Alice P. Albright  
Chief Executive Officer  
Global Partnership for Education

RE: Domestic Finance Commitments – Global Education Summit

Dear Ms. Albright,

I am happy to share with you the pledge of the Federal Democratic Republic of Nepal to the Global Partnership for Education Summit 2021, that demonstrates our commitment to increase public investment in the education sector.

As set out in the New Education Sector Plan 2030, the Government of Nepal is committed to supporting our national education sector by increasing the share of the national budget. Furthermore, the Government of Nepal is committing to increase the share of spending as a percentage of GDP as well.

In addition to the increasing budget for education, the Government of Nepal is working intensively to improve the efficiency of spending. In 2017 the Government of Nepal initiated a transition to federalism, realising an important commitment of the 2015 Constitution. This move has transferred many education responsibilities to new local governments. This is allowing more targeted spending on local education needs, based on the guidance of federal experience and provincial initiatives.

Since this transfer of responsibility, the Government of Nepal, and specifically the Ministry of Education, Science and Technology have been working with the new local governments to improve the efficiency of education spending, and developing the necessary financial monitoring mechanisms to ensure effective public financial management.

I would like to take this opportunity to thank you for the invitation to participate in the Global Partnership for Education Summit 2021. Nepal is a committed and engaged member of the partnership. We are grateful that the GPE has recognised this by inviting Nepal to participate in the Financing 2021 - 2025 Compact agreement pilot program, and we look forward to our close collaboration as we initiate our new education sector plan.

Yours Sincerely,

Bhoj Raj Kafle, PhD.  
Under Secretary  
Development Assistance Coordination Section  
Ministry of Education Science and Technology  
Singha Durbar
### Volume commitment

#### Basis for commitment (%)

Please select one of the boxes below (click on the box):

<table>
<thead>
<tr>
<th>Education expenditure as a share of total budget (incl. debt servicing)</th>
<th>Education expenditure as a share of total budget (excl. debt servicing)</th>
<th>Education expenditure as a share of GDP</th>
<th>Per capita education expenditure as a share of per capita GDP (by sub-sector)</th>
<th>Other % (please specify)</th>
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#### Description of education budget perimeter

Please list all line ministries responsible for elements included in the calculation of education expenditures. Ideally this description should identify where in the national budget relevant elements are recorded.

1. Ministry of Education, Science and Technology (MOEST)
2. Ministry of Finance
3. Financial Comptroller General Office

#### Historical and projected expenditures (%)

Please include all available historical expenditures (executed budget), as well final projected value for the year in which your commitment ends. Inclusion of intermediate values are encouraged but not required. If your commitment ends before 2025 (the duration of GPE’s new strategic plan) please provide a brief rationale below (e.g. alignment of commitment duration with country MTEF).

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
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<tr>
<td></td>
<td>10.23</td>
<td>10.68</td>
<td>11.64</td>
<td>10.93</td>
<td>11.5</td>
<td>12</td>
<td>12.5</td>
</tr>
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</table>

**Rationale (optional):** The above motioned projected value is just indicative and tried to project based on past increasing trend and discussion made with Ministry of Finance.

#### Other indicative policy commitments

Please describe here any significant policy commitments on equity and efficiency on areas of priority for your country. These might include gender, equality, better management of the teacher workforce, improvements in timeliness and accessibility of data for mutual accountability, national recovery stimulus spending targeting education, as well cross sector imperatives, including restoring/expanding school health and nutrition programs to leave no one behind etc. We also encourage commitments to strengthen the working relationship between Ministries of Finance and Education.

The current constitution of Nepal envisions an equitable, inclusive and socialism-oriented nation and specifies several education-related rights and priorities. The Free and Compulsory Education Act,208 and Rules, 2020 have been enacted to implement these constitutional rights and priorities, while the 2018 Children’s Act (BS 2075) also guarantees children’s rights, including the right to
education. The 2019 National Education Policy provides policy guidelines for improvements and changes those areas including equity and efficiency. The Government of Nepal has incorporated those educational concerns in current Fifteenth Plan.

The current School Sector Development Plan (SSDP) (2016–2021) ends in this July and MoEST has prepared a new Education Sector Plan for the ten years (2021-2030). The new plan is finalizing soon. One of the important aspect of the plan is to address the government commitment on ‘no one child left behind from opportunity of getting education’, for this the plan has tried to address the issues like gender, equality, teacher management, accountability, midday meal, including different types of scholarship, etc. The plan has explore the need of huge resources to achieve such state responsibility in education. So, the MOEST has been initiating frequent discussions with Ministry of Finance (MOF).

Other Ministries and LEG

Please indicate if this commitment was endorsed by other ministries as relevant, including the ministry of finance, and has been shared with the LEG: Yes

Financing in Education (SDG4: Education 2030, Nepal National Framework) Nepal, Needs Assessment, Costing and Financing Strategy for Sustainable Development Goals (2018) estimates the annual average investment requirement for SDG4 (education sector) will be Rs. 138.8 billion per year for 2016-19, Rs. 206.57 billion per year for 2020-22, Rs. 316 billion per year for 2023-25 and Rs. 493.4 billion per year for 2026-30 (NPC, 2018). In addition, the visualization through SDG national framework, other various national policy documents has identified and indicated the need of steadily increase the public expenditure in education to address the new federal cognitive intent. Last week the ministry of finance has responded formally to the Ministry of Education, Science and Technology that the finance ministry is positive to increase national budget in education even though they have not provided the actual figure.