) . [http://lgcdp.gov.np/sites/default/files/resource\\_docs/LGCDP-...](http://lgcdp.gov.np/sites/default/files/resource_docs/LGCDP-...)  
([http://lgcdp.gov.np/sites/default/files/resource\\_docs/LGCDP-II-progress-report-July-2015\\_March-2016.pdf](http://lgcdp.gov.np/sites/default/files/resource_docs/LGCDP-II-progress-report-July-2015_March-2016.pdf)) The executive summary (page 5-7) has presented the participatory mechanisms used by MoFALD during budget implementation in local level programs . The executive, the implementing ministries use open participation mechanism such as public meetings, online space through which members of the public provides their inputs on the budget. "The LGCDP program is designed as a joint platform between the Government of Nepal and Development Partners in the areas of local governance and community development." "Engagement of Civic Society Organizations in compliance monitoring, strengthening Supervision and Monitoring Committees, grievance redressal and engagement of Ward Citizen Forum (WCF) in oversight activities are major frameworks towards accountability in local governance." " The Local Governance Accountable Facility (LGAF) has mobilized 66 Civic Society Organizations (CSOs) to carry out downward accountability activities at local level. CSOs have conducted compliance monitoring in 1844 LBs." (local bodies)

**Peer Reviewer****Opinion:** Agree**Researcher response:** NA

**136:** Does the legislature or the relevant legislative committee(s) hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the formulation of the annual budget (pre-budget and/or approval stages)?

- a. (100) Yes, public hearings are held, and members of the public/CSOs testify.
- b. (67) Yes, public hearings are held. No testimony from the public is provided during the public hearings, but contributions from the public are received through other means.
- c. (33) Yes, public hearings are held. No testimony from the public is provided during the public hearings, and there are no other mechanisms through which public contributions are received, but the legislature invites specific individuals or groups to testify or provide input (participation is not, in practice, open to everyone).
- d. (0) The requirements for a "c" response or above are not met.
- e. Not applicable (please comment).

**Answer:** c. (33)**Sources:** Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar.**Comments:** Researcher: The Finance Committee holds pre approval meetings. But there is no public discussion on the approval stage of the budget. However the practice of in-house discussion is their. The Finance Committee held pre budget discussion in 4 districts of Nepal through which the public had provided inputs on the formulation of the annual budget. This practice is increasing in the country, Aryal shared.**Peer Reviewer****Opinion:** Disagree**Suggested answer:** d.**Comments:** The parliament committee holds pre-budget discussions but it's not necessarily public hearing where public input is sought. Therefore "d" is a more appropriate response.**Researcher response:** Please find the link to the report on Pre Budget Discussion conducted by the Finance Committee in three districts of Nepal. The discussions for 4 days during the end of April 2016 during the budget formulation phase.<http://www.parliament.gov.np/uploads/attachments/msexauem8cq...> (<http://www.parliament.gov.np/uploads/attachments/msexauem8cqp0ypv.pdf>)

So, the answer should be 'C'. Additionally, NDI supported regional pre-budget discussions under the auspices of the Parliamentary Finance Committee. Hearings provided opportunity for public to provide input on national budget policy formulation. Please find here below the news link of NDI and Finance Committee program on Pre Budget Discussion <https://www.demworks.org/nepal-parliament-finance-committee-...> (<https://www.demworks.org/nepal-parliament-finance-committee-enhances-voice-and-input-citizens-through-pre-budget-discussions>).

**137:**

During the legislative deliberations on the annual budget (pre-budget or approval stages), which of the following key topics does the legislature's (or relevant legislative budget committee) engagement with citizens cover?

For the purpose of this question, key topics are considered to be:

1. Macroeconomic issues
2. Revenue forecasts, policies, and administration
3. Social spending policies
4. Deficit and debt levels
5. Public investment projects
6. Public services

- a. (100) The legislature seeks input on all six topics
- b. (67) The legislature seeks input on at least three (but less than six) of the above-mentioned topics
- c. (33) The legislature seeks input on at least one (but less than three) of the above-mentioned topics
- d. (0) The requirements for a "c" response or above are not met.
- e. Not applicable (please comment).

**Answer:** b. (67)**Sources:** Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar.**Comments:** Researcher: The Legislature seeks public inputs on revenue forecast, social spending, and public services.**Peer Reviewer****Opinion:** Disagree**Suggested answer:** d.

**Comments:** The executive seeks inputs through online portals but there is no formal mechanism through which the legislature seeks inputs before budget is passed.

**Researcher response:** Please refer the link for Pre Budget Discussion Report <http://www.parliament.gov.np/uploads/attachments/msexauem8cq0ypv...> (<http://www.parliament.gov.np/uploads/attachments/msexauem8cq0ypv.pdf>) The Pre-Budget Discussions held in three districts – Darchula, Kailali and Bardiya – under the aegis of Finance Committee of the Legislature-Parliament of Nepal from 24-28 April 2016. The parliamentary committee divided the total participants into five groups. The participants were representatives of civil society organizations including NGOs and cooperatives, political parties, government agencies, academia, media, private sectors including chamber of commerce, women networks and professional alliances. Among the key issues discussed during the events were of public investment/infrastructures, social spending and public services. Under the public investments, the participants had discussed on the need for increasing investment in mega infrastructure-related projects and putting on top priority to the national pride projects including the construction of Mid Hill Highway, Postal Highway, Rani Jamara Kuleria Irrigation Scheme, up-gradation of Dhangadhi airport to the internal standards, drinking water projects, establishment of medical college, big hydel projects including Upper Chameliya Hydropower Project, Pancheswor Multi-purpose Hydropower Project, Terai-Hill Connecting Highway. Please find this in page 4,5,6 and 11 of the Pre Budget Discussion Report. Likewise, under social spending area, the participants raised the issues ranging from allocation of budget for rendering relief to flood-affected people in Darchula, public awareness on planning and budgeting and construction of Tharu museum, among others. Please see page 16, 17 and 19. Similarly, delivering subsidized loan and grants to genuine farmers effectively, increasing quality education service in secondary schools, establishing maternity wards in each VDC for effective delivery services and setup of primary health facility for better health services, among others come under public service category. Please see page 5 and 6 for this. There are several examples of such in the report. The sectors of the discussions were government policy, programme, budget priorities, issues to be addressed by budget, implementation of plan, increase in capital spending and measures for preventing economic irregularities and local development potentials and measures to ensure people's participation in local planning and development. Other areas discussed were agriculture, tourism, energy, infrastructures, human resource, industry, trade and commerce, education, health and social sectors, climate change and environment and forestry. The participants were representatives of civil society organizations including NGOs and cooperatives, political parties, government agencies, academia, media, private sectors including chamber of commerce, women networks and professional alliances. With this in background, there are adequate bases to chose 'b' for the question.

**138: Does the legislature provide feedback to the public on how citizens' inputs have been used during legislative deliberations on the annual budget?**

- a. (100) Yes, the legislature provides a written record which includes both the list of the inputs received from the public and a detailed report of how the inputs were used during legislative deliberations on the budget.
- b. (67) Yes, the legislature provides a written record which includes both the list of inputs received and a summary of the how the inputs were used.
- c. (33) Yes, the legislature provides a written record which includes either the list of the inputs received or a report or summary on how they were used.
- d. (0) The requirements for a "c" response or above are not met.
- e. Not applicable (please comment).

**Answer:** d.

**Sources:** Interview with Ishwori Aryal, Under Secretary, Budget Formulation Division, MoF. The interview was held at MoF office in Singhadurbar.

**Comments:** Researcher: There is no practice in the Parliament to provide feedback too the public on how their inputs have been used during Legislative deliberations on the annual budget. According to Mr. Aryal the public know the incorporation of their inputs in Bills, Budget Policy and Program . and Budget Speech when they are made public.

**Peer Reviewer  
Opinion:** Agree

**139: Does the legislature hold public hearings and/or use other participation mechanisms through which the public can provide input during its public deliberations on the Audit Report?**

- a. (100) Yes, public hearings on the Audit Report are held, and members of the public/CSOs testify.
- b. (67) Yes, public hearings on the Audit Report are held. No testimony from the public is provided during the hearings, but contributions from the public are received through other means.
- c. (33) Yes, public hearings on the Audit Report are held. No testimony from the public is provided during the hearings and there are no other mechanisms through which public contributions are received, but the legislature invites specific individuals or groups to testify or provide input (participation is not, in practice, open to everyone).
- d. (0) The requirements for a "c" response or above are not met.
- e. Not applicable (please comment).

**Answer:** d.

**Sources:** Interview with Mr. Babu Ram Gautam, Spokesperson, office of OAG. At OAG office on November 9.

**Comments:** Researcher: No public hearing on the Audit Report is held. It is nearly discussed in PAC full meeting.

**Peer Reviewer  
Opinion:** Agree

**140:** Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can suggest issues/topics to include in the SAI's audit program (for example, by bringing ideas on agencies, programs, or projects that could be audited)?

- a. (100) Yes, the SAI maintains formal mechanisms through which the public can suggest issues/topics to include in its audit program
- b. (0) The requirements for an "a" response are not met.
- c. Not applicable (please comment).

**Answer:** a. (100)

**Sources:** Interview with Mr. Babu Ram Gautam, Spokesperson, office of OAG. At OAG office on November 9. See links:  
<http://www.oagnep.gov.np/contact.php> (<http://www.oagnep.gov.np/contact.php>) <http://www.oagnep.gov.np/feedback.php>  
(<http://www.oagnep.gov.np/feedback.php>)

**Comments:** Researcher: OAG Nepal publishes public notice in the national newspapers inviting feedback, inputs, suggestion and complains regarding budget issues, audit program and audit office. OAG has constituted an audit advisory committee (AAC) with representation from different sections of society such as media, academia, CSO and Ex Government officials. It provides advice's to the Auditor General on the audit office and issues. In the notice OAG provides free hotline number to the general public. There is a space for receiving public comments on audit issues in the website as well. The compliance receive from public in writing will be reviewed by the senior official of OAG for necessary actions. There is also a provision and practice of spokes person and public information officer to provide and dissemination information of the OAG to the mass public. See link:  
<http://www.oagnep.gov.np/uploads/files/Barshik%20Karyatalika...>  
([http://www.oagnep.gov.np/uploads/files/Barshik%20Karyatalika\\_2073%20Final.pdf](http://www.oagnep.gov.np/uploads/files/Barshik%20Karyatalika_2073%20Final.pdf))

**Peer Reviewer**

**Opinion:** Agree

**Researcher response:** NA

**141:** Does the Supreme Audit Institution (SAI) provide the public with feedback on how citizens' inputs have been used to determine its audit program?

- a. (100) Yes, the SAI provides a written record which includes both the list of the inputs received and a detailed report of how the inputs were used to determine its audit program.
- b. (67) Yes, the SAI provides a written record which includes both the list of inputs received and a summary of the how the inputs were used to determine its audit program.
- c. (33) Yes, the SAI provides a written record which includes either the list of the inputs received or a report or summary on how they were used.
- d. (0) The requirements for a "c" response or above are not met.
- e. Not applicable (please comment).

**Answer:** d.

**Sources:** Interview with Mr. Babu Ram Gautam, Spokesperson, office of OAG. At OAG office on November 9.

**Comments:** Researcher: OAG Nepal has put in place a formal mechanism to involve CSOs in the performance audit. they will be consulted while selecting topics for performance audit during the execution of audit in field. they will also be involve in the dissemination of audit finance. OAG Nepal has develop a guide line for engaging CSOs in performance audit. There is also a high level committee comprising representatives from CSOs in the head office of OAG. In coordination with CSOs the head office selects partners in the field to conduct performance audit. The audit process involves focus Group discussion, interviews with beneficiaries, field observations and site verification

**Peer Reviewer**

**Opinion:** Agree

**142:** Does the Supreme Audit Institution (SAI) maintain formal mechanisms through which the public can contribute to audit investigations (as respondents, witnesses, etc.)?

- a. (100) Yes, SAI maintains formal mechanisms through which the public can contribute to audit investigations.
- b. (0) The requirements for an "a" response are not met.
- c. Not applicable (please comment).

**Answer:** b.

**Sources:** Interview with Mr. Babu Ram Gautam, Spokesperson, office of OAG. At OAG office on November 9.

**Comments:** Researcher: There is High Level Steering Committee headed by deputy auditor General. Three central CSOs representatives, one is from Freedom Forum, GOGO Foundation and PRAD is also in place. They hold regular meetings for reforms. (Process and Practice). There feedback's and inputs consider to improve audit methodology. CSOs can disseminate and pressure to the OAG for the improvement of audit observation and findings. Community Participation in Audit Procedure-2073 BS was developed with civil society participation The link is <http://www.oagnep.gov.np/nepali/auditguides.php> (<http://www.oagnep.gov.np/nepali/auditguides.php>)  
<http://www.oagnep.gov.np/uploads/files/Barshik%20Karyatalika...>

([http://www.oagnep.gov.np/uploads/files/Barshik%20Karyatalika\\_2073%20Final.pdf](http://www.oagnep.gov.np/uploads/files/Barshik%20Karyatalika_2073%20Final.pdf)) This is the link of a sample of public notice issued by OAG calling public inputs and support to the teams of auditors in field. It also calls for public to provide their concerns and complaints on the works executed by the OAG on public affairs.

**Peer Reviewer**

**Opinion:** Agree

**Researcher response:** NA

**IBP comment:** IBP revised the score to "b" as evidence cited is a public notice issued by OAG to the Prime Minister's Office and not a formal mechanism through which public can participate in audit investigations.

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