



## CASE STUDY

# Nepal: Voluntary National Review (VNR)

### Background Information

Nepal's efforts in the Millennium Development Goals (MDGs) brought gains in many areas, like poverty reduction, health, and school enrollment, but other areas stalled as most of the investments made during the MDGs were aimed at improvements in the social sector. Because of this, a greater focus on infrastructure is needed to achieve the country's commitments to the Sustainable Development Goals (SDGs).

Nepal was among the first countries to produce a preliminary report on the SDGs in 2015. The nation performed that assessment before the 2030 Agenda had been formally adopted. In 2017, its leaders ran their first Voluntary National Review (VNR) of the country's progress on the SDGs. The resulting report was the product of a rigorous six-month assessment that included participants from a broad array of sectors, including representatives of government institutions, the private sector, academia, and civil society.

Nepal has integrated the SDGs into its 14th national development plan, as well as its longer-term plan, Envisioning Nepal 2030. With those planning pieces in place, the country is now focused on delivering its commitments to the goals.

### Approach, Delivery, & Challenges

In preparing to initiate the country's VNR work, Nepal's leaders formed the SDG Coordination and Implementation Committee. The committee was chaired by then Prime Minister Pushpa Kamal Dahal and received support from a technical committee led by the Vice-chairman of the National Planning Commission. Aside from their primary duty of guiding the creation of the VNR report, the committees also ran baseline reports and gap analyses, drafted an implementation action plan, and established a team responsible for drafting the VNR report.

The committee managed coordination between public and private sector resources, as well as members of civil society, and development partners. It is responsible for evaluating resource mobilization across all sectors and producing high-level reports on the SDGs for the United Nations.



The VNR was completed through a collaborative effort that engaged a cluster of sectors. Core members of that endeavor came from Nepal's ministries and other government agencies. Development partners, civil society, and members of the private sector provided input via an interview process that collected both baseline data and progress related to the SDGs. Mainstreaming the goals was a cross-sector partnership exercise that saw all these groups come together to deliver updates as they collectively assessed progress on the SDGs.

Primary data collection occurred via national surveys. Additional data came from agriculture and household censuses, Nepal's multiple indicators cluster surveys, the Nepal Demographic and Health Surveys (NDHS), the Nepal Living Standard Survey (NLSS), and industrial and labor force surveys. Other information sources included annual and periodic reports from sources like the World Bank, the Asian Development Bank (ADB), the International Monetary Fund (IMF), and several UN agencies.

In drafting the VNR, the team identified multiple key challenges. Among those were weak or absent local government, resource constraints, and lack of coordination within government and with donors and agencies within the United Nations system. Additional challenges included the interlinked, indivisible, and ambitious nature of the SDGs in the context of a low-income country.

As the country implements a new federal structure of governance, the task of concurrently mainstreaming the SDGs across the breadth and depth of government planning and budgeting systems is a formidable challenge. The country has developed mechanisms at the center of government, but the ongoing restructuring of the federal system of governance, down to the seven provinces, and seven-hundred forty-four urban and rural municipalities, is a challenge that has yet to be met. And this will be compounded by technical shortcomings, including database computing limitations and a lack of disaggregated data. Nepal's leaders also have to deal with financial limitations at a time when they are attempting to sustain job creation, improve social services, and reduce disaster-related risks as they are committing significant resources towards the goals.

## Benefits & Lessons Learned

The VNR process highlighted that Nepal has a strong focus on adding resilient, sustainable infrastructure. It also found the country is prioritizing budget allocations and other resources towards the SDGs.

Several additional lessons were learned through the creation of Nepal's first VNR. These included (1) the essential nature of cross-sector partnerships for accelerating progress, (2) the need of private sector to catch up with the public sector and civil society in embracing its commitment to integrate the SDGs with their strategies and operations, (3) the monitoring challenge created by the lack of disaggregated data, (4) the need to align SDG indicators with work programs throughout Nepal's government, (5) the need to revisit many master plans, medium-term plans, and strategies that were developed prior to the SDGs, (6) the requirement of developing appropriate collection mechanisms wherever gaps exist in data for the SDGs, and (7) the need to develop the capabilities and systems necessary for monitoring and evaluating progress at the provincial and local levels.

## Opportunities & Next Steps

Nepal is working to complete the unfinished agenda of the MDGs, while ramping up its SDG efforts. The country's leaders expressed their commitment to the goals, as it tied them to their development efforts. This approach fits well with Nepal's aspiration to become a middle-income country by 2030.

Systematic and disaggregated data are requirements for the SDGs. To have the opportunity to achieve such lofty goals as leaving no one behind, current gaps in data collection and analysis must be bridged. Nepal may also need to revamp its existing surveys or create new ones to fill these data gaps. And macroeconomic policy needs to be audited to ensure that the desired outcomes are being achieved.



Nepal's leaders worked with key development stakeholders to set the country-specific SDG-related targets to be achieved by 2030. They then mainstreamed the 2030 Agenda into their national plans and policies, while the 14th periodic plan, the national budget, and other sectoral plans were also closely aligned with the SDGs. Most sectoral master plans, medium-term plans, and strategies were developed before the start of the SDGs or in the initial period. The targets and indicators in these documents therefore need to be revisited to ensure that they align with the goals.

Nepal's federal, provincial, and local governments should take care to consider their constraints and priorities in looking to optimize the use of limited resources. Important factors like the impact on other SDGs, the contribution to minimizing disparities, and the cost-effectiveness and sustainability of programs should be carefully weighed.

The following steps will help bring these plans in alignment with the SDGs: (1) targets and indicators of sectoral plans, long-term strategies, and perspective plans need to be disaggregated and aligned with the SDGs; (2) the SDGs need to be better integrated in Nepal's next periodic plan; and (3) the goals also need to be fully integrated at the provincial and local levels.

To realize Nepal's SDG commitments will take a range of stakeholders working together towards a common goal. It also requires stable, participatory governments at all levels that are development-oriented and focused on the needs of the people. Integrating the SDGs is an important step, but finding a way to get stakeholders motivated and aligned is a precondition for success with such significant challenges ahead.

## References

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## Case study author

Chris Oestereich

## Researcher

Kah Wei Yoong