

# Nepal PEFA Mission

November 11-22, 2019

On November 11-22, 2019, Helena Grandao Ramos and Guillaume Brule of the PEFA Secretariat, EPSPF, traveled to Katmandu, Nepalgunj and Pokhara in Nepal. The mission worked closely with Franck Bessette, Program Manager Nepal PFM MDTF, ESAG2, and TTL of the programmatic series of PEFA assessments in Nepal, Prakash Thapa, consultant, Nepalgunj PEFA assessment, Shraddha Shah, consultant, MDTF and Anjalee Thakali, consultant. The WB in Nepal is carrying out a PEFA assessment in Nepalgunj municipality, the first in a programmatic series of PEFA assessments and is pilot testing the new adjusted SNG PEFA framework in that municipality.

In accordance with the SMO, the mission delivered a series of learning and knowledge events in Kathmandu, Nepalgunj and Pokhara municipalities for a total of around 140 government officials, civil society organizations and development partners with the aim at presenting the new PEFA products, provide training on the PEFA methodology and promote the adjusted framework for subnational PEFA assessments and supplementary framework on gender responsive budgeting (GRB). Overall, the learning and knowledge events were very welcome by the participants. The adjusted PEFA SNG methodology and the PEFA supplementary GRB framework were received with enthusiasm and strong interest by government officials and development partners, in particularly by those stakeholders engaged in working with SNG and GRB issues in Nepal. The mission used the opportunity to collect feedback and explore opportunities for collaboration with the Government, CSO, WB and DP on the application of the new products in Nepal. Participants in all events recognized that the adjusted SNG framework and its new features is better suited for conducting PEFA assessments at the SNG level and the supplementary PEFA GRB is a good fit to facilitate the collection of information to assess the extent to which countries' PFM systems promote and contribute to gender

equality. The supplementary GRB framework (version of November 20, 2019) was subsequently shared with the interested stakeholders. On the latter, the Norway representative attending the Pokhara training course highlighted the importance of the supplementary GRB framework particularly considering the work at SNG level supported by the PFM MDTF and other federalism support programs (i.e. PLGSP).

More specifically, the mission undertook and delivered the following activities:

1. A **learning event** for the WB staff and key development partners in Nepal on the new PEFA products, including the adjusted PEFA framework for subnational PEFA assessments (which, as mentioned above, is being tested in the municipality of Nepalgunj) and the PEFA supplementary framework on gender responsive budgeting (GRB); around 40 participants attended the event, including DFID and UNCDF;
2. A **two-day PEFA training course in Kathmandu** for government officials, including the Nepal Municipal Association, the Nepal PEFA Secretariat, Ministry of Finance, Ministry of Federal Affairs and General administration, Ministry of Commerce and Supplies, Public Procurement monitoring office (PPMO), Office of the Auditor General (OAG), Inland Revenue Department (IRD), Financial Comptroller General Office (FCGO) and development partners (EU, DFID, UNCDF, DFAT, USAID, ADB, GIZ, SECO) on the PEFA methodology, adjusted SNG PEFA Framework, GRB framework and PEFA and PFM improvement; around 40 participants attended the event;
3. **Technical meetings** with the World Bank team carrying out the PEFA assessment in Nepalgunj municipality which is applying the adjusted framework for SNG assessments; the teams review the status of the ongoing assessment,

provided clarifications on the adjusted SNG framework and discussed technical issues;

4. A **two-day PEFA training course in Nepalgunj**, for the Nepalgunj municipality staff, rural municipalities and provincial staff, Forest office Division, District Treasury Controllers office (DTCO), Rural municipality, Chamber of Commerce and other SNGs of Western Nepal, on the PEFA methodology, adjusted subnational PEFA framework and supplementary GRB framework; around 25 participants attended the event;
5. **Consultation with CSO in Nepalgunj on Local Government PFM** to discuss: (i) the existing practice of Planning and Budgeting process at the local level, (ii) collaboration between Municipalities and CSOs in Banke, (iii) the voices of marginalized and vulnerable communities including women in Planning and Budgeting processes, (iv) capacity building on PFMs of Local bodies and CSOs, (v) the roles and responsibilities of Users Committee and (vi)

areas where CSOs and Nepalgunj Municipality in close collaboration with MDTF- PFM Nepal can work in the future. The WB team informed that CSOs in Banke districts will be invited for the next round of consultation on the draft report along with the Nepalgunj Municipality and capacity building on PFM for selected CSOs is being considered based on the need's assessment; around 10 CSO Banke attended the meeting;

6. A **two-day PEFA training course in Pokhara**, for the Pokhara municipality, rural municipalities and provincial staff, CSOs, Chamber of Commerce, Media, Ministry of Economic Affairs and Planning (MOEAP), rural municipalities, NGO federation, Wards (subdivision of SNGs), other SNGs of Eastern Nepal and development partners (Norway, DFID, UNCDF), on the PEFA methodology, the adjusted SNG PEFA Framework and supplementary GRB framework; around 26 participants attended the event.