

Honorable Finance Minister's Speech
Nepal Portfolio Performance Review Meeting 2009
Dec 3-4, 2009 Yak & Yeti Hotel, Kathmandu

Mr. Chairman,
Members, National Planning Commission
Excellencies, Heads and Representatives of Missions and Development Partners,
Senior Officials of the Government of Nepal,
Distinguished Invitees and Participants,
Ladies and Gentlemen!

At the outset, let me thank the organizers for inviting me today to speak a few words in this gathering.

This is my first meeting of this kind. I have been told that this is an annual event led by the government since 2006, with all of your support. ADB, DFID, JICA and the World Bank are the core members of this exercise. However, all the interested development partners are invited to join the forum. Each year, key persons in charge of the projects representing the government, development partners including oversight agencies discuss the various issues that affect the overall performance of the projects. The meeting also charts out some key areas of reform for the next year. This is what I have been briefed from my Ministry colleagues.

I am encouraged to see such a big gathering in one place to focus on the projects implementation. You all know that parliament has passed the current year's budget just a few days ago. Now our agenda is to move forward in effective implementation of the on- going as well as new projects. I had started a series of consultations with ministries to discuss on how to increase the capital spending even before the parliament's approval of the budget. I will expedite such discussions in the days to come. I expect that this meeting will come up with concrete suggestions in this direction.

I have been briefed that the theme of this review is **Result-Based Management**. This is exactly what we need. But this requires a sustained effort for many years to come. I fully support your sincere endeavor to get things done efficiently and effectively, resulting in impacts on the life of the people. This is what people are expecting from us. Improving budgeting system is a crucially important agenda. We must simultaneously improve allocation, approval, authorization and reporting systems. Specific targets and sectoral goals must be linked with budget allocation. Similarly, the budget planning process also needs to be improved and it should be based on viable studies and project proposals. Here I see the importance of 'Project Bank'. This will help us in choosing the right projects from the bank at the time of need. Equally important is effective monitoring and evaluation system that helps in achieving results and also teaches us right lessons. I hope the Ministry of Finance, National Planning Commission and other key agencies

will focus on these areas. I also urge development partners to support, as you always have been so far, in our efforts to improve the implementation scenario of the development activities. We are flexible, we are receptive, and we are also consultative in our approach. We expect the reciprocity from all of our development partners.

You all know, Nepal is in the process of a great political transition. Our development agenda have so far been overshadowed by the political agenda. But I assure you that this is not the scenario we wanted to see. We are equally focusing on the development outcomes. As our peace process gains momentum, pace of development would automatically accelerate. On the other hand, inclusive development definitely contributes to sustain peace. Thus, peace and development are interlinked and should be carried out together.

We have some good results, although not enough, in education, health, water supplies, community development activities and financial sector. However, we have to show concrete results in many other areas such as governance, employment, service delivery, upliftment of the life of marginalized population, infrastructures and energy. I hope, National Planning Commission will concentrate upon these issues while developing next periodic plan. I know that development partners have also shared these concerns with us time and again. Both of us have to jointly tackle these issues in the days to come.

Finally, I would like to see these two day's discussions very fruitful in our endeavor for results. I thank the government team for organizing this meeting in the capacity of a lead role. I also thank our valued development partners, particularly its core members, for their active participation and for their help in organizing this meeting. I wish for the success of this meeting and hope that it will help us to improve project performance much better than before.

Thank you!