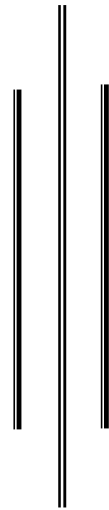


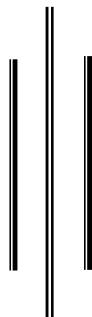


# Budget Speech of Fiscal Year 2020/21

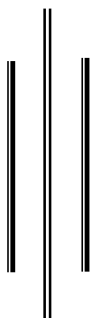


Government of Nepal  
Ministry of Finance  
2020

Budget Speech  
of  
Fiscal Year 2020/21



Delivered to  
Joint Assembly of Federal Parliament  
By Honourable Finance Minister Dr. Yuba Raj Khatiwada  
Thursday, May 28, 2020



Government of Nepal  
Ministry of Finance  
2020  
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**Right Honourable Speaker of the House of Representatives,**

**Right Honourable Chair of the National Assembly,**

1. I rise to present the budget for the coming Fiscal Year 2020/21 as the Finance Minister of the Government of Nepal at this joint meeting of the August Federal Parliament of the Federal Republic of Nepal. At this critical juncture, I pay my heartfelt tribute to all the known and unknown martyrs who sacrificed their lives during different movements at different times for the establishment of a democratic republic and to the late leaders who fought against autocracy for their entire lives. I express my due respect to the esteemed senior politicians who have sacrificed and led the movement for attaining a democratic republic amid difficult circumstances, while protecting the sovereignty, territorial integrity, national unity, freedom and dignity of the country.
2. The world at once is facing both the humanitarian and economic crisis caused by the global Coronavirus pandemic. There are clear signs that the global economy is shrinking, mostly due to the effect in the chain of production, trade and investment. Impacts on the major sectors of the Nepalese economy have already started to surface owing to its interconnectedness with the global economy.
3. While presenting the annual budget in the third year of the current Government, I feel a deep sense of responsibility to protect the lives of citizens from COVID-19 and to make the economy vibrant. The Coronavirus pandemic has been a stumbling block on the path to acceleration of development and prosperity, based on the foundational achievements of past two years. The Government firmly believes that the current challenge can be overcome with the support of and solidarity among all political parties, people's representatives, institutions and the general public in this crisis of the century.
4. I am aware that the budget for the coming Fiscal Year should focus on coping with the challenges caused by the new situation and utilizing the opportunities available to us. In this situation, I have formulated the budget in such a way that it would protect the lives of Nepali people, raise hope for the future and revitalize the economy, setting the path of rapid development.
5. The aspirations, reliance and self-confidence of Nepali people raised by the political achievement and stability following decades' long struggles and sacrifices to see and experience the prosperity in their own lifetime is a source of energy for us. Based on this, I have formulated the budget for the coming Fiscal Year with the confidence that we can and we will rise soon again on the basis of resilience we had in the face of disasters, including the 2015 earthquake.
6. The Constitution and laws of Nepal; the policies and programmes of the Government of Nepal, approved by this august Parliament; the principles and priorities of the Appropriation Bill, 2020; the Fifteenth Plan; and the Sustainable Development Goals have been considered as a basis while formulating the budget. In the process of formulating the budget, I have also paid attention to the reports of the Parliamentary Committees,

Revenue Advisory Committee and various task forces and the suggestions received from all, including institutions and intellectuals.

**Right Honourable Speaker,**

**Right Honourable Chair,**

7. I have already submitted the Economic Survey 2019/2020, which includes major indicators, details and statistics of the economy. Now, allow me to present a brief overview of the economic situation in the current Fiscal Year.
8. The high economic growth rate that has been consistently achieved over the past few years is, primarily, estimated to remain at 2.3 percent this year, influenced by measures taken nationally and internationally to reduce the risk of spread of Coronavirus. It is estimated that there will be contraction in many sectors, particularly in tourism, transportation, manufacturing industries and construction.
9. Per capita GDP has reached USD 1,085 while disposable per capita income is at USD 1,388. In proportion to GDP, gross investment has reached 50.2 percent and gross national savings stood at 46.0 percent.
10. Inflation has been contained to 6.5 percent on average for the first nine months of the current Fiscal Year. Most of the macroeconomic indicators remain positive. However, these indicators are under pressure due to the circumstances emanated from the Coronavirus pandemic.
11. The progress on social and economic sectors is encouraging. Rate of enrollment of school-age children and completion of schooling have increased. Gender parity has been achieved in all levels of education, including basic, secondary and higher education. Access to basic health care has increased, including due to free health care and health insurance. Maternal, infant and child health has improved significantly. Access to basic drinking water facilities has reached 90 percent of the population. Nepal has been declared an Open Defecation Free country after having access of all population to sanitation facilities. Kathmandu has become a street children free city. Ninety percent of the people have access to electricity and per capita electricity consumption has increased significantly. The road network has expanded. There have been both quantitative as well as qualitative development in the information technology and mass communication. Absolute poverty has been reducing, gradually.
12. Projects of national importance, including highways, electricity, airports and irrigation are being constructed amid adverse situation. Most of the post-earthquake reconstruction works are near to completion.
13. Access to financial services has increased significantly. More than one thousand additional branches of commercial banks have been expanded across the country. The population with access to insurance facility has increased from 5.6 million to 7.0 million. The scope of

capital market has been widened through policy and systemic reforms. There is a widespread use of information technology in financial transactions.

14. As a result of various reforms adopted to incentivise investment and the investment summit held last year, investment commitments amounting to Rs. 1435 billion have been received, while foreign direct investment of Rs. 155 billion has been approved through the Investment Board of Nepal. Similarly, investment amounting to Rs. 29.82 billion has been approved through the Department of Industry.
15. During the first nine months of this Fiscal Year, export has increased by 12.9 percent, while import has declined by 7.5 percent. This has reduced the trade deficit and improved balance of payments, which is at a surplus of Rs. 36.61 billion. Foreign exchange reserves increased by Rs. 117 billion and reached to Rs. 1156 billion during the period.
16. Fiscal Federalism has been fully implemented in a short period of time. Expenditure and revenue management systems at all the three levels have been established. The concept of project bank has been implemented to make project selection effective. The tax base has been widened. An additional 1.125 million taxpayers have come under the tax net as of mid-May of the current Fiscal Year.
17. Foreign aid commitments have increased and there has been significant increment in budgetary support as well. Of Rs. 164 billion committed in the current Fiscal Year, budgetary support accounts for Rs. 50 billion.
18. The spread of coronavirus has affected mainly the capital expenditure and revenue mobilization in the Fiscal Year 2019/20. The revised Government expenditure for the Fiscal Year 2019/2020 is expected to remain at Rs. 1073.35 billion, which is 70 percent of the total allocation. Of the total allocation, recurrent expenditure stands at 73.3 percent, capital expenditure at 58.6 percent and financing at 78.8 percent.
19. Revenue collection in the current Fiscal Year is estimated to remain at Rs. 827 billion, which is 74.4 percent of the annual target. The revised estimate of foreign aid mobilization is Rs. 153 billion, which includes Rs. 32 billion in grants and Rs. 121 billion in loans. Internal debt mobilization is estimated to remain at Rs. 193 billion.

**Right Honourable Speaker,**

**Right Honourable Chair,**

20. Now, I seek permission to present the objectives and priorities of the budget for the coming Fiscal Year 2020/21. The objectives of the budget are as follows:
  - a. to make the life of the people more comfortable and safer by protecting the citizens from all kinds of disasters and diseases, including infectious ones;
  - b. to provide continuity to the pace of development by reviving the economy at the soonest and through the optimal mobilization of available means, resources, opportunities and capacities;

- c. to enhance the role of welfare state through fulfillment of the needs reflected as fundamental rights of the citizens; and
  - d. to continue building resilient, advanced, autonomous, prosperous and socialism-oriented economy through social, economic and physical infrastructure development.
21. I have set the following sectoral and programmatic priorities to achieve the objectives of the budget:
- a. expansion of health services, construction and upgradation of health infrastructure and development of health-related human resources to protect the citizens from all kinds of health risks, including coronavirus, and to make health services qualitative and accessible,
  - b. revitalization of affected businesses, including in the agriculture, industry, tourism, construction sectors, by restoring the broken chain of production and supply by the steps taken for prevention and control of coronavirus infection,
  - c. provision of work and employment opportunities, and ensuring food security, safe housing, universal social security and protection for the citizens,
  - d. implementation of incomplete projects and those to be completed within next year that would yield immediate returns of development.,
  - e. quality and life-useful education, expansion of information technology, development and construction of social, economic and physical infrastructure, including basic drinking water, and
  - f. implementation of federalism, quality and accessible public service delivery and strengthening of accountable and transparent governance.
22. While allocating the sectoral budget for the coming year, I have emphasized economic recovery through measures to prevent coronavirus recurrence; focusing on programmes that yield immediate returns and projects to be completed in the coming Fiscal Year; ensuring continuity of implementation of ongoing projects; and instituting a high level of coordination and collaboration among Federal, Provincial and Local levels maximally to make service delivery effective. Similarly, I have emphasized on the programmes that advance the development process through the partnership among public, private, cooperative and community sectors.

**Right Honourable Speaker,**

**Right Honourable Chair,**

23. Now, allow me to present fiscal federalism-based allocations made to the Federal, Provincial and Local levels.

24. I have maintained the levels of inter-Governmental fiscal transfers particularly equalization, matching supplement, and special grants for the province and local levels unchanged while giving priority to the implementation of fiscal federalism amid estimates of contraction in the Federal Government resources. I have significantly increased the conditional grants so that the projects under the jurisdiction of the provincial and local levels which are currently executed by the Federal Government can be implemented from the concerned provincial and local levels.
25. I have made budgetary allocations based on the formula laid down by the National Natural Resources and Fiscal Commission, such as spending needs; status of human development indicators; resource mobilization capacity; and economic, social and other inequalities among provincial and local levels. Accordingly, I have allocated Equalization Grants of Rs. 55.19 billion and Rs. 90.05 billion to the provincial and local levels respectively for the coming Fiscal Year. Under the conditional grants, I have allocated Rs. 36.35 billion and Rs. 161.08 billion to the provincial and local levels respectively.
26. I have estimated that a total of Rs. 122.14 billion will be disbursed as revenue sharing on the basis of population, area, human development indicators and other development deficit indicators at the Provincial and Local levels.
27. I have set aside Rs. 9.96 billion as matching grants for projects identified and proposed for execution by the provincial and local levels. Similarly, Rs. 9.97 billion has been arranged to provide special grants to the provincial and local levels for carrying out projects of specific nature.

**Right Honourable Speaker,**

**Right Honourable Chairman,**

28. Now, allow me to present the programmes and allocation of the next Fiscal Years' budget.

**Prevention of Corona Infection and Reform in the Health System,**

29. In order to minimize the health related risks due to spread of infectious diseases, including COVID-19 and other diseases, I have increased the budget significantly in the health sector, with the high priority being to expand quality health service for prevention, control and treatment of the disease, development of health infrastructures, supply of medicine and equipment and service of qualified doctors and health workers.
30. I have allocated necessary resources in order to expand the scope of testing in high-risk areas for the containment of the spread of coronavirus infections, to establish additional

- quarantine centres with qualitative health check-up facility, deliver reliable treatment services and address coronavirus induced psychological fear of the citizens. I have allocated Rs. 6 billion to avoid the shortfall of medicine, equipment and logistics that may immediately be required for the control and treatment of COVID-19.
31. I have made arrangements for the provision of incentive allowances, including for provision of personal protective equipment (PPE) for the doctors, health workers and employees working in the laboratories to encourage them to serve. I have made arrangement for free of cost health insurance up to Rs. 500 thousand for all the health workers involved in treatment of the infectious diseases, including COVID-19.
  32. A well-equipped and dedicated epidemiological hospital in Kathmandu Valley with 300 beds; an additional 250 ICU beds, some of which in Kathmandu Valley and some in public hospitals in provincial capitals; and new epidemiological hospital with 50 beds each in each provincial capital will be constructed next year. Pokhara and Karnali Academy of health Sciences and Koshi, Narayani, Bharatpur, Bheri and Dadeldhura hospitals will be being developed and upgraded to act as specialized hospitals. I have allocated Rs.12.46 billion for the development of health infrastructures.
  33. I have allocated budget for capacity enhancement of the National Public Health Laboratory to upgrade it to international standards, to establish ultramodern health laboratories in all Provincial capitals, to expand necessary laboratories in all health institutions to provide mandatory treatment, cure and pharmacy services, and to establish well-equipped Health Desk in the main border points for mandatory health check-up of each of the immigrant visitors.
  34. I have allocated Rs.14.27 billion to establish 272 hospitals for next year, in line with the policy to establish Basic Hospitals with 5 to 15 beds in all Local levels in order to ensure access of all citizens to basic and quality health services. I have allocated necessary resources to upgrade the previous District and Zonal Hospitals. An arrangement of at least one doctor for each health institution will be made. I have made an arrangement of fiscal transfer of Rs. 5.10 billion in order to provide basic health services including the test of non-communicable disease by managing doctors in the health institutions of the Local level.
  35. Forty percent of the population of all Local levels will have health insurance coverage by next year, so as to expand the health insurance service to all citizens within three years. Health services, other than basic health services, will gradually be included in the health insurance scheme. I have allocated Rs. 7.50 billion for the health insurance programme.
  36. Free health check-up service will be provided through health institutions at the entire Local levels for safer maternity and reproductive health and for the diagnosis and treatment of the fatal diseases of women, like breast and cervical cancers. Nutrition programmes will be implemented through all health institutions. I have allocated necessary budget to declare Nepal as a fully vaccinated country next year.



37. I have allocated Rs. 4.22 billion for free treatment of catastrophic diseases to disadvantaged people, geriatric and pediatric cardiovascular diseases and to implement tuberculosis, AIDS and sexually-transmitted diseases and leprosy control programmes. I have made arrangements to provide free of cost basic emergency health services to the poor and disadvantaged groups from the central hospitals.
38. A Medical Super Specialty Centre will be established under Tribhuvan University, Institute of Medical Science in order to provide specialized health service and training, along with study and teaching of other chronic diseases, including nephrology and urology. A **National Diagnostic Centre** of international standards with skilled technicians and modern equipment will be established in the country for the diagnosis of all diseases including infectious.
39. I have allocated budget for the commencement of satellite and outreach clinics with specialized doctors' services at local level health institutions and to provide reliable telemedicine services to patients in remote areas deprived of such health facilities. The latter will be provided through specialized hospitals including Gangalal Cardiac Centre, Paropakar Maternity Hospital, Human Organ Transplant Centre, Kanti Children Hospital and Bir Hospital.
40. I have allocated budget for building necessary infrastructures of Man Mohan Cardiothoracic Vascular and Transplant Centre, Tribhuvan University Teaching Hospital, B.P Koirala Cancer Hospital, GP Koirala National Respiratory Treatment Centre, Sushil Koirala Memorial Cancer Hospital, Ram Raja Prasad Singh Health Science Academy and Bir Hospital to provide extended services from Duwakot of Bhaktapur district.
41. In order to accelerate the campaign of **Building Healthy Nepal**, in addition to enhanced public health services, people will be encouraged to consume nutritious food and follow a balanced diet, continue to do physical exercise, and embrace healthy lifestyle, including good hygiene practices. In order to increase overall health and well-being, including immunity and mental health, alternative methods of treatment, including Ayurveda, will be promoted and fitness centres, gymnasiums and yoga centres will be made operational.
42. I have made arrangements to allow the use of private health institutions by the Government during disasters and times of crisis, and also to support more effective monitoring of the services provided by privately run hospitals. I have also made it mandatory for doctors working in private hospitals to provide specialized services to District hospitals and Local level health institutions on a regular basis.
43. I have made arrangements for the development of the Nepal Health Research Council as a competent agency to conduct researches even on the control of infectious diseases, expanding the capacity of Nepal Drug Limited and maintaining stock of necessary medicine regularly in the health institutions.
44. I have given continuity to free health insurance being provided to the family of 52 thousand women health volunteers and I have doubled their travel allowance. I have

- made arrangements to run a campaign of sanitation, health awareness and health insurance by mobilizing women health volunteers in collaboration with the Local level, Non-Governmental organizations and community sector.
45. I have allocated budget for the development of Kanti Children Hospital as a centre of excellence for higher education by building infrastructure with additional ICUs, commencement of treatment of pediatric cardiovascular disease in Gangalal National Cardiac Centre and procurement of additional equipment and construction of health institutions buildings.
  46. Arrangements will be made for establishing trauma centres in the hospitals located near the accident-prone areas on the highways, enabling patients to receive easy and convenient ambulance service upon dialing the common telephone number across the country.
  47. A sectoral Integrated Umbrella Act will be formulated for managing commissions, institutes, councils, research centres and hospitals in the health sector by bringing uniformity in their operation. I have allocated budget to increase the number of health workers by reviewing the existing positions of the health service and to establish Centre for Disease Control, Food and Drug Administration and to start the preliminary work of National Health Transplant Authority.
  48. I have increased budget for the Ministry of Health and Population to Rs.90.69 billion.

**Right Honourable Speaker,**

**Right Honourable Chairman,**

49. Now, I would like to present the programmes related to Relief, Concessions and Economic Recovery, including allocations.
50. The immediate relief programmes, introduced by Government for the normalization of the daily life of the people, which has been adversely affected by prevention and control measures taken for COVID-19, will be given continuity until the risk of infection is controlled.
51. I have managed funds for providing food relief, an equivalent to a quarter of minimum wage, to the workers from coronavirus affected unorganized sectors, who are not involved in the wages of employment programmes and food for work programmes being implemented in collaboration with Federal, Provincial and Local levels.
52. I have made arrangements to establish a separate fund of Rs. 50 billion in order to provide loans at an interest rate of 5 percent to the cottage, small and medium enterprises and corona affected tourism industries for the payment of staff and worker salaries and businesses operation. This fund will be operated through Nepal Rastra bank

and the amount that will be received from the Government of Nepal, Public Enterprises and donor agencies will be deposited in this fund.

53. Arrangements have been made to provide free electricity to the low electricity consuming households consuming up to 10 units per month, 25 percent discount for those consuming up to 150 unit per month and 15 percent discount to those consuming 250 units per month in electricity charges, and to give rebate to the electricity demand charges and concessions to the electricity charges of the water and irrigation users committee. I have made arrangements to provide discounts to the demand charges of electricity during the lockdown period for manufacturing industries affected by COVID-19 and provide a 50 percent rebate in the consumption of electricity during the low demand hours.
54. Arrangements have been made to provide a re-financing facility of about Rs. 100 billion through Nepal Rastrya Bank at the concessional interest rate up to 5 percent to the businesses and COVID-19 affected industries related to agriculture, cottage, small and medium industries, manufacturing industries, hotels including tourism sector.
55. I have an additional arrangement for providing 50 percent through the Government on the annual premium for the group I insurance taking out policy up to 100 thousand against COVID-19 considering it as an insurable disease. I have made arrangements to bear the liability of insurance premiums by the Government for the insurance of the persons, including health workers and women health volunteers.
56. I have allocated necessary budget for bringing Nepali citizens back home from abroad who are at serious health risk, who have lost job, whose visa has expired; and those who are stranded due to various reasons.
57. Arrangement has been made that, Nepal government, during the lockdown period, will deposit the amount to be contributed by workers and employees in the contribution based social security fund for workers of organized sector Provision will be made for the respective organizations to borrow such amount from the fund to make immediate payments for the remuneration of the workers and to be deposited back to the fund after the business gets back to normal.
58. I have made an arrangement to give waivers to parking charges to be paid by the Nepali airline companies, renewal fees for Air Operator's Certification, charges for Air Worthiness Certification and infrastructure tax levied on aviation fuel.
59. In order to address the impact of coronavirus in a variety of sectors, including construction, transportation, mass communication and films, I have made arrangements to waive the renewal fees of license and equipment and credit facility for working capital, as well as time extension of the contracts and bank guarantee for the lockdown period. I have allocated Rs.500 million to provide as start-up fund, to be lent at a 2 percent interest rate in order to support and encourage the entrepreneurs willing to invest in innovative businesses by exploiting the exceptional business opportunities created by coronavirus.

**Right Honourable Speaker of the House of Representatives,**

**Right Honourable Chairman of the National Assembly,**

60. Now, allow me to present programmes and allocations for the Labour, Employment and Social Security sectors.

**Labour and Employment**

61. I have devised a programme aimed at creating work and employment opportunities for all Nepali, while increasing labour productivity through decent work, social security and ideal labour relations. Considering the impact of COVID-19 on domestic and foreign employment of the citizens, I have directed the budget towards creating additional work and employment opportunities within the country.
62. In line with the spirit of **Build Our Own Village**, I have made an arrangement to bring **Food for Work** programme into operation, targeting the poor households, labour intensive social and physical development projects executed by the Local Levels. I have allocated necessary budget for mobilizing citizens, who are unemployed, facing job losses and returnees from foreign employment due to Coronavirus, in technology-backed labour intensive and people's participation-based development and construction works with payment of remuneration.
63. Public development and construction work executed at the federal, provincial and local levels will be implemented by adopting labour intensive technology by expanding the **Prime Minister's Employment Programme**. I have allocated Rs. 11.60 billion for creating additional 200 thousand employment opportunities through this programme.
64. I have made arrangements for access to skill development, training and technology to Nepali citizens so that they can seize the employment opportunities created in the domestic market after the return of foreign workers to their home countries due to COVID-19 pandemic. Various skill development trainings in manufacturing and services sector, including handicraft, plumbing, electrical repairing, electronics, cookery, artisan carpentry, masonry, tailoring, and beautician, hair dressing, will be conducted at the federal and provincial levels. Such measure will enable the laid off workers and those working in areas where employment cannot be revived in immediate future due to COVID-19, by transforming their skills and enabling them to work in new environment elsewhere. I have allocated Rs. 1 billion to enable at least 50 thousand persons to avail employment from this programme.
65. If a private manufacturing industry provides apprenticeship to the workers of their own requirement as recommended by the Labour Information Bank while using the Employment Service Centre as such Bank, and guarantees minimum of 2 years employment to the same workers, such industry will be provided with a subsidy equivalent to 50 percent of the minimum wage for a maximum period of up to three months. I have allocated Rs. 1 billion

- for this purpose. I expect that about 50 thousand persons will be employed as skilled employees from this programme.
66. I have allocated Rs. 4.34 billion for strengthening technical and vocational education and training institutes and providing skill-oriented trainings to 75 thousand persons through them in the coming Fiscal Year. I expect that this programme will provide employment opportunities to new entrants in the labour market, workers laid off by the informal sectors due to Coronavirus pandemic and youth returnees from foreign employment.
  67. Necessary arrangements will be made through Nepal Rastra Bank for generating additional employment by ways of providing concessional loans to at least 10 persons per branch by commercial banks and 5 persons per branch by development banks, under the concessional loan programme of bank and financial institutions.
  68. I have made arrangements to create additional 40 thousand jobs from the Small Farmers Loan Programme run through the Small Farmers Development Microfinance Institution; to let an additional 12 thousand youths become self-employed through Self-Employment Loan Programme run through the Youth Self-Employment Fund; and to create additional 127 thousand jobs from programmes of industry sector, such as- microenterprise for poor; and an additional 30 thousand jobs from programmes, such as forest products based enterprises, agro-forestry, nursery and tree plantation, protected areas, and herbal production and processing. A revolving fund of Rs. 19 billion, mobilized by more than 32 thousand community organizations in 64 districts promoted by the Poverty Alleviation Fund, will be used as seed money to conduct economic activities at the Local level. These institutions will be transformed into the cooperative system. This will create additional 150 thousand jobs in agriculture, micro and small-scale industries.
  69. The provision of restricting foreign citizens from working in absence of work permit will be strictly implemented to help create more employment opportunities for Nepali citizens. Arrangements will be made to provide additional financial and monetary facilities to the establishments meeting compliance on labour related provisions. Labour audit will be carried out to ensure the workers' safety and occupational safety at the establishment level.
  70. In addition to the welfare of the foreign employment bound workers, the Foreign Employment Promotion Fund will also be utilized in the employment rehabilitation programme. Records of skill, experiences and interests of the workers returning from foreign employment will be maintained and linked them to the work opportunities created within the country.

### **Social Security and Civil Protection**

71. Social security will be gradually made life cycle based, mandatory and universal. State will implement programs to provide special safety and protection to the economically deprived, disabled, helpless, differently abled, single women, children, and endangered and marginalized communities.

72. I have given continuity to all types of social security allowances. Under the policy of operating Senior Citizen Service and Meeting Centre at all Local levels, I have made arrangements to expand it to the remaining Local levels and even to feasible wards in the coming Fiscal Year. I have allocated Rs. 67.50 billion for social security allowance.
73. As more than 300 thousand senior citizens have already benefited from the free health insurance programme of Rs. 100 thousand targeted at those above 70 years of age initiated by the present Government, I have made arrangements to provide this service to an additional 300 thousand senior citizens in the coming year. As 300 thousand poor families have received free health insurance services in the current year, I have made arrangements to provide this facility to an additional 400 thousand households in the coming year.
74. In line with the Government's insights that children should be protected by the state, I have widened the scope of child protection grants in the coming year so as to encompass children from families below the poverty line including those from *Dalit* and *Karnali* and Terai-Madhesh region. I have allocated Rs. 3.76 billion for this programme. About 1.3 million children will benefit from this scheme. Arrangements have been made to mobilize social organizations in order to provide reliable social security to orphans and those at high risk requiring special protection and HIV infected children. Arrangements have been made to keep the country free of street-people by providing shelter, protection and care to those help-seekers, including helpless, destitute, infected and homeless people.
75. Physical infrastructure will be made differently-abled friendly. Respectful access to education, health, employment and social activities will be ensured to boost the morale of persons with disabilities. White sticks and Braille textbooks for the visually impaired will be provided at free of cost. Research and development of sign language will be encouraged.
76. While protecting the families of martyrs and conflict victims on behalf of the state, those injured in the democratic movement will be included within the social security net with the development of self-employment-oriented skills.
77. In order to bring all labours and workers into the social security net, all establishments will be encouraged to be listed with Social Security Fund. The existing law related to the operation of retirement fund will be amended to bring the public servants, who are not included in the existing contributory pension system, into its net.
78. Landless *Dalits* will be identified and necessary land will be made available for their settlement. I have allocated the budget needed for operation of programmes, including-*Janata Awas* Programme, new technology-based skill enhancement, modernization of traditional skill, easy access to education, health and sanitation, awareness programme against discrimination on the basis of caste and untouchability.

79. **State Facility Identity Cards** will be distributed to the households identified by Poor Household Survey through Local level within the coming Fiscal Year. Identity Cards will be distributed to remaining households after completion of their survey within the coming Fiscal Year. All poverty alleviation and social security programmes, including agriculture, industries, labour and health executed under various Ministries in coordination with Local Levels will be integrated and targeted towards households entitled to State facility.

**Right Honourable Speaker,**

**Right Honourable Chairman,**

80. Now, allow me to present the programmes and allocation for **productive sectors including agriculture, forest, tourism, industry and commerce.**

### **Agriculture**

81. Agriculture sector remains as the mainstay of Nepalese economy. New job opportunities will be created in this sector by mobilizing labour in agriculture and emphasizing on commercialization, mechanization and modernization of agricultural activities to address the challenges and opportunities created by the Coronavirus pandemic. Based on the crop production potential, large-scale production will be encouraged through cooperatives, community and private firms through optimum utilization of agricultural land to orient towards agricultural revolution. For this purpose, irrigation, fertilizer, seeds, capital, technology and market will be assured.
82. Food security and sovereignty will be maintained by making the country self-reliant in agricultural production. In the next Fiscal Year, targeted programmes will be implemented to become self-sufficient in the production of milk, vegetables and meat production. The production of high-value agricultural commodities with nutritious and medicinal properties, as well as Early (*Chaita*) paddy and spring maize farming, will be encouraged. Rural enterprise and economic development programmes will be conducted for the promotion of agricultural entrepreneurship targeting the poor, deprived and small farmers.
83. The **Prime Minister Agriculture Modernization Project** will be restructured and the **One Production Pocket Area at One Local Level** programme will be conducted based upon the local potential. In the next Fiscal Year, an additional 250 pocket areas for agriculture and animal husbandry will be developed to ensure at least one pocket area in every Local level. I have allocated Rs. 3.22 billion for this purpose.
84. Legal frameworks will be prepared to promote and regulate food safety. In the next Fiscal Year, food quality laboratories will be brought into operation in Karnali and Gandaki Province. Public awareness will be increased and effective regulation will be ensured to maintain the safe level in the use of pesticides. Arrangements will be made to recommend suitable seeds, fertilizer and other agricultural inputs based on soil quality testing using mobile laboratories at all Local levels.

85. I have increased the budget allocated for subsidies for chemical fertilizer to Rs. 11 billion to ensure adequate supply of chemical fertilizer well ahead of crop plantation time. Organic farming will be encouraged by increasing the use of organic fertilizer. Such products will be promoted in the market after branding them.
86. In order to provide quality and improved varieties of seeds to the farmers, improved varieties of crops will be developed, quality testing of seeds will be extended and cash back schemes will be implemented for farmers who purchase improved seeds from licensed vendors.
87. Market infrastructure will be constructed at all Local levels to ensure the marketing of agricultural products. The fruit and open air market (*Haat bazaar*) which is under construction at Chovar, Kathmandu will be brought in to operation. I have allocated budget for the fiscal transfer to Local levels to construct a total of 78 agriculture wholesale markets across all Provinces as well as to establish Provincial level 'Hub Market' for agricultural products.
88. Contract farming, land-pooling and community-cooperative farming will be encouraged to enhance farmers' access to agricultural land. Arrangements will be made to purchase the agricultural products by setting their benchmark-price. From the next Fiscal Year, cold storage construction grants will be offered only to those who carry out group farming and farming through Local levels, cooperative organizations and *Land Bank*.
89. I have arranged a fiscal transfer of Rs. 1 billion to the Local levels to establish 200 Food Storage Centres in order to strengthen the food security and supply system and to ensure the price of agricultural products. Arrangement has been made to purchase agricultural products having benchmark price through such centres and selling after one level processing. I have also arranged provisions to implement the concept of Food Bank to store food grains by renovating the existing food warehouses operated by Government and private sector.
90. I have allocated Rs. 500 million to ensure at least one agriculture and one animal husbandry technician at all Local levels. Also, arrangements have been made to provide internships for the graduate students of agriculture campuses and an opportunity to make some earning while studying to the students at various technical institutes.
91. The insurance premium grant amount has been increased to minimize the associated risk through expanding the scope of agricultural crop and livestock insurance. Facility will be provided to pay the crop insurance premium by the farmers after producing their crops. Information related to weather, seeds, farming technology and market price will be made available to the farmers via mobile apps in order to reduce the risk associated with agricultural production and market.
92. In the next Fiscal Year, an additional 5 million fruit saplings from programmes in the agriculture sector and 5.5 million fruit saplings from programmes in the forest sector will be produced and distributed in order to pursue the fruit saplings plantation and



- conservation work as a campaign. Technical assistance will be provided to produce at least 10 thousand fruit saplings through the establishment of nurseries at each Local level. Private sector, cooperatives and community organizations will be encouraged for fruit tree plantation and other appropriate crops as a campaign on the un-used public land, roadside and land reclamation area.
93. I have provided for subsidies for production and processing of cotton, silk, wool and other thread products through cooperative organizations. I have allocated Rs. 950 million to continue subsidies being provided to sugarcane farmers based on their production quantity.
  94. Research on registration, productivity and multi-uses of local and indigenous food, livestock, fisheries and other crops will be conducted by extending the scope and developing the capacity of Nepal Agricultural Research Council. Agriculture Campus will be encouraged to conduct research activities.
  95. Promoting breed improvement programmes, grass farming, massive grazing field development and qualitative animal health service will be extended in order to attract farmers in commercial livestock farming. Animal Quarantine Offices will be established at major border points and provisions of laboratory and other infrastructure will be arranged.
  96. All existing agricultural subsidies will be reviewed and arrangements will be made to avoid duplication of agricultural subsidies among Federal, Provincial and Local levels. The provision of Farmers Credit Card will be initiated to ensure easy access to agricultural credit. Farmers having cultivable land will be enlisted in every ward of Local levels and agriculture volunteers will be mobilized to provide basic technical facilities of agriculture and animal services.

### **Irrigation and River Training**

97. I have emphasized the construction of small and medium irrigation projects to increase agricultural production by providing immediate irrigation facilities to cultivable land. Under the **Prosperous Terai Madhesh Special Irrigation Programme**, 5 thousand shallow tubewells and 247 deep tubewells will be installed in 25 districts of Terai and Inner Madhes by next year to provide underground irrigation facility to an additional 22 thousand hectares of cultivable land. I have allocated Rs. 2.32 billion for this programme.
98. Irrigation projects of national pride including Rani Jamara Kulariya, Sikta, Bheri-Babai diversion, Babai, Praganna and Badkapath, Bagmati, Palungtar, Greater Dang Valley and other irrigation projects will be implemented. Mahakali Irrigation Project will be developed as a project of national pride. I have allocated Rs. 10.25 billion for these projects.
99. I have allocated Rs. 2.46 billion to commence tunnel construction work of Sunkoshi-Marin Diversion Multipurpose Project in the coming year. Feasibility study of irrigation projects

- including other river diversions will be completed and construction work will be carried out gradually on the basis of priority.
100. The Lift Irrigation Programme will be implemented in the riverside cultivable land in hilly and mountainous areas using solar energy. Irrigation facilities will be provided by constructing plastic ponds, conserving lakes and ponds and harvesting rain water. I have allocated Rs. 1.31 billion for lift and solar energy-based irrigation projects.
  101. River Training programmes will be implemented in order to control larger river systems, including Mahakali, Karnali, Narayani, Kamala and Koshi and other river systems at risk. Bilateral mechanisms will be activated to solve the problem of river bank erosion and inundation in the border areas. Emphasis will be given on the use of bio-engineering technology in river training and landslide management.
  102. I have allocated budget to implement embankment construction projects along the rivers including Ratuwa-Mawa, Bakraha, Triyuga, Lakhandehi, Kamala, Khando, Bagmati, Lalbakaiya, East Rapti, West Rapti and Khutiya-Mohana rivers under the *Janatako Tatbandha* Programme. I have allocated Rs. 6.20 billion for river training programmes.
  103. Weather forecasting will be made reliable to minimize the loss of life and property due to water-induced and meteorological disasters. Weather radar will be brought into operation in two more places next year.
  104. I have increased the budget for agriculture and irrigation sector to Rs. 41.40 billion and Rs. 27.96 billion, respectively.

### **Land Management**

105. The emerging trends of people moving to rural areas and youths returning from foreign employment as a consequence of COVID-19 will be taken as opportunities. I have made an arrangement for the establishment and operation of *Land Bank* to ensure access to land for people willing to engage in agricultural activities. In the next Fiscal Year, *Land Bank* units will be established in 300 Local levels, adopting a co-investment model among Federal, Provincial and Local levels. The land under *Land Bank*, acquired through leasing from land owners, unused state-owned land and land reclaimed from the river will be made available on lease for a definite period of time to the individuals and organizations willing to use the land for agricultural purposes. Subsidies on agricultural inputs will be assured as an incentive for making production on leasehold lands. The establishment of *Land Bank* will be initiated in the Local levels having excessive barren land followed by gradual expansion at all Local levels. I have allocated Rs. 500 million for share investment in *Land Bank*.
106. In coordination with Provincial and Local levels, provision of additional concessions will be assured while transferring land ownership in the names of women to enhance their rights and ownership over land. In the next Fiscal Year, programmes will be implemented in 100 Local levels to manage squatters and unplanned settlement tactfully through the

- commission formed to resolve land related issues. Livelihood related programmes will be conducted for freed *Kamaiyas*, *Haliyas*, *Haruwas*, *Charuwas*, *Kamlaris*, squatters, landless and marginalized families.
107. The programme related to incorporating records of land administration into the Land Records Information Management System will be continued. Sixty Land Revenue and Survey Offices will be handed over to Local levels along with related records within the next Fiscal Year. Arrangements will be made to provide 'Online' land-revenue related services in all districts by implementing information and technology-based House and Land Registration System.
  108. Land will be categorized by preparing land use map to ensure sustainable and optimal use of land. Policy reform and essential facilitation will be carried out for the acquisition of land required for industrial development and public construction. The rampant fragmentation of productive land will be discouraged and land mapping will be carried out for agricultural, housing and other purposes.
  109. Government, public, community and *Guthi* land will be preserved by updating their records. Preparation of land use map and database for all Local levels for the purpose of collecting, analyzing and using of geographical information will be completed within the next Fiscal Year. I have allocated Rs. 1.73 billion to complete the mapping and survey works of the village blocks that were missing and all other remaining land within the next Fiscal Year.
  110. The work related to writing off the records of land used in infrastructure construction will be completed in coordination with Local level. Similarly, ownership of the Government of Nepal will be established over the compensation paid land by writing off from all records including field map.

### **Cooperatives**

111. The cooperative sector will be mobilized to achieve rapid development with social justice through the collectivization of factor of production, mobilization of local resources and economic and social transformation. Cooperative organizations will be encouraged to perform activities such as promotion of cottage and small industries; production, storage and processing of agricultural products; and poverty alleviation programmes. Farmer's easy access to agricultural inputs, capital, technology and market will be assured through cooperatives.
112. Institutional capacity enhancement, self-regulation and good governance will be promoted to pursue the cooperative campaign in accordance with the cooperative sector's principles, norms and values.
113. With the share investment by cooperative organizations themselves, a Wholesale Consumer Cooperative Organization will be established in each Province to develop a

chain from all types of production to collection, storage and distribution and to provide essential goods to the cooperative shops at wholesale price.

114. Poor, deprived, unemployed educated and youth with disrupted foreign employment opportunity will be encouraged to establish small and cottage industry by acquiring loans through cooperative organizations. I have arranged a loan investment of Rs. 3.6 billion for Small Farmer Development Microfinance Financial Institution to promote agriculture and small business by provisioning credit flow through 1,000 cooperative organizations.
115. Saving and Credit Cooperatives will be encouraged to merge and perform cashless transaction with the enlarged adoption of recent technology. Cooperatives Credit Information Centre will be established for minimizing risks in cooperative system. Appropriate arrangements will be made to secure cooperative savings and credits.

### **Forests and Environment**

116. Income, employment and enterprises will be promoted by maintaining the environmental balance and multiple uses of forest resources through the conservation and management of forest areas, which is the foundation of livelihood and prosperity of Nepali people. Forest product will be connected with the economic activities through the means of scientific forest management. Enterprises based on forest products such as timber and non-timber and medicinal plants will be developed by executing the **Forestry for Prosperity** programme.
117. Grazing-land (range-land), wet-land, lakes and ponds, biodiversity and environment will be conserved through protection, plantation and diversification of forests in coordination with and collaboration among Federal, Province, Local levels and forests user groups.
118. A provision will be made to exempt government run projects from paying compensation for the forest land. Instead, the provision of plantation on the public barren land, on shrub (bushy) land, and land available at local levels without any forest area will be executed as compensation of forest land used by development projects.
119. The export of herbal products will be promoted by extending its commercial farming, processing, and marketing and with a special branding. An herb development special programme will be conducted in Sudurpaschim Province, including the Himalaya region of Karnali Province. Herbal products of high value and quality will be produced by enhancing the capacity of Herbs Production and Processing Co. Ltd and adopting innovative technology.
120. National Park, wildlife reserve, protected area and buffer zone, botanical garden and potential community forests will be developed as a nature-based tourism destination. Preliminary work will be commenced for the establishment of an extensive botanical gardens.

121. Endangered and rare wild animal species will be conserved. Wildlife habitat will be well managed to mitigate the conflict between human and the wildlife. A provision of compensation will be made for the people living in the buffer zone with a reliable safety arrangement for their protection from wildlife attacks.
122. An integrated soil conservation programme will be conducted in Koshi, Gandaki, Karnali and Mahakali watershed areas.
123. Embankment construction works will be expedited together with control of soil erosion, rehabilitation of degraded land, agro forestry, and bio-engineering by restructuring the **President CHURE Conservation Programme**. Programmes including rain water harvesting, wetland management with water recharge and resettlement of highly vulnerable settlements will be conducted in the *Chure* region. I have allocated Rs. 1.55 billion for the *Chure* conservation related programme.
124. The Government is aware of the national and international commitments related to the environmental conservation and its obligations. By reducing carbon emission; the air, noise, water and other pollution control standards will be updated and introduced in the major cities of the country for the protection of human health. Urban areas will be developed as green cities by encouraging plantation. Climate induced risk mitigation and adaptation programme will be conducted in collaboration with Provincial and Local levels. REDD+ programme will be given continuity to take advantage from the forest sector carbon trade.
125. Studies and research programmes on forest, plant resources, wildlife, biodiversity, watershed, environment and climate change will be undertaken in coordination and partnership with universities and research institutions.

## **Tourism**

126. Considering the disruptions in global traffic caused by the risk of spreading Coronavirus infections and the subsequent negative impact on the tourism sector, facilities, including waiver of tax, fees, interest will be provided to support the revival of affected sectors and industries, including air transportation, hotel and restaurants, trekking and mountaineering.
127. In line with the concept of “**One Province One Tourism Destination**”, large-scale tourism infrastructures will be developed in all Provinces. I have allocated Rs.1.26 billion for tourism infrastructure to develop and promote tourist attractions, such as unique cultural sites, by identifying potential tourist attractions in mountainous and hilly regions in with the participation of the private sector.
128. Necessary infrastructure will be developed for the expansion of new tourism services including those of mountainous, agricultural, rural, rafting, cultural, recreational, sports and eco-tourism for rapid restoration of the tourism sector no sooner Coronavirus comes under control.

129. New Tourism Information Management System will be implemented for making tourist arrival, trekking, mountaineering and rescue operations much more systematic and safer. Feasibility study will be conducted for the establishment of a Tourism University of recognition to carry out study and research works in the tourism sector. Tourism subject will be included in the curriculum of formal education above secondary level.
130. Religious and Touristic area development programmes, including Pasupathi, Janakpur and Muktinath and other shrines, temples, monasteries, peaks, rivers, lakes and wells will be continued. Cultural and historical sites across the country will be developed as the cultural and tourism destination by protecting forts and roads connected with the history of Nepal unification.
131. A master plan will be prepared and implemented for the long-term development of Rara Lake area. Tourism will be promoted by expanding the infrastructure for developing facilities-equipped hill stations in potential tourist spots of hilly and mountainous regions. . In order to revive the sluggish tourism sector by promoting domestic tourism, public servants and employees of organized institutions, and the private sector will be encouraged for **Country Visit**, with the end of Coronavirus risk.

### **Industry**

132. The industries disrupted by COVID-19 will be brought into smooth operation by maintaining health security. Special encouragement will be given to the establishment and expansion of industries based on local raw materials, having high value addition and of an export-oriented nature. Additional encouragement will be given for the industries to be established in industrial estates, special economic zones and industrial villages through tax incentives.
133. Utilization of entrepreneurship, skill and technology for the development and expansion of small and medium enterprises having forward and backward linkages with the sectors including agriculture, tourism and forest will be emphasized. Cotton, silk, wool, bamboo, banana, Himalayan nettle (*allo*) and plant-based yarn production and domestic textile industry will be encouraged in order to boost domestic production through domestic consumption. Arrangements will be made for domestic production of uniform, shoes and other consumables of public servants, including security personnel, costs of which are to be borne by the state treasury.
134. I have allocated Rs. 2.64 billion for the establishment of at least one industrial estate in each Province, acceleration of construction of already established industrial estates, development of trade routes as industrial corridors and establishment of an additional 130 industrial villages at Local level.
135. Sick and closed industries will be revived through additional investment, the use of new technology and professional management with private sector's participation. Feasibility study, land acquisition, access to electricity, and construction of roads will be completed for infrastructure development of the special economic zones and cross-border special

economic zones on the basis of public-private partnership. The ongoing construction work of special economic zones will be continued.

136. Construction of access road and installation of machinery will be completed by next year to start production from Dhauwadi iron mine of Nawalparasi. Processing centre for precious stones will be established in Surkhet. Petroleum products will be extracted from Dailekh and other potential locations. Exploration of potential minerals including gold, copper, uranium, iron; and feasibility study for their commercial production will be carried out. Exploration of phosphorite used in chemical fertilizer will be conducted in Baitadi and Bajhang and detailed study and exploration of magnesite will be conducted at Kampughat of Udaipur.
137. Provision of using collective trademark will be started to increase local raw material-based domestic production and production of essential goods of daily life, medicines, and health equipment. Office of Standards and Metrology in all Provinces will be established.
138. The National Productivity and Economic Development Centre and the Industrial Enterprise Development Institute established for the promotion of industrial enterprises will be restructured and operated as an integrated institution.

### **Commerce and Supplies**

139. Export, import, and supply systems will be smoothened by minimizing the current disruptions in foreign trade. Export will be promoted by increasing the production of potentially competitive goods in the world market. Import of luxury items, and items hazardous to health and environment will be discouraged.
140. Low weight, high value commodities with comparative and competitive advantages will be identified; and tax concessions and additional cash incentives will be provided to promote their exports. Tea, coffee, organic vegetables, drinking water, and herbal products will be branded and encouraged for export. Emphasis will be given on organic production in mountainous and hilly regions. The system of issuing export and import code numbers will be further strengthened and interconnected with other systems.
141. A SAARC level exhibition site will be constructed in Kathmandu to assist in promotion, publicity and marketing of Nepali handicrafts and to promote the supply of exportable goods. Exhibition halls will be set up at *Bhrikuti Mandap* and other places in order to promote local handicrafts.
142. Considering the positive contribution to trade facilitation by the operation of integrated check posts at the border checkpoints of Biratnagar and Birgunj, construction work of such integrated check posts will be carried out at the border of Nepalgunj and Bhairahawa as well. In the coming year, construction work will be accelerated in: the dry ports at Chobhar, Timure of Rasuwa, and Dodhara-Chandni of Kanchanpur, as well as at the special economic zone at Haraiya of Kailali. Trade infrastructure development work at Yari of Humla, Korala of Mustang, Kimathanka of Sankhuwasabha and Olangchungola of Taplejung will also be accelerated.

143. Nepal's contribution to the SAARC Food Security Bank and the National Food Security Reserve will be increased. Easy availability and price control of food items will be assured by increasing the storage capacity of supply-related public enterprises. Construction of storage house with a capacity of 310,000 metric tons and salesroom for commodities will be established at the Federal and all Provincial levels. Establishment of food stores will be encouraged at all Local levels. Food and iodized salt transportation subsidy will be continued for extremely hilly and other remote districts.
144. Imports will be discouraged through anti-dumping and countervailing duties to protect domestic industries. The standards of food and beverage items will be set and arrangements will be made for quarantine check at all international check-posts to restrict the import of such items that are non-compliant to the standards.
145. Consumer interests will be protected by easing supply system through controlling unfair price hike, artificial scarcity, and black market by intensifying market monitoring, encouraging home delivery services, keeping adequate stocks of essential commodities including food, fuel, and sales and distribution following health protective measures.
146. Petroleum pipeline will be expanded and petroleum storage and a gas bottling plant will be established through the Nepal Oil Corporation.
147. The exports of Nepali goods will be facilitated by reviewing the trade and transit treaty with the neighbouring countries. International trade of Nepali goods will be expanded through diplomatic missions, and the use of bilateral, regional, and multilateral mechanisms.
148. Trade with third countries will be expanded using the four sea ports and three land ports made available to Nepal under the transit facility provided by China. Necessary legal arrangements will be made for this.

### **Financial Sector and Private Investment**

149. Necessary regulatory provisions will be arranged to avoid adverse impact on financial sector stability and service delivery due to the slowdown in the economy. Financial resources will be mobilized for the immediate revival of industries and businesses. These will be aimed at promoting new investment, production enhancement and employment generation through the adoption of policy measures to minimize the impact of COVID-19. Mobilization of financial resources will be made production-oriented through enhancing the access to finance. Banks and financial institutions will be encouraged to consider mergers. Payment systems will be made more secured, modern and electronic technology-based.
150. The scope of the concessional credit programme executed through banks will be widened through its restructuring. Concessional loans will be made available at a 5 percent interest rate. A 50 percent subsidy will be paid by the Government for concessional credit



guarantees and business insurance premiums. I have allocated Rs. 13.96 billion for interest subsidies, credit guarantees and insurance premiums.

151. Access to finance in remote area will be increased through the use of electronic system based financial services, such as branchless, mobile and internet banking. Banks and financial institutions will be encouraged to mobilize external resources. Credit interest rates of the microfinance institutions will be made more realistic through the enhancement of its operational efficiency.
152. Insurance coverage will be expanded so as to reach out to all citizens. Settlement of insurance claims within a stipulated time frame will be ensured, while making insurance claim payment systems easy and simple. Mobile insurance programmes will be implemented to increase access to insurance of agriculture and micro enterprises. Arrangements will be made to extend the period of insurance policies of non-operational industrial entities and vehicles due to COVID-19 until the lockdown period.
153. Arrangement will be made to settle all types of domestic payments through a 'National Payment Gateway' from next Fiscal Year. Cashless transactions will be encouraged by reducing the transaction cost of electronic payments. Arrangements will be made so as to enable the payment of utilities and public services such as electricity, drinking water, education and health through electronic payment systems.
154. The scope of capital markets will be broadened by starting secondary market operation of debt instruments. Secondary market operation of the Nepal Stock Exchange Limited will be made fully automated, including using electronic payments. For the enhancement of institutional investment arrangement into the capital market, stock dealer operation will be started from the next Fiscal Year. Necessary arrangements will be made for the operation of commodity exchange market. Structural reform will be carried out for Securities Board, Nepal Stock Exchange Limited and CDS and Clearing Limited.
155. Immediate and long-term measures will be taken for safeguarding private sector investment, capital formation, and improving business environment which are at risk due to current adverse situation. Emphasis on mobilizing external capital, technology transfer and intellectual property will be given in order to expedite the revival of economic process at the time when COVID-19 pandemic transmission risk is getting normal.
156. Easy and quality services will be delivered to investors by providing automated 'one-stop-shop' service points, facilitating private investment. The company registration, renewal and liquidation processes will be decentralized through the use of information technology. To facilitate foreign trade, a Nepal National Single Window system will be developed and implemented.
157. Necessary laws will be formulated and existing laws will be amended in line with international best practices and national context for effective management of investment and trade. The sovereign credit rating of Nepal will be concluded within the next six

months. Private investment will be promoted through the arrangement of foreign exchange hedging facility, blended finance and other alternative investment instruments.

**Right Honourable Speaker,**

**Right Honourable Chairman,**

158. Now, allow me to present the programmes and budget allocation for education and other social sectors.

### **Education**

159. I have accorded high priority to education sector in order to build a modern society, comprising human capital formation, social transformation and economic development. Qualitative and life skill education will be ensured by developing educational infrastructure, skilled man power, as well as provisions of educational materials and application of new technology.

160. Access to basic education for all will be ensured by the end of the coming Fiscal Year by enrolling all school-age children at schools. Free education will be provided up to the secondary level. All schools, like Madarsa, Gurukul and monastery, that provide primary education in own mother tongue will be brought into the mainstream, modern education system. In the coming Fiscal Year, literate Nepal will be declared by implementing literacy programmes as campaigns in the 24 districts that are yet to be literate.

161. I have introduced a programme to start courses related to technical stream in a minimum of one school at all local levels by focusing on the technical and vocational education from the secondary level. This programme, which has already been started at 607 local levels so far will be expanded to rest of the local levels by the next Fiscal Year.

162. Education infrastructures and quality enhancement programmes, including construction of classrooms, provision of technical teachers, teacher training programmes, mobilization of volunteer teachers, provision of science laboratory, information technology laboratory, playground and sports materials will be undertaken by expanding **President Educational Reform Programme**. The Community School efficacy decade programme will be conducted as an important part of this work. I have allocated Rs. 6 billion for the President Educational Reform Programme.

163. Considering the disruptions in the teaching and learning environment caused by COVID-19, the new academic session will be initiated with virtual classes, online education, and television and radio education programmes. Creativity development activities with positive thinking will be implemented in order to mitigate the psycho-social impact of the risk of coronavirus infections on the students.

164. I have allocated budget for the reconstruction of 1800 school buildings and 38 affiliated campus buildings, construction of 2520 class rooms and set up of 1000 each of science laboratories, libraries and computer labs.
165. I have allocated Rs. 2.70 billion for awarding scholarships to 2.6 million students including the children of poor and differently-abled citizens, offspring of martyrs and diligent students across the country by implementing an integrated scholarship programmes in the coming year.
166. I have made arrangement for all private schools imparting education up to secondary level to own social responsibility of improving education quality of at least one community school along with education infrastructure materials.
167. I have allocated Rs. 7.52 billion to expand day meal programme throughout the country, which is currently being implemented for up to grade 5 students of the community schools in 43 districts with a view to retain students. About 2.8 million children will be benefitted from this programme.
168. I have arranged a fiscal transfer of Rs.1.82 billion as a conditional grant to Local levels for free distribution of sanitary pads to 1,340,000 girls studying in all community schools across the nation.
169. I have made provision for conditional grants to implement programmes for the strengthening of child development centres on cost-sharing basis of Local levels.
170. I have allocated Rs.1.17 billion to bring Geta Medical College of Kailali District into operation and to develop it as a Sickle Cell Anaemia Research Centre and for the infrastructure development of Bardibas, Butwal and Surkhet Medical College in the coming Fiscal Year.
171. I have allocated Rs.2.23 billion to mobilize an additional 6,000 volunteer teachers in schools where there is a higher teacher-student ratio and deficit of Mathematics, English and Science teachers.
172. I have made arrangements for early printing and distribution of textbooks to be distributed at free of cost so as to make them available to the schools before the academic year begins. In order to make teaching and learning effective, I have allocated Rs.2.76 billion to distribute coloured textbooks at free of cost up to the basic level, benefiting 4.6 million students.
173. In order to ensure quality and competitive higher education, grant distributed through University Grant Commission will be made result based. Universities will be developed as s of study and research. Skilled manpower in specific sectors will be developed, based on forecasting of national needs and availability of international opportunities. I have allocated Rs.17.43 billion for the distribution of grants through the University Grant Commission.

174. The community campuses in the Far Western Province and Karnali Province offering studies in Agriculture, Science and Engineering will be operated as affiliated campuses of Tribhuvan University.
175. I have allocated necessary budget for the establishment of Yogmaya Ayurveda University in order to provide higher education in Ayurveda, operation of Madan Bhandari Technological University by making its legal framework and to establish Technical Skill Testing Centres and multi-technical institutes in each Province.

### **Science and Technology**

176. Science and technology will be developed for building a modern state and knowledge-based competitive and advanced economy. I have allocated Rs.1.25 billion for the commencement of academic programme after construction of infrastructure of Madan Bhandari Science and Technology University as a world class specialized university in this region. I have allocated budget to strengthen Nepal Science and Technology Academy and establish Atomic Research Centre.
177. Two forensic science laboratories will be established in two Provinces in the coming year in a bid to establish one laboratory each in all Provinces with the strengthening of National Forensic Science Laboratory.
178. I have allocated Rs.171.71 billion for the implementation of programmes under Ministry of Education, Science and Technology.

### **Culture**

179. Language, literature, art and the culture of the country will be preserved as national asset. With due respect to the cultural diversity, research and development on language and culture will be carried out. Historical heritage site of archaeological importance, carrying a living history of the country, will be preserved, promoted and developed.
180. The night heritage tour programme started in Bhaktapur for tourism promotion, while preserving the aboriginal culture and heritage of Kathmandu Valley, will be expanded to other cities of the Valley.
181. Construction work of National Cultural Museum in Kirtipur will be driven ahead. Construction of national level Grand Martyrs Park will be initiated at appropriate place. Heritages listed in the world heritage will be preserved and promoted. Master plan of Greater Lumbini Area and Ramgram master plan will be brought into implementation. The process to enlisting Tilaurakot in the World Heritage will be taken forward. Five Thousand Capacity-Meditation Centre along with the assembly hall which is under construction in Lumbini, will be completed.

182. Master Plan for the preservation and development of Janaki Temple area and Mithila Culture, will be formulated and implemented. I have allocated necessary budget for the development of religious sites, including Devghat, Pathibhara, Ruru, Birat Kshetra, Barah Kshetra, Khaptad Kshetra, Kakrebihar, Halesi and Gaurisankar. I have arranged budget for initiating the construction work of Ramayan Circuit and for preparing national archive booklet for the conservation and preservation of intangible cultural heritage.
183. I have allocated necessary budget for the programmes oriented towards protection and promotion of traditional skills and cultural norms and values of all community, including the upliftment and development of literature, art and music and for Nepal Academy, Nepal Fine Arts Academy and Nepal Academy of Music and Theatre.

### **Youth and Sport**

184. Youths will be mobilized as the optimum productive force of the country by seizing the opportunity of having the maximum youth population. By boosting their morale and enhancing capacity, the leading role of youths will be ensured in the process of socioeconomic transformation including social mobilization, disaster risk reduction and relief distribution. Youth Innovation Centres will be established in all Provinces for the development of youth entrepreneurship.
185. Youths will be made entrepreneurs by providing professional and entrepreneurship training, ensuring access to innovative capital and technology and making a conducive business environment. Entrepreneurship will be developed by providing technical and vocational education and training to the youths in collaboration with universities and various organizations related to skill development.
186. Youth will be mobilized through National Youth Council, Nepal Scout, National Cadet Corps and educational institutions in collaboration with the Federal, Provincial and Local Levels in the prevention of COVID-19, disaster management and humanitarian service.
187. Sports infrastructure will be constructed, tournaments will be organized and training programmes will be conducted in collaboration with Federal, Provincial and Local Levels. This will contribute to the overall development of the sports sector, which in turn contributes to the identity and prestige of the nation, as well as building a culture of discipline among youths, maintaining physical and mental fitness.
188. I have allocated the necessary budget for the construction of international cricket grounds under construction and other cricket stadiums, construction of sports complex up to international standards and other Provincial stadiums. I have given continuity to the programme of developing sport villages at all Local levels.
189. I have allocated budget for the construction and management of the necessary infrastructure to organize the Ninth National Sports Tournament. I have allocated budget for the development of sports infrastructure, establishment of high mountain sports training centre and construction of additional covered halls in Karnali Province.

190. I have allocated Rs. 2.36 billion for Youth and Sports sector.

### **Women, Children and Senior Citizen**

191. Budget has been increased significantly to provide additional security and protection to women, children, senior citizens and persons with disabilities who are at high risk due to the current inconvenient situation.

192. Programmes that target women will be implemented to achieve their socioeconomic rights. Employment opportunities will be provided by developing the skills and entrepreneurship of the deprived and disadvantaged women across the country through the President Women Upliftment Programme. Airlifting service from remote areas will be given continuity for women with health concerns related to pregnancy and maternity. Women Entrepreneurship Facilitation Centres will be established at all Local levels.

193. All forms of social discrimination, exploitation and violence against women will be eliminated. Social awakening and awareness campaigns will be launched with the participation of Local Governments, Non-Governmental Organizations and community sectors to eradicate social ill practices, injustice and discrimination. Gender responsive budget systems will also be introduced in the Provincial and Local levels.

194. A National Strategy for Children will be developed and implemented. The country will be made free of Street Children by ending child labour forever. Kindergarten, library and science and a technology museum will be constructed for children's sports, recreation and physical as well as mental development.

195. Arrangements will be made to operate the elders' home across the country after specifying the requirement of minimum infrastructure and facilities under the direct supervision of the Local levels. Arrangements will be made for free treatment of senior citizens affected by Alzheimer's disease and other geriatric diseases. Arrangements will be made for free medical treatment and protection for single, physically and mentally disabled, abandoned and helpless senior citizens who do not have their own family or protectors.

196. I have made the necessary arrangements for security, care, specialty health care facilities and rehabilitation of the people with all types of disabilities including autism. I have made an arrangement to implement education, health, entertainment, employment and income generation programmes for persons with disabilities and to provide subsidy for the production of supporting devices to be used by persons with disabilities.

197. For the Ministry of Women, Children and Senior Citizens, I have allocated Rs. 1.14 billion.

**Right Honourable Speaker,**

**Right Honourable Chairman,**

198. Now, allow me to present drinking water and physical infrastructure sector programmes and allocation thereof.

**Drinking Water and Sanitation**

199. All ongoing drinking water projects executed through all three levels of Government will be completed to ensure the access to basic drinking water facility to all citizens by next two years and to enhance quality of drinking water. The basic drinking water facility will be made accessible to 94 percent of the population by the next Fiscal Year.
200. Basic infrastructure of Melamchi Drinking Water Project will be completed by the end of the current Fiscal Year and distribution of drinking water in Kathmandu valley will be started from the beginning of the next Fiscal Year. I have allocated Rs. 5.46 billion for the project to commence second phase of its construction works. I have also allocated Rs. 5.89 billion for the management of drinking water and sewerage in Kathmandu valley.
201. I have made an arrangement to implement projects on priority basis by carrying out feasibility study on reservoir based drinking water and bulk water supply projects based on river system including, Mahakali, Karnali, Babai and Koshi. I have allocated budget for the construction and maintenance of drinking water projects for the efficient distribution of drinking water to all provincial capitals.
202. I have allocated Rs. 6.0 billion for the next year to construct climate resilient drinking water projects in drought prone areas including large pumping, lift and co-financing projects. I have allocated Rs. 1.99 billion for Kathmandu Valley Drinking Water Limited to develop it as a professional agency and institutional restructuring for strengthening technical and financial condition
203. I have arranged a provision of fiscal transfer for the small drinking water projects to be executed under Provincial level. I have allocated Rs. 3.05 billion for the regular maintenance of existing water supply projects by the Federal, Provincial and Local levels.
204. Sources of drinking water and watershed area will be identified, conserved and developed. Recharging of water will be given emphasis for the sustainable supply of underground drinking water. Drinking water supply will be made arsenic-free in the districts of *terai madhesh*.
205. In the context of the declaration of open defecation free country, sanitation programs will be conducted through Local levels in order to make basic level of sanitation sustainable. The programmes for waste water treatment, public toilets and drainage construction and garbage recycling will be conducted in partnership among the Federal, Provincial and Local levels.

206. I have allocated Rs. 43.10 billion for Ministry of Drinking Water and Sanitation.

### **Energy Development**

207. The decades-long energy crisis has been resolved with the strengthening of electricity generation and supply. In the coming year, electricity generation will be developed as a generation mix of run of river, semi-storage and storage projects so that electricity can be exported while meeting the demand of all regions and all times.
208. In the coming year, a total of 1,300 MW of electricity will be added to the national grid by completing Upper Tamakoshi, Rasuwagadhi, Upper Sanjen, Madhya Bhotekoshi and small and medium projects promoted by private investors. Construction of Dudhkoshi Storage Hydroelectricity Project will be started with investment of four international financial institutions using blended finance modality. For the first time, Nepal Electricity Authority will mobilize external loan on corporate guarantee in a certain portion of the project cost.
209. The construction process of Upper Arun, Kimathanka Arun, Phukot Karnali, Tamakoshi 5, Chainpur Seti, Jagdulla and other hydropower projects will be pushed forward in the coming Fiscal Year under **Nepal's Water Nepalis' Investment** Campaign. Budhigandaki, West Seti, Karnali Chisapani, Nalgad, Uttarganga, Andhikhola and Naumure Multi-purpose Projects will be implemented by ascertaining appropriate investment modality.
210. Detailed study and design work of storage type Tamor and Madi hydropower projects will be carried out in public-private partnership. Development work of Pancheshwar Multipurpose Project will be taken forward.
211. Construction of transmission lines from Anarmani of Jhapa to Mahendranagar of Kanchanpur, Lapsiphedi-Ratamate-Hetauda and Lapsiphedi-Ratamate-Damauli-Butwal and 400 KV Dhalkebar-Muzaffarpur cross-border transmission lines will be expedited. Construction of cross border transmission lines Butwal-Gorakhpur, Lamki-Bareli and Galchi-Kerung will be begun. Construction of north-south transmission line based on river basin will be completed. I have allocated Rs. 36.02 billion for the construction of power transmission lines and substations.
212. The campaign of **Bright Nepal** will be completed by providing access to renewable energy to all households of the country within the next two years. Access to modern energy will be expanded to all households in Province No. 2, Bagmati Province, Gandaki Province and Province No. 5 within the next year and in Province No. 1, Karnali and Far Western Province within the next two years. Arrangements will be made to provide free connection facility to the poor and destitute households while connecting electricity. I have allocated Rs. 4 billion for rural electrification.
213. Electrification of 97 Local levels in mountain and high hill area beyond the reach of National Grid system, will be completed by operating 200 solar mini grids. Additional 50,000 biogas plants will be installed in the districts of *Terai Madhes* by implementing



Clean Energy Programme in order to provide access to renewable energy. Rural community electrification will be encouraged. Private sector will be encouraged to produce other alternative energy, including energy based on recycle of solid waste. I have allocated Rs. 4.13 billion for alternative energy programmes.

214. Arrangements for carrying out the functions of generation, transmission and distribution by the separate mechanism will be made through institutional restructuring of Nepal Electricity Authority. The undergrounding of electric cables that is being started in Kathmandu will be continued and expanded to big cities including Bhaktapur, Lalitpur and Chitwan districts next year.
215. Electricity generation licenses of those developers who have been holding for long without commencing the projects will be cancelled. Arrangement will be made to enter into power purchase agreement through competitive method.
216. People will be encouraged to increase consumption of electricity. Additional incentives will be provided for the use of electric appliances, including electric stoves and electric vehicles, along with industries consuming electricity and especially to those consuming spill energies during the low demand hours.

#### **Housing, Building and Urban Infrastructure**

217. Construction works for safe and sustainable city will be initiated along with development of basic infrastructure, and implementation of National Urban Development Strategy, and integrated Urban Infrastructure Development Master Plan to cope with the challenges emerged as a result of rapid urbanization.
218. I have allocated Rs. 2 billion for the infrastructure development of the district headquarters of the Nawalparasi East and Rukum East and the development of new modern cities equipped with facilities in other possible areas including 10 locations along the Mid-hill highway as deemed necessary. Under the Urban Corridor Project, the construction of mega city will be started after completing its detail feasibility study in the areas initiated so far. Development work of four sub-cities will be commenced in Kathmandu valley through public private partnership.
219. I have allocated Rs. 3.50 billion for the construction of additional one hundred thousand safe houses in the coming year with a view of replacing all thatched roof houses within three years to ensure the rights of the citizens to safe housing. I have given continuity to *Janata Awas* Programme under implementation through the Provinces. I have given continuity to the programme of arranging housing for families living in disaster prone settlements to the safe areas. I have arranged the necessary budget for implementing the safe housing programme for families, who lost their homes in floods and landslides in *Terai Madhesh* and hilly districts, including Surkhet, Bardia, and Dang.
220. I have allocated Rs. 9.60 billion for Dense Urban Development Programme to commence for integrated development of urban infrastructure.

221. I have allocated budget for developing infrastructure in the capital of the Far Western Province as per the programme to develop systematic infrastructures in all provincial capitals. Infrastructure development of other provinces will be initiated after the preparation of master plans for them. I have allocated necessary budget to continue the construction of Federal Parliament building.
222. Construction of a 3,000-seat capacity Convention Hall at Godawari of Lalitpur will be completed in the coming year. Depending on feasibility study, work for of constructing a modern convention centre with a capacity of 5,000 seats in Bhaktapur will be initiated. Ongoing constructions of the International Convention and Exhibition Centre in Butwal and City Hall in Chitwan will be continued. The construction of *Mahendranarayan Nidhi Mithila* Cultural Centre will be completed in the coming year. Arrangement will be made to run the completed convention centres on public-private partnership model.
223. I have allocated Rs. 1.80 billion to develop urban infrastructure in 29 cities across all Provinces and conduct capacity development programmes at 4 Local levels in the coming Fiscal Year. The Town Development Fund to develop it as an agency to finance for urban infrastructures by restructuring it to Urban Infrastructure Development Corporation.
224. I have made necessary arrangements to prepare the standard in connection to design, space and costing of Government buildings, review the technical appropriateness of large and complex infrastructure projects, and effectively monitor the building code and implementation of the building construction standard.
225. I have allocated Rs. 37.80 billion to carry out programmes related to Ministry of Urban Development.

### **Road Infrastructure**

226. The road network, which is considered as development infrastructure, will be expanded and priority will be given to the construction of convenient and safe road infrastructure for smooth movement, expansion of internal economic activities and facilitation of regional and international trade. Road construction will be carried out so as to connect each Province with at least two highways to increase national and international connectivity. Ongoing construction work of strategic roads will be expedited for their early completion.
227. Construction work of East-West highway will be carried out in the coming Fiscal Year so as to upgrade it to the safe express-way with dedicated 4 lanes as per the Asian highway standard. I have allocated Rs. 12.21 billion for the expansion of East-West highway.
228. I have allocated Rs. 8.27 billion for completion of the remaining parts of the construction work of the *Puspatal* Highway within the period of next 3 years, that has brought about remarkable changes in the livelihood and economic activities of the mid-hill area.
229. I have allocated Rs. 7.01 billion for the coming year to complete Postal Highway linking Tarai districts within next 3 years, which has remained incomplete for a long period. I

- have allocated Rs. 3.07 billion to complete the under-construction Madan Bhandari highway within next five years.
230. Considering the strategic importance of the road that connects northern and southern borders of the country, it will be gradually constructed and upgraded to dedicated double lane. I have allocated Rs. 7.16 billion for the continuation of the construction and upgradation of Mechi, Tamor, Koshi, Tamakoshi, Trishuli, Kaligandaki, Bheri, Karnali and Mahakali corridor projects and highways.
231. I have allocated required budget for the improvement and upgradation of B.P. Highway, Mirchaiya-Katari-Ghurmi-Salleri Road, Rapti highway, Surkhet-Jumla segment of Karnali highway, Surkhet-Dailekh, Nagma-Gamaghadhi-Nakchenagla, Ghorahi-Thawang-Musikot Martyrs Marg and Dumre-Besi Shahar- Chame Road. I have allocated budget to continue the construction of Pokhara-Ridi, Maldhunga-Beni, Khutiya-Dipayal-Chainpur-Urai and Gamagadi-Rara Road.
232. I have allocated Rs. 5.57 billion to upgrade Mugling-Pokhara, Kohalpur-Surkhet and Sidhartha highways under the programme of widening road that connects the capitals of all Provinces based on its feasibility and to connect the headquarter of Humla by expediting the construction of Karnali corridor with a view to connect all district headquarters of the country by road network within the coming Fiscal Year.
233. I have allocated 3.30 billion to implement the electoral constituency strategic road programme connecting more than one Local level of each electoral constituency.
234. I have allocated Rs. 2.26 billion for the Road Infrastructure Special Programme that is related to the prosperity of the *Terai Madhes*. I have given continuity to the roads being constructed in Devghat, Chatara and under the Ramayan circuit having importance from religious and tourism perspective.
235. I have allocated Rs. 8.93 billion to accelerate the construction work of Kathmandu-Nijgadh fast track so as to complete within next 3 years. I have allocated Rs. 1.96 billion to upgrade the roads to the industrial corridor and trade route that connect major trade points of southern border to the East-West highway. I have allocated Rs. 1.20 billion for upgrading Surya Binayak-Dhulikhel segment and completing construction work of Kanti Highway.
236. I have allocated budget to begin the Kathmandu Ring road Improvement Phase II project, to construct fly overs on three sites of Koteshwor-Kalanki Ring road section for the first time in Nepal and to expand the urban road of Kathmandu valley and other big cities.
237. Tunnel road construction will be carried out at Nagdhunga of Naubise road section. Tunnel road construction will be commenced at Siddhababa section of Butwal-Palpa road of Siddhartha highway. Likewise, tunnel road construction work will be initiated in Khurkot-Chiyabari, B.P. Nagar-Khutiya-Dipayal, Thankot-Chitlang sections of Ganeshman Singh Highway and Lamabagar-Lapche road section, Kulekhani-Bhimphedi road section after

- conducting detailed feasibility studies in collaboration with the Provincial Government. Construction work will be initiated at Tokha-Chhahare section of Kathmandu-Nuwakot-Rasuwa road and Betrawati-Syafribesi section after completion of feasibility studies for the construction of tunnel roads. I have allocated Rs. 6.42 billion for tunnel road projects.
238. I have allocated the budget for commencing the construction work of fly over and tunnel road in Tinkune-Koteshwor-Jadibuti section in Kathmandu after completion of feasibility study and an underpass at Baneshwor, and initiation of the construction work from Tripureshwor to Maitighar road to ease traffic congestion after identifying an appropriate option.
239. I have allocated Rs. 16.30 billion for making the road transport comfortable and safe by carrying out necessary maintenance and upgrading the completed and operational road assets including maintenance works implemented through the Road Board. I have made arrangements to carry out timely maintenance in additional roads through toll tax collection.
240. I have allocated Rs. 880 million to complete the construction of four lanes motorable bridge over the Mahakali river. I have allocated Rs. 10.91 billion for the construction of additional 250 bridges including 10 special type of bridges on the highway nearby tourism potential places and other important locations, completion of 300 bridges under-construction, and for the construction of 1,300 local bridges.

#### **Rail, Road and Water Transport**

241. I have allocated Rs. 8.66 billion for the construction of Kakartvitta-Inaruwa section after completing the feasibility study of the rest of the sections of East-West electrical railway in order to use it as reliable and cheaper mode of transport, completion of detail feasibility study of Rasuwagadi-Kathmandu and Birgunj-Kathmandu railway, construction of railway line connecting Southern Border point with Itahari, Nijgadh, Butwal and Kohalpur of East-West electric railway, operation of railway in Jayanagar-Janakpur-Bijalapura section and completion of construction work of Bardibas-Nijagadh section of the east west electrical railway.
242. Operation of high capacity electricity-run public transportation will be encouraged to manage the traffic congestion of urban areas and to provide safe and convenient service to the passengers. Electric vehicle charging stations will be established. Public Transport Authority will be established for the systematic operation of public transport.
243. Arrangements will be made for issuance driving license through electronic means. Location of vehicles will be monitored using modern technology. Embossed number plate will be distributed to make vehicle registration system of international standard.

244. I have made arrangement to provide concessions on bank loans, exemption on taxes and route permission for the transport business to facilitate resumption of service and minimizing the effects on transport sector due to the risk of Corona infection.
245. Feasibility study for the operation of water transport will be completed from Chatara to Tumlingtar of the Koshi River, Triveni to Devghat to Ramdi of Narayani River and Khakraula to Khimadi of Karnali River in order to develop infrastructure of inland waterways. Infrastructure development and legal provision will be made for the operation of Nepal's own flagged ship from the inland waterways of India to the high sea.
246. I have allocated Rs. 138.80 billion for the execution of the programmes of Ministry of Physical Infrastructure and Transport.

### **Aviation Infrastructure and Civil Aviation**

247. I have given priority to quality aviation infrastructure development to ensure safe, regular, reliable and accessible aviation service. I have allocated budget to expand inter provincial air transport connectivity and enhance the international aviation service.
248. I have allocated necessary budget to bring Gautam Buddha International Airport into operation and build additional infrastructure including second terminal building together with upgrading of Tribhuvan International Airport along with the international terminal building and to complete the construction of Pokhara Airport. I have allocated necessary budget for relocating the current settlements on the planned Nijgadh International Airport area, and constructing peripheral road around it. I have allocated Rs. 19.42 billion for the construction of international airports.
249. In order to extend the inter-provincial air transport connectivity, I have allocated necessary budget for upgrading Surkhet and Bharatpur airport to a Provincial Airport, commencing the construction of new terminal building at Biratnagar and Nepalgunj airports and expediting the construction work of domestic airports including Narayanpur of Dang and Chuhandanda of Tehrathum. I have allocated budget to improve and upgrade the airports including Chandragadhi, Dhangadhi and Janakpur and to make night-time flights operable by upgrading and extending the trunk route airports.
250. Aviation policy will be formulated in such a way that the national requirements in aviation sector are fulfilled, worldwide innovations and technological development are addressed, and aviation safety is ensured. Timely amendment of Non-Military Civil Aviation Act will be made so as to promote the private investment. Separate organizational setup for regulation and service delivery purpose will be arranged by restructuring the Civil Aviation Authority Nepal.

### **Local Infrastructure**

251. Road construction will be initiated from next year in a way to gradually connect all the centres of Local Level by black-topped road with Provincial capital for strengthening the interconnectivity between the Province and Local Level. I have allocated Rs. 5.0 billion for initiating the project on co-financing of Province and Local Level.

252. I have allocated Rs. 6.6 billion under the Local Infrastructure Development Partnership Program to complete the remaining work of health and infrastructure development in all Electoral Constituencies by making budget allocation arrangement for the infrastructure development programs in every Constituency including one Constituency one Strategic Road programme, electricity, agriculture, irrigation and river training infrastructures. So is made to ensure the equitable distribution of means and resources among all Local Levels and Electoral Constituencies of House of Representatives.
253. I have given continuity to the program for constructing administrative building at all local Levels. I have allocated Rs. 1.5 billion for **TERAI-MADHESH Prosperity Programme** for socio-economic development and infrastructure building of the districts located on border areas and lagging behind in terms of Human Development Index.
254. I have allocated Rs. 2.0 billion for extending and implementing the Northern Region Infrastructure Development and Livelihood Improvement Programme in mountainous and high-hill districts.
255. To replace all kinds of temporary bridges by suspension bridge and other safer structures and facilitate the movement, I have allocated Rs. 5.2 billion for completing Two thousand two hundred suspension bridges that are currently under construction.
256. I have allocated Rs. 3.2 billion for local leadership development, strengthening institutional capacity and system reform by executing Provincial and Local Level Governance Support Programme.

### **Post-Earthquake Reconstruction**

257. Post-earthquake reconstruction works including the ongoing reconstruction of Dharahara, Rani Pokhari and the main building of Singhadurbar will be completed within the coming Fiscal Year. I have allocated Rs. 55 billion for the reconstruction of private housing, archeological heritages, school buildings, health institutions, Government buildings and other structures damaged by the earthquake.
258. The remaining works of reconstruction of school buildings will be completed by the school management committees in partnership with the respective Local Levels by designing the buildings as per the local requirement.

**Right Honourable Speaker,**

**Right Honourable Chairperson,**

259. Now, I would like to seek permission for presenting the programme and allocation related to communication, public service and good governance.

### **Communication and Information Technology**

260. Economic opportunities created through links to the world economy by the means of digital technology will be exploited thereby implementing Digital Nepal Framework. Quality and

- reliable broadband internet service will be made available in all locations within the period of 2 years using fiber-to-home technology by reviewing the Information Technology, Telecommunication and existing Broadband Policy. 4G network service will be expanded across the country in the coming year.
261. Establishment of National Knowledge Park in Khumaltar of Lalitpur will be taken forward for promoting Information technology-based businesses to develop knowledge-based economy. Establishment of communication village in all Provinces will be continued. The broadcasting of Nepal Television will be expanded to international level by enhancing its capacity.
  262. A capacity development programme will be carried out to enhance professionalism in journalism sector. Journalists' accidental insurance and journalists' career development fund will be utilized for the benefit of journalists. Arrangements will be made to broadcast the advertisements related to public welfare and public concern also through online to promote information technology-based communication media.
  263. The use of information technology will be increased in public service delivery. The cyber forensic lab will be upgraded to identify cyber security risk, minimize effects and make emergency cyber security swift and reliable. A Feasibility study will be carried out to establish a separate cyber security centre.
  264. The infrastructure and equipment will be managed to establish a security printing press. Arrangements will be made to operate Nepal's own satellite based on business potentiality.
  265. **"Nepal as Film Shooting Spot"** programme will be implemented. Producing of films, in coordination with the Provincial Governments, so as to protect and promote the nation, nationality, national unity and; language and culture will be encouraged. I have allocated necessary budget for the Film Development Board for the construction of Film Shooting Spot in each province, and the building of Film Actors' Association; and safe storage of Nepali Films.
  266. The state will provide necessary support to local broadcasting media that are enhancing ethnic and social harmony; and are contributing to promote local language and culture. I have made an arrangement for exempting additional fees and penalty on renewal of licenses of those community, private and cooperative sectors run broadcasting institutions that have missed their renewal in the current Fiscal Year if they renew them by mid-January 2021.
  267. Postal system will be restructured. It will be made modern and technology based and its scope of services will be expanded based on potentiality.

## **Law and Justice**

268. Access to justice for all will be ensured by making judicial administration simple and economical. Timely formulation and reform of the Laws required for the development and prosperity of the country will be carried out. The implementation of the periodic strategic plan of the Judiciary and the Office of the Attorney General will be continued.
269. I have allocated budget to expand Forensic Science Laboratories in all the Provinces to assist courts and in judicial investigations at all levels and complete the remaining transitional justice related tasks.
270. Free legal aid will be provided to women victims of violence, single women, differently abled persons, *dalits*, children and senior citizens to ensure their access to justice.

## **National security**

271. National security system will be strengthened. International border will be secured and protected. National Security Policy will be implemented effectively by giving higher priority to disaster management and safety of the lives of the citizens.
272. I have allocated necessary budget for the establishment of thirty-nine additional border outposts of the Armed Police Force to protect the border, prevent criminal activities at the border area and control smuggling; and to use information technology in the immigration system.
273. Fact and scientific evidence-based crime investigation and prosecution systems will be ensured by enhancing the efficiency of Nepal Police. Emphasis will be given on professional intelligence and investigation through the use of technology by developing the capacity of the National Investigation Department.
274. All security entities will be made efficient, professional with high morale through resources and technology. Additional housing for residence will be built to shift Nepal Army from the bunker to barrack. The work of establishing and upgrading the regional airbase of the Nepal Army will be carried forward. I have allocated necessary budget for the establishment of National Defence University for conducting research on issues related to national security and defence.
275. Arrangements will be made to register personal incidents through online system from all Local levels within next three years. The personal details of 10 million additional citizens will be updated in electronic system in coming Fiscal Year in the course of distributing national identity cards with biometric identification and separate numbers to all Nepali.
276. Construction and improvement of physical infrastructure of prisons will be expedited. The prisons under construction in Nuwakot and Banke will be completed in the coming Fiscal Year. Market access will be provided to the goods produced by the prisoners in the prisons.



277. Strict action will be taken against those involved in drug production, smuggling, trafficking, addiction, and cause children to get indulged in drugs. Awareness programmes will be conducted in coordination and cooperation with community-based organizations.

### **Disaster management**

278. The National Disaster Management Authority and other entities to be involved in disaster risk reduction and management will be institutionally strengthened. Coordination and cooperation will be established among the Federal, Provincial and Local levels in the activities related to disaster preparedness, search, rescue, relief and rehabilitation. Programmes related to disaster risk reduction and resilience; and capacity building will be carried out in collaboration with public, private and community sectors.
279. Emergency storage centres for essential materials of search, rescue and relief during disaster will be established in all provinces. Information technology will be used to adopt early warning system. Disaster Risk Reduction Financial Strategy will be formulated. Social protection will be provided to those affected by the disaster.

### **International Relations**

280. International relations will be maintained on the basis of sovereign equality while safeguarding Nepal's freedom, sovereignty, territorial integrity, independence and national interest. Foreign policy will be conducted in a way that it would be based on national interest; mutual benefits and respect; international commitment and obligation; and justice.
281. Relations with the neighbouring friendly nations, development partners, labour destination countries, and all other friendly nations will be further strengthened with a view to promote the national interest. Diplomatic missions abroad will be mobilized for the security of Nepali in foreign employment, continuity of decent employment and social protection.
282. Digital passport system will be introduced from next year. The entry visa to be issued to foreign nationals on arrival will be made available online.
283. Knowledge, skills, capital and technology of Non-resident Nepali will be utilized for national development. Assistance of Non-resident Nepali will be sought for the protection and rescue of Nepalis living at risk in foreign soil.

### **Public Servant**

284. By recognizing the contribution of all public servants including the doctors and health workers, who have devoted their day and night at work in current health risk situation, I have allocated budget for motivating those frontline public servants for the prevention and treatment of Coronavirus.
285. Arrangements will be made to provide concessional loan facility to the public servants for the construction of private residence and providing higher education to their children. For

the coming year, I have made an arrangement to provide free corona insurance up to Rs. 100,000 to all public servants including temporary and on contract employees.

286. Arrangements will be made to affiliate all employees working in public entities on contract and temporary basis in Social Security Fund to bring them under contribution based social security net.

### **Good Governance and Public Service Delivery**

287. A culture of virtue will be developed in all sectors including public entities. The culture of good governance will be promoted with the commitment "I will not be corrupt, I will not allow corruption, I will work honestly for the country and the people". The capacity of the concerned entities will be enhanced to make the work of prevention and control of corruption more effective. The concept of rule of law will be fully implemented in governance.
288. Mutual assessments will be initiated next year in accordance with the international commitment on prevention of money laundering and financing for terrorist activities. Anti-Money Laundering National Strategy and Action Plan will be implemented effectively.
289. Public service will be made accessible and technology friendly. The portal of Hello Government will be upgraded and developed as a mean to reflect the voice of the public.
290. The details of the expenditure incurred by all levels, including other organizations in the work of prevention, control and treatment of coronavirus will be made transparent.
291. Job performance agreement with the employees working at the top managerial level will be concluded based on performance indicator and the achievements obtained from them will be linked with the performance appraisal.
292. A dignified and self-disciplined society will be built by protecting and promoting human rights. Constitutional body will be strengthened to make their job performance effective by arranging necessary means, resources and technology.

**Right Honourable Speaker,**

**Right Honourable Chairperson,**

293. Now, I seek permission to present programmes and budget allocation related to Planning and Public Finance Management and Budget Implementation.

### **Economy in Public Expenditure**

294. In order to manage the shrinkage in revenue collection and additional pressure on public expenditure, austerity measures in administrative expenditure will be adopted in the

coming year. I have significantly reduced the budget for office operation, fuel, and maintenance, internal and external visits after returning to normalcy, low priority workshops, seminars, consultancy, assistance, miscellaneous expenses; and purchase of furniture, vehicles and maintenance expenses. In regard to the prevention of coronavirus disease, I have abolished all other types of allowances except the incentives to be provided to doctors and health workers those public servants working at the frontlines in the prevention and treatment of Coronavirus, including incentive allowance, overtime allowance, meeting allowance, meal and snacks expenses, and hazard allowance effective from 16th of July 2020 (1 Shrawan 2077). Directives related to austerity measures will be issued to be applied in all other public entities, including in public enterprise, universities, committees, boards, academies, foundations and funds.

295. As per the suggestion of the Public Expenditure Review Commission, public bodies which are found unnecessary and duplicated on the basis of workload and nature of work, will be abolished. I have made an arrangement to stop new appointments in all the vacant posts of public entities except essential services.
296. Arrangements will be made not to give operational grant to anyone except the public entity providing basic services and not to provide additional grant from any other level to the person or organization receiving grant from one of the Federal, Provincial and Local levels.

### **Public Finance Management**

297. Inter-Governmental fiscal transfer will be made result-oriented by linking them with development outcomes. The criteria for selection, expenditure and internal control of development projects will be complied with. The system will be improved to reduce financial risks. In order to make all types of income and payment of Government expenditure transparent, electronic transaction system will be expanded.
298. The responsible authority of the public entities will be made responsible for the result of expenditure in accordance with the law on Financial Procedure and Fiscal Responsibility. The Medium-term Expenditure Framework will be strengthened and implemented at the Provincial and Local Levels as well.
299. I have allocated the amount of domestic borrowing to be raised in the coming Fiscal Year only for development expenditure. Arrangement will be made for accounting of public debt through electronic system. A medium-term strategy on public debt will be formulated.
300. The project bank will be operated electronically and the projects to be operated at the Federal level will be identified, evaluated, selected and prioritized. In order to make the implementation of large projects of national importance and transformational projects effective, law will be formulated so as to allow for adoption of separate implementation procedure for such projects.

301. Timely amendment to the Public Procurement Law will be made for making the project management and contractors more responsible for completing the project on time. Provision will be brought forward so as to include all the interrelated pieces of works in the cost estimates, and in single package of the contract while carrying out public construction and improvement work.
302. The criteria related to multi-year contract will be reviewed to make the management of resources required for the contract practical on the basis of size, nature, construction period and technology used in infrastructure projects.

### **Fiscal Federalism Management**

303. Federal laws that remained to be enacted for the effective implementation of federalism will be formulated and implemented. Amendment Bills related to Inter-Governmental Fiscal Arrangement Act and Local Government Operation Act will be submitted in the current session of the Parliament. Mutual cooperation, collaboration and coordination among Federal, Provincial and Local levels will be made stronger by further strengthening the role of Inter-Provincial Council, Provincial Coordination Council and Inter-Governmental Fiscal Council.
304. Arrangements will be made to mobilise fiscal transfers from the Government of Nepal to the provincial and local levels with a view to achieve national development goals. Provinces and local levels will be encouraged to allocate equalization grants and amount of revenue sharing currently in the sectors including health, education, agriculture, economic recovery and for the benefit of vulnerable groups, and then for implementation of other fundamental rights of the citizen on priority basis.
305. The high level of coordination, mutual cooperation and collaboration maintained among federal, provincial, and local levels to reduce risk of COVID-19 and provide relief to affected people have once again demonstrated the relevance of federalism. This kind of collaboration will be continued in the coming days for service delivery and execution of co-financed projects. Participation modality of federal, provincial and local levels for the programmes proposed to be executed on co-financing model will be finalized within Mid-July.
306. Implementation of Budget Management Information System operationalized at provincial level and the Sub-National Treasury Regulatory System enacted at the local levels will be considered as a basis for fiscal transfer; and arrangements for budget formulation, accounting and expenditure reporting will be made accordingly.
307. District Coordination Committees will be enabled and made capable of monitoring the development projects implemented by the local levels and the programmes those of Non-Governmental organizations through their capacity enhancement.

## **Public Enterprises**

308. An Umbrella Act will be formulated for effective regulation, operation and management of public enterprises. Records of the land, physical structures, machinery equipment and other assets of the closed public enterprises will be updated and these assets will be brought to productive use.
309. Board of Directors and Chief Executive Officer of public enterprises will be made responsible and accountable towards performance and results. Public enterprises having no business potentiality and are not performing as per the established goals and objectives will be either merged to each other or liquidated.
310. Operation and management of the privatised public enterprises will be monitored, and legal actions will be taken for failing to comply with the agreement.

## **Economic planning and statistics**

311. The National Planning Commission will be strengthened as a competent agency for evaluation, research and development of development policy, programmes and periodic plan.
312. A reliable statistical base will be built by enhancing the capacity of relevant institution considering the significance of reliable information and data required for policy formulation and decision making, Methodology for computing national income and for agricultural and industrial census will be reviewed and updated.
313. Preparatory works of National Population Census 2021 will be carried forward. I have allocated Rs.3 billion for the Population Census, Living Standards Survey, Industrial Census, Agricultural Census and National Happiness Survey.

**Right Honourable Speaker,**

**Right Honourable Chairperson,**

314. Now, I seek permission to present estimates of budget allocation and resource management for implementing above mentioned sectoral policies and programmes.
315. I have allocated Rs. 1,474.64 billion to implement policies and programmes of the coming Fiscal Year. Of the total allocation, Rs. 948.94 billion, (64.4 percent) is for current expenditure, Rs. 352.91 billion, (23.9 percent) for capital expenditure, and Rs. 172.79 billion (11.7 percent) is for financing.
316. Of the total estimated source of financing for the coming Fiscal Year, Rs. 889.62 billion will be financed through revenue mobilization and Rs. 60.52 billion from foreign grants, which will leave with a deficit of Rs. 524.50 billion. Of this deficit, Rs. 299.50 billion will

be arranged as foreign loan. The remaining net deficit of Rs. 225.00 billion will be financed through domestic borrowing.

**Right Honourable Speaker,**

**Right Honourable Chairperson,**

317. Now I seek permission to present the revenue policies and programmes for the Fiscal Year 2020/2021.
318. With a view to provide relief to Corona virus affected businesses, revive the sluggish economic activities by making them vibrant, transform revenue system to be based on internal resources and to establish it as a sustainable and reliable source of public finance; revenue will be mobilized to attain the following objectives:
- a. To adjust tax rates, exempt, and provide tax rebates in order to support the recovery of agriculture, industry and service sector affected by Corona,
  - b. To develop revenue system a progressive, equitable, transparent and business friendly by bringing taxable transactions under the tax net,
  - c. To promote domestic production by providing protection to industries and discouraging imports of unnecessary goods that pose hazard to health and environment.
  - d. To enhance participation in the tax system and curb the revenue leakage through the development of efficient, professional and fair tax administration, procedural simplification, and the use of information technology.
319. Now, I would like to seek permission to present the proposed tax rates and tax system reform programmes for the coming Fiscal Year.
320. Arrangement has been made to provide tax rebate on applicable income tax on income statement of Fiscal Year 2019/20 for micro, cottage and small businesses with transaction up to Rs. 2 million by 75 percent, h from Rs. 2 million to 5 million by 50 percent and, from Rs. 5 million to Rs. 10 million by 25 percent.
321. I have proposed to extend tax exemption grace period to 7 years with additional increase of 2 years for micro-enterprises, while it will be extended to 10 years with an additional increase of 3 years for those owned by women. I have removed Value Added Tax levied on micro insurance.
322. I have reduced the Customs duties on machinery and raw materials to be imported by micro, cottage and small industries; agriculture, animal husbandry, veterinary service and mask-making industries. So reduced are customs duties for machinery and equipment to be imported by agricultural farm and company, and on imports of paddy, maize, wheat and vegetable seed. I have increased Customs duty and agriculture reform fees that were applicable on primary agriculture products.

323. I have provisioned a rebate of 20 percent on assessed income tax as per income return of the Fiscal Year 2019/2020 filed by air service, transport service, hotel, travel and trekking businesses highly affected by Coronavirus. I have extended the tax period for VAT return filing and tax payment so as to be trimester for tourism, transport business and film halls.
324. I have made arrangements for VAT exemption for the import of essential raw materials by pharmaceuticals and to refund VAT paid on purchase of raw materials from domestic industries. I have reduced Customs duty on raw materials of Ayurvedic medicines. I have exempted excise duty on domestic production of ethanol to be used as raw material for sanitizer and on personal protective equipment.
325. I have exempted telecommunication service charge on up to 50 percent of repair and maintenance fee while providing fixed broadband service by internet service providers. I have reduced service fee from 2 percent to 1 percent, being levied on turnover of those radio and television having own production and transmission.

#### **Indirect Tax**

326. I have adjusted some rates on excise duty and Customs duty, keeping the Value Added Tax rate unchanged. I have removed the excise duty levied on more than one dozen goods. I have slightly increased health hazards tax on cigarette, cigar, *gutkha*, and pan masala.
327. I have reduced Customs duty on raw materials of some additional goods in order to maintain the rate of Customs duty on industrial raw materials to be imported at one level lower than the rate of final products. I have slightly increased applicable Customs duty on petroleum products, except aviation fuel and LP gas, and on gold and gold ornaments.
328. I have abolished the 15 percent Forest Product Royalty being levied by the Community Forest on selling of timber of *Sal* and *Khayar* species to those outside the consumer group, to be effective from today. I have imposed excise duty on the import of all kinds of furniture to protect the domestic furniture industries.

#### **Direct Taxes**

329. I have made an arrangement to provide a rebate of 25 percent in applicable income tax for a period of five years from the date of commencement of a transaction to the special industry to be established in the industrial estate or industrial village.
330. I have waived income tax for the Drinking Water and Sanitation Consumer Groups operating as per their objectives. I have written off their income tax assessed up to the Fiscal Year 2018/19.
331. I have fully exempted income tax to all types of cooperatives established in rural municipalities. I have made arrangements to levy income tax at the rate of 5 percent, 7

percent and 10 percent to the cooperatives having taxable transactions and established at Municipality, Sub-metropolitan City and Metropolitan City, respectively.

332. I have made an arrangement to exempt tax on retirement benefits if the amount of the Approved Retirement Fund remaining in the various entities is transferred to the Social Security Fund by April 13, 2021. I have made arrangements to gradually abolish such funds.

### **Tax Administration**

333. Taxpayers with transaction up to Rs. 2 million will be allowed to file returns and pay tax through mobile apps and other electronic means, as well as through commercial banks. I have made arrangements for taxpayers having no arrears to obtain tax clearance certificates by themselves, as per the submitted income returns from the automatic system. I have made arrangements for not deducting tax at the source from amounts of incentive to be received by the consumers for paying with electronic means.
334. If a concerned taxpayer withdraws cases under litigation, except cases related to fake bills, filed against tax assessments done on or before July 16, 2018, as per the Income Tax Act, 2002, Value Added Tax Act, 1996 and Excise Act, 2002 in the Inland Revenue Department, Revenue Tribunal through the Department or in any court, and pays the assessed amount with its interest by March 13, 2021, the fees, charges and penalty associated with the tax amount will be exempted.
335. The taxpayer information system will be integrated, maintaining interconnectedness with all types of information technology systems related to revenue administration, including the Central Invoice Monitoring System, ASYCUDA and VCTS. Tax evasion and leakage will be controlled by making tax audit, investigation, post clearance audit and market monitoring more effective.
336. The rate of non-tax revenue will be reviewed with a view to expanding its tax net.

**Right Honourable Speaker,**

**Right Honourable Chair,**

337. The annexes state actual expenditure for Fiscal Year 2018/2019, revised estimated expenditure for Fiscal Year 2019/2020 and estimated income and expenditure for Fiscal Year 2020/21. I have also presented the line ministry wise annual progress report of line ministries for the current Fiscal Year. I have separately presented a detailed statement on financial and technical assistance to be received from international development partners, and assistance to be mobilized through International Non-Governmental Organizations.
338. I expect implementation of the budget presented for the coming Fiscal Year will strengthen and enable the health system to protect the life of the citizens from all kinds of diseases including the infectious ones. Similarly, I further expect that the increased access



to quality and life-skill education, the assurance of work and employment to the labor force and the provision of social security and protection to be gradually received by all citizens from the state will make a significant contribution to the building of a advanced, civilized, well-cultured and just society.

339. Within the next Fiscal Year, I expect execution of the projects yielding immediate returns, projects likely to be completed within one year; and unfinished projects under construction will be expedited. I further expect that the strategically important economic, social and physical infrastructure projects will be accelerated, post-earthquake reconstruction works will be completed, and the service sector will be expanded within the coming Fiscal Year. Though, it is difficult to ascertain the impact of COVID-19 immediately, based on confidence that the economy could revive once the situation gets back to the normalcy, the economic growth for the next Fiscal Year is projected to remain close to 7 percent, which is the average growth rate of last three Fiscal Years. Nepal Rastra Bank will formulate monetary policy to support the economic recovery programmes targeted by the budget and to contain the rate of inflation within 7 percent.
340. Based on the foundation of economic and social development established during the last two years, I expect the budget for the coming Fiscal Year will contribute to accelerated progress to achieve the national aspirations of a Prosperous Nepal; happy Nepali. I am confident that this budget will inspire all citizens to unite and move forward with enthusiasm to build a happy future following this moment of crisis created by the Coronavirus. I call upon all political parties, peoples' representatives, social organizations, private sector and civil society to collaborate towards achieving this objective.
341. I would like to express my heartfelt gratitude to the Right Honourable President, Right Honourable Vice President, Right Honourable Prime Minister, Right Honourable Speaker of the House of Representatives and the Right Honourable Chairman of the National Assembly for their guidance while formulating this budget. I am grateful to Honourable Members of the House of Representatives and the National Assembly for their constructive suggestions on the principles and priorities of the budget. Similarly, I express sincere thanks to members of political parties, parliamentary committees, economists, representatives of the private sector, cooperatives, civil society and the media for their suggestions. My sincere gratitude goes to all the taxpayers for their support and to development partners that have provided continuous support in the face of the difficult socio-economic situation in the country. I expect similar support during budget implementation as well.
342. Finally, I call upon all Nepali brothers and sisters living inside and outside the country to contribute to building a strong, prosperous and just nation, while staying safe from the risk of COVID-19.

**Thank you.**

*Disclaimer: If the content in English and Nepali version of budget speech contradicts, the latter will be valid.*