

## **Parliamentarians from Japan met Hon. Finance Minister Dr. Yuba Raj Khatiwada to discuss Official Development Assistance (ODA) of Japan.**

A delegation of four members of the House of Councillors of Japan led by Hon. Katsumi Ogawa paid a courtesy call to Hon. Finance Minister Dr. Yuba Raj Khatiwada, today. The delegation comprised of Hon. Mr. Nobuhiro Miura, Hon. Mr. Shinkun Haku, Hon. Mr. Makoto Hamaguchi, all Members of Councillors, and His Excellency Mr. Masamichi Saigo, Ambassador of Japan to Nepal. The purpose of the visit was to look into the status of Japanese Official Development Assistance (ODA) to Nepal and its effectiveness.

The Japanese delegation expressed happiness to observe long and cordial bilateral relationship since 1956 and development cooperation relationship since 1969 between Nepal and Japan.

Hon. Finance Minister Dr. Yuba Raj Khatiwada shed some lights on Nepal's understanding and policy of ODA utilization through the budgetary system. Communicating Nepal's primary intention of utilizing ODA as an stimulator to help Nepal's progress, he stressed the need for other areas of cooperation, including through FDI, enhanced access to international trade, tourism and technology transfer. Hon. Finance Minister revealed huge financial gap in Nepal visible in the path to meet fundamental civil rights as enshrined in the Constitution, graduate from LDC status by 2022, achieve SDGs by 2030 and manage transition to federalism smoothly. In this context, Hon. Finance Minister mentioned four areas that Nepal will have to look for higher ODA for some years to come. Hon. Finance Minister informed the delegation about Public Finance Management (PFM) reform agenda initiated by Nepal for optimization of taxpayers' money. First, Nepal has developed robust system of output-linked resource and budget allocation monitored continuously by National Planning Commission, Prime Minister's Office and Sectoral Ministries. Secondly, Nepal has rigorous reporting and auditing system in place. Thirdly, strict scrutiny is being conducted by oversight agencies, including Parliamentary Committees and other surveillance agencies including anti-corruption body. Fourth, there is system of continuous vigilance of ODA funded projects by Ministry of Finance. We are equally aware of sustainability of ODA funded projects so as not to allow them wither away after ODA is phased out. At

these backdrop, Hon. Finance Minister urged the delegation to scale-up Japanese cooperation in post-earthquake rehabilitation and reconstruction, in education and health, and in infrastructure development. He also mentioned the people to people relationship to be enhanced through higher level of air connectivity between two countries. In this context, he praised Japan's initiatives for opening up destinations for Nepal Airlines in the major Japanese cities.

The delegation expressed their happiness to listen to Hon. Finance Minister's highlights on ODA policy and undergoing reform initiatives. The delegation also observed bright glimmers of hope for Nepal's development, which are also visible in the innocent eyes of earthquake-affected children studying in the reconstructed schools.

Ministry of Finance

2075/09/06 (21 December 2018)