



Ministry of Health & Population



Budget Analysis of Nepal Health Sector Programme-2



**FY 2010/11 to 2014/15
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EXECUTIVE SUMMARY

Budget Analysis of Nepal Health Sector Programme-2: FY 2010/11 to 2014/15

This analysis of health budgets and expenditure informs the government and its external development partners (EDPs) how health funds have been allocated and spent during the NHSP-2 period (2010/11 to 2014/15). We have captured the first six months expenditure of FY 2014/15. This report also includes a sort analysis of the budgets and expenditures of NHSP-1 (2004/05 to 2009/10). It indicates how far expenditure has gone towards achieving NHSP-2's objectives and informs NHSP-3's budget and expenditure planning. The analysis is based on annual budget and expenditure figures taken from MoHP's annual work plans and budgets (AWPBs) and e-AWPBs, the government's Red Book and financial monitoring reports.

Chapter 2 explains the steps involved at central, regional and district levels of MoHP's planning, budgeting and expenditure processes. The end point of the process is where MoHP is to provide the authorisation to its departments to spend from their budgets within 15 days of it receiving authorisation from the Ministry of Finance; in turn departments should do the same for their cost centres within a month of receiving their authorisations.

Chapter 2 goes on to explain the main budget preparation issues for each of NHSP-2's five years. The most notable was in 2012/13 when the lack of political consensus meant that the entire year passed without a full budget. This seriously impacted the absorption of EDP funds specially those who contributed in the pooled fund mechanism. The analysis of priority interventions in the NHSP-2 period suggests that MoHP has allocated its budget according to the priority areas/programmes set by the National Planning Commission rather than ad-hoc basis. However, this report does not cover the process utilise by NPC to define the priorities.

Chapter 3 is a short and simple comparative analysis of health budget allocations and expenditure in the NHSP-1 and a detail analysis of NHSP-2 periods that presents the following findings:

1. MoHP's budget increased by about 50% over the NHSP-2 period compared to more than a 100% over the NHSP-1 period. In FY 2005/06 a beginning of NHSP-1 MoHP's budget was 6.29% of total national budget which has decreased to 5.42% in the last year of NHSP-2 period FY 2014/15. . However, the volume of the budget has gone up from NPR 7.6 billion in FY 2005/06 to NPR 33.5 billion in FY 2014/15.
2. The absorption of EDP funding both pooled and non-pooled was relatively better in NHSP-1 than NHSP-2. The absorption of EDPs contribution against their commitment was 59.3% in FY 2005/6 which has gone down to 56.3% in FY 2013/14. In all years except FY 2012/13 MoHP's budget absorption rate has been lower than that of the national budget. In FY 2005/06 a beginning of NHSP-1 MoHP's budget absorption rate was 76% and national absorption rate for the same period was 87.4%. In FY 2013/14 MoHP's budget absorption rate was 75.1% and national absorption rate for the same period was 87%.
3. During the ten years (NHSP-1 and NHSP-2) period the budget allocated for capital expenditure increased by just under three times (from NPR 1.6 billion to NPR 4.5 billion) while the amount allocated for recurrent expenditure increased almost five times (from NPR 5.9 billion to NPR 29 billion)

4. In both NHSP-1 and 2 the government's budget allocation for MoHP increased more than five times while the amount allocated by EDPs increased less than four times. There was a small increase in amounts allocated by EDPs NPR 9.9 billion in FY 2010/11 to NPR 11.5 billion in FY 2014/15 NHSP-2 compared to their annual increases during NHSP-1.
5. The per capita spending on the government health system in real terms almost doubled during NHSP-1 (from NPR 232 to NPR 405) while there has been an almost no increase in FY 2013/14 (NPR 406) during the NHSP-2 period (Figure 3.2).

Chapter 4 analyses MoHP's budget and expenditure during the NHSP-2 period with more details provided in the report's 16 annexes. The main findings are as follows:

1. MoHP's administrative and programme budgets almost doubled during the NHSP-2 period. MoHP spent almost all its administrative budget in every FY of NHSP-2 period. However only 68.7% of the budget allocated for programme budget was spent in FY 2009/10 and 69% in FY 2013/14.
2. The government increased its funding to MoHP from NPR 13.9 billion in the first year of NHSP-2 to NPR 22 billion in the last year, while there was only a small increase in pooled and direct funding. Pooled fund channels through the government treasury.
3. A higher proportion of district level budgets were spent in the first four years of NHSP-2 compared to central level budgets, probably due to weak central level procurement practices.
4. In the first four years of NHSP-2 the Department of Health Services (DoHS) held between 74.1% and 91.6% of MoHP's budget. The 90.6% was just because the Government of Nepal has 'expenditure budget' in FY 2012/13, this means the budget for FY 2012/13 was expenditure of FY 2011/12. There was also a large increase from NPR 2.3 billion in FY 2010/11 to NPR 4 billion in 2014/15 for the funding to hospitals.
5. The essential health care services (EHCS) part of MoHP's budget has accounted for the more than 70% of the budget during NHSP-2. The doubling of the 'beyond EHCS' budget (from NPR 1.8 billion in FY 2010/11 to NPR 3.6 billion in FY 2014/15) reflects the increased budgets to hospitals including district hospitals.
6. MoHP has provided the majority of its budget to Priority 1 programmes with actual expenditure ranging from 72% to 91% of the budgets.
7. The budget allocated for wages (daily wages) and salary (permanent and temporary) has gone up from NPR 3.8 billion in FY 2010/11 to NPR 8.2 in FY 2014/15. And almost doubled for grants to from NPR 5.5 billion in FY 2010/11 to NPR 9.6 billion in FY 2014/15 hospitals. While the capital budget decreased from NPR 5.4 billion in FY 2010/11 to NPR 4.5 billion in FY 2014/15.
8. The lowest rates of expenditure have been in line items associated with capacity building/training, support services and capital expenditure across the NHSP-2 period while the absorption of grants to all hospitals has been very good.
9. The majority or almost a majority of MoHP expenditure occurred in the last trimester in the first four years of NHSP-2 (72.9% of total expenditure in FY 2010/11 and 49.3% of the total expenditure in FY 2013/14). Districts in the central region received more budget than districts in other regions over the five years of NHSP-2. The largest increases in budget allocation have been for the western, mid-western and far western regions. The central region has higher population density, higher number of districts, most of the central hospitals, councils, academic institutions, research committees, and donations to non-profit agencies.

10. There are 51 programme heads under the MoHP. The analysis shows that the Integrated District Health Programme secured the highest budget and spent the highest amount among all programme heads in NHSP 2 period. Janakpur Zonal Hospital had the lowest budget allocation and expenditure in compare to other programme heads.

The delayed approval of MoHP's final annual budget (from both MoF level and from MoHP to its cost centers) has led to funds being released late to spending units. FY 2012/13 was exceptional as the government made the budget based on the previous years' expenditure and the entire year passed without a full budget. Positively, the rollout of the Transaction Accounting and Budget Control System (TABUCS) in 2014 is enabling MoHP to properly and comprehensively capture its expenditure and to compare it with the budgeted amounts and smooth the expenditure authorization process. The authorisation module of TABUCS not only help in saving the time of MoHP and departments to send the authorisation letter it also support cost centers to receive the letter when they log into the system. This should help reduce future delays in fund flows.

MoHP's experiences during NHSP-1 and NHSP-2 point to the following ways forward for MoHP to improve its planning and budgeting practices and its budget absorption capacity.

1. Carry out an organisational review of the structure and functioning of MoHP and its entities to identify how to institute more output-based budgeting and decentralised decision making.
2. MoHP planning division to involve MoHP's and DoHS's Finance Sections in budget preparation and progress monitoring to better coordinate the budget preparation process.
3. Introduce and implement adherence to the budget calendar for timelier budget approval and for more even expenditure over the three annual trimesters.
4. MoHP to develop and implement a National Health Financing Strategy to identify and prioritise the funding required to deliver universal health coverage and thus gain advocate for a larger percentage of the national budget. The ministry also needs to improve the budget absorption capacity.
5. MoHP to incorporate the reporting of direct EDP funds in the TABUCS.
6. Build the capacity of hospitals to capture local revenues and capture local resources in the TABUCS to give a more comprehensive picture of income and expenditure.
7. MoHP needs to develop a better understanding of the efficiency of its different programmes, and increase allocations towards the most cost-effective programmes.
8. The GESI focal persons need to ensure that activities for reaching underserved areas and unreached groups are identified and costed.
9. The Government and MoHP should simplify budgetary processes, rules and regulations for timelier budget execution and to increase the budget absorption rate. This includes the completed use of the eAWPB and TABUCS by all entities functioning under MoHP. This practice will help in sending the authorisation timely and monitor the expenditures of every cost centers.

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ACRONYMS AND ABBREVIATIONS

ADB	Asian Development Bank
AIDS	acquired immunodeficiency syndrome
ARI	acute respiratory infection
AWPB	annual work planning and budgeting
Cap	capital budget
CEC	Centre for International Study and Cooperation
DDA	Department of Drug Administration
DDC	district development committee
DFID	Department for International Development
DHO	district health office
DoA	Department of Ayurveda
DoHS	Department of Health Services
DPHO	district public health office
e-AWPB	electronic annual planning and budgeting
EDP	external development partners
EHCS	essential health care services
Expend	expenditure
FCGO	Financial Comptroller's General Office
FY	fiscal year
GAVI	Global Alliance for Vaccines and Immunisation
GESI	gender equality and social inclusion
GIZ	German Society for International Cooperation (Gesellschaft für Internationale Zusammenarbeit)
GoN	Government of Nepal
GTZ	German Agency for Technical Cooperation
HDI	Human Development Index
HIV	human immunodeficiency virus
HP	health post
HRFMD	Human Resources and Financial Resources Management Division
HRI	Health Right International
IDA	International Development Association
ITI	International Trachoma Initiative
JCM	Joint consultative meeting
JICA	Japan International Cooperation Agency
MCH	maternal and child health
MDG	Millennium Development Goal
MoF	Ministry of Finance
MoHP	Ministry of Health and Population
NA	not applicable
NHEICC	National Health Education Information Communication Centre
NHSP	Nepal Health Sector Programme
NHSSP	Nepal Health Sector Support Programme
NHTC	National Health Training Centre

NPC	National Planning Commission
NPR	Nepalese rupees
NSL	Netherland Support for Leprosy
PHCC	primary health care centre
PPICD	Policy, Planning and International Cooperation Division
Recurr	recurrent budget
RHD	regional health directorate
SDC	Swiss Development Cooperation
SHP	sub-health post
STD	sexually transmitted disease
T1, T2, T3	trimesters 1, 2 and 3
TUTH	Tribhuvan University Teaching Hospital
TWG	technical working group
UNDP	United Nation Development Programme
UNFPA	United Nation Population Fund
UNICEF	United Nation Children's Fund
USAID	United States Agency for International Development
WFP	World Food Programme
WHO	World Health Organisation

1 INTRODUCTION

1.1 Background

The 2007 Interim Constitution of Nepal enshrines health as a fundamental right of the people. The National Health Policy, 2014, which comes under the overarching framework of the Interim Constitution, aims to realise this right by ensuring equitable access to quality health care services for all.

MoHP aims to continue to improve its financial management, and in particular the timely disbursement of funds to health offices and facilities, improvements in financial management systems at all levels, and strengthening procurement systems at central and district levels. In the Nepal Health Sector Programme-2 (NHSP-2) period (2010–2015), the official approval and bringing into use of the Ministry of Health and Population's (MoHP's) Audit Clearance Guidelines and Internal Control Guidelines contributed to improved financial discipline in the health sector. The Financial Management Improvement Plan (2012/13 to 2015/16) has been revised and subsequently endorsed. Its implementation has also improved the efficiency of resource allocation in the sector. Financial planning and budgeting provides a foundation for effective and efficient service delivery. The annual budget reflects the policy and resource allocation decisions that determine the activities, programmes and services. The integration of electronic annual work plans and budgets (e-AWPBs) into the Transaction Accounting and Budget Control System (TABUCS) makes the budget and expenditure information of all MoHP's cost centres easily available. In the NHSP-2 period, MoHP has experienced problems with the timely authorisation of funds, low budget absorption, fragmented fund flow modalities (i.e. off-budget and off-programme funding), and weak forecasting of financial contributions by external development partners (EDPs).

This analysis of the health budgets and expenditure during the NHSP-1 and NHSP-2 periods is important for the government and its external development partners (EDPs) to know how government health funds have been allocated and to know the relation between planned and actual expenditure. This information is needed to track how far expenditure has gone towards achieving NHSP-2's objectives and to inform future budget and expenditure planning. This is particularly important at the current time to inform the development the NHSP-3 (2015–2020) implementation plan and for EDPs to plan their future assistance programmes. The resulting information will help identify areas of under-spending against budgets to inform the adjustment of relative allocations.

1.2 Objectives of the Analysis

The purpose of this report is to enable government and EDP policy makers and planners to see the trend of budgeted (planned) and actual government health spending during the NHSP-2 period (2010/11 to 2014/15) alongside a quick analysis of allocation and expenditure during the NHSP-1 period (2004/05-2009/10).

The objective is to analyse the budgets and actual expenditure for each fiscal year in the NHSP-2 period (2010/11 to 2014/15) and for the whole period to facilitate year-by-year, government agency-wise, and other disaggregated analysis and comparisons.

This analysis should be useful for lawmakers, policymakers, programme managers, external development partners, researchers and students who need information on MoHP's planning, budgeting and expenditure practices.

1.3 Methodology

This analysis primarily covers the analysis of budget and expenditure pattern for the period from 2010 to 2015 with the exception that only first six months' data are reported for 2015. Thus, for the purpose of comparability we have excluded FY 2014/15 while analysing the expenditure. For comparability purpose, macro level indicators have also been reported since 2005 to see the trend during NHSP 2 period (FY 2010/11 to FY 2013/14) in compared to NHSP 1 (FY 2005/6 to FY 2009/10). Analysis is done using the secondary sources of data which include following sources:

- the annual work plans and budgets (AWPBs) and electronic annual work plans and budgets (e-AWPBs);
- the Government of Nepal's Red Book (from 2006 to 2014); and
- financial monitoring reports.

The compiled data were entered into the TABUCS, which provided the platform for analysis. Technical consultations with MoHP's planning section and discussions with MoHP and Department of health Services (DoHS) planning and financial officials provided useful comments that have been incorporated into this final version of the analysis.

2 PLANNING, BUDGETING AND EXPENDITURE PRACTICES UNDER MOHP

2.1 Background

2.2 Budget Characteristics

The following characteristics of the government's overall budgets are important to ensure the comprehensiveness and transparency of the budget preparation process:

- *Annularity* — The public sector budgets are prepared annually, cover one year, are approved by the Parliament every year, and are executed over a one year period. While maintaining the core concept of annual authorisation, this principle has however been modified at the preparation stage as annual budgets are developed within a three year perspective through medium-term expenditure frameworks (MTEF).
- *Unity* — Revenue and expenditure (as well as borrowing constraints) should be considered together to determine annual budget targets. Budgets should cover all government agencies and other institutions that undertake government operations, so that the budget presents a consolidated picture of these operations and is voted on, as a whole, by the Parliament.
- *Universality* — All resources should be directed to a common pool or fund, to be allocated and used for expenditure according to the current priorities of the Government of Nepal.

2.3 Budget Preparation Process

2.3.1 Central level planning

MoHP's PPICD is responsible for the entire planning process. It collects the completed planning and budgeting formats prepared by all departments, divisions, centres and central hospitals. PPICD's Planning Unit reviews them, consults the concerned authorities, corrects any inconsistencies and inappropriateness of the contents and compiles them altogether. MoF compiles the sectoral budgets and prepares national budget with policy and programmes (AWPB), announces it publicly through the budget speech and submits the final AWPB to Parliament for endorsement. The Parliament endorses the budget of the coming fiscal year and usually within a week of the budget speech MoF provides the (expenditure) authorisation to MoHP. MoHP should provide the authorisation to its departments within 15 days and departments should do the same to their subsequent cost centres within another 15 days after receiving authorisation to spend from MoHP.

The sequence of events by which national plans are developed by MoHP within the framework of central government practice is as follows (see Table 2.1 for annual schedule):

Table 2.1: Annual calendar related to MoHP central level budgeting

Date	Major activities
January	The government's Resource Committee defines the overall budget envelop for the country. As per the decision of resource committee, NPC provides budget ceilings and guidelines for sectoral ministries.
January	MoF issues budget ceilings to line ministries
January/February	<p>The Policy, Planning and International Cooperation Division (PPICD) of MoHP then allocates a budget ceiling to all its divisions and centres based on priority programmes, the previous year's budget, programme performance and actual expenditure.</p> <p>MoHP asks preliminary budgetary commitment from EDPs during the JAR. MoHP organises four joint consultative meetings (JCMs) per year with EDPs to discuss about the budget and priority areas. The EDPs make their official annual commitments to MoHP at the fourth JCM.</p>
March	All MoHP's divisions/centres and other entities prepare their AWPBs based on their priorities in the previous year's budget. They are supposed to involve all EDPs and supporting stakeholders associated with their respective programmes.
March	PPICD submits the compiled planning and budgeting formats to the National Planning Commission. The NPC member responsible for health invites PPICD chief for discussion on draft AWPB of the MoHP along with concerned officials e.g. director general and departmental, divisional and centre directors, along with the and the planning and finance unit as when required. The NPC seeks justifications for selected items and may suggest adjustments if it is not satisfied with the justifications. Mostly however, NPC usually accept the submission as it stands.
Towards end of March	Discussions at NPC. First joint consultative meeting (JCM) with EDPs
April	The NPC then submits the agreed formats to MoF and the proposed budget may exceed the provided ceiling at this stage. In practice MoF calls PPICD chief and concerned officials (individually and in a team) to discuss item-wise justifications on their planned budgeted amounts/budget lines it is not satisfied with. This is a crucial juncture where selective cuts by MOF and adjustments may be made to the budget. Sometimes this may result to the deletion of activities that are quite important from the programmatic perspectives when is done by MoF alone without consulting concerned MoHP officials. Second JCM with EDPs
May	In the last phase, MoF invites the MoHP secretary, the head of PPICD and the head of the planning unit and finance division for the final hearing and finalisation of the plan and budget. Third JCM with EDPs
June	MoF compiles the sectoral budgets and prepares national budget with policy and programmes (AWPB) Red Book compiled and finalised. Fourth JCM with EDPs who make their commitments
July	Budget submitted to Cabinet and Parliament approves
16 July	Start of new fiscal year

Source: MoHP, 2015

Note: The Government of Nepal aims to announce the budget for FY 2015/16 within May 2015.

The Management Division is the focal point for coordination in the annual DoHS planning and budgeting process, with the responsibility of collecting annual plans and budgets from all divisions and centres for sending on to the PPICD. In practice, some divisions, centres and central hospitals also send their drafts directly to PPICD.

2.3.2 District Level Planning

District health issues are not well incorporated in the national planning process. Some districts produce health plans, but these are received by DoHS and divided into sections relating to different divisions and programmes rather than being presented as integrated district health plans.

According to the Local Self-governance Act, 1999 district development committees (DDCs) are responsible for producing district plans including sectoral plans and devolution has been practiced in 28 districts meaning that district level budget flows through the DDCs. This means that DDCs have a legal responsibility for developing district level plans coordinating with sectoral offices and integrating sectoral plans into district development plans. It has usually been reported that the engagement of district health offices in planning process of DDC is relatively weak. Instead, the plans prepared by district health office are submitted to DoHS at the centre. Table 2.2 shows the district level planning schedule.

Table 2.2: Schedule of district level plan and budget preparation

Date	Activities	Responsible authority
First week of November	Budget formulation guidelines and limitations sent to DDCs. Budget preparation started based on last year budget and need.	NPC/MoFALD
First week of December	Ministry-wise guidelines sent to DDCs	NPC/MoFALD/MoHP
Second week of February	District-based budgets and programmes of line ministries prepared and submitted by district councils	DDC
First week of March	District programmes and budgets are sent in stipulated format to the National Planning Commission/MoFALD	DDC

Source: MoHP, 2015

Annual plans developed by the DDCs are submitted to the NPC which however hardly reach to the MoHP. It usually results into less funding for the health probably also due to limited technical knowledge of health sector at DDC and more pressure for other infrastructural projects. If all the available resources are to be taken into account at the district planning process, a comprehensive approach should be adopted which considers the expanding private sector and role played by the non-government organizations. This approach will not only produce a consolidated plan for the district but also contributes in building synergies among different concerned actors, reporting of

expenditure and producing a reliable health accounts which will further be quite helpful for subsequent planning.

2.4 Budget Preparation Process Issues in the NHSP-2 Period

Planning and budgeting functions are often considered differently in the Nepalese context. In practice planners are only involved in planning while budget implementers (finance officers) are only involved in keeping expenditure records. This separation has been a major issue in the NHSP-1 and NHSP-2 periods and MoHP needs to address it by better aligning its actual expenditures with its budgets. The overall situation in the five years of NHSP-2 has been as follows:

Year 1 — In FY 2010/11, the Government of Nepal announced (parliament approved) the budget within the stipulated time (by mid-July). The main issues of this year related to MoHP's budget were:

- delays in approval (14th July 2010) of the NHSP-2 document particularly caused by the confusion on the requirement of the a separate document for NHSP 2's implementation plan;
- the uncertainty of EDPs' commitments for the year;
- delay in sending the budget expenditure authorisation letters to the MoHP by MoF (one week);
- delays in sending the budget implementation guidelines from MoHP and its central authorities (departments) to all cost centres (more than 30 days); and
- the weak implementation of regular JCMs with EDPs. Only three could be conducted.

These factors contributed to low absorption of the MoHP budget (76.3%) and weakened its ability to negotiate for budget increases.

Year 2 — In the second year of NHSP-2 (FY 2011/12), MoHP improved its planning processes and held regular JCMs. The government subsequently announced the budget within the stipulated time. MoHP provided authorisations without significant delays within 20 days. The planning process was much improved as the electronic annual work planning and budgeting (e-AWPBs) was practiced much effectively. This year, MoHP started preparing annual business plans, which were well received by EDPs and international forums. However, delays in departments sending authorisation letters to their cost centres and delays (about one month) in sending budget implementation guidelines contributed to lower budget absorption and weakened MoHP's chances of negotiating increases to its budget.

Year 3 — In the third year of NHSP-2 (FY 2012/13), the government provided its budget based on the previous year's expenditure prioritising salaries and Priority 1 programmes. This was an exceptional year in relation to planning and budgeting that should not be compared with other fiscal years. This was because the lack of political consensus meant that the entire fiscal year passed without having a full budget. The budget was published separately for all three trimesters via ordinances. In this context, MoHP only received an amount equivalent to the actual expenditure of the previous year (FY 2011/12) and no new programmes were introduced. This seriously impacted the absorption of non-pool funding from EDPs as there was less priority on programme implementation and more focus on spending the regular administrative budget.

Year 4 — In the fourth year of NHSP-2 (FY 2013/14), the government announced the budget within the stipulated time. An important achievement this year was that MoHP for the first time prepared the AWPB report using its e-AWPB system. There was a simplified version of MoHP's business plan, which had started in FY 2011/12, and can be seen at www.moHP.gov.np. MoHP held regular 4 JCMs with EDPs in this year. However, the budget discussions between centres and divisions with MoF were not well covered in the JCMs, which was a major concern of EDPs. This issue was addressed through a detailed MoHP report on AWPB using the e-AWPB system. Another issue was that MoF made last minute cuts to the budget which concerned centres and divisions were not well informed about. This factor again contributed to the delay in authorisation to begin expenditure and the subsequent low absorption of MoHP's budget in this year.

Year 5 — In the fifth year of NHSP-2 (FY 2014/15), the government announced its budget within the stipulated time. In this year MoF initiated the 'Line Ministry Budget Information System' (LMBIS). As the system was new and had not been properly tested, MoHP faced problems in aligning the AWPB format with LMBIS. With the help of the TABUCS, the planning units quickly fixed the mismatch between LMBIS and the AWPB format. In this year MoHP held 3 JCMs with EDPs. However, again, the budget discussions between centres and divisions with MoF were not well covered. Also, the development of the system of expenditure authorisation through the TABUCS has saved a huge amount of time, efforts and resources in preparing and sending out authorisations to cost centres. This was the only year in the NHSP-2 period when MoHP was able to send the authorisations within the recommended time frame to all its cost centres. Departments had taken additional 30 days to send the authorisation to the cost centers. However, some governance issues surfaced this year, principally the suspension of MoHP officials in various procurement and financial management-related cases. This discouraged MoHP officials in accomplishing procurement-related work which is reflected in virtually no spending of capital budget (less than 1%) in first six months and may contribute to low absorption overall budget of the MoHP.

2.5 Priority Programmes included in NHSP-2

Each fiscal year, the National Planning Commission (NPC) 'provides' a list of priority programmes and planning guidance to sectoral ministries. Based on this, MoHP instructs its divisions and centres to prepare their AWPBs for the coming fiscal year. The priority areas from NPC normally differs every fiscal year. This is based on the Government's priority in health sector. It is important to note that the changes may still come under the bigger programme areas i.e. child health, maternal health, free care and disease control. MoHP compiles them and prepares a final draft of AWPB also by incorporating actions agreed at the JAR and included in the aide-mémoire between the government and its EDPs, and priority areas agreed at JCMs.

While analysing the list of priority programme we came to know that relative increase in budget keep on changing across the programmes along with how the priority has been set also following the guidance of the NPC rather than just being uniformly incremental (for more detail please see annex 1). MoHP does not seem to take the reference of the previous year's expenditures in its planning process for each fiscal year's budget. However, it is also important to note that not all the programmes that are introduced as 'priority programmes' have been able to secure their priority status in terms of budget allocation as a result those programmes sometimes end up having low spending which is also contributed by low absorption capacity (detail can be seen in chapter 4).

2.6 Policy and Strategy Developed in NHSP-2

The Nepal Health Sector Programme-2 (NHSP-2, 2010-2015) aims to scale up the provision of free essential health care services and assuring the essential health care services to Nepali people. The essential health care services package, which accounts for more than 75% of MoHP's budget, has since then been strengthened to address oral health, mental health, environmental health and hygiene, emergency and disaster management and the prevention and management of non-communicable diseases.

Alongside the SWAp, an increasing number of development partners are committing their funding support through the government's Red Book, (both on budget on treasury , and on budget off treasury) while some non-pool partners have signed the Joint Financing Arrangement (JFA), which supports the implementation of NHSP-2. In the NHSP-2 period, weaknesses related to health system functions and inequities have been addressed by scaling up programmes for governance and accountability and for gender equality and social inclusion (GESI), by revising the Financial Management Improvement Plan (FMIP), by preparing a Procurement Improvement Plan (PIP) and by improving the implementation of JCMs.

The main policy documents and international commitments that have guided MoHP's work during the NHSP-2 period are the Nepal Health Sector Programme-2 (2010-2015) itself (which has been able to set the direction, outputs and measurements of them through a robust result framework), plus:

- the National Health Policy, 2014;
- the National Social Health Insurance Programme, 2014;
- the Internal Control Guidelines, 2013;
- the Audit Clearance Guidelines, 2013;
- Nepal's commitments to achieving the Millennium Development Goals (MDGs)
- the government's medium term expenditure framework (MTEF), which provides the strategic direction for the health sector's AWPBs. The process of MTEF has to be fully implemented at the MoHP level. For that the institutional home for the task and skill needs to be provided to the relevant officials.

3 HEALTH BUDGET ALLOCATIONS AND EXPENDITURE IN NHSP-1 AND NHSP-2

This section examines MoHP's budgets and related expenditure during the NHSP-1 (FY 2005/6 to FY 2009/10) and NHSP-2 (2010/11 to 2014/15 periods). The budgets and expenditure are compared with macroeconomic indicators. The data was analysed using Red Book, e-AWPB, TABUCS and financial monitoring report (FMRs). We only have expenditure of first six months expenditure of FY 2014/15, thus, for the purpose of comparability we have excluded FY 2014/15 while analysing the expenditure. Note that the following analysis does not provide the definitive reasons for trends, but does try to elucidate potential reasons for some of the findings.

3.1 Volume and Trend of Budget and Expenditure

Table 3.1 shows the trend of GDP, the national annual budget, and MoHP's annual budget and related expenditure levels. Note that the expenditure data available for this analysis only covered the first part of the fifth year of NHSP-2 (see Annex 1 for MoHP expenditure for first half of 2014/15). See Annex 2 for details on Nepal's main macroeconomic indicators for the NHSP-1 and 2 periods.

Table 3.1: Trends of GDP, and National and MoHP budgets and expenditure (in NPR billion)

Categories	2005/ 06	2006/ 07	2007/ 08	2008/ 09	2009/ 10	2010/ 11	2011/ 12	2012/ 13	2013/ 14	2014/ 15
GDP	654	728	816	988	1,193	1,367	1,527	1,693	1,929	NA
National budget	127	144	169	236	286	338	385	405	517	618
MoHP budget	8	9	12	15	18	24	25	20	30	33.51
National expenditure	111	134	161	220	260	295	339	359	450	NA
MoHP expenditure	6	7	10	13	16	18	20	19	23	NA
National absorption rate	87.4	92.8	95.5	93.1	90.8	87.4	88.1	88.6	87.0	NA
MoHP absorption rate	76.0	80.6	81.4	84.9	89.2	76.3	81.2	94.1	75.1	NA

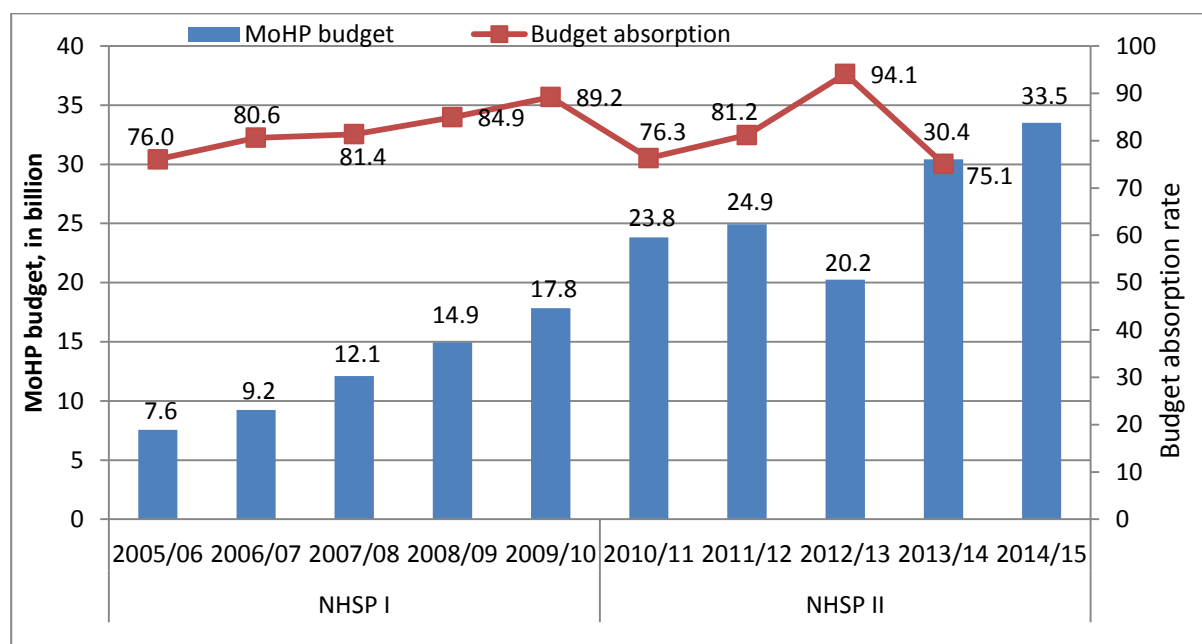
Source: GoN Red Book, 2006-2014. NA= not applicable

The data in Table 3.1 and as illustrated in Figure 3.1 shows the following:

- The health budget more than doubled in the NHSP-1 period (increasing from NPR 8 billion in FY 2005/06 to NPR 18 billion in FY 2009/10) while there has been a proportionately lower increase in NHSP-2 (from NPR 24 billion in 2010/11 to NPR 33.51 billion in FY 2014/15).
- The budget for health increased by more than four times. At the same time, MoHP's budget decreased from 6.29% of the national budget in FY 2005/06 to 5.42% in FY 2014/15. This was mainly because the government increased the budget for other sectors, especially education and social security.
- Except for FY 2012/13, MoHP's absorption rate in the NHSP-1 and 2 periods has been lower than that of the national budget. Note that this year was considered as an expenditure year meaning that MoHP received the amount it had spent in the previous year. This data suggests that MoHP's budget absorption capacity needs to be improved.
- There was an increasing trend of budget absorption in the NHSP-1 period compared to during NHSP-2 (Figure 3.1). This does not mean that MoHP has been weak in implementing

NHSP-2; rather political instability delayed the production of budgets or full budgets during NHSP-2, which negatively affected the absorption rate.

Figure 3.1: Trend of MoHP budget and absorption rate in NHSP-1 and 2 periods (in NPR billion)



Source: Red Book, 2006- 2014

3.2 Composition of Budget and Expenditure by Capital and Recurrent Budgets

During the ten year NHSP-1 and NHSP-2 periods the budget allocated for capital expenditure increased by just under three times (from NPR 1.6 billion to NPR 4.5 billion) while the amount allocated for recurrent expenditure increased almost five times (from NPR 5.9 billion to NPR 29 billion) (Table 3.2). There was better performance on spending the recurrent than the capital budget, probably because the salaries of about 30,000 personnel come under the recurrent budget.

Table 3.2: Budget allocation and expenditure by capital and recurrent (NPR billion)

Type	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Budget										
Capital	1.6	1.4	2.9	2.9	3.7	6.8	6.0	3.2	5.2	4.5
Recurrent	5.9	7.8	9.2	12.0	14.1	17.1	19.0	17.1	25.3	29.0
Total	7.6	9.2	12.1	14.9	17.8	23.8	24.9	20.2	30.4	33.5
Expenditure										
Capital	1.0	1.2	2.4	2.6	2.1	3.1	3.3	2.8	2.9	NA
Recurrent	4.8	6.3	7.4	10.1	13.8	15.1	17.0	16.3	19.9	NA
Total	5.7	7.4	9.8	12.7	15.9	18.2	20.2	19.0	22.9	NA

Source: Red Book, 2006- 2014

NA= not applicable

3.3 Composition of Budget and Expenditure by Source of Funds

In NHSP-1 and NHSP-2 period the government’s budget allocation for MoHP increased more than five times while the amount allocated by EDPs increased by less than four times (Table 3.3). There was a regular increase of the EDPs’ budgets over the NHSP-1 period, while under NHSP-2 there was a decrease in 2012/13.

The absorption of EDP funding was relatively better in NHSP-1 than NHSP-2. This could be due to weak or no reporting of EDP direct funding, which is reflected in the Red Book but is not captured in government expenditure records.

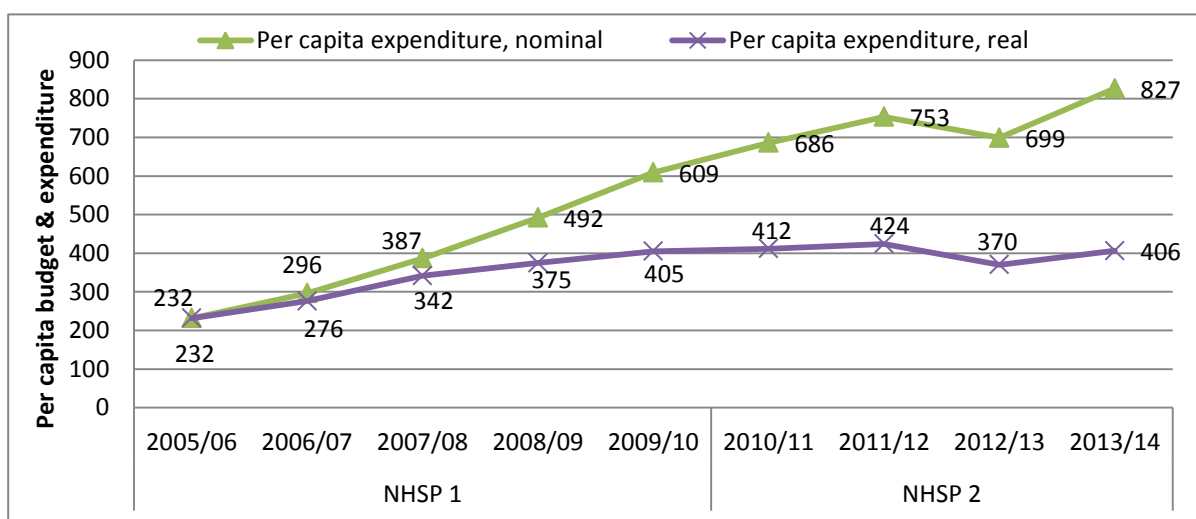
Table 3.3: Budget and expenditure by source of fund

Source	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Budget										
GoN	4.3	4.5	5.9	7.5	9.3	13.9	15.2	11.7	20.1	22.0
EDPs	3.2	4.7	6.2	7.4	8.5	9.9	9.7	8.5	10.3	11.5
Total	7.6	9.2	12.1	14.9	17.8	23.8	24.9	20.2	30.4	33.5
Expenditure										
GoN	3.9	5.0	6.7	8.6	9.2	11.9	13.8	12.4	17.1	NA
EDPs	1.9	2.4	3.2	4.1	6.7	6.3	6.4	6.7	5.8	NA
Total	5.7	7.4	9.8	12.7	15.9	18.2	20.2	19.0	22.9	NA

Source: Red Book, 2006- 2014. Note: NA= not applicable

The per capita spending on the government health system in real terms (prices of 2005/06) almost doubled during the NHSP-1 period while there has been a slight decrease during the NHSP-2 period (Figure 3.2). The trend in NHSP-2 happened as the share of MoHP expenditure in total national expenditure declined while inflation remained relatively high.

Figure 3.2: Per capita expenditure on government’s health system in nominal & real terms (NPR)



Source: Red Book, 2006- 2014. Note: Per capita real = based on FY 2005/06 prices

3.4 Comparison of Budget Allocation with NHSP-2 Forecasts

The data in Table 3.4 shows the government's different budget forecasting scenarios for the NHSP-2 period as per the NHSP-2 document. The projections were made in constant prices with 2009/10 as the base year. Accordingly, this study calculated the actual budget in 2009/10 prices, which has resulted in lower budgets than the actual budget as the figures have been adjusted for inflation.

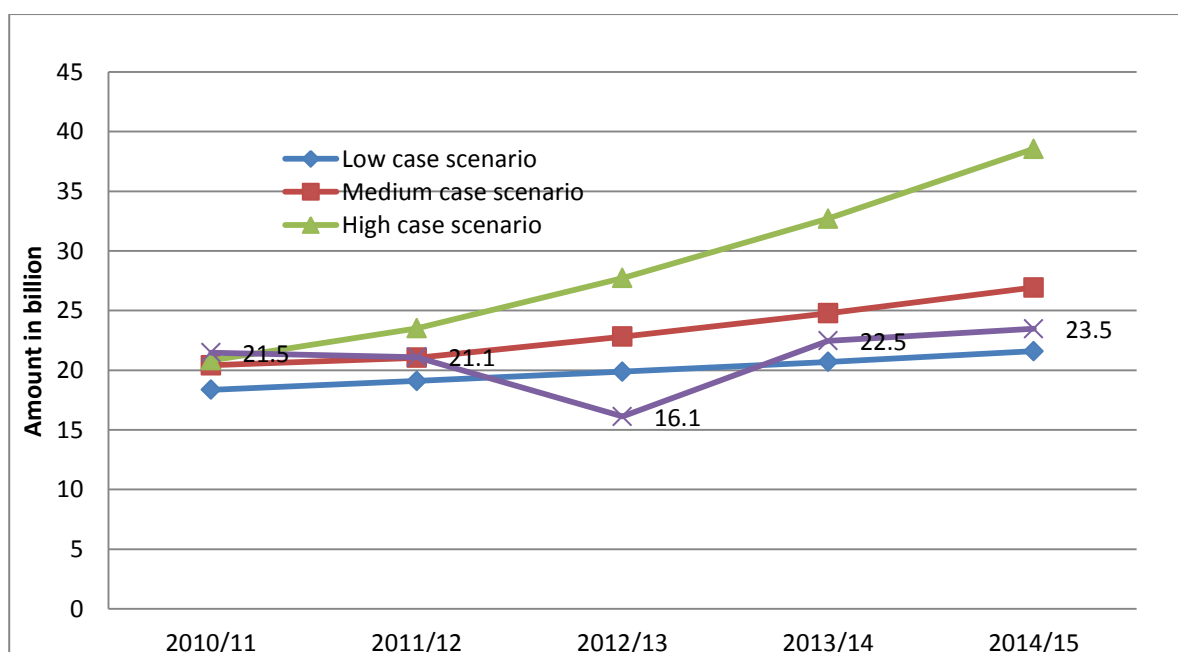
Table 3.4: Forecasted scenarios vs. actual budget by source during NHSP-2 (NPR billion)

Scenario	Source	2010/11	2011/12	2012/13	2013/14	2014/15	Total
Low	GoN	10.6	11.1	11.6	12.1	12.6	57.9
	EDPs	7.7	8.1	8.3	8.6	9.0	41.7
	Total	18.4	19.1	19.9	20.7	21.6	99.6
Medium	GoN	11.6	11.2	11.8	12.4	13.1	60.2
	EDPs	8.8	9.8	11.0	12.3	13.8	55.8
	Total	20.4	21.0	22.8	24.8	26.9	116.0
High	GoN	11.5	12.3	14.3	16.6	19.2	74.0
	EDPs	9.3	11.2	13.4	16.1	19.3	69.4
	Total	20.8	23.5	27.7	32.7	38.6	143.3
Actual budget	GoN	12.6	12.9	9.3	14.9	15.4	65.0
	EDPs	8.9	8.2	6.8	7.6	8.1	39.6
	Total	21.5	21.1	16.1	22.5	23.5	104.6
Actual expenditure	GoN	10.7	11.7	9.9	12.6	NA	NA
	EDPs	5.7	5.4	5.3	4.2	NA	NA
	Total	16.4	17.1	15.2	16.9	NA	NA

Source: Red Book, 2006-2014 and NHSP-2 document. Note: NA= not applicable. Amount in billion NPR, 2009/10 prices

This analysis shows that in the first year of NHSP-2 MoHP secured more budget than projected in the high case scenario. In the second year MoHP secured the medium case scenario amount and in the third year (FY 2012/13) it received less than the low case scenario. In the fourth and fifth years of NHSP-2 MoHP received less than the medium case scenario budget (see Figure 3.3).

Figure 3.3: NHSP forecast versus actual budget (NPR billion)



Source: Red Book, 2006- 2014. Note: NA= not applicable. Amount in NPR billion at 2009/10 prices

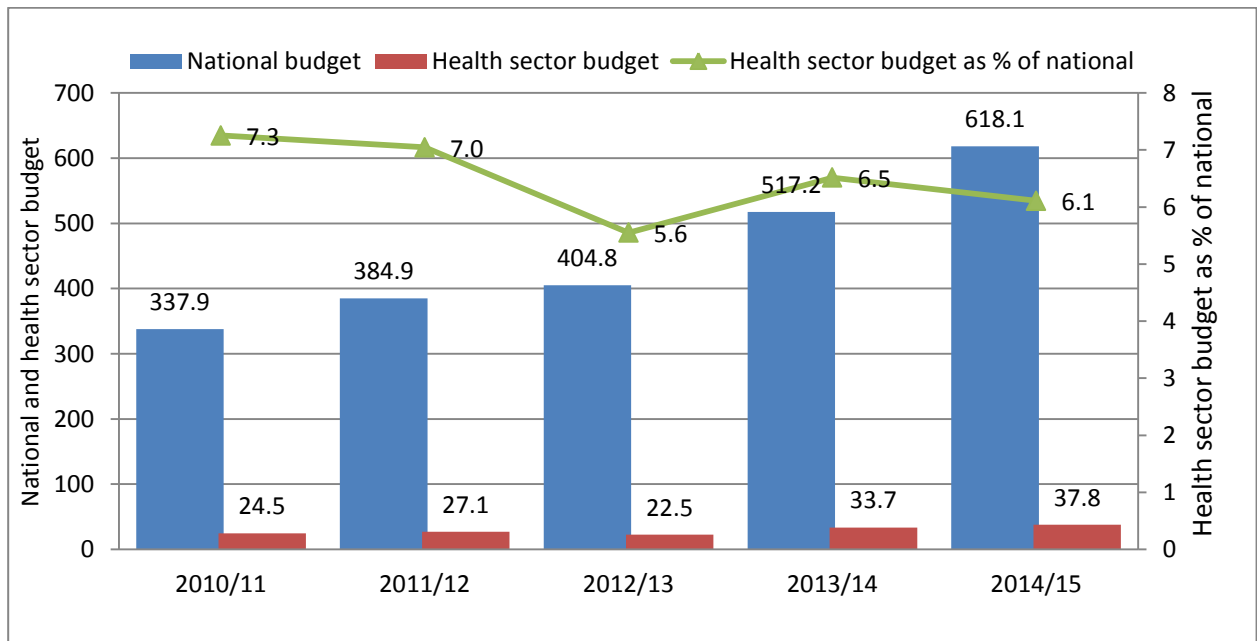
4 BUDGET ALLOCATION AND EXPENDITURE IN NHSP-2

This chapter analyses MoHP's budget and expenditure during the NHSP-2 period. More details are included in this report's 16 annexes.

4.1 Budget and Expenditure in Relation to Health Sector and National Budgets

The data in Figure 4.1 shows the share of the health sector budget in the national budget. Note that the health sector budget is different to MoHP's budget as it also includes health-related expenditure of the Ministry of Defence, Ministry of Home Affairs, Ministry of General Administrations (mainly to run hospitals) and some grants to hospitals run by foundations.

Figure 4.1: National and health sector budget (NPR in billion)



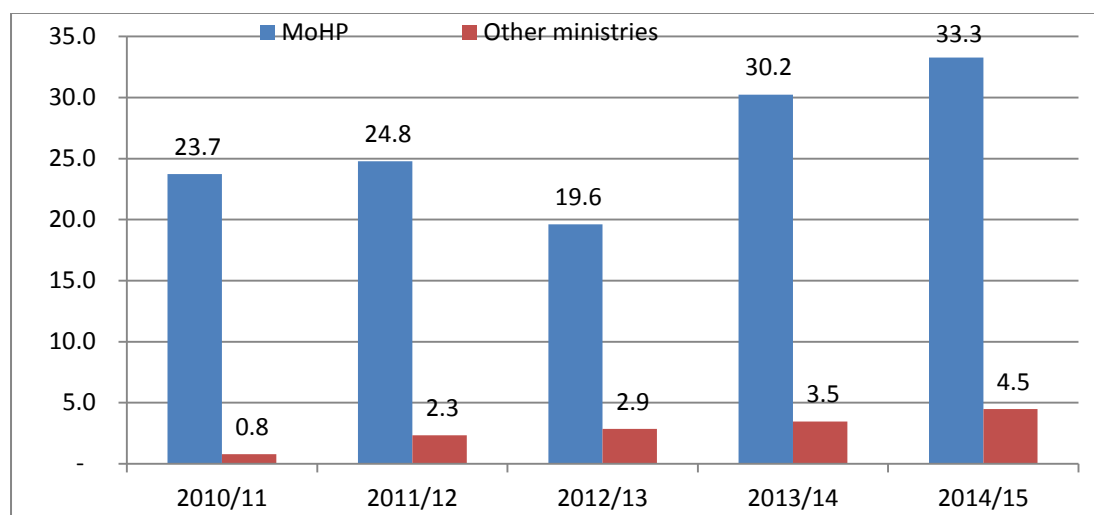
Source: Red Book, 2010- 2014

The health sector secured more than 7% of the national budget in FYs 2010/11 and 2011/12, but the proportion decreased in the following three years. Note that the NHSP-2 document calls for having 10% of the national budget for the health sector to achieve NHSP-2's objectives. See Annex 3 for the levels of budget absorption by the 55 main programme headings in the NHSP-2 period

4.2 MoHP and Other Ministries' Health Budgets

Figure 4.2 shows the distributions of health sector budget between MoHP and other ministries. In the NHSP-2 period the budget allocated for other ministries' health costs increased more than four times. These other ministry budgets go mostly for hospital services. The about 10% increase in most years' MoHP budgets has been hardly sufficient to keep up with inflation. See Annex 4 for a detailed breakdown of MoHP's capital and recurrent budgets for the last year of NHSP-1 and the first four years of NHSP-2.

Figure 4.2: Composition of health sector budget (NPR in billion)



Source: Red Book, 2010-2014

4.3 Budget and Expenditure by Administrative and Programme

Table 4.1 shows that the budget allocated for both administration and programmes almost doubled during the NHSP-2 period. MoHP has been able to spend almost all of its administrative budget as this is mainly for salary and allowances. The expenditure of the programme budget is consistent issue across the NHSP-2 period (except FY 2012/13). Annex 5 gives details on MoHP's annual administrative and programme budgets for the NHSP-2 period. Annex 6 shows the detailed budget split into capital, and recurrent budgets for all entities under MoHP.

Table 4.1: Budget and expenditure by administrative and programme (NPR billion)

	2009/10		2010/11		2011/12		2012/13		2013/14		2014/15		
	NPR	%	NPR	%	NPR	%	NPR	%	NPR	%	NPR	%	
Budget													
Admin.	4.6	25.7	5.5	23.1	6.0	24.1	6.4	31.6	8.5	27.8	8.7	25.8	
Programme	13.3	74.3	18.3	76.9	18.9	75.9	13.8	68.4	22.0	72.2	24.9	74.2	
Total	17.8	100	23.8	100	24.9	100	20.2	100	30.4	100	33.5	100	
Expenditure													
Admin.	5.0	31.6	5.1	28.3	6.2	30.8	6.1	32.1	7.6	33.4	NA	NA	
Programme	10.9	68.4	13	71.7	14	69.2	12.9	67.9	15.2	66.6	NA	NA	
Total	15.9	100	18.2	100	20.2	100	19	100	22.9	100	NA	NA	

Source: MoHP, 2010- 2014

Note: NA= Not applicable

4.4 Budget and Expenditure by Source of Funds

The Government of Nepal's Red Book mainly covers government funds and contributions from external development partners. The latter provide pooled and direct funding. Table 4.2 shows that the government increased its funding to MoHP from NPR 13.9 billion in FY 2010/11 to NPR 22 billion in 2014/15. The same period saw only a small increase in pooled and direct funding. It is important to note that the reporting of expenditure under direct funding has been weak over the years.

Annex 7 and Annex 8 give a detailed breakdown by government and EDP sources of budget funds and expenditure in NHSP-2, while Annex 9 gives a breakdown of MoHP budget and expenditure by individual sources of funds.

Table 4.2: Budget (NPR) and expenditure (%) by sources of fund (NPR billion)

Source	2010/11		2011/12		2012/13		2013/14		2014/15
	NPR	%	NPR	%	NPR	%	NPR	%	NPR
GoN	13.9	85.4	15.2	90.8	11.7	105.7	20.1	76.5	22.0
Pool funds	6.0	69.5	6.2	76.2	5.8	85.2	6.1	98.9	6.7
Direct funds	3.9	54.2	3.6	48.6	2.7	63.3	4.2	33.3	4.8
MoHP total	23.8	76.3	24.9	81.2	20.2	94.1	30.4	75.1	33.5

Source: Red Book, 2010- 2014

4.5 Budget and Expenditure by Central and District Level

The data in Table 4.3 shows MoHP's budgets and expenditure in the NHSP-2 period by central and district level budgets. More than 50% of the budget was been allocated to the district level in the first four years of NHSP-2.

The data shows that a higher proportion of district level budgets were spent in the first four years of NHSP-2 compared to central level budgets. This could be due to weak central level procurement practices. See Annex 10 for more details on district level allocation and expenditure. See Annex 11 for a district-wise breakdown of per capita MoHP budget and expenditure.

Table 4.3: MoHP budget and expenditure by central and district levels (NPR billion)

Type	Level	2009/10		2010/11		2011/12		2012/13		2013/14		2014/15	
		NPR	%	NPR	%	NPR	%	NPR	%	NPR	%	NPR	%
Budget	Central	8.3	46.8	11.4	48.0	11.6	46.4	9.1	44.9	14.1	46.4	17.0	50.6
	District	9.5	53.2	12.4	52.0	13.4	53.6	11.2	55.1	16.3	53.6	16.6	49.4
	Total	17.8	100	23.8	100	24.9	100	20.2	100	30.4	100	33.5	100
Expenditure	Central	6.4	40.5	8.0	43.8	8.1	40.0	8.6	45.1	9.7	42.5	NA	NA
	District	9.5	59.5	10.2	56.2	12.1	60.0	10.5	54.9	13.1	57.5	NA	NA
	Total	15.9	100	18.2	100	20.2	100	19	100	22.9	100	NA	NA

Source: MoHP, 2010- 2014

4.6 Budget and Expenditure by Organisational Level

In the first four years of NHSP-2 the Department of Health Services (DoHS) held between 74.1% and 91.6% of MoHP's budget (Table 4.4) while the Department of Drug Administration (DDA) held the lowest proportion. The data also shows a large increase for hospitals in the NHSP-2 period in tandem with their good budget absorption capacity. The central level entity (MoHP) has had the lowest budget absorption among these entities. See Annex 12 for more details.

Table 4.4: Budget (NPR) and absorption (%) rate by MoHP Organisations (NPR billion)

Level	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
-------	---------	---------	---------	---------	---------	---------

	NPR	%	NPR	%	NPR	%	NPR	%	NPR	%	NPR
MoHP	1.3	71.5	1.9	70.6	2.1	68.6	1.7	94.5	2.6	77.7	4.2
DoHS	13.1	88.9	17.6	74.6	17.8	83.3	14.5	91.6	20.1	74.1	21.0
DDA	0.0	90.5	0.0	83.4	0.0	93.8	0.0	112.3	0.1	94.0	0.1
DoA	0.4	98.4	0.5	91.5	0.5	98.8	0.5	99.8	1.1	65.2	0.9
Centres	1.1	84.9	1.4	80.2	2.3	57.4	1.7	80.2	3.5	46.0	3.2
Hospitals	1.8	105.0	2.3	88.0	2.3	95.7	1.8	124.4	3.2	114.9	4.0
Total	17.8	89.2	23.8	76.3	24.9	81.2	20.2	94.1	30.4	75.1	33.5

Source: MoHP, 2010- 2014

4.7 Allocation and Expenditure by EHCS, Systems Support and Beyond EHCS

MoHP has prioritised the essential health care services (EHCS) budget as it has accounted for the majority of MoHP's budget in the NHSP-2 period (Table 4.5). This is in line with the NHSP-2 strategy. MoHP has categorised the activities which come under EHCS and included it in the electronic annual work plan and budget (e-AWPB) system, which has made it easier to calculate the budget allocated to EHCS.

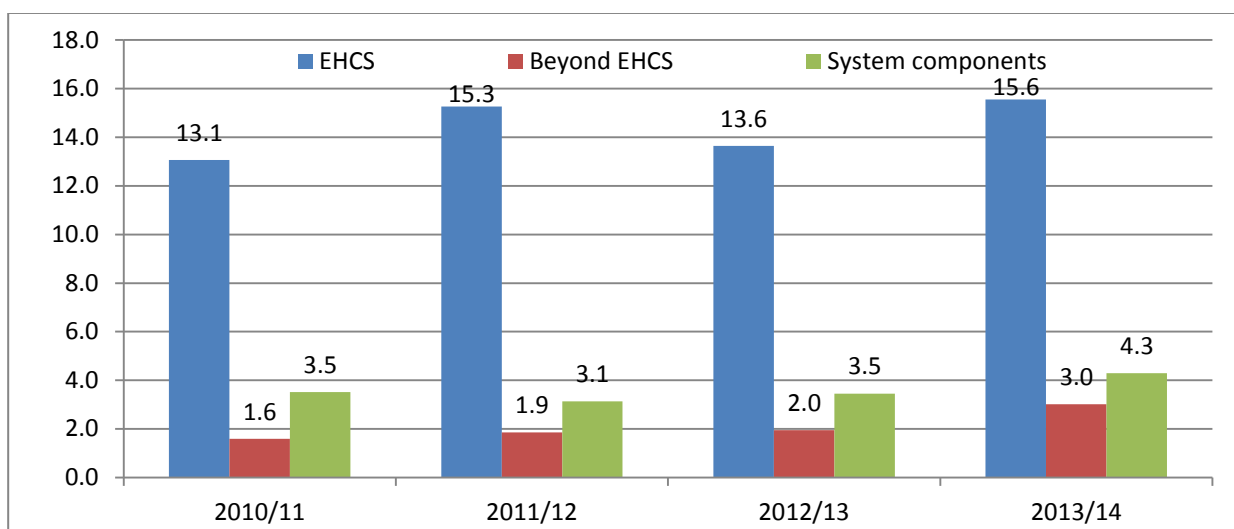
Table 4.5: Allocation (NPR) and expenditure (%) by EHCS, systems support and beyond EHCS (NPR billion)

Type	2010/11		2011/12		2012/13		2013/14		2014/15
	NPR	%	NPR	%	NPR	%	NPR	%	NPR
EHCS	16.6	78.6	18.6	81.9	15.1	90.7	21.2	73.2	22.5
Beyond EHCS	1.8	88.5	1.9	95.6	1.6	124.2	2.9	104.0	3.6
System components	5.4	65.3	4.4	71.9	3.6	95.5	6.3	68.2	7.4
Total	23.8	76.3	24.9	81.2	20.2	94.1	30.4	75.1	33.5

Source: MoHP, 2010- 2014

The increased 'beyond EHCS' budget is due to the increased budgets to hospitals. The budget for system components, which includes decentralized service delivery, private/NGO sector development, sector management, health financing/ resource management, logistic management, human resource development and information system management, has increased from the first to the last year of NHSP-2. The amount spent on system components and beyond EHCS has increased proportionately more than that spent on EHCS indicating that MoHP has been increasingly prioritising these two service areas (Figure 4.3). See Annex 12 for more details.

Figure 4.3: Budget expenditure by EHCS, beyond EHCS, and system areas (NPR billion)



Source: MoHP, 2010-2014

4.8 Allocation and Expenditure by Priority Programmes

Table 4.6 shows MoHP's budget in NPR and the percentage of budget spent by the different levels of priority programmes in the NHSP-2 period (Priority 1 programmes are the highest priority). The data shows that MoHP has provided the majority of its budget to Priority 1 programmes increasing from NPR 19.3 billion at the start of NHSP-2 to NPR 28.3 billion at the end. The level of expenditure for the Priority 1 programmes has ranged from 72% to 91% in this period. See Annex 12 for the expenditure amounts.

Table 4.6: Programme priority level-wise MoHP budget (NPR billion) and expenditure (%) in NHSP-2 period

Priority level	2010/11		2011/12		2012/13		2013/14		2014/15
	NPR	%	NPR	%	NPR	%	NPR	%	NPR
Priority 1	19.3	75.3	21.8	79.8	18.0	90.9	25.6	72.2	28.3
Priority 2	4.0	78.0	2.5	89.4	2.0	112.0	4.3	90.5	4.7
Priority 3	0.6	98.3	0.6	99.5	0.2	184.5	0.5	88.9	0.5
Total	23.8	76.3	24.9	81.2	20.2	94.1	30.4	75.1	33.5

Source: MoHP, 2010- 2014

4.9 Budget and Expenditure by Line Item

Table 4.7 shows the budget allocated and percentage spent by the main overall budget lines. The data shows that the budget allocated in the first and last years of NHSP-2:

- more than doubled for wages and salaries;
- almost doubled for grants to hospitals, especially higher level hospitals;
- increased by a small amount for programme activities and medicine purchase; while
- the capital budget decreased.

In terms of expenditure the weakest performance has been for capacity building, support services and capital expenditure across the NHSP-2 period. The absorption of grants to hospitals has been

very good, being over 100% in two years. This raises the question of whether these grants are linked with outputs or not. See Annex 13 for breakdowns of the figures in Table 4.7.

Table 4.7: MoHP Budget Line Budgets (NPR billion) and expenditure by (%) in NHSP-2

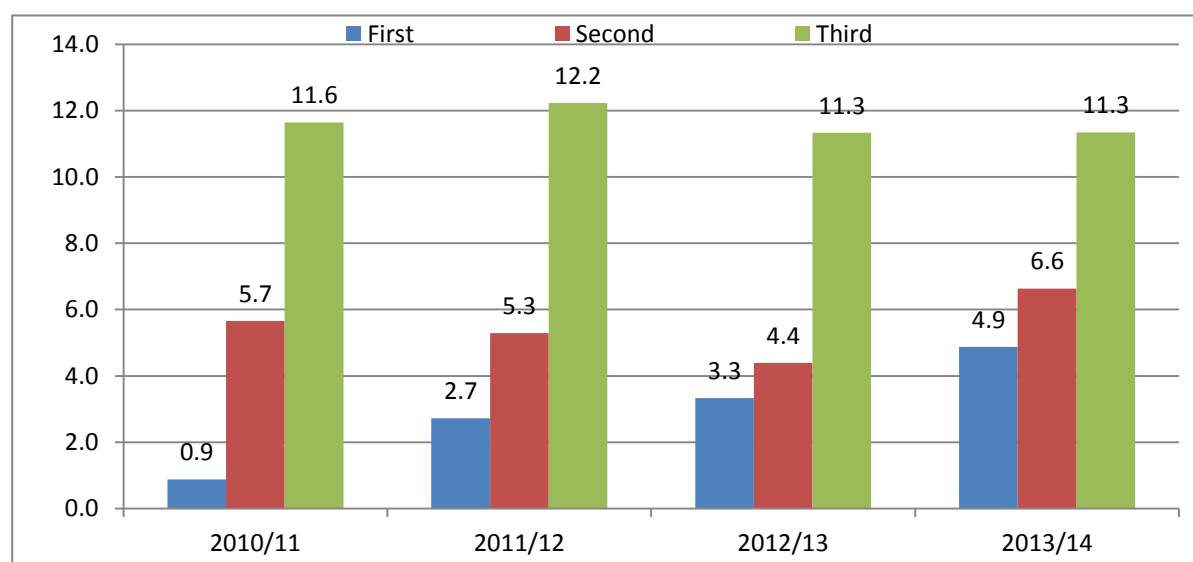
Line Item	2010/11		2011/12		2012/13		2013/14		2014/15
	NPR	%	NPR	%	NPR	%	NPR	%	NPR
1 Wages & salaries	3.8	110.5	4.4	105.2	4.2	103.7	6.6	87.3	8.2
2 Support services	1.9	39.0	1.9	41.4	2.5	41.7	1.7	66.6	1.4
3 Capacity building	0.1	40.3	0.0	47.5	0.9	24.7	5.2	52.5	0.8
4 Program activities	3.3	75.6	4.4	59.6	2.5	63.5	0.3	82.7	4.6
5 Medicine purchases	3.8	77.9	3.7	88.0	2.9	101.5	3.5	57.8	4.4
6 Grants to hospitals	5.5	85.4	6.0	95.5	4.0	152.8	8.1	100.2	9.6
7 Capital	5.4	56.3	4.6	70.9	3.2	87.1	5.2	56.6	4.5
Total	23.8	76.3	24.9	81.2	20.2	94.1	30.4	75.1	33.5

Source: MoHP, 2010- 2014

4.10 Trimesterly Expenditure

Figure 4.4 shows that the majority of MoHP expenditure has occurred in the last trimester over the NHSP-2 period. This indicates that MoHP needs to improve its planning and expenditure practices. This pattern raises the question of whether or not health services are being delivered effectively in trimesters 1 and 2 with their lesser amounts of funding. See Annex 14 for a breakdown of trimesterly expenditure.

Figure 4.4: Trimester wise expenditure (NPR billion)



Source: MoHP 2010-2014

4.11 District Level Budgets and Expenditure

Table 4.8 shows the amounts and proportionate expenditure of MoHP's district level budgets by region over the NHSP-2 period. Note that the data does not necessarily provide a national picture in terms of regional budget allocation and expenditure as MoHP and its departments, centres and divisions send further budgets to the districts within each fiscal year and the central-level budgets allocated to procure drugs, equipment and supplies ultimately go to the districts.

The data shows the central region receiving the most budget in all five years of NHSP-2. But the largest increases have been for the western, mid-western and far western regions and the least increase for the central region. See Annex 10 for a detailed breakdown of MoHP's budgets and expenditure by Nepal's 75 districts.

Table 4.8: Budget (NPR) and expenditure (%) by development regions (NPR billion)

Region	2010/11		2011/12		2012/13		2013/14		2014/15
	NPR	%	NPR	%	NPR	%	NPR	%	NPR
Eastern	2.7	82.9	3.2	86.1	2.6	94.4	3.7	81.6	3.7
Central	3.9	78.6	3.5	103.3	3.2	92.4	4.6	81.4	4.4
Western	2.5	89.0	2.8	87.0	2.0	93.8	3.3	80.7	3.5
Mid-western	2.0	84.2	2.4	82.0	1.9	94.9	2.7	79.9	3.0
Far-western	1.3	78.8	1.4	94.3	1.4	94.3	2.0	77.9	2.0
Total	12.4	82.5	13.4	90.9	11.2	93.8	16.3	80.6	16.6

Source: MoHP 2010-2014

4.12 Budget and Expenditure by Ecological Zone

Table 4.9 shows the amounts and proportion spent of MoHP's district-level budgets by the three main ecological regions of the country. The hill districts have received the largest proportion of the budget while the levels of expenditure have been similar across the three zones. Note that the hill zone has the higher number of districts (there are 39 hill districts, 20 Tarai districts and 16 mountain districts).

Table 4.9: Analysis of district level budget (NPR billion) and expenditure (%) by ecological zone

Ecology	2010/11		2011/12		2012/13		2013/14		2014/15
	NPR	%	NPR	%	NPR	%	NPR	%	NPR
Mountains	1.7	73.3	2.4	101.7	1.8	95.0	2.5	80.2	2.9
Hills	5.9	88.1	6.5	89.8	5.2	94.5	7.7	81.0	8.0
Tarai	4.8	78.9	4.5	86.8	4.1	92.3	6.2	80.3	5.7
Total	12.4	82.5	13.4	90.9	11.2	93.8	16.3	80.6	16.6

Source: MoHP 2010-2014

4.13 Level of Budget Absorption by Programmes

This study ranked MoHP's main 50 or so programmes (programme heads) in terms of amount of budget, level of expenditure and level of budget absorption. Table 4.10 shows the top ten

programmes and bottom 10 programmes for these three parameters. The data represents the averages for the first four years of NHSP-2.

Table 4.10: Top and lowest ten programmes in terms of budget, expenditure and absorption rate (Total of 2010/11-2013/14 in million NPR)

	Programme	Budget	Programme	Expend	Programme	Absorp %
Top ten performing programmes						
1	Integrated District Health Programme	28,774	Integrated District Health Programme	22,862	National Health Training Programme	185
2	Primary Health Service (public health offices, health centres, HPs, SHPs)	18,976	Primary Health Service (public health offices, health centres, HPs and SHPs)	17,953	Regional and zonal hospitals	115
3	Integrated Child Health and Nutrition Programme	6,655	Monitoring, Evaluation and Planning Strengthening Programme	4,206	Health Tax Supported Programme	111
4	Monitoring, Evaluation and Planning Strengthening Programme	5,641	Integrated Child Health and Nutrition Programme	4,026	Department of Health Services	110
5	Drugs and Equipment Supply Programme	4,631	Drugs and Equipment Supply Programme	2,942	Rural Health Development Programme-Ramechhap, Dolakha and	110
6	National Tuberculosis Control Programme	3,409	Regional and zonal hospitals	2,866	Sukraraj Tropical and Infectious Disease Hospital	109
7	Integrated Reproductive Health and Women's Health Programme	2,885	Hospitals (below zonal level)	2,078	BP Koirala Institute of Health Sciences, Dharan	108
8	Regional and zonal hospitals	2,486	Primary Health Care Revitalization Programme	1,883	Sahid Ganga Lal National Heart Centre	107
9	National AIDS and STD Control Programme	2,369	National Tuberculosis Control Programme	1,873	Hospitals(below zonal level)	107
10	Primary Health Care Revitalization Programme	2,033	National Academy of Medical Sciences - including Bir Hospital	1,870	Paropakar Maternity Hospital	104
Lowest performing ten programmes						
46	BP Koirala Centre for Lions Ophthalmic Studies	108	Nepal Health Research Council	108	Integrated Reproductive Health and Women's Health Program	59
47	Nepal Eye Hospital	92	Nepal Eye Hospital	91	National AIDS and STD Control Programme	56
48	Karnali Academy of Health Science	84	Karnali Academy of Health Science	84	National Tuberculosis Control Programme	55
49	Leprosy Control Programme	75	Patan Academy of Health Science	60	National Health Education, Information and Communication Centre	55
50	Patan Academy of Health Science	60	Leprosy Control Programme	56	Avian Flu Prevention and Control Programme	54
51	Vector Borne Disease Control Research and Training Centre	52	Vector Borne Disease Control Research and Training Centre	45	Hospital Construction, Maintenance & Management Information System	52

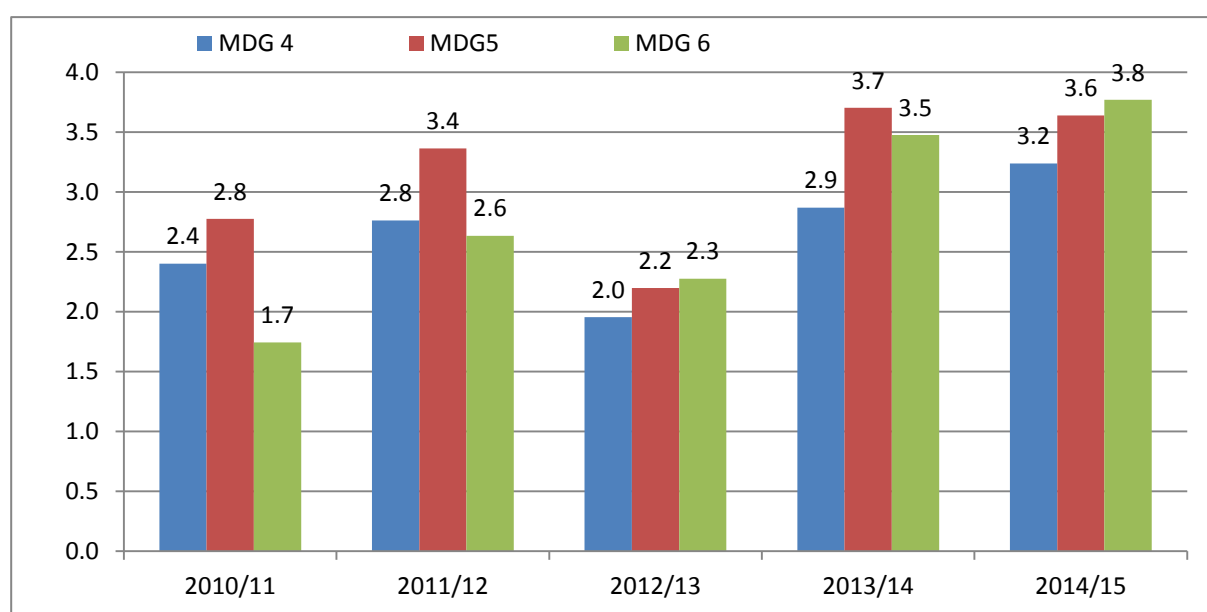
52	Pashupati Homeopathic Hospital and Unani Clinics	41	Pasupati Homeopathic Hospital and Unani Clinics	39	National Health Education, Information and Communication Services	51
53	Department of Ayurveda	39	Department of Ayurveda	37	Integrated Child Health and Nutrition Programme	49
54	Singha Darbar Vaidyakhana Development Committee	28	Singha Darbar Vaidyakhana Development Committee	26	National Health Training Programme	39
55	Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital)	25	Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital)	19	Ministry of Health and Population	24

The Integrated District Health Programme secured the highest budget and spent the most (securing almost double the funds it was allocated in its budget) while the national health training programme had the highest level of budget absorption. On the other hand, the Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital) had the lowest budgets and expenditure while MoHP's central level functions had the lowest level of budget absorption. See Annex 15 for data on all 55 programmes.

4.14 Budget Allocation by Health MDGs

Millennium Development Goals (MDGs) 4 (reduce child mortality), 5 (improve maternal health) and 6 (combat HIV/AIDS, malaria, and other diseases) have helped to mobilize the government, EDPs and resources to accelerate action for a healthier Nepal. MoHP has categorised its activities under the three health MDGs and uploaded these categories into its e-AWPB to enable the disaggregation of budgets by the three MDGs. MoHP has allocated a similar proportion of its budget to each of the three MDGs (Figure 4.5). The highest amount went for MDG 5 in years 1, 2 and 4 of NHSP-2 while the highest amount went for MDG 6 in the third and fifth years. See Annex 16 for MoHP's budgeted amounts for the three health MDGs, for women-focussed programmes and for poverty reduction

Figure 4.5: Budget for the health MDGs in the NHSP-2 period (NPR billion)



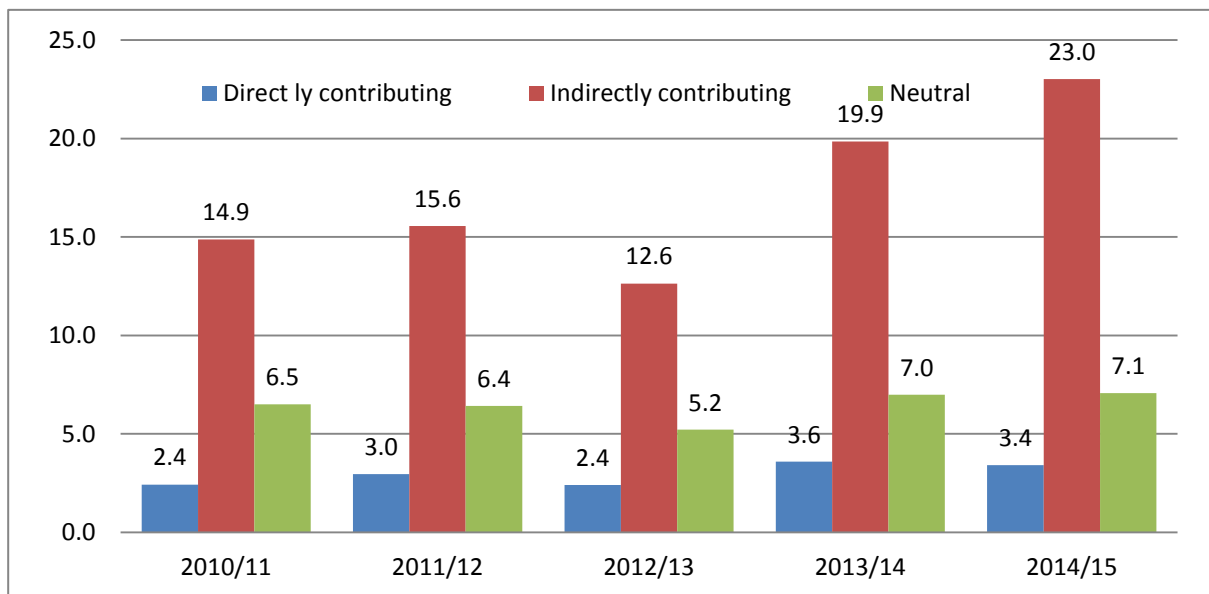
Source: MoHP 2010-2014

4.15 Budget Allocation for Women-Focussed Activities

The study analysed MoHP's budget by 'activities' that directly contribute, indirectly contribute and are neutral in terms of women's health. MoHP has classified its activities according to these three MoF/Red Book categories and uploaded this into its e-AWPB.

The largest proportion of budget has gone to the 'indirectly contributing' activities (Figure 4.6) as most of MoHP's budget is aimed at men and women and people of all ages and living in different geographies including for hospitals, disease control and disease prevention. This analysis took the Family Health Division and some other budgets as directly contributing to women's health.

Figure 4.6: MoHP's budget by contribution to women's health in NHSP-2 period (NPR billion)

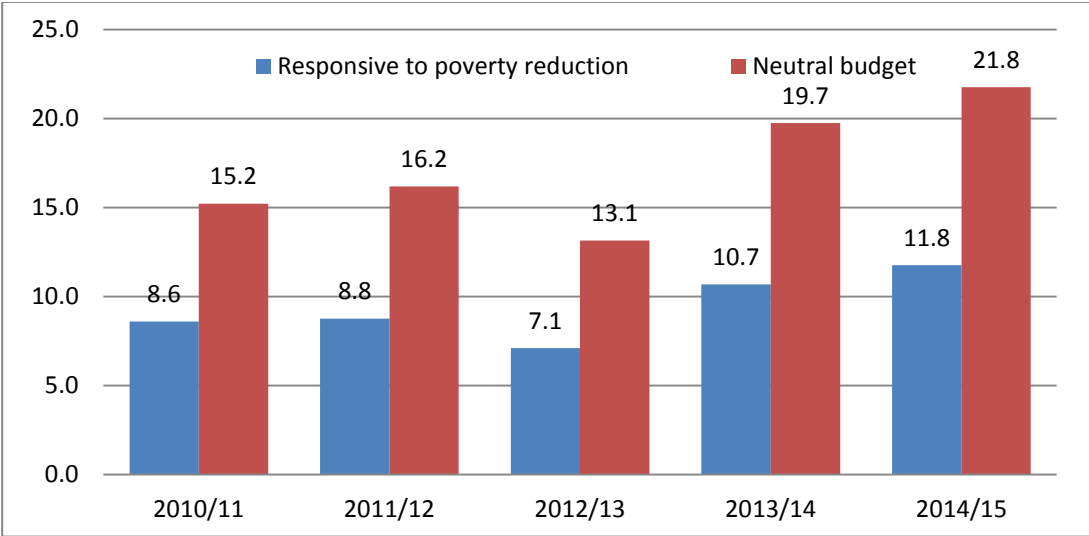


Source: Red Book 2010-2014

4.16 Budget Allocation by Poverty Reduction

This study looked at how MoHP's budget contributes to reducing poverty. MoHP defines the responsiveness of health programmes to poverty reduction in consultation with the National Planning Commission. Figure 4.7 shows that about one-third of MoHP's budget has been responsive to poverty reduction in all five years of NHSP-2, increasing from NPR 8.6 billion in the first year to NPR 11.8 in the fifth year. This just gives an indication and further work is needed to accurately define the proportion of MoHP's budget that reduces poverty.

Figure 4.7: MoHP budget by contribution to poverty reduction in NHSP-2 period



Source: Red Book 2010-2014

5 CONCLUSIONS AND WAYS FORWARD

5.1 Conclusions

The National Planning Commission (NPC), the Ministry of Finance (MoF), MoHP, and MoHP's departments and programmes units are responsible for MoHP's annual planning and budgeting process. NPC provides the budget ceiling. The within MoHP process sees the Policy Planning and International Cooperation Division (PPICD) reviewing the completed AWPB formats of all departments, divisions, centres and central hospitals. The PPICD also organises the JAR and four JCMs per year to seek the EDPs budgetary contribution. Priority actions from the aide-mémoire of the JAR and the JCMs are incorporated in the AWPB.

This analysis indicates that the principal of **Annularity** being used in budget preparation process in Nepal. However, there are no expenditure review practices within the fiscal year. In the absence of such periodic expenditure reviews ministry like MoHP has not been able to practice the budget surrender mechanism. As a result, MoHP reported as weak ministry in terms of budget absorption. Other equally important characteristics of budget preparation process is **Unity**. The unity demands that government agencies and other institutions that undertake government operations should presents a consolidated picture of these operations. However, the health sector budgets which are given to other line ministry has not been analysed as per the national outputs (outputs listed in NHSP-2). Third characteristics is **Universality** which needs a common funds to be allocated and spent according to the current priorities of the Government. This has also not been practices well in Nepal. The direct funds shown in Red Book has been very weakly reported in the expenditures and locally generated revenue by hospitals has never been included in the national health budgets.

Some districts submit health plans, but the DoHS divides them into sections relating to the different DoHS divisions and programmes as a result of which these plans are not reflected in MoHP's AWPB.

Trends in the NHSP-1 and NHSP-2 periods have been as follows:

- Per capita spending on health doubled in the NHSP-1 period in real terms but decreased during NHSP-2.
- The budget absorption rate progressively increased in the NHSP-1 period but fluctuated during NHSP-2. A major reason for low absorption was the political instability that led to delayed and partial budgets.
- In the NHSP-1 and NHSP-2 period the amount allocated for MoHP's budget increased four-fold from NPR 1.6 billion to NPR 4.5 billion. However:
 - the amount allocated for the recurrent budget went up more than for the capital budget, probably because salaries come under the recurrent budget; and
 - MoHP's budget decreased from 6.29% of the national budget in FY 2005/06 to 5.42% in 2014/15. The NHSP-2 document recommended that 10% of the national budget go to the health sector to achieve NHSP-2.
- Across the NHSP-2 period, about a half of all annual expenditure occurred in the third trimesters, raising the question of how health services have been delivered effectively with

the low funding levels in the first eight months of each fiscal year. More capital expenditure is needed.

- EDPs contributions increased significantly during NHSP-1 but increased only a little in NHSP-2. This could be due to lack of reporting of direct funding through MoHP's system.

The trends in the NHSP-2 period have been as follows:

- In the first year of NHSP-2, MoHP secured more budget than projected by NHSP-2's high case scenario; but in the second year the medium case scenario amount was secured while in the third year less than low case scenario budget. It was allocated less than the medium scenario amount in the fourth and fifth years. There has been only about a 10% average annual increase in MoHP's budget, which has hardly covered inflation.
- MoHP has been able to spend almost all its administrative budget but a lower proportion of its programme budget across the NHSP-2 period.
- The government increased its funding to MoHP from NPR 13.9 billion in FY 2010/11 to NPR 22 billion in FY 2014/15 while there was only a small increase in pooled and direct funds from EDPs. The latter may be due to under-reporting.
- Almost all budget allocated to the district level was spent in each fiscal year of NHSP-2. The expenditure of centrally allocated budget has been lower, probably due to weak procurement practices, delays in budget preparation and delays in providing expenditure authorisation.
- MoHP significantly increased its budgets for district hospitals in the NHSP-2 and grants to zonal and central level hospitals almost doubled. The absorption levels of these amounts have been very good.
- MoHP allocated 73% or more of its budget for EHCS across NHSP-2; and more than two thirds of its budget for Priority 1 programmes — but expenditure has been less than expected;
- Expenditure from capacity building budgets has been weak across the NHSP-2 period.
- The Integrated District Health Programme secured the highest amount of budget over NHSP-2 while the National Health Training Programme received the highest proportion of its budget and had the highest level of budget absorption.
- The highest proportion of budget was allocated for MDG-5 (maternal health) in years 1, 2 and 4 of NHSP-2 and for MDG 6 (combat HIV/AIDS, malaria, and other diseases) in years 3 and 5.

The following have been major issues affecting MoHP's AWPB in the NHSP-2 period:

- The frequently delayed approval of MoHP's final annual budget has led to funds being release late to spending units.
- FY 2012/13 was exceptional as the government made the budget based on the previous years' expenditure and the entire year passed without a full budget. This negatively seriously impacted the absorption of EDP funds by MoHP as less priority was given for programme implementation.
- MoHP developed and rolled out the TABUCS in the NHSP-2 period. It enables MoHP to properly and comprehensively capture its expenditure and to compare it with the budgeted

amounts and smooth the expenditure authorization process. This should help reduce future delays in fund flows.

The analysis found that the following issues need addressing by MoHP:

- the budget preparation process is insufficiently coordinated with the planning processes;
- the lack of formal involvement of MoHP's and DoHS's Finance Section during budget preparation and progress monitoring;
- MoHP lacks an investment strategy to guide decisions on the split between recurrent and capital allocations in the annual budget;
- the lack of guidelines on how line ministries budget for recurring costs;
- weak compliance with the budget calendar within the health sector; and
- MoHP does not know about finance and support in kind provided by INGOs and by some bilateral and multilateral donors, which therefore comes outside of MoHP's AWPBs.

5.2 The Ways Forward

MoHP's experiences during the NHSP-1 and NHSP-2 periods point to the following ways forward (see the bullet points) for MoHP to improve its planning and budgeting practices and its capacity to absorb its annual budget.

1. *Need for more output-based decision making* — MoHP needs to carry out more output-based decision-making and make more effective use of available resources through decentralised needs-based planning, budgeting and implementation.
 - Carry out an organisational review of the structure and functioning of MoHP and its entities.
2. *Budgeting-planning coordination* — The budget preparation process is insufficiently coordinated with the planning process. The use of expenditure status while preparing the following year's budget would improve the absorption capacity.
 - Formally involve MoHP's and DoHS's Finance Section in budget preparation and progress monitoring.
3. *Timely budget approval* — The delayed approval of most annual budgets has been the major challenge for the proper execution of health budgets. This delay has also contributed to some cost centres violating the financial rules and regulations for procurement. This ends up in lower absorptive capacity and weakens the negotiating capacity with MoF.
 - Introduce and implement adherence to a budget calendar.
4. *Proportion of national budget* — MoHP been unable to secure more than 7% of the national budget in the NHSP-1 and NHSP-2 periods.
 - MoHP should develop and implement a National Health Financing Strategy to identify and prioritise the funds required to deliver universal health coverage.
5. *Trimester-wise expenditure trend* — A too large proportion of annual expenditure occurs in the last four months of each year.
 - Prepare and implement annual budget implementation calendars.

6. *Absorption of EDP funds* — MoHP’s absorption of EDPs’ contributions has been weak. This could be due to the weak or lack of reporting of direct funds meaning they are not captured in government expenditure figures.
 - MoHP needs to incorporate the reporting of direct EDP funds in the TABUCS. This should lead on from MoHP-EDPs agreements under the Joint Financing Arrangement.
7. *Capital expenditure* — MoHP needs to improve its planning, budgeting and spending capacity. Most importantly, it needs to improve on capital expenditure, especially to funds the upgrading of all its SHPs to health posts.
 - MoHP needs to strengthen and institutionalise its purchasing function.
8. *Local revenue and expenditure* — There is no national mechanism to capture local revenues and expenditures that occur in health facilities.
 - Build the capacity of hospitals to capture local revenues and capture local resources in the TABUCs to give a more comprehensive picture of income and expenditure.
9. *Value for money:*
 - MoHP needs to develop a better understanding of the efficiency of its different programmes, and increase allocations towards the most cost-effective.
10. *GESI integration:*
 - The GESI focal persons of all divisions and centres need to ensure that activities for reaching underserved areas and unreached groups are identified and costed. All levels of technical working groups need to ensure that GESI is well addressed in all health sector plans and programmes.
11. *District allocations:*
 - MoHP should develop a standard budget allocation policy for the allocation of resources to districts by central units.
12. *Simplify processes:*
 - The Government and MoHP should simplify budgetary processes, rules and regulations for timelier budget execution and to increase the budget absorption rate.
13. *Performance based grants:*
 - Scale up the use of performance based grant agreements with hospitals.

ANNEX 1: PRIORITY PROGRAMMES INCLUDED IN NHSP-2

Year 1 — In the first year of NHSP-2 (FY 2010/11), MoHP prioritised the provision of essential health care services (EHCS) by providing selected essential drugs free of charge up to the level of primary health care centre (PHCC) facilities and under the Aama Programme. The following major priority areas were provided by NPC to MoHP:

- The continuation of free essential basic health care services.
- The continuation of upgrading sub-health posts into health posts and expanding the number of birthing centres.
- Continuation of programmes to alleviate child malnutrition.
- Continuation of antenatal and postnatal care incentives.
- Promotion of infant and maternal health and ensuring access to basic health services for poor and vulnerable ethnic groups.
- Model village health programme in districts that had suffered from diarrhoea and cholera epidemics.
- Integrated public health programmes in low human development index (HDI) districts.
- Promotion of natural and ayurvedic treatment focussing on research and training.
- Health insurance policy formulation and implementation.

Among all MoHP's programmes the following spent more in this fiscal year compared to the previous year (see details in Chapter 3):

- child health;
- population services;
- family health;
- hospitals;
- epidemiology and disease control; and
- the national training programme.

Year 2 — In FY 2011/12, MoHP continued to focus on EHCS, free care, child health, nutrition, the Aama Programme and the Safe Motherhood Programme. It implemented its electronic annual work plan and budgeting system (e-AWPB) from this year. And NPC 'provided' the following priority areas to MoHP:

- Continue upgrading sub-health posts into health posts and expand the number of birthing centres
- Introduce social health insurance to ensure social health protection.
- Strengthen birthing centres, including by implementing the Aama Programme.
- The National Nutrition Programme.
- The Measles–Rubella Campaign.
- The Tobacco Control Programme.
- The social auditing of health care provision.
- Community Based Newborn Care Programme (CB-NCP).

New national programmes included the Measles Rubella Campaign, the Tobacco Control Programme and social auditing. Analysis of the expenditure of this year shows that the following programmes secured relatively more spending in this year than the previous year (see details in Chapter 3).

- HIV/AIDS;
- strengthening laboratory services;
- Population programme;
- Leprosy Control Programme;
- Health promotion by the National Health Education, Information and Communication Centre (NHEICC);
- Tuberculosis programme; and
- Child health with a focus on CB-NCP.

Year 3 — In FY 2012/13, MoHP maintained most of the priority programmes from the previous year. Since only expenditure equivalent to the previous year (in terms of amounts and programmes) was authorised no priority areas were set by NPC. MoHP established 5 social service units in the selected hospitals. The SSUs are a part of ensuring that the poorest have access to free health care that they are entitled.

The following programmes secured relatively more spending than the rest of the programmes in FY 2012/13 in comparison to the previous year (see details in Chapter 3).

- epidemiology and disease control;
- drugs and equipment supply;
- tuberculosis control;
- HIV/AIDS; and
- District hospitals

Year 4 — In FY 2013/14 MoHP continued its focus on EHCS, free care, child health, nutrition, the Aama Programme and the Safe Motherhood Programme. MoHP made some progress on clarifying the concept of the National Social Health Insurance Programme. This was the first year where MoHP could see its budget and expenditure by organogram, programme, activities and geographical areas. NPC provided the following priority areas:

- *Sunaulo Hazar Din* (Community Action for Nutrition Project).
- Implementing the National Social Health Insurance Programme.
- Providing nayano jhola (warm clothes) for new babies.
- Free treatment of heart disease for patients less than 15 years old and more than 75 years old.
- Expansion of kidney dialysis services in regional hospitals.
- Upgrading 500 sub-health posts to health posts.

In the priority list from NPC most of the priority programmes were similar to previous fiscal years. The new programmes included Sunaulo Hazar Din, Nayano Jhola, the free treatment of heart and expansion of dialysis services.

The following programmes secured relatively more spending than rest of the programmes in FY 2013/14 as compared to the previous year (see details in Chapter 3) — population, hospital services, NHEICC, leprosy and strengthening laboratory services

The analysis of the expenditure of the programme shows that there was no clear link between priority programmes and their expenditure in very fiscal year.

Year 5 — In FY 2014/15 MoHP continued its focus on EHCS, free care, child health, nutrition, the Aama Programme and Safe Motherhood Programme. This year MoHP has given high priority to implementing the National Social Health Programme and upgrading sub-health post to health posts to make more skilled trained health workers available to more households.

The major priority areas from NPC for FY 2014/2015 are:

- village portable ultrasound programme in Solukhumbu;
- screening and treatment for uterine prolapse and obstetrics fistula for 5,000 women;
- provision of airlifting complicated delivery cases from remote areas;
- medicated bed nets for malaria control;
- expansion of laboratory services to health post level;
- National Social Health Insurance Programme;
- multi-sectoral nutrition programme; and
- Upgrading 2200 sub-health posts to health posts.

In FY 2014/15 the following programmes secured relatively high increase in budget than the previous year.¹

- The national training programme.
- Health building construction and maintenance.
- The Department of Drugs Administration (DDA) for strengthening its laboratories.
- The Leprosy Control Programme.
- The child health programme.

¹ Budget figures only given here as expenditure figures not yet available.

Annex 2: Administration and Programme-wise Expenditure, First Half 2014/15 (million NPR)

MoHP expenditure during first half of the fifth year of NHSP-2 — mid-July 2014 to mid-January 2015

	Programme heading	Capital			Recurrent			Total
		GoN	EDPs	Total	GoN	EDPs	Total	
Administration								
1	Ministry of Health and Population	-	-	-	28	-	28	28
2	Department of Health Services	-	-	-	47	-	47	47
3	Regional Health Directorates	-	-	-	35	-	35	35
4	Primary Health Service (Public Health Office, Health Centre, HP and SHP)	-	-	-	2,910	-	2,910	2,910
5	Health Training Centre - including Regional and Sub-regional	-	-	-	22	-	22	22
6	Regional and Zonal Hospitals	-	-	-	422	-	422	422
7	Hospitals (below zonal level)	-	-	-	336	-	336	336
8	Department of Drug Administration (G)	2	-	2	18	-	18	20
9	Department of Ayurveda	-	-	-	6	-	6	6
10	Ayurveda Hospitals / Aushadhalayas	-	-	-	203	-	203	203
11	Ayurveda Clinics	-	-	-	-	-	-	-
12	Pasupati Homeopathic Hospital and Unani Clinics	-	-	-	4	-	4	4
Programme								
13	National Population Programme	-	-	-	7	3	10	10
14	National Academy of Medical Sciences - including Bir Hospital	-	-	-	397	-	397	397
15	Kanti Children Hospital	-	-	-	89	-	89	89
16	Sukraraj Tropical and Infectious Disease Hospital	-	-	-	41	-	41	41
17	Paropakar Maternity Hospital	-	-	-	156	-	156	156
18	Nepal Eye Hospital	-	-	-	13	-	13	13
19	BP Koirala Memorial Cancer Hospital	-	-	-	101	-	101	101
20	Manamohan Cardiovascular Centre	-	-	-	1	135	137	137
21	Sahid Ganga Lal National Heart Centre	-	-	-	232	-	232	232
22	BP Koirala Institute of Health Sciences, Dharan	-	-	-	303	-	303	303
23	Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital)	-	-	-	-	-	-	-
24	Suresh Wagle Memorial Cancer Centre (T.U. Teaching Hospital)	-	-	-	143	-	143	143
25	National Tuberculosis Control Programme	0	-	0	31	-	31	31
26	National AIDS and STD Control Programme	-	-	-	5	63	69	69
27	Integrated Reproductive Health and Women's Health Program	-	-	-	4	2	5	5
28	Integrated Child Health and Nutrition Programme	17	2	19	71	1	72	91
29	Integrated Child Health and Nutrition Programme	-	-	-	-	-	-	-
30	Avian Flu Prevention and Control Programme	-	-	-	-	-	-	-
31	Epidemiology, Malaria and Kala-azar Control and	-	-	-	2	1	3	3

	Programme heading	Capital			Recurrent			Total
		GoN	EDPs	Total	GoN	EDPs	Total	
	Natural Disaster							
32	Leprosy Control Programme	-	-	-	1	-	1	1
33	Drugs and Equipment Supply Programme	-	94	94	1	18	19	113
34	Hospital Construction, Maintenance and Management Information System	-	-	-	242	0	242	242
35	National Health Education, Information and Communication Centre	0	-	0	8	1	9	9
36	National Health Training Programme	0	-	0	36	1	37	37
37	Vector Borne Disease Control Research and Training Centre	-	-	-	4	-	4	4
38	Health Laboratory Services	3	0	3	21	11	33	36
39	Health Tax Supported Programme	-	-	-	263	-	263	263
40	Ayurved Hospital, Naradevi	-	-	-	-	-	-	-
41	Miscellaneous Programme - Department of Ayurveda	-	-	-	1	-	1	1
42	Singha Darbar Vaidyakhana Development Committee	-	-	-	4	-	4	4
43	BP Koirala Centre for Lions Ophthalmic Studies	-	-	-	24	-	24	24
44	Nepal Netra Jyoti Shangha	-	-	-	15	-	15	15
45	Nepal Health Research Council	-	-	-	13	-	13	13
46	Monitoring, Evaluation and Planning Strengthening Programme	2	-	2	307	-	307	309
47	Primary Health Care Revitalization Programme	-	-	-	0	6	7	7
48	Village Community Public Health, Basic Health and Model Health Village	-	-	-	3	-	3	3
49	Karnali Academy of Health Science	-	-	-	66	-	66	66
50	Patan Academy of Health Science	-	-	-	44	-	44	44
51	Human Body Transplant Centre	-	-	-	50	-	50	50
52	Rural Health Development Programme-Ramechhap, etc	-	-	-	-	-	-	-
53	National Health Education, Information and Communication Services	1	-	1	3	9	12	12
54	National Health Training Programme (D)	-	-	-	1	-	1	1
55	Integrated District Health Programme	75	291	366	489	330	819	1,185
56	National Tuberculosis Control Programme (District Level)	0	-	0	30	5	35	35
57	Ayurved Services Program	7	-	7	29	-	29	36
	Total	107	387	494	7,283	587	7,870	8,365

Annex 3: Nepal's Macroeconomic Indicators for NHSP-1 and 2 Periods

Macroeconomic data for the five years of NHSP-1 and the first four years of NHSP-2

Fiscal Year	Gross domestic product (NPR million)	Gross national income (NPR million)	Population	Dollar: NPR exchange rate	MoHP budget (NPR million)	MoHP expenditure (NPR million)
2005/06 (2062/63)	654,084	659,040	24,766,620	72.3	7,555	5,745
2006/07 (2063/64)	727,827	735,259	25,102,938	70.5	9,230	7,441
2007/08 (2064/65)	815,658	823,605	25,443,823	65.0	12,099	9,844
2008/09 (2065/66)	988,272	1,000,021	25,789,337	76.9	14,946	12,693
2009/10 (2066/67)	1,192,774	1,201,891	26,139,543	74.5	17,840	15,914
2010/11 (2067/68)	1,366,954	1,374,503	26,494,504	72.3	23,814	18,175
2011/12 (2068/69)	1,527,344	1,374,503	26,873,066	81.0	24,935	20,240
2012/13 (2069/70)	1,692,643	1,374,503	27,257,347	88.0	20,240	19,049
2013/14 (2070/71)*	1,928,517	1,374,503	27,646,053	99.1	30,432	22,231

Annex 4: Absorption of MoHP Budget by Programme Heads (%) First 4 Years of NHSP-2

	Description	2010/11	2011/12	2012/13	2013/14
1	Ministry of Health and Population	54	89	8	87
2	Department of Health Services	107	138	100	105
3	Regional Health Directorates	64	77	101	82
4	Primary Health Service (Public Health Office, Health Centre, HP and SHP)	93	99	101	88
5	Health Training Centre - including Regional and Sub-regional	82	103	98	97
6	Regional and Zonal Hospitals	97	117	134	116
7	Hospitals (below zonal level)	105	128	97	102
8	Department of Drug Administration (G)	83	94	112	94
9	Department of Ayurveda	95	132	96	74
10	Ayurveda Hospitals / Aushadhalayas	88	114	101	70
11	Ayurveda Clinics	91			
12	Pasupati Homeopathic Hospital and Unani Clinics	88	103	94	96
13	National Population Programme	79	63	63	64
14	National Academy of Medical Sciences - including Bir Hospital	76	79	151	119
15	Kanti Children Hospital	85	85	140	114
16	Sukraraj Tropical and Infectious Disease Hospital	100	96	180	93
17	Paropakar Maternity Hospital	89	96	145	100
18	Nepal Eye Hospital	100	100	100	95
19	BP Koirala Memorial Cancer Hospital	6	2	100	185
20	Manamohan Cardiovascular Centre	97	100	100	100
21	Sahid Ganga Lal National Heart Centre	106	100	100	118
22	BP Koirala Institute of Health Sciences, Dharan	100	100	100	126
23	Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital)	97	53	91	47
24	Suresh Wagle Memorial Cancer Centre (T.U. Teaching Hospital)	99	95	100	100
25	National Tuberculosis Control Programme	90	41	77	39
26	National AIDS and STD Control Programme	50	50	72	50
27	Integrated Reproductive Health and Women's Health Program	61	69	69	39
28	Integrated Child Health and Nutrition Programme	86	62	64	41
29	Integrated Child Health and Nutrition Programme	49			
30	Avian Flu Prevention and Control Programme	54			
31	Epidemiology, Malaria and Kala-azar Control and Natural Disaster	54	60	146	38
32	Leprosy Control Programme	58	88	80	73
33	Drugs and Equipment Supply Programme	44	53	126	68
34	Hospital Construction, Maintenance and Management Information System	55	71	78	28

	Description	2010/11	2011/12	2012/13	2013/14
35	National Health Education, Information and Communication Centre	81	95	68	35
36	National Health Training Programme	29	30		51
37	Vector Borne Disease Control Research and Training Centre	81	71	151	82
38	Health Laboratory Services	99	96	134	76
39	Health Tax Supported Programme	100	100	201	88
40	Miscellaneous Programme - Department of Ayurveda	93	79	99	20
41	Singha Darbar Vaidyakhana Development Committee	100	105	133	63
42	BP Koirala Centre for Lions Ophthalmic Studies	100	100	100	100
43	Nepal Netra Jyoti Shangha	100	100	100	100
44	Nepal Health Research Council	70	81	100	95
45	Monitoring, Evaluation and Planning Strengthening Programme	60	58	121	75
46	Primary Health Care Revitalization Programme	101	99	97	75
47	Village Community Public Health, Basic Health and Model Health Village		67	98	85
48	Karnali Academy of Health Science				100
49	Patan Academy of Health Science				100
50	Rural Health Development Programme-Ramechhap, etc	105	115		
51	National Health Education, Information and Communication Services	97	97	98	26
52	National Health Training Programme (D)	289	178	96	424
53	Integrated District Health Programme	74	82	87	76
54	National Tuberculosis Control Programme (District Level)	66	97	98	66
55	Ayurved Services Programme		79	97	89
	Total	76	81	94	75

Annex 5: MoHP Expenditure by Type (in million NPR)

MoHP expenditure from capital (Cap) and recurrent (Recurr) budgets for last year of NHSP-1 and first four years of NHSP-2

		2009/10			2010/11			2011/12			2012/13			2013/14		
Programme head		Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total
Administration																
1	Ministry of Health and Population	-	29	29	-	30	30	-	42	42	-	41	41	-	47	47
2	Department of Health Services	-	39	39	-	41	41	-	52	52	-	52	52	-	68	68
3	Regional Health Directorates	-	42	42	-	42	42	-	53	53	-	53	53	-	65	65
4	Primary Health Service (Public Health Office, Health Centre, HP and SHP)	7	3,569	3,576	7	3,660	3,667	8	4,441	4,448	4	4,367	4,371	2	5,464	5,466
5	Health Training Centre - including Regional and Sub-regional	-	21	21	-	22	22	-	27	27	-	26	26	-	34	34
6	Regional and Zonal Hospital	10	652	663	10	597	606	-	727	727	-	715	715	-	818	818
7	Hospitals (below zonal level)	5	372	377	2	414	416	3	511	514	2	491	493	6	649	655
8	Department of Drug Administration	3	27	31	3	30	33	2	34	36	1	33	35	11	42	52
9	Department of Ayurveda	-	6	6	-	7	7	-	10	10	-	10	10	-	10	10
10	Ayurveda Hospitals/Aushadhalayas	-	19	19	-	33	33	-	323	323	-	319	319	-	402	402
11	Ayurveda Clinics	-	223	223	-	230	230	-	-	-	-	-	-	-	-	-
12	Pasupati Homeopathic Hospital and Unani Clinics	2	6	8	2	6	9	2	9	10	1	8	9	2	10	12
Programme																
13	National Population Programme	0	10	11	0	16	17	3	26	28	1	11	12	1	58	59
14	National Academy of Medical Sciences - including Bir Hospital	-	424	424	-	404	404	-	439	439	-	434	434	-	594	594
15	Kanti Children Hospital	-	99	99	-	164	164	-	125	125	-	132	132	-	168	168
16	Sukraraj Tropical and Infectious Disease Hospital	-	41	41	-	46	46	-	58	58	-	78	78	-	102	102
17	Paropakar Maternity Hospital	-	142	142	-	136	136	-	161	161	-	158	158	-	234	234
18	Nepal Eye Hospital	-	26	26	-	24	24	-	26	26	-	15	15	-	26	26
19	BP Koirala Memorial Cancer Hospital	-	6	6	-	6	6	-	1	1	-	51	51	-	196	196

		2009/10			2010/11			2011/12			2012/13			2013/14		
	Programme head	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total
20	Manamohan Cardiovascular Centre	-	86	86	-	93	93	-	89	89	-	44	44	-	134	134
21	Sahid Ganga Lal National Heart Centre	-	245	245	-	256	256	-	259	259	-	260	260	-	450	450
22	BP Koirala Institute of Health Sciences, Dharan	-	169	169	-	230	230	-	230	230	-	315	315	-	430	430
23	Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital)	-	3	3	-	10	10	-	5	5	-	2	2	-	1	1
24	Suresh Wagle Memorial Cancer Centre (T.U. Teaching Hospital)	-	11	11	-	50	50	-	10	10	-	55	55	-	280	280
25	National Tuberculosis Control Programme	15	371	386	12	478	490	11	369	380	16	483	499	48	456	504
26	National AIDS and STD Control Programme	11	111	122	12	135	148	8	324	333	3	432	435	7	399	406
27	Integrated Reproductive Health and Women's Health Program	7	295	302	23	451	475	57	501	559	59	282	341	65	250	314
28	Integrated Child Health and Nutrition Programme	4	925	929	5	899	904	20	1,220	1,240	25	1,112	1,137	81	664	745
29	Integrated Child Health and Nutrition Programme	6	167	173	4	310	314	-	-	-	-	-	-	-	-	-
30	Avian Flu Prevention and Control Programme	4	54	57	90	69	159	-	-	-	-	-	-	-	-	-
31	Epidemiology, Malaria and Kala-azar Control and Natural Disaster	2	139	141	0	199	200	0	211	211	-	366	366	0	174	174
32	Leprosy Control Programme	-	15	15	-	10	10	-	15	15	-	12	12	0	19	19
33	Drugs and Equipment Supply Programme	59	771	830	165	689	854	39	465	504	296	558	854	293	436	730
34	Hospital Construction, Maintenance and Management Information System	36	90	125	18	89	107	20	97	117	4	61	65	4	66	70
35	National Health Education, Information and Communication Centre	0	55	55	0	61	61	1	87	88	0	79	79	0	134	134
36	National Health Training Programme	-	60	60	-	45	45	-	46	46	-	-	-	3	121	124
37	Vector Borne Disease Control Research and Training Centre	0	13	13	1	12	12	-	10	10	-	10	10	-	14	14
38	Health Laboratory Services	15	29	44	9	35	44	37	51	88	43	47	90	76	64	140
39	Health Tax Supported Programme	-	400	400	-	431	431	-	398	398	-	400	400	-	354	354
40	Ayurved Hospital, Naradevi	-	11	11	-	-	-	-	-	-	-	-	-	-	-	-

	Programme head	2009/10			2010/11			2011/12			2012/13			2013/14		
		Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total
41	Miscellaneous Programme - Department of Ayurveda	85	68	153	85	98	184	1	36	37	1	30	31	29	12	41
42	Singha Darbar Vaidyakhana Development Committee	-	4	4	-	6	6	-	8	8	-	6	6	-	7	7
43	BP Koirala Centre for Lions Ophthalmic Studies	-	8	8	-	30	30	-	31	31	-	16	16	-	32	32
44	Nepal Netra Jyoti Shangha	-	35	35	-	54	54	-	60	60	-	30	30	-	62	62
45	Nepal Health Research Council	8	23	31	-	23	23	-	30	30	-	18	18	-	37	37
46	Monitoring, Evaluation and Planning Strengthening Programme	4	446	449	44	719	763	56	812	868	8	1,101	1,109	190	1,277	1,467
47	Primary Health Care Revitalization Programme	-	-	-	3	417	420	2	546	548	1	521	522	1	393	394
48	Village Community Public Health, Basic Health and Model Health Village	-	-	-	-	-	-	-	138	138	-	79	79	-	17	17
49	Karnali Academy of Health Science	-	-	-	-	-	-	-	-	-	-	-	-	-	84	84
50	Patan Academy of Health Science	-	-	-	-	-	-	-	-	-	-	-	-	-	60	60
51	Human Body Transplant Centre	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	Rural Health Development Programme-Ramechhap, etc	-	68	68	-	70	70	-	76	76	-	-	-	-	-	-
53	National Health Education, Information and Communication Services	1	60	61	3	60	63	3	79	82	2	45	46	3	91	94
54	National Health Training Programme (D)	3	116	119	28	131	159	4	99	103	2	85	87	1	48	49
55	Integrated District Health Programme	1,858	3,082	4,940	2,533	2,949	5,482	2,920	3,399	6,318	2,240	2,689	4,929	2,042	4,090	6,132
56	National Tuberculosis Control Programme (District Level)	-	89	89	8	89	97	12	125	137	3	100	103	1	108	109
57	Ayurved Services Program	-	-	-	-	-	-	63	81	143	49	59	109	67	174	241
	Grand Total	2,145	13,769	15,914	3,066	15,109	18,175	3,270	16,970	20,240	2,761	16,288	19,049	2,930	19,922	22,852

Annex 6: MoHP Budget and Expenditure by Admin. and Programme Budgets (in million NPR)

MoHP budgets and expenditure for last year of NHSP-1 and first four years of NHSP-2

	Description	2009/10		2010/11		2011/12		2012/13		2013/14		2014/15	
		Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.*
Administration													
1	Ministry of Health and Population	233	29	57	30	47	42	522	41	55	47	64	19
2	Department of Health Services	35	39	38	41	38	52	52	52	65	68	117	29
3	Regional Health Directorates	57	42	66	42	69	53	53	53	79	65	62	25
4	Primary Health Service (Public Health Office, Health Centre, HP and SHP)	2,924	3,576	3,946	3,667	4,472	4,448	4,332	4,371	6,226	5,466	6,193	1,961
5	Health Training Centre - including Regional & Sub-regional	23	21	27	22	26	27	27	26	35	34	45	15
6	Regional and Zonal Hospital	700	663	623	606	623	727	534	715	706	818	705	289
7	Hospitals (below zonal level)	332	377	395	416	403	514	509	493	639	655	822	219
8	Department of Drug Administration	34	31	39	33	38	36	31	35	56	52	117	14
9	Department of Ayurveda	6	6	7	7	8	10	10	10	14	10	14	3
10	Ayurveda Hospitals/ Aushadhalayas	22	19	38	33	284	323	316	319	572	402	501	140
11	Ayurveda Clinics	207	223	252	230	0	0	0	0	0	0	0	0
12	Pasupati Homeopathic Hospital and Unani Clinics	9	8	10	9	10	10	9	9	12	12	13	2
Programm													
13	National Population Programme	23	11	21	17	45	28	19	12	92	59	97	10

	Description	2009/10		2010/11		2011/12		2012/13		2013/14		2014/15	
		Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.*
14	National Academy of Medical Sciences - including Bir Hospital	357	424	533	404	553	439	286	434	498	594	543	258
15	Kanti Children Hospital	140	99	192	164	147	125	94	132	147	168	154	49
16	Sukraraj Tropical and Infectious Disease Hospital	38	41	46	46	61	58	43	78	109	102	114	20
17	Paropakar Maternity Hospital	143	142	153	136	169	161	109	158	234	234	246	75
18	Nepal Eye Hospital	26	26	24	24	26	26	15	15	27	26	29	0
19	BP Koirala Memorial Cancer Hospital	6	6	106	6	51	1	51	51	106	196	561	0
20	Manamohan Cardiovascular Centre	86	86	96	93	89	89	44	44	134	134	171	0
21	Sahid Ganga Lal National Heart Centre	205	245	241	256	259	259	260	260	380	450	400	115
22	BP Koirala Institute of Health Sciences, Dharan	100	169	230	230	230	230	315	315	340	430	450	146
23	Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital)	10	3	10	10	10	5	3	2	2	1	2	0
24	Suresh Wagle Memorial Cancer Centre (T.U. Teaching Hospital)	11	11	50	50	10	10	55	55	280	280	294	0
25	National Tuberculosis Control Programme	437	386	545	490	931	380	651	499	1,281	504	1,268	17
26	National AIDS and STD Control Programme	144	122	293	148	660	333	603	435	814	406	934	60
27	Integrated Reproductive Health and Women's Health Program	676	302	783	475	809	559	492	341	801	314	443	0
28	Integrated Child Health and Nutrition Programme	941	929	1,052	904	2,009	1,240	1,763	1,137	1,831	745	2,491	7
29	Integrated Child Health and Nutrition Programme	282	173	647	314	0	0	0	0	0	0	0	0

	Description	2009/10		2010/11		2011/12		2012/13		2013/14		2014/15	
		Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.*
30	Avian Flu Prevention and Control Programme	196	57	294	159	0	0	0	0	0	0	0	0
31	Epidemiology, Malaria and Kala-azar Control and Natural Disaster	300	141	369	200	349	211	251	366	462	174	570	0
32	Leprosy Control Programme	14	15	17	10	17	15	15	12	26	19	40	0
33	Drugs and Equipment Supply Programme	1,291	830	1,937	854	946	504	675	854	1,073	730	786	0
34	Hospital Construction, Maintenance and Management Information System	252	125	196	107	164	117	83	65	250	70	527	164
35	National Health Education, Information and Communication Centre	57	55	76	61	92	88	116	79	382	134	172	6
36	National Health Training Programme	180	60	155	45	153	46	0	0	243	124	231	14
37	Vector Borne Disease Control Research and Training Centre	14	13	15	12	13	10	6	10	16	14	18	3
38	Health Laboratory Services	50	44	45	44	92	88	67	90	185	140	218	21
39	Health Tax Supported Programme	400	400	431	431	400	398	199	400	400	354	400	100
40	Ayurved Hospital, Naradevi	12	11	0	0	0	0	0	0	0	0	0	0
41	Miscellaneous Programme - Department of Ayurveda	173	153	198	184	46	37	31	31	208	41	83	1
42	Singha Darbar Vaidyakhana Development Committee	4	4	6	6	8	8	5	6	11	7	11	0
43	BP Koirala Centre for Lions Ophthalmic Studies	8	8	30	30	31	31	16	16	32	32	33	0
44	Nepal Netra Jyoti Shangha	35	35	54	54	60	60	30	30	62	62	64	15
45	Nepal Health Research Council	43	31	33	23	38	30	18	18	39	37	41	0

	Description	2009/10		2010/11		2011/12		2012/13		2013/14		2014/15	
		Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.*
46	M&E and Planning Strengthening Programme	602	449	1,273	763	1,493	868	917	1,109	1,957	1,467	3,539	8
47	Primary Health Care Revitalization Programme	0	0	416	420	554	548	540	522	523	394	500	0
48	Village Community Public Health, Basic Health and Model Health Village	0	0	0	0	207	138	80	79	20	17	113	0
49	Karnali Academy of Health Sciences	0	0	0	0	0	0	0	0	84	84	100	34
50	Patan Academy of Health Science	0	0	0	0	0	0	0	0	60	60	63	0
51	Human Body Transplant Centre	0	0	0	0	0	0	0	0	0	0	120	43
52	Rural Health Development Programme-(Ramechhap etc)	72	68	67	70	67	76	0	0	0	0	0	0
53	National Health Education, Information and Communication Services	65	61	65	63	84	82	47	46	364	94	126	0
54	National Health Training Programme (D)	79	119	55	159	58	103	91	87	12	49	53	0
55	Integrated District Health Programme	5,698	4,940	7,415	5,482	7,665	6,318	5,639	4,929	8,055	6,132	8,356	127
56	National Tuberculosis Control Programme (District Level)	94	89	146	97	141	137	106	103	164	109	167	3
57	Ayurved Services Program	0	0	0	0	182	143	112	109	270	241	334	1
	Total	17,840	15,914	23,814	18,175	24,935	20,240	20,240	19,049	30,432	22,852	33,517	4,014

Note: * First trimester only

Annex 7: MoHP Budget by Type (Capital, Recurrent and Total in million NPR)

Capital (Cap), recurrent (Recurr) and total MoHP budgets for last year of NHSP-1 and five years of NHSP-2

		2009/10			2010/11			2011/12			2012/13			2013/14			2014/15		
	Programme head	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total
	Administration																		
1	Ministry of Health and Population	-	233	233	-	57	57	-	47	47	-	522	522	-	55	55	-	64	64
2	Department of Health Services	-	35	35	-	38	38	-	38	38	-	52	52	-	65	65	-	117	117
3	Regional Health Directorates	-	57	57	-	66	66	-	69	69	-	53	53	-	79	79	-	62	62
4	Primary Health Service (Public Health Office, Health Centre, HP and SHP)	8	2,916	2,924	8	3,938	3,946	8	4,464	4,472	4	4,328	4,332	2	6,224	6,226	-	6,193	6,193
5	Health Training Centre - including Regional and Sub-regional	-	23	23	-	27	27	-	26	26	-	27	27	-	35	35	-	45	45
6	Regional and Zonal Hospital	160	540	700	50	573	623	50	573	623	-	534	534	-	706	706	-	705	705
7	Hospitals (below zonal level)	25	306	332	4	391	395	3	399	403	2	507	509	6	633	639	-	822	822
8	Department of Drug Administration	4	30	34	3	36	39	2	36	38	1	30	31	8	48	56	65	52	117
9	Department of Ayurveda	-	6	6	-	7	7	-	8	8	-	10	10	-	14	14	-	14	14
10	Ayurveda Hospitals / Aushadhalayas	-	22	22	3	35	38	1	283	284	-	316	316	-	572	572	-	501	501
11	Ayurveda Clinics	-	207	207	-	252	252	-	-	-	-	-	-	-	-	-	-	-	-
12	Pasupati Homeopathic Hospital and Unani Clinics	2	7	9	2	7	10	2	8	10	1	8	9	2	10	12	2	10	13
	Programme																		
13	National Population Programme	1	22	23	1	21	21	1	45	45	1	18	19	1	91	92	1	95	97
14	National Academy of Medical Sciences - including Bir Hospital	107	250	357	138	395	533	138	415	553	-	286	286	-	498	498	-	543	543
15	Kanti Children Hospital	50	90	140	95	97	192	35	112	147	-	94	94	-	147	147	-	154	154
16	Sukraraj Tropical and Infectious Disease Hospital	2	36	38	5	40	46	11	50	61	-	43	43	-	109	109	-	114	114

	Programme head	2009/10			2010/11			2011/12			2012/13			2013/14			2014/15		
		Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total
17	Paropakar Maternity Hospital	50	93	143	63	90	153	60	109	169	-	109	109	-	234	234	-	246	246
18	Nepal Eye Hospital	12	15	26	10	14	24	10	16	26	-	15	15	-	27	27	-	29	29
19	BP Koirala Memorial Cancer Hospital	-	6	6	100	6	106	50	1	51	-	51	51	100	6	106	-	561	561
20	Manamohan Cardiovascular Centre	86	-	86	86	10	96	76	13	89	-	44	44	-	134	134	-	171	171
21	Sahid Ganga Lal National Heart Centre	67	138	205	70	171	241	63	197	259	-	260	260	-	380	380	-	400	400
22	BP Koirala Institute of Health Sciences, Dharan	70	30	100	200	30	230	200	30	230	-	315	315	-	340	340	-	450	450
23	Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital)	10	0	10	10	0	10	10	0	10	-	3	3	-	2	2	-	2	2
24	Suresh Wagle Memorial Cancer Centre (T.U. Teaching Hospital)	10	1	11	50	0	50	10	0	10	-	55	55	280	-	280	-	294	294
25	National Tuberculosis Control Programme	18	419	437	57	488	545	162	769	931	123	529	651	202	1,079	1,281	290	979	1,268
26	National AIDS and STD Control Programme	11	133	144	24	269	293	10	650	660	18	585	603	10	804	814	6	928	934
27	Integrated Reproductive Health and Women's Health Program	65	611	676	181	602	783	153	656	809	59	433	492	142	659	801	112	332	443
28	Integrated Child Health and Nutrition Programme	11	930	941	33	1,019	1,052	37	1,972	2,009	147	1,616	1,763	188	1,643	1,831	121	2,370	2,491
29	Integrated Child Health and Nutrition Programme	10	272	282	73	574	647	-	-	-	-	-	-	-	-	-	-	-	-
30	Avian Flu Prevention and Control Programme	75	121	196	88	206	294	-	-	-	-	-	-	-	-	-	-	-	-
31	Epidemiology, Malaria and Kala-azar Control and Natural Disaster	28	272	300	19	350	369	8	341	349	0	251	251	14	448	462	18	551	570
32	Leprosy Control Programme	-	14	14	-	17	17	-	17	17	-	15	15	0	26	26	11	30	40
33	Drugs and Equipment Supply Programme	268	1,022	1,291	505	1,432	1,937	318	628	946	248	427	675	540	533	1,073	370	416	786

		2009/10			2010/11			2011/12			2012/13			2013/14			2014/15		
	Programme head	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total
34	Hospital Construction, Maintenance and Management Information System	90	161	252	31	165	196	35	129	164	15	68	83	26	224	250	17	510	527
35	National Health Education, Information and Communication Centre	0	57	57	0	75	76	1	92	92	0	116	116	0	381	382	1	171	172
36	National Health Training Programme	4	176	180	28	127	155	6	147	153	-	-	-	8	235	243	13	217	231
37	Vector Borne Disease Control Research and Training Centre	0	14	14	1	15	15	1	13	13	-	6	6	-	16	16	-	18	18
38	Health Laboratory Services	15	35	50	10	35	45	37	54	92	23	44	67	115	70	185	120	98	218
39	Health Tax Supported Programme	-	400	400	-	431	431	-	400	400	-	199	199	-	400	400	-	400	400
40	Ayurved Hospital, Naradevi	2	10	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Miscellaneous Programme - Department of Ayurveda	98	75	173	94	104	198	2	45	46	1	30	31	163	45	208	34	49	83
42	Singha Darbar Vaidyakhana Development Committee	1	3	4	5	1	6	4	3	8	-	5	5	-	11	11	-	11	11
43	BP Koirala Centre for Lions Ophthalmic Studies	7	1	8	30	0	30	30	1	31	-	16	16	-	32	32	-	33	33
44	Nepal Netra Jyoti Shangha	-	35	35	-	54	54	-	60	60	-	30	30	-	62	62	-	64	64
45	Nepal Health Research Council	20	23	43	10	23	33	10	28	38	-	18	18	-	39	39	-	41	41
46	M&E and Planning Strengthening Programme	211	391	602	794	480	1,273	514	979	1,493	10	907	917	257	1,701	1,957	11	3,527	3,539
47	Primary Health Care Revitalization Programme	-	-	-	107	308	416	2	552	554	1	539	540	1	522	523	-	500	500
48	Village Community Public Health, Basic Health and Model Health Village	-	-	-	-	-	-	-	207	207	-	80	80	-	20	20	-	113	113
49	Karnali Academy of Health Science	-	-	-	-	-	-	-	-	-	-	-	-	-	84	84	-	100	100
50	Patan Academy of Health Science	-	-	-	-	-	-	-	-	-	-	-	-	-	60	60	-	63	63
51	Human Body Transplant Centre	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	120	120

		2009/10			2010/11			2011/12			2012/13			2013/14			2014/15		
	Programme head	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total	Cap	Recurr	Total
52	Rural Health Development Programme-(Ramechhap, etc)	-	72	72	-	67	67	-	67	67	-	-	-	-	-	-	-	-	-
53	National Health Education, Information and Communication Services	2	63	65	3	62	65	3	81	84	2	46	47	3	361	364	4	122	126
54	National Health Training Programme (D)	-	79	79	-	55	55	-	58	58	2	88	91	1	11	12	2	51	53
55	Integrated District Health Programme	2,116	3,582	5,698	3,762	3,653	7,415	3,779	3,886	7,665	2,456	3,182	5,639	3,030	5,025	8,055	3,174	5,182	8,356
56	National Tuberculosis Control Programme (District Level)	-	94	94	8	138	146	12	129	141	3	103	106	1	163	164	3	164	167
57	Ayurved Services Program	-	-	-	-	-	-	99	83	182	52	60	112	78	192	270	137	198	334
	Total	3,713	14,127	17,840	6,760	17,054	23,814	5,950	18,985	24,935	3,169	17,071	20,240	5,177	25,255	30,432	4,510	29,007	33,517

Annex 8: MoHP Budget by Source of Funds (in million NPR)

MoHP budget from government (GoN) and external development partner (EDP) funds for the last year of NHSP-1 and five years of NHSP-2.

	Programme head	2009/10			2010/11			2011/12			2012/13			2013/14			2014/15		
		GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total
Administration																			
1	Ministry of Health and Population	233	-	233	57	-	57	47	-	47	522	-	522	55	-	55	64		64
2	Department of Health Services	35	-	35	38	-	38	38	-	38	52	-	52	65	-	65	117		117
3	Regional Health Directorates	57	-	57	66	-	66	69	-	69	53	-	53	79	-	79	62		62
4	Primary Health Service (Public Health Office, Health Centre, HP and SHP)	2,924	-	2,924	3,946	-	3,946	4,472	-	4,472	4,332	-	4,332	6,226	-	6,226	6,193		6,193
5	Health Training Centre - including Regional and Sub-regional	23	-	23	27	-	27	26	-	26	27	-	27	35	-	35	45		45
6	Regional and Zonal Hospital	700	-	700	623	-	623	623	-	623	534	-	534	706	-	706	705		705
7	Hospitals (below zonal level)	332	-	332	395	-	395	403	-	403	509	-	509	639	-	639	822		822
8	Department of Drug Administration	34	0	34	37	2	39	38	0	38	30	1	31	54	2	56	115	2	117
9	Department of Ayurveda	6	-	6	7	-	7	8	-	8	10	-	10	14	-	14	14		14
10	Ayurveda Hospitals / Aushadhalayas	22	-	22	38	-	38	284	-	284	316	-	316	572	-	572	501		501
11	Ayurveda Clinics	207	-	207	252	-	252	-	-	-	-	-	-	-	-	-	-	-	-
12	Pasupati Homeopathic Hospital and Unani Clinics	9	-	9	10	-	10	10	-	10	9	-	9	12	-	12	13		13
Programmes																			
13	National Population Programme	13	10	23	14	7	21	21	24	45	18	2	19	80	13	92	86	11	97
14	National Academy of Medical Sciences - including Bir Hospital	357	-	357	533	-	533	553	-	553	286	-	286	498	-	498	543		543
15	Kanti Children Hospital	140	-	140	192	-	192	147	-	147	94	-	94	147	-	147	154		154
16	Sukraraj Tropical and Infectious Disease Hospital	38	-	38	46	-	46	61	-	61	43	-	43	109	-	109	114		114
17	Paropakar Maternity Hospital	122	21	143	153	-	153	169	-	169	109	-	109	234	-	234	246		246
18	Nepal Eye Hospital	26	-	26	24	-	24	26	-	26	15	-	15	27	-	27	29		29
19	BP Koirala Memorial Cancer Hospital	6	-	6	106	-	106	51	-	51	51	-	51	106	-	106	561		561
20	Manamohan Cardiovascular Centre	86	-	86	96	-	96	89	-	89	44	-	44	134	-	134	171		171

	Programme head	2009/10			2010/11			2011/12			2012/13			2013/14			2014/15		
		GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total
21	Sahid Ganga Lal National Heart Centre	205	-	205	241	-	241	259	-	259	260	-	260	380	-	380	400		400
22	BP Koirala Institute of Health Sciences, Dharan	40	60	100	230	-	230	230	-	230	165	150	315	340	-	340	450		450
23	Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital)	10	-	10	10	-	10	10	-	10	3	-	3	2	-	2	2		2
24	Suresh Wagle Memorial Cancer Centre (T.U. Teaching Hospital)	11	-	11	50	-	50	10	-	10	55	-	55	280	-	280	294		294
25	National Tuberculosis Control Programme	53	384	437	50	495	545	87	844	931	41	611	651	116	1,165	1,281	278	990	1,268
26	National AIDS and STD Control Programme	25	119	144	45	248	293	49	611	660	35	568	603	48	766	814	42	891	934
27	Integrated Reproductive Health and Women's Health Program	104	573	676	133	650	783	114	695	809	23	469	492	86	715	801	43	400	443
28	Integrated Child Health and Nutrition Programme	77	864	941	76	976	1,052	103	1,906	2,009	404	1,359	1,763	704	1,127	1,831	780	1,711	2,491
29	Integrated Child Health and Nutrition Programme	84	198	282	109	537	647	-	-	-	-	-	-	-	-	-	-	-	-
30	Avian Flu Prevention and Control Programme	0	196	196	0	294	294	-	-	-	-	-	-	-	-	-	-	-	-
31	Epidemiology, Malaria and Kala-azar Control and Natural Disaster	51	249	300	84	285	369	76	274	349	21	230	251	214	248	462	192	378	570
32	Leprosy Control Programme	8	6	14	11	7	17	12	5	17	5	10	15	26	-	26	29	11	40
33	Drugs and Equipment Supply Programme	94	1,197	1,291	813	1,124	1,937	19	927	946	60	615	675	56	1,017	1,073	27	759	786
34	Hospital Construction, Maintenance and Management Information System	43	209	252	108	88	196	95	69	164	37	45	83	58	192	250	299	228	527
35	National Health Education, Information and Communication Centre	16	42	57	37	38	76	60	32	92	56	60	116	196	186	382	45	127	172
36	National Health Training Programme	15	165	180	16	139	155	43	110	153	-	-	-	210	33	243	216	15	231
37	Vector Borne Disease Control Research and Training Centre	4	10	14	8	8	15	13	-	13	6	-	6	16	-	16	18		18
38	Health Laboratory Services	23	27	50	23	22	45	35	57	92	26	40	67	44	141	185	86	132	218
39	Health Tax Supported Programme	400	-	400	431	-	431	400	-	400	199	-	199	400	-	400	400		400
40	Ayurved Hospital, Naradevi	12	-	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Programme head	2009/10			2010/11			2011/12			2012/13			2013/14			2014/15		
		GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total
41	Miscellaneous Programme - Department of Ayurveda	160	13	173	198	-	198	46	-	46	31	-	31	208	-	208	83		83
42	Singha Darbar Vaidyakhana Development Committee	4	-	4	6	-	6	8	-	8	5	-	5	11	-	11	11		11
43	BP Koirala Centre for Lions Ophthalmic Studies	8	-	8	30	-	30	31	-	31	16	-	16	32	-	32	33		33
44	Nepal Netra Jyoti Shangha	35	-	35	54	-	54	60	-	60	30	-	30	62	-	62	64		64
45	Nepal Health Research Council	43	-	43	33	-	33	38	-	38	18	-	18	39	-	39	41		41
46	Monitoring, Evaluation and Planning Strengthening Programme	161	442	602	1,042	231	1,273	1,327	166	1,493	777	140	917	1,917	40	1,957	3,533	6	3,539
47	Primary Health Care Revitalization Programme	-	-	-	227	189	416	24	530	554	26	515	540	43	480	523	20	480	500
48	Village Community Public Health, Basic Health and Model Health Village	-	-	-	-	-	-	114	94	207	80	-	80	20	-	20	113		113
49	Karnali Academy of Health Science	-	-	-	-	-	-	-	-	-	-	-	-	84	-	84	100		100
50	Patan Academy of Health Science	-	-	-	-	-	-	-	-	-	-	-	-	60	-	60	63		63
51	Human Body Transplant Centre	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	120		120
52	Rural Health Development Programme- Ramechhap, etc	0	72	72	0	67	67	0	67	67	-	-	-	-	-	-	-	-	-
53	National Health Education, Information and Communication Services	22	43	65	28	37	65	39	45	84	42	5	47	107	257	364	26	100	126
54	National Health Training Programme (D)	14	66	79	5	50	55	6	53	58	86	5	91	12	-	12	42	11	53
55	Integrated District Health Programme	2,183	3,515	5,698	3,128	4,286	7,415	4,553	3,112	7,665	2,032	3,606	5,639	4,257	3,799	8,055	3,133	5,223	8,356
56	National Tuberculosis Control Programme (District Level)	50	43	94	42	104	146	38	103	141	21	85	106	57	108	164	99	69	167
57	Ayurved Services Program	-	-	-	-	-	-	182	-	182	103	9	112	261	9	270	334		334
	Total	9,318	8,523	17,840	13,930	9,884	23,814	15,213	9,722	24,935	11,717	8,523	20,240	20,136	10,296	30,432	21,973	11,544	33,517

Annex 9: MoHP Expenditure by Source of Funds (in million NPR)

MoHP budget expenditure from government (GoN) and external development partner (EDP) funds for last year of NHSP-1 and first four years of NHSP-2

	Programme head	2009/10			2010/11			2011/12			2012/13			2013/14		
		GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total
Administration																
1	Ministry of Health and Population	29	-	29	30	-	30	42	-	42	41	-	41	47	-	47
2	Department of Health Services	39	-	39	41	-	41	52	-	52	52	-	52	68	-	68
3	Regional Health Directorates	42	-	42	42	-	42	53	-	53	53	-	53	65	-	65
4	Primary Health Service (Public Health Office, Health Centre, HP and SHP)	3,576	-	3,576	3,667	-	3,667	4,448	-	4,448	4,371	-	4,371	5,466	-	5,466
5	Health Training Centre - including Regional and Sub-regional	21	-	21	22	-	22	27	-	27	26	-	26	34	-	34
6	Regional and Zonal Hospital	663	-	663	606	-	606	727	-	727	715	-	715	818	-	818
7	Hospitals (below zonal level)	377	-	377	416	-	416	514	-	514	493	-	493	655	-	655
8	Department of Drug Administration	31	0	31	31	2	33	36	0	36	33	1	35	51	1	52
9	Department of Ayurveda	6	-	6	7	-	7	10	-	10	10	-	10	10	-	10
10	Ayurveda Hospitals / Aushadhalayas	19	-	19	33	-	33	323	-	323	319	-	319	402	-	402
11	Ayurveda Clinics	223	-	223	230	-	230	-	-	-	-	-	-	-	-	-
12	Pasupati Homeopathic Hospital and Unani Clinics	8	-	8	9	-	9	10	-	10	9	-	9	12	-	12
Programme																
13	National Population Programme	8	2	11	11	6	17	16	13	28	11	1	12	52	7	59
14	National Academy of Medical Sciences - including Bir Hospital	424	-	424	404	-	404	439	-	439	434	-	434	594	-	594
15	Kanti Children Hospital	99	-	99	164	-	164	125	-	125	132	-	132	168	-	168
16	Sukraraj Tropical and Infectious Disease Hospital	41	-	41	46	-	46	58	-	58	78	-	78	102	-	102

		2009/10			2010/11			2011/12			2012/13			2013/14		
	Programme head	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total
17	Paropakar Maternity Hospital	121	21	142	136	-	136	161	-	161	158	-	158	234	-	234
18	Nepal Eye Hospital	26	-	26	24	-	24	26	-	26	15	-	15	26	-	26
19	BP Koirala Memorial Cancer Hospital	6	-	6	6	-	6	1	-	1	51	-	51	196	-	196
20	Manamohan Cardiovascular Centre	86	-	86	93	-	93	89	-	89	44	-	44	134	-	134
21	Sahid Ganga Lal National Heart Centre	220	25	245	256	-	256	259	-	259	260	-	260	450	-	450
22	BP Koirala Institute of Health Sciences, Dharan	59	110	169	230	-	230	230	-	230	165	150	315	430	-	430
23	Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital)	3	-	3	10	-	10	5	-	5	2	-	2	1	-	1
24	Suresh Wagle Memorial Cancer Centre (T.U. Teaching Hospital)	11	-	11	50	-	50	10	-	10	55	-	55	280	-	280
25	National Tuberculosis Control Programme	49	337	386	45	445	490	51	329	380	40	459	499	77	427	504
26	National AIDS and STD Control Programme	25	97	122	44	104	148	45	288	333	81	354	435	37	368	406
27	Integrated Reproductive Health and Women's Health Program	13	289	302	130	345	475	95	463	559	19	322	341	21	294	314
28	Integrated Child Health and Nutrition Programme	47	882	929	68	836	904	100	1,140	1,240	221	916	1,137	505	240	745
29	Integrated Child Health and Nutrition Programme	15	159	173	82	232	314	-	-	-	-	-	-	-	-	-
30	Avian Flu Prevention and Control Programme	0	57	57	0	158	159	-	-	-	-	-	-	-	-	-
31	Epidemiology, Malaria and Kala-azar Control and Natural Disaster	24	117	141	50	150	200	21	190	211	200	166	366	135	39	174
32	Leprosy Control Programme	7	8	15	6	4	10	8	7	15	4	8	12	19	-	19
33	Drugs and Equipment Supply Programme	134	696	830	348	506	854	15	489	504	171	683	854	46	684	730
34	Hospital Construction, Maintenance and Management Information System	37	88	125	71	36	107	72	45	117	25	40	65	28	42	70
35	National Health Education, Information and	15	40	55	29	32	61	57	31	88	50	29	79	95	40	134

		2009/10			2010/11			2011/12			2012/13			2013/14		
	Programme head	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total
	Communication Centre															
36	National Health Training Programme	11	49	60	4	40	45	5	42	46	-	-	-	112	12	124
37	Vector Borne Disease Control Research and Training Centre	4	9	13	6	6	12	10	-	10	10	-	10	14	-	14
38	Health Laboratory Services	24	20	44	24	21	44	33	55	88	49	40	90	36	104	140
39	Health Tax Supported Programme	400	-	400	431	-	431	398	-	398	400	-	400	354	-	354
40	Ayurved Hospital, Naradevi	11	-	11	-	-	-	-	-	-	-	-	-	-	-	-
41	Miscellaneous Programme - Department of Ayurveda	145	8	153	184	-	184	37	-	37	31	-	31	41	-	41
42	Singha Darbar Vaidyakhana Development Committee	4	-	4	6	-	6	8	-	8	6	-	6	7	-	7
43	BP Koirala Centre for Lions Ophthalmic Studies	8	-	8	30	-	30	31	-	31	16	-	16	32	-	32
44	Nepal Netra Jyoti Shangha	35	-	35	54	-	54	60	-	60	30	-	30	62	-	62
45	Nepal Health Research Council	31	-	31	23	-	23	30	-	30	18	-	18	37	-	37
46	Monitoring, Evaluation and Planning Strengthening Programme	170	280	449	626	137	763	792	75	868	1,013	95	1,109	1,414	52	1,467
47	Primary Health Care Revitalization Programme	-	-	-	219	201	420	19	528	548	24	497	522	20	374	394
48	Village Community Public Health, Basic Health and Model Health Village	-	-	-	-	-	-	54	84	138	79	-	79	16	1	17
49	Karnali Academy of Health Science	-	-	-	-	-	-	-	-	-	-	-	-	84	-	84
50	Patan Academy of Health Science	-	-	-	-	-	-	-	-	-	-	-	-	60	-	60
51	Human Body Transplant Centre	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	Rural Health Development Programme- Ramechhap, Dolakha and	-	68	68	-	70	70	-	76	76	-	-	-	-	-	-
53	National Health Education, Information and Communication Services	20	41	61	27	35	63	38	44	82	41	5	46	84	10	94

		2009/10			20010/11			20011/12			20012/13			20013/14		
	Programme head	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total	GoN	EDP	Total
54	National Health Training Programme (D)	10	109	119	15	102	159	32	71	103	84	3	87	25	23	49
55	Integrated District Health Programme	1,809	3,131	4,940	2,778	2,704	5,482	3,962	2,356	6,318	2,126	2,803	4,929	3,168	2,964	6,132
56	National Tuberculosis Control Programme (District Level)	48	41	89	39	100	97	37	100	137	21	83	103	49	60	109
57	Ayurved Services Program	-	-	-	-	-	-	143	-	143	100	9	109	232	9	241
	Grand Total	9,231	6,683	15,914	11,903	6,273	18,175	13,815	6,425	20,240	12,385	6,664	19,049	17,101	5,751	22,852

Annex 10: MoHP Budget and Expenditure by Individual Source of Funds (in million NPR)

MoHP budget and expenditure by individual sources for last year of NHSP-1 and first four years of NHSP-2, plus 2014/15 budget

Source	2009/10		2010/11		2011/12		2012/13		2013/14		2014/15
	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget
GoN	9,318	9,231	13,930	11,903	15,213	13,815	11,717	12,385	20,136	15,412	22,004
Donor- Pool Fund	4,992	3,631	5,973	4,153	6,159	4,694	5,807	4,945	6,113	6,048	6,743
GAVI - General	270	687	1,279	544	348	338	130	34	483	165	915
Global Fund (GFATM)	494	383	778	568	1,474	634	1,166	778	1,876	666	1,943
EU- General	-	-	-	-	-	-	2	-	-	-	-
ADB	-	-	69	-	69	1	-	-	-	-	-
FAO	-	-	-	-	-	-	23	-	-	-	-
IDA	196	57	294	158	-	-	-	-	-	-	-
SAARC Fund	-	-	-	-	-	-	47	3	30	1	30
The Union - North America	-	-	-	-	-	-	-	0	7	4	7
UNDP	53	52	-	-	-	-	-	-	-	-	-
UNFPA	77	32	42	5	18	14	5	2	94	30	97
UNICEF	250	252	303	224	588	258	504	402	372	87	548
WFP	-	3	-	-	3	-	6	1	31	0	106
WHO	241	124	131	93	273	142	291	186	199	108	169
Japan - JICA	19	21	19	22	24	-	-	-	-	-	-
Netherlands - General	6	2	7	1	3	3	3	1	3	3	2
Norway - General	31	23	31	24	29	22	30	21	28	24	16
AusAid	-	-	-	-	-	-	125	-	-	-	-
Germany - KFW	187	39	122	10	22	22	20	20	64	12	70
Germany-GIZ	-	-	8	-	-	-	-	-	4	-	-
Switzerland - SDC	72	68	67	70	67	76	79	1	-	-	-

Source	2009/10		2010/11		2011/12		2012/13		2013/14		2014/15
	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget
UK - General	745	672	16	10	12	2	15	13	86	46	97
USAID - General	836	586	678	348	448	217	204	255	787	247	632
Asian, African Inst at UoH	-	-	-	-	-	-	2	-	-	-	-
Care Nepal - General	7	24	-	-	-	-	6	-	1	-	1
CEC	-	-	-	-	12	-	-	-	-	-	-
Concern USA	-	-	-	-	142	-	-	-	-	-	-
Enhanced Integrated Framework	-	-	-	-	-	-	0	-	-	-	-
IPAS Inc.	-	-	-	-	-	-	13	1	-	-	-
HRI-USA	-	-	30	11	0	-	0	-	0	-	-
NSL	-	-	-	-	4	1	1	0	-	-	1
One Heart World Wide	-	-	-	-	-	-	7	-	21	-	11
Plan International - General	17	19	10	8	-	-	0	-	21	-	15
Save the Children	30	8	25	23	26	-	38	-	75	-	109
Total	17,840	15,914	23,814	18,175	24,935	20,240	20,240	19,049	30,432	22,854	33,517

Annex 11: District-wise MoHP Budgets and Expenditure (in million NPR)

MoHP budget district-wise budget and expenditure for the five years of NHSP-2 (2014/15 budget only)

District	2010/11		2011/12		2012/13		2013/14		2014/15
	Budget	Expend	Budget	Expend	Budget	Expend	Budget	Expend	Budget
Taplejung	110	76	169	135	141	139	173	137	159
Panchthar	122	77	148	117	125	123	175	146	163
Ilam	143	187	230	146	93	89	201	157	249
Jhapa	214	151	312	227	247	250	316	258	395
Morang	276	229	234	123	248	212	337	260	371
Sunsari	237	144	234	96	164	165	327	274	189
Dhankuta	123	251	157	139	121	102	163	122	185
Terhathum	89	62	177	145	107	98	148	121	215
Sankhuwasabha	123	84	259	221	122	109	155	131	255
Bhojpur	135	85	169	301	152	142	186	154	190
Solukhumbu	101	55	76	88	101	94	125	101	111
Okhaldhunga	210	163	299	150	144	133	188	158	256
Khotang	152	91	139	148	153	145	198	170	187
Udayapur	132	92	163	134	145	135	205	160	184
Saptari	269	316	192	317	335	340	424	360	253
Siraha	277	186	269	289	161	139	371	303	295
Dhanusha	323	310	221	306	276	258	352	272	306
Mohottari	218	146	232	228	135	129	297	249	227
Sarlahi	265	172	291	244	177	151	350	296	305
Sindhuli	140	90	167	133	147	132	184	148	187
Ramechhap	194	86	249	140	144	139	194	161	217
Dolakha	206	89	186	141	136	128	192	163	210
Sindhupalchok	182	105	125	156	171	161	210	168	134
Kavre	202	329	223	63	159	158	309	259	240
Lalitpur	176	89	135	149	109	89	223	171	177
Bhakatpur	86	62	73	168	104	93	127	100	212
Kathmandu	425	361	266	357	245	230	364	268	525
Nuwakot	172	203	145	152	183	182	216	194	168
Rasuwa	61	39	112	91	65	63	86	74	162
Dhading	154	91	150	223	155	143	208	166	181
Makawanpur	173	130	121	166	148	142	207	168	156
Rautahat	231	136	181	222	237	209	323	254	204
Bara	247	140	254	220	238	220	283	249	264
Parsa	255	269	204	214	185	168	241	186	286
Chitawan	198	225	161	239	204	177	261	221	282
Gorkha	161	212	196	197	160	156	200	160	220
Lamjung	135	84	182	303	132	127	179	142	196
Tanahu	129	109	193	209	86	84	205	174	216

District	2010/11		2011/12		2012/13		2013/14		2014/15
	Budget	Expend	Budget	Expend	Budget	Expend	Budget	Expend	Budget
Syangja	176	117	195	121	162	147	218	170	221
Kaski	244	350	263	109	189	193	255	216	393
Manang	49	32	78	175	54	48	61	46	101
Mustang	54	36	54	165	54	48	77	57	77
Myagdi	108	72	134	139	112	107	149	122	168
Parbat	116	84	164	169	9	9	180	161	186
Baglung	151	192	266	49	142	134	200	163	306
Gulmi	229	129	233	130	192	175	246	203	261
Palpa	149	196	157	259	110	102	233	187	193
Nawalparasi	164	132	185	132	139	123	267	218	195
Rupandehi	289	267	208	138	243	227	349	281	368
Kapilbastu	202	125	207	108	124	111	275	200	216
Arghakhanchi	132	77	112	55	134	123	174	138	139
Pyuthan	120	81	131	91	137	135	190	154	155
Rolpa	122	152	112	78	141	134	184	144	151
Rukum	114	82	113	81	141	141	187	141	150
Salyan	114	77	125	104	105	86	190	143	173
Dang	195	171	201	97	180	165	227	171	272
Banke	198	175	223	126	226	202	284	235	369
Bardiya	191	92	189	133	130	112	228	177	211
Surkhet	225	222	220	135	115	118	230	200	292
Dailekh	152	103	122	184	170	164	235	200	151
Jajarkot	98	64	142	95	122	112	158	119	151
Dolpa	66	45	174	212	80	82	97	84	205
Jumla	115	225	192	107	113	109	156	115	235
Kalikot	90	55	133	226	98	99	131	109	194
Mugu	80	58	125	109	98	100	132	111	161
Humla	83	51	164	162	82	81	115	92	176
Bajura	93	70	160	202	113	108	164	127	194
Bajhang	108	90	150	166	157	148	217	173	189
Achham	169	112	232	195	198	185	277	224	282
Doti	206	166	171	110	163	143	215	174	224
Kailali	224	201	208	141	193	178	275	200	336
Kanchanpur	155	78	97	141	128	126	200	150	171
Dadeldhura	105	74	116	156	125	124	167	128	164
Baitadi	135	153	147	117	167	163	244	197	191
Darchula	110	84	160	129	151	140	213	166	201
Total	12,379	10,217	13,355	12,145	11,151	10,458	16,302	13,146	16,554

Annex 12: District-wise Per Capita MoHP Budget and Expenditure (in NPR)

*MoHP budget district-wise per capita health budget and expenditure for the five years of NHSP-2
(2014/15 budget only)*

Districts	2010/11		2011/12		2012/13		2013/14		2014/15
	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget
Taplejung	864	597	1321	1057	1107	1090	1370	1086	1240
Panchthar	638	400	762	601	634	622	919	770	846
Ilam	492	643	781	497	311	299	686	537	837
Jhapa	263	186	380	276	297	301	373	305	460
Morang	286	237	240	126	252	215	335	258	364
Sunsari	310	189	305	125	212	214	407	341	232
Dhankuta	752	1534	962	851	740	624	1006	751	1123
Terhathum	880	612	1753	1436	1066	983	1495	1221	2135
Sankhuwasabha	778	528	1624	1388	761	684	970	819	1570
Bhojpur	741	466	928	1656	840	784	1044	864	1051
Solukhumbu	950	521	716	831	949	881	1179	954	1031
Okhaldhunga	1421	1103	2028	1013	980	905	1286	1081	1727
Khotang	738	443	673	720	743	705	982	845	913
Udayapur	415	290	505	416	441	413	626	488	553
Saptari	420	494	296	489	509	516	638	541	374
Siraha	434	293	417	447	246	212	560	457	440
Dhanusha	428	411	287	397	351	329	447	346	383
Mohottari	347	233	359	353	204	195	454	382	343
Sarlahi	344	223	373	313	223	190	428	361	368
Sindhuli	471	304	562	448	493	446	609	491	610
Ramechhap	955	424	1222	690	703	680	964	799	1064
Dolakha	1102	480	998	757	731	687	1017	861	1096
Sindhupalchok	633	365	434	543	597	561	737	588	463
Kavre	530	860	578	164	406	404	815	684	624
Lalitpur	375	190	282	310	221	182	441	338	344
Bhakatpur	284	202	234	540	326	293	386	306	638
Kathmandu	244	207	147	197	130	122	186	137	265
Nuwakot	621	733	522	549	660	655	782	701	599
Rasuwa	1403	907	2585	2102	1485	1447	2042	1754	3793
Dhading	458	271	445	663	463	425	614	491	528
Makawanpur	411	309	284	390	341	327	483	392	360
Rautahat	336	197	257	315	327	289	438	344	273
Bara	360	204	359	312	327	302	386	340	356
Parsa	424	447	334	350	299	271	380	293	445
Chitawan	342	388	276	410	350	304	430	363	457
Gorkha	593	781	729	732	599	584	746	595	810
Lamjung	806	504	1085	1804	784	756	1071	854	1161

	2010/11		2011/12		2012/13		2013/14		2014/15
Districts	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget
Tanahu	398	336	588	636	259	251	624	530	648
Syangja	608	406	680	424	570	517	764	596	763
Kaski	496	711	525	218	371	379	487	412	739
Manang	7428	4911	12232	27662	8743	7822	11479	8606	18639
Mustang	4033	2666	3973	12157	3946	3530	6955	5124	6890
Myagdi	951	632	1176	1223	989	945	1273	1043	1407
Parbat	794	570	1123	1160	64	65	1241	1108	1266
Baglung	561	716	986	180	526	497	740	603	1116
Gulmi	819	461	831	461	681	621	883	729	925
Palpa	569	750	592	975	408	379	894	716	731
Nawalparasi	254	206	287	205	215	190	398	325	287
Rupandehi	329	303	232	153	264	248	373	300	387
Kapilbastu	354	219	357	187	212	189	456	332	353
Arghakhanchi	670	391	565	279	671	615	885	702	696
Pyuthan	526	357	563	389	573	566	813	657	653
Rolpa	542	678	494	342	614	582	812	634	656
Rukum	548	395	535	384	658	658	869	653	685
Salyan	471	316	507	422	422	346	697	525	626
Dang	353	309	357	173	314	288	390	294	462
Banke	404	356	444	251	441	394	544	450	696
Bardiya	448	216	438	309	299	259	517	401	472
Surkhet	641	633	609	372	308	315	627	545	785
Dailekh	582	393	460	693	629	607	855	727	544
Jajarkot	571	376	808	542	680	627	865	651	815
Dolpa	1797	1237	4672	5682	2110	2167	2531	2171	5254
Jumla	1053	2064	1737	967	1005	969	1282	943	1907
Kalikot	660	399	933	1585	664	667	881	738	1290
Mugu	1442	1057	2216	1934	1703	1746	2203	1852	2657
Humla	1639	1007	3164	3118	1543	1526	2146	1708	3245
Bajura	687	519	1160	1465	803	773	1139	881	1327
Bajhang	551	460	755	837	782	736	1059	845	907
Achham	658	434	891	751	756	704	1038	840	1043
Doti	974	785	808	519	766	675	1026	827	1055
Kailali	289	259	264	179	242	223	334	243	403
Kanchanpur	344	174	214	311	281	277	420	314	354
Dadeldhura	739	522	808	1094	867	857	1137	868	1100
Baitadi	536	610	583	464	656	639	947	763	732
Darchula	824	629	1190	960	1114	1036	1554	1209	1448
National average	467	386	497	452	409	384	590	476	590

Annex 13: Budget and Expenditure by Type, Priority and Organisation (billion NPR)

Amount of MoHP budget allocated and expenditure by Type, Level, Priority, Service Area and Organisational Level (billion NPR) over the five years of NHSP-2 (2014/15 budget only)

	2010/11		2011/12		2012/13		2013/14		2014/15
	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget
Type									
Administrative	5.5	5.1	6.0	6.2	6.4	6.1	8.5	7.6	8.7
Programme	18.3	13.0	18.9	14.0	13.8	12.9	22.0	15.2	24.9
Level									
Central	11.4	8.0	11.6	8.1	9.1	8.6	14.1	9.7	17.0
District	12.4	10.2	13.4	12.1	11.2	10.5	16.3	13.1	16.6
Priority level									
Priority 1	19.3	14.5	21.8	17.4	18.0	16.3	25.6	18.5	28.3
Priority 2	4.0	3.1	2.5	2.3	2.0	2.3	4.3	3.9	4.7
Priority 3	0.6	0.6	0.6	0.6	0.2	0.4	0.5	0.4	0.5
Service areas									
EHCS	16.6	13.1	18.6	15.3	15.1	13.6	21.2	15.6	22.5
Beyond EHCS	1.8	1.6	1.9	1.9	1.6	2.0	2.9	3.0	3.6
System components	5.4	3.5	4.4	3.1	3.6	3.5	6.3	4.3	7.4
Organisational level									
MoHP	1.9	1.3	2.1	1.4	1.7	1.6	2.6	2.0	4.2
DoHS	17.6	13.2	17.8	14.8	14.5	13.3	20.1	14.8	21.0
DDA	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1
DoA	0.5	0.5	0.5	0.5	0.5	0.5	1.1	0.7	0.9
Centres	1.4	1.1	2.3	1.3	1.7	1.4	3.5	1.6	3.2
Hospitals	2.3	2.1	2.3	2.2	1.8	2.3	3.2	3.6	4.0
Total	23.8	18.2	24.9	20.2	20.2	19.0	30.4	22.9	33.5

Annex 14: MoHP Budget and Expenditure by Line Item (in million NPR)

MoHP budget and expenditure by budget line item for last year of NHSP-1 and first four years of NHSP-2, plus 2014/15 budget

Code	Description	2009/10		2010/11		2011/12		2012/13		2013/14		2014/15
		Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget
1. Wages & salaries												
21111	Salary	2,588	3,242	3,050	3,307	3,640	3,912	3,638	3,621	5,540	4,777	6,748
21112	Local Allowances	186	752	688	643	385	33	1	1	368	317	419
21113	Dearness Allowance	0	0	0	0	0	0	0	0	212	192	0
21114	Field Allowances	0	0	0	0	0	0	0	0	10	24	6
21119	Other Allowances	0	0	0	0	0	343	377	363	22	48	579
21121	Clothing	10	10	19	192	365	328	137	318	367	325	406
21122	Fooding	34	23	27	38	32	35	35	40	45	44	49
21123	Medical Expenses	0	0	0	0	0	0	0	0	0	0	0
	Sub-total	2,818	4,026	3,783	4,180	4,423	4,651	4,187	4,344	6,564	5,728	8,209
2. Support services												
22111	Water and Electricity	29	28	43	39	43	42	29	30	36	33	45
22112	Communication	19	17	18	14	20	15	21	13	25	19	31
22121	House Rent	22	15	16	16	15	12	11	10	11	10	12
22122	Other Rent	0	0	0	0	0	0	1	1	1	1	2
22211	Fuel and Oil-Vehicle	52	60	46	64	42	49	31	35	38	38	52
22212	Operation & Maintenance	30	38	19	36	20	25	17	20	23	25	30
22213	Insurance	0	0	0	0	0	0	0	0	1	1	1
22311	General Office Expenses	225	249	258	282	232	245	300	267	271	240	140
22312	Foods for Animals	0	0	0	0	0	0	0	0	0	0	0
22313	Books and Materials	4	1	11	2	8	3	1	0	2	1	1
22314	Fuel -Other Purpose	0	0	0	0	0	1	27	26	1	1	26

Code	Description	2009/10		2010/11		2011/12		2012/13		2013/14		2014/15
		Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget
22321	Repairs and Maintenance of Public Property	2	0	0	1	0	1	0	0	0	0	0
22411	Consultant and Services Fee	259	150	543	277	532	350	764	631	997	687	905
22412	Other Services Fee	0	0	0	0	0	7	9	7	37	23	118
22612	Travelling Expenses	7	8	9	8	10	12	8	8	11	10	12
22711	Miscellaneous	7	8	11	8	9	10	410	9	13	12	9
22911	Recurrent Contingencies	200	0	945	0	928	0	912	0	184	0	1
Sub-total		857	575	1,919	748	1,858	770	2,540	1,058	1,653	1,100	1,385
3. Capacity building												
22511	Employee Training	193	134	61	24	29	9	60	60	213	105	367
22512	Skill Development and Awareness Training Program	0	0	0	0	0	4	848	165	4,938	2,602	482
Sub-total		193	134	61	24	29	14	908	224	5,150	2,706	849
4. Programme activities												
22521	Production Materials/Services	3	3	0	0	0	0	0	0	0	0	0
22522	Program Expenses	2,820	2,028	3,053	2,248	4,168	2,418	2,382	1,457	47	33	4,500
22529	Other Program	0	0	0	0	0	0	0	0	0	0	6
22611	Monitoring & Evaluation Expenses	296	279	243	245	208	188	162	159	218	186	126
Sub-total		3,120	2,310	3,295	2,493	4,375	2,606	2,544	1,616	264	219	4,632
5. Medicine purchases												
22531	Medicine Purchases	3,722	2,845	3,830	2,984	3,668	3,229	2,894	2,936	3,486	2,014	4,376
Sub-total		3,722	2,845	3,830	2,984	3,668	3,229	2,894	2,936	3,486	2,014	4,376
6. Grants												
26311	Conditional Recurrent grant to Local Body	0	0	0	0	2	0	0	0	0	0	50

Code	Description	2009/10		2010/11		2011/12		2012/13		2013/14		2014/15
		Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget
26312	Conditional Recurrent grant to Local Body	706	269	961	251	992	857	1,109	1,137	1,204	1,126	1,023
26411	Conditional Recurrent Grant to Government Agencies, Committees & Boards	1,564	1,543	1,020	957	1,094	1,183	943	1,302	1,356	1,618	1,462
26412	Conditional Recurrent Grant to Government Agencies, Committees & Boards	651	574	1,481	1,368	1,564	1,364	1,081	1,260	2,636	1,994	2,620
26413	Unconditional Recurrent Grant to Other Institutions & Individuals	0	0	0	0	0	0	1	0	0	0	1
26422	Conditional Capital Grant to Government Agencies, Committees & Boards	0	0	0	0	0	0	50	0	731	930	1,715
26423	Conditional Capital Grant to Other Institutions & Individuals	928	932	1,311	1,371	1,338	1,421	743	1,508	792	1,351	1,217
27111	Conditional Social Security Subsidy	497	561	704	732	980	876	70	902	1,419	1,136	1,468
Sub-total		4,345	3,879	5,477	4,680	5,969	5,701	3,997	6,109	8,138	8,155	9,556
7.1 Capital construction												
29221	Building Construction	2,193	1,855	3,722	2,541	3,510	2,775	2,341	2,140	3,180	1,860	3,119
29231	Capital Reform- Building	0	0	0	0	0	4	0	0	0	38	3
29611	Civil Works -Construction	15	16	110	116	94	25	91	37	52	38	99
Sub-total		2,208	1,872	3,831	2,657	3,604	2,804	2,432	2,177	3,232	1,936	3,221
7.2 Capital goods												
29111	Land Acquisition	0	0	0	0	0	0	0	0	2	105	0
29311	Furniture & Fixtures	35	34	34	35	58	62	29	27	54	43	79
29411	Vehicles	64	49	95	28	39	14	1	1	158	43	103
29511	Plant & Machinery	422	139	642	283	710	275	614	469	1,338	698	986

Code	Description	2009/10		2010/11		2011/12		2012/13		2013/14		2014/15
		Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget	Expend.	Budget
29621	Capital formation	55	51	85	64	164	115	94	87	144	105	120
29711	Research and Consultancy Services Fee	1	1	0	0	0	0	0	0	0	0	2
29712	Software Development & Purchase	0	0	0	0	0	0	0	0	0	1	0
29811	Capital Contingencies	0	0	761	0	38	0	0	0	250	0	0
	Sub-total	577	273	1,617	409	1,009	466	737	584	1,945	994	1,290
Total		17,840	15,914	23,814	18,175	24,935	20,240	20,240	19,049	30,432	22,852	33,517

Annex 15: MoHP Expenditure by Trimester (in million NPR)

Trimesterly (four monthly) expenditure from MoHP's budget for last year of NHSP-1 and first four years of NHSP-2

	Programme Name	2009/10				2010/11				2011/2012				2012/13				2013/14			
		T1	T2	T3	Total	T1	T2	T3	Total	T1	T2	T3	Total	T1	T2	T3	Total	T1	T2	T3	Total
1	Ministry of Health and Population	9	9	12	29	10	11	9	30	14	11	16	42	12	11	18	41	16	13	18	47
2	Department of Health Services	12	12	15	39	15	9	16	41	19	15	18	52	17	16	19	52	25	21	22	68
3	Regional Health Directorates	12	12	17	42	8	19	15	42	17	13	22	53	16	19	18	53	23	20	21	65
4	Primary Health Service-DHO, HC, HP and SHP	1,073	1,073	1,430	3,576	452	1,564	1,652	3,667	1,229	1,007	2,212	4,448	1,168	1,376	1,827	4,371	1,800	1,592	2,074	5,466
5	Health Training Centre - including Regional and Sub-regional	6	6	8	21	6	7	8	22	10	7	10	27	8	10	9	26	12	10	13	34
6	Regional and Zonal Hospital	199	199	265	663	61	233	313	606	217	203	307	727	193	208	314	715	250	250	318	818
7	Hospitals (below zonal level)	113	113	151	377	40	186	190	416	135	102	276	514	120	159	215	493	198	186	271	655
8	Department of Drug Administration	9	9	12	31	7	9	17	33	10	10	16	36	10	9	16	35	12	12	28	52
9	Department of Ayurveda	2	2	2	6	2	2	2	7	4	3	4	10	3	3	4	10	4	3	3	10
10	Ayurveda Hospitals	6	6	8	19	-	17	16	33	87	87	149	323	86	108	125	319	138	122	142	402
11	Ayurveda Clinics	67	67	89	223	35	95	100	230	-	-	-	-	-	-	-	-	-	-	-	-
12	Pasupati Homeopathic Hospital and Unani Clinics	2	2	3	8	2	3	4	9	2	3	5	10	2	2	5	9	2	5	4	12
13	National Population Programme	2	4	5	11	4	2	10	17	3	6	20	28	1	2	9	12	1	6	52	59
14	National Academy of Medical Sciences- including Bir Hospital	64	169	191	424	103	97	204	404	107	144	188	439	112	97	225	434	200	108	287	594
15	Kanti Children Hospital	15	39	44	99	30	87	47	164	53	55	16	125	32	29	71	132	77	-	91	168
16	Sukraraj Tropical and Infectious Disease Hospital	6	16	18	41	13	13	20	46	17	17	25	58	15	23	41	78	30	32	40	102
17	Maternity Hospital	21	57	64	142	15	60	61	136	61	56	45	161	42	35	81	158	67	95	72	234
18	Nepal Eye Hospital	4	10	12	26	-	9	15	24	-	17	8	26	-	-	15	15	9	9	9	26
19	BP Koirala Memorial Cancer Hospital	1	2	3	6	-	4	2	6	1	0	0	1	-	-	51	51	-	100	96	196
20	Manamohan Cardiovascular Centre (TUTH)	13	34	39	86	-	-	93	93	-	69	19	89	4	32	8	44	42	42	49	134
21	Sahid Ganga Lal National Heart Centre	37	98	110	245	-	117	139	256	-	194	65	259	64	62	134	260	139	119	191	450
22	BP Koirala Institute of Health Sciences, Dharan	25	68	76	169	-	99	131	230	-	87	143	230	77	38	200	315	113	113	203	430

	Programme Name	2009/10				2010/11				2011/2012				2012/13				2013/14			
		T1	T2	T3	Total	T1	T2	T3	Total	T1	T2	T3	Total	T1	T2	T3	Total	T1	T2	T3	Total
23	Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital)	1	1	2	3	-	-	10	10	0	5	1	5	-	-	2	2	-	0	0	1
24	Suresh Wagle Memorial Cancer Centre (T.U. Teaching Hospital)	2	4	5	11	-	-	50	50	-	-	10	10	-	-	55	55	-	210	70	280
25	National Tuberculosis Control Programme	58	154	174	386	7	41	442	490	10	24	346	380	12	17	470	499	13	31	459	504
26	National Centre for AIDS and STD Control	18	49	55	122	-	60	88	148	10	78	244	333	41	42	352	435	82	77	247	406
27	Family Planning, MCH and Female Health Volunteer Programme	45	121	136	302	-	207	268	475	60	149	349	559	64	116	160	341	98	92	124	314
28	Extended Immunization and National Polio (Integrated child health and nutrition program)	139	372	418	929	-	484	420	904	53	34	1,153	1,240	156	91	889	1,137	109	211	425	745
29	Diarrhoea, ARI and Nutrition Programme	26	69	78	173	-	82	232	314	-	-	-	-	-	-	-	-	-	-	-	-
30	Avian Flu Prevention and Control Programme	9	23	26	57	-	27	131	159	-	-	-	-	-	-	-	-	-	-	-	-
31	Epidemiology, Malaria and Kala-azar Control and Disaster Management Programme	21	56	63	141	-	76	124	200	25	48	139	211	36	79	251	366	38	45	91	174
32	Leprosy Control Programme	2	6	7	15	-	4	6	10	2	3	10	15	2	4	6	12	2	7	10	19
33	Drugs and Equipment Supply Programme	125	332	374	830	1	407	446	854	39	110	356	504	97	231	527	854	164	135	431	730
34	Hospital Construction, Maintenance and Management Information System	19	50	56	125	1	37	69	107	10	48	59	117	10	16	39	65	16	28	26	70
35	National Health Education, Information and Communication Centre	8	22	25	55	-	17	44	61	8	27	53	88	6	9	64	79	8	22	104	134
36	National Health Training Programme	9	24	27	60	1	11	33	45	-	1	45	46	-	-	-	-	9	33	81	124
37	Vector Borne Disease Control Research and Training Centre	2	5	6	13	-	6	7	12	2	3	4	10	3	2	5	10	3	3	7	14
38	Health Laboratory Services	7	18	20	44	-	21	23	44	11	26	51	88	14	25	51	90	24	31	85	140
39	Health Tax Supported Programme	60	160	180	400	-	216	215	431	-	260	138	398	-	103	297	400	115	190	48	354
40	Ayurved Hospital, Naradevi	2	5	5	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Miscellaneous Programme - Department of Ayurveda	23	61	69	153	3	19	161	184	-	-	-	-	4	1	26	31	2	4	35	41
42	Singha Darbar Vaidyakhana Development Committee	1	1	2	4	-	2	3	6	-	1	7	8	-	-	6	6	-	5	2	7
43	BP Koirala Centre for Lions Ophthalmic	1	3	3	8	-	-	30	30	-	14	17	31	-	-	16	16	-	21	11	32

	Programme Name	2009/10				2010/11				2011/2012				2012/13				2013/14			
		T1	T2	T3	Total	T1	T2	T3	Total	T1	T2	T3	Total	T1	T2	T3	Total	T1	T2	T3	Total
	Studies																				
44	Nepal Netra Jyoti Shangha	5	14	16	35	-	32	22	54	-	20	39	60	19	-	11	30	18	-	43	62
45	Health Research Council	5	12	14	31	-	8	15	23	9	9	12	30	7	11	-	18	12	13	12	37
46	Monitoring, Evaluation and Planning Strengthening Programme	67	180	202	449	-	141	622	763	18	368	482	868	113	136	860	1,109	95	416	955	1,467
47	Primary Health Care Revitalization Programme	-	-	-	-	-	45	375	420	110	217	220	548	126	100	295	522	42	174	177	394
48	Rural community public health, Basic health and Model health village program	-	-	-	-	-	-	-	-	-	7	131	138	3	14	62	79	1	7	8	17
49	Karnali Institute of Health Sciences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34	33	18	84
50	Patan Academy of Health Sciences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41	19	60
51	Human organ replacement centre	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
52	Rural Health Development Programme-Ramechhap etc.	10	27	31	68	-	45	25	70	-	-	76	76	-	-	-	-	-	-	-	-
53	National Health Education, Information and Communication Services (District Level)	9	24	27	61	-	6	56	63	2	20	60	82	7	5	34	46	-	31	63	94
54	National Training Programme	18	48	54	119	-	10	149	159	6	28	69	103	14	37	36	87	-	-	49	49
55	Integrated District Health Programme	741	1,976	2,223	4,940	58	1,001	4,423	5,482	352	1,618	4,349	6,318	587	1,088	3,254	4,929	802	1,771	3,560	6,132
56	National Tuberculosis Control Programme (District Level)	13	36	40	89	0	11	86	97	8	35	94	137	19	9	75	103	13	49	47	109
57	Ayurved Services Program	-	-	-	-	-	-	-	-	1	37	142	180	10	15	83	109	14	95	131	241
	Total	3,142	5,862	6,910	15,914	875	5,659	11,641	18,175	2,722	5,294	12,225	20,240	3,329	4,390	11,330	19,049	4,876	6,634	11,342	22,852

Annex 16: Programmes Ranked by Levels of Budget, Expenditure and Absorption (2010/11–2013/14, million NPR)

Ranking of health budget programmes by level of budget, expenditure and budget absorption in the first four years of NHSP-2

Rank	Programme	Budget NPR	Programme	Expend. NPR	Programme	Absorption %
1	Integrated District Health Programme	28,774	Integrated District Health Programme	22,862	National Health Training Programme	184.8
2	Primary Health Service (Public Health Office, Health Centre, HP and SHP)	18,976	Primary Health Service (Public Health Office, Health Centre, HP and SHP)	17,953	Regional and Zonal Hospitals	115.3
3	Integrated Child Health and Nutrition Programme	6,655	Monitoring, Evaluation and Planning Strengthening Programme	4,206	Health Tax Supported Programme	110.7
4	Monitoring, Evaluation and Planning Strengthening Programme	5,641	Integrated Child Health and Nutrition Programme	4,026	Department of Health Services	110.4
5	Drugs and Equipment Supply Programme	4,631	Drugs and Equipment Supply Programme	2,942	Rural Health Development Programme-Ramechhap, etc	109.6
6	National Tuberculosis Control Programme	3,409	Regional and Zonal Hospitals	2,866	Sukraraj Tropical and Infectious Disease Hospital	109.5
7	Integrated Reproductive Health and Women's Health Program	2,885	Hospitals (below zonal level)	2,078	BP Koirala Institute of Health Sciences, Dharan	108.1
8	Regional and Zonal Hospitals	2,486	Primary Health Care Revitalization Programme	1,883	Sahid Ganga Lal National Heart Centre	107.5
9	National AIDS and STD Control Programme	2,369	National Tuberculosis Control Programme	1,873	Hospitals (below zonal level)	106.8
10	Primary Health Care Revitalization Programme	2,033	National Academy of Medical Sciences - including Bir Hospital	1,870	Paropakar Maternity Hospital	103.8
11	Hospitals (below zonal level)	1,945	Integrated Reproductive Health and Women's Health Program	1,688	Kanti Children Hospital	101.4
12	National Academy of Medical Sciences - including Bir Hospital	1,870	Health Tax Supported Programme	1,583	National Academy of Medical Sciences - including Bir Hospital	100.0
13	Epidemiology, Malaria and Kala-azar Control and Natural Disaster	1,431	National AIDS and STD Control Programme	1,320	BP Koirala Centre for Lions Ophthalmic Studies	100.0
14	Health Tax Supported Programme	1,430	Sahid Ganga Lal National Heart Centre	1,224	Nepal Netra Jyoti Shangha	100.0

Rank	Programme	Budget NPR	Programme	Expend. NPR	Programme	Absorption %
15	Ayurveda Hospitals / Aushadhalayas	1,209	BP Koirala Institute of Health Sciences, Dharan	1,205	Karnali Academy of Health Science	100.0
16	Sahid Ganga Lal National Heart Centre	1,139	Ayurveda Hospitals / Aushadhalayas	1,077	Patan Academy of Health Science	100.0
17	BP Koirala Institute of Health Sciences, Dharan	1,115	Epidemiology, Malaria and Kala-azar Control and Natural Disaster	951	Suresh Wagle Memorial Cancer Centre (T.U. Teaching Hospital)	99.8
18	Hospital Construction, Maintenance and Management Information System	692	Paropakar Maternity Hospital	690	Manamohan Cardiovascular Centre	99.2
19	Ministry of Health and Population	680	Kanti Children Hospital	588	Nepal Eye Hospital	98.6
20	National Health Education, Information and Communication Centre	666	Ayurved Services Program	493	Pasupati Homeopathic Hospital and Unani Clinics	95.4
21	Paropakar Maternity Hospital	665	National Tuberculosis Control Programme (District Level)	446	Health Training Centre - including Regional and Sub-regional	95.3
22	Integrated Child Health and Nutrition Programme	647	National Health Training Programme (D)	398	Department of Ayurveda	95.0
23	Kanti Children Hospital	580	Suresh Wagle Memorial Cancer Centre (T.U. Teaching Hospital)	395	Department of Drug Administration (G)	94.9
24	Ayurved Services Program	563	National Health Education, Information and Communication Centre	363	Primary Health Service (Public Health Office, Health Centre, HP and SHP)	94.6
25	National Health Education, Information and Communication Services	560	Health Laboratory Services	362	Health Laboratory Services	93.1
26	National Tuberculosis Control Programme (District Level)	558	Manamohan Cardiovascular Centre	360	Primary Health Care Revitalization Programme	92.6
27	National Health Training Programme	551	Hospital Construction, Maintenance and Management Information System	359	Singha Darbar Vaidyakhana Development Committee	92.5
28	Miscellaneous Programme - Department of Ayurveda	483	Integrated Child Health and Nutrition Programme	314	Ayurveda Clinics	91.0
29	Suresh Wagle Memorial Cancer Centre (T.U. Teaching Hospital)	396	Miscellaneous Programme - Department of Ayurveda	291	Ayurveda Hospitals / Aushadhalayas	89.1

Rank	Programme	Budget NPR	Programme	Expend. NPR	Programme	Absorption %
30	Health Laboratory Services	388	National Health Education, Information and Communication Services	284	Vector Borne Disease Control Research and Training Centre	87.6
31	Manamohan Cardiovascular Centre	363	Sukraraj Tropical and Infectious Disease Hospital	283	Ayurved Services Program	87.4
32	BP Koirala Memorial Cancer Hospital	313	BP Koirala Memorial Cancer Hospital	253	Nepal Health Research Council	84.9
33	Village Community Public Health, Basic Health and Model Health Village	307	Village Community Public Health, Basic Health and Model Health Village	234	BP Koirala Memorial Cancer Hospital	80.8
34	Avian Flu Prevention and Control Programme	294	Ayurveda Clinics	230	National Tuberculosis Control Programme (District Level)	80.0
35	Regional Health Directorates	268	National Health Training Programme	215	Regional Health Directorates	79.9
36	Sukraraj Tropical and Infectious Disease Hospital	259	Regional Health Directorates	214	Integrated District Health Programme	79.5
37	Ayurveda Clinics	252	Department of Health Services	213	Village Community Public Health, Basic Health and Model Health Village	76.1
38	National Health Training Programme (D)	215	Nepal Netra Jyoti Shangha	205	Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital)	74.7
39	Nepal Netra Jyoti Shangha	205	Ministry of Health and Population	161	Monitoring, Evaluation and Planning Strengthening Programme	74.6
40	Department of Health Services	193	Avian Flu Prevention and Control Programme	159	Leprosy Control Programme	74.3
41	National Population Programme	178	Department of Drug Administration (G)	156	Epidemiology, Malaria and Kala-azar Control and Natural Disaster	66.4
42	Department of Drug Administration (G)	164	Rural Health Development Programme-Ramechhap, etc	146	National Population Programme	65.3
43	Rural Health Development Programme-Ramechhap, etc	133	National Population Programme	116	Drugs and Equipment Supply Programme	63.5
44	Nepal Health Research Council	127	Health Training Centre - including Regional and Sub-regional	110	Integrated Child Health and Nutrition Programme	60.5

Rank	Programme	Budget NPR	Programme	Expend. NPR	Programme	Absorption %
45	Health Training Centre - including Regional and Sub-regional	115	BP Koirala Centre for Lions Ophthalmic Studies	108	Miscellaneous Programme - Department of Ayurveda	60.3
46	BP Koirala Centre for Lions Ophthalmic Studies	108	Nepal Health Research Council	108	Integrated Reproductive Health and Women's Health Program	58.5
47	Nepal Eye Hospital	92	Nepal Eye Hospital	91	National AIDS and STD Control Programme	55.7
48	Karnali Academy of Health Science	84	Karnali Academy of Health Science	84	National Tuberculosis Control Programme	54.9
49	Leprosy Control Programme	75	Patan Academy of Health Science	60	National Health Education, Information and Communication Centre	54.5
50	Patan Academy of Health Science	60	Leprosy Control Programme	56	Avian Flu Prevention and Control Programme	53.9
51	Vector Borne Disease Control Research and Training Centre	52	Vector Borne Disease Control Research and Training Centre	45	Hospital Construction, Maintenance and Management Information System	51.8
52	Pasupati Homeopathic Hospital and Unani Clinics	41	Pasupati Homeopathic Hospital and Unani Clinics	39	National Health Education, Information and Communication Services	50.8
53	Department of Ayurveda	39	Department of Ayurveda	37	Integrated Child Health and Nutrition Programme	48.6
54	Singha Darbar Vaidyakhana Development Committee	28	Singha Darbar Vaidyakhana Development Committee	26	National Health Training Programme	39.0
55	Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital)	25	Ram Briksha Yadav Memorial Centre (Janakpur Zonal Hospital)	19	Ministry of Health and Population	23.6
Totals		99,421	Total	80,317	Total	80.8

Annex 17: Budget for Health MDGs, Women and Poverty Reduction (in billion NPR)

Amount of MoHP budget allocated to the four health MDGs, for women and for poverty reduction over the five years of NHSP-2

	2010/11	2011/12	2012/13	2013/14	2014/15
Millennium Development Goals					
MDG 4	2.4	2.8	2.0	2.9	3.2
MDG5	2.8	3.4	2.2	3.7	3.6
MDG 6	1.7	2.6	2.3	3.5	3.8
Total	6.9	8.8	6.4	10.0	10.6
Contribution to women					
Directly contributing	2.4	3.0	2.4	3.6	3.4
Indirectly contributing	14.9	15.6	12.6	19.9	23.0
Neutral	6.5	6.4	5.2	7.0	7.1
Total	23.8	24.9	20.2	30.4	33.5
Contribution to poverty reduction					
Responsive to poverty reduction	8.6	8.8	7.1	10.7	11.8
Neutral budget	15.2	16.2	13.1	19.7	21.8
Total	23.8	24.9	20.2	30.4	33.5