

कुन प्रदेशको काते बजेट खर्च ?

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Some Progress noted in the Budget Utilization of Provincial Governments as Nepal's Fiscal Year Concludes :

कारको बजेट खर्च विगतको भन्दा राम्रो
ग्रीमाल चालूभन्दा पूँजीगत खर्च बढ्यो

As Nepal's Fiscal Year 2024/25 comes to a close, the data shows mixed progress in budget utilization across different tiers of governments. In case of provincial governments, the reports show increased spending compared to the previous year, indicating growing institutional capacity and improved implementation mechanisms. However, challenges remain, particularly in capital expenditure, where late spending surges and budget freezes raise questions about planning and execution. While recurrent spending continues to be relatively smooth, underperformance on internal revenue generation persisted.

Here is a brief analysis of each province's budget performance for the fiscal year 2024/25:

1. Koshi Province

- **Total expenditure:** 77.26% of NPR 35.26 billion
- **Recurrent:** 79.26%
- **Capital:** 75.29%
- **Local Government Budget Utilization:** 96.35% of NPR 4.85 billion

Koshi leads in overall budget execution, especially at the local level, highlighting strong coordination and administrative capacity.

2. Madhesh Province

- **Total expenditure:** 71.48% of NPR 43.81 billion
- **Recurrent:** 75.13%
- **Capital:** 64.65%

Significant improvement from the previous fiscal year expenditure of 55.75%. Overall expenditure suggests accelerated implementation in the last quarter.

3. Bagmati Province

- **Total expenditure:** 74% of NPR 64.54 billion
- **Recurrent:** 71.5%
- **Capital:** 78.5%

While capital spending is high, a large share of the budget was frozen, indicating inefficiencies in planning or political bottlenecks.

4. Gandaki Province

- **Total expenditure:** 69.54% of NPR 32.97 billion
- **Recurrent:** 76.73%
- **Capital:** 60.43%

Capital spending continues to lag behind, revealing persistent execution delays in development projects.

5. Lumbini Province

- **Total expenditure:** 72% of NPR 38.96 billion
- **Recurrent:** 71.68%
- **Capital:** 72.86%

Internal Revenue Collection: Only 41.01% of the NPR 4.71 billion target

The province saw balanced spending but performed poorly in internal revenue mobilization, raising concerns about fiscal sustainability.

6. Karnali Province

- **Total expenditure:** 64.82% of NPR 31.30 billion
- **Recurrent:** 75.52%
- **Capital:** 58.63%
- **Local Government Utilization:** 90% of NPR 4.83 billion

Although overall spending remains low, local governments in Karnali have demonstrated commendable budget use.

7. Sudurpaschim Province

- **Total expenditure:** 70.65% of NPR 31.53 billion
- **Recurrent:** 76.81%
- **Capital:** 62%
- Capital expenditure as of mid-June: Only 33.46%

A bulk of capital spending happened in the final weeks, reflecting systemic issues in planning and procurement.

While the increase in overall provincial spending is a positive sign, the continued backloading of capital expenditure, freezing of budget allocations, and weak revenue generation point to deeper structural issues. The data suggests that while administrative systems are gradually strengthening, budget planning and procurement reforms are still necessary, especially to ensure transparency, quality, and timely delivery of public services. Moreover, greater fiscal autonomy at the sub-national levels, improved coordination mechanisms, and robust public financial management tools will be essential to enhance the capacity and promote more accountable and responsive governance across all tiers of government.

Read more: [Nayapatrika](#)

Governance Issues of the Week

1. **Bhotekoshi Flood linked to lake burst in Tibet:** The initial findings by the Department of Hydrology and Meteorology indicate that flood on the Bhotekoshi River in Rasuwagadhi on 8 July was caused by the burst of a supraglacial lake in Tibet, located at 5,150 metres and about 36 km upstream. The flood claimed at least nine lives, with 19 people still missing. It also swept away the Nepal-Tibet Friendship Bridge and severely damaged several hydropower projects on the Trishuli River, disrupting electricity generation.

Read more: [The Kathmandu Post](#)

2. **NMC and Health Ministry reach agreement over consumer court decision dispute:** The Nepal Medical Council has reached an agreement with the Ministry of Health, following their protest against consumer court decisions holding doctors and hospitals liable for compensation in medical negligence cases. The Ministry has also formed a three-member task force to submit necessary recommendations, including legal and policy amendments, within seven days. The protests had caused widespread disruption to healthcare services across the country, prompting urgent government action.

Read more: [Kantipur](#)

3. **CIAA Files Corruption Case Over NPR 160 Million IT Procurement Scam:** The CIAA has filed a corruption case at the Special Court against six individuals, including former Executive Director of the National Information Technology Center, Sunil Paudel. They are accused of colluding to procure substandard processors with World Distribution Nepal worth NPR 1.58 billion without a master plan during FY 2020/21. Sunil Paudel has been named the main defendant in the case holding him responsible for the loss of NPR 158.85 million.

Read more: [Nayapatrika](#)

4. **Health Insurance coverage doubled for critical illnesses:** Those enrolled in the Health Insurance Program and diagnosed with eight critical illnesses such as cancer, heart disease, brain or spinal injuries etc will receive NPR 200,000 in coverage, double the existing amount starting 17 July as per the health ministry. The ministry is also implementing policy measures to strengthen the insurance fund, including efforts to cover organized sector employees and migrant workers and their families.

Read More: [Gorkhapatra](#)

5. **TikTok launches flood information guide in Nepal:** TikTok has launched a new search guide in Nepal to help users access reliable and timely information on floods as the disaster cases intensifies. The guide will direct users to sources such as Nepal's disaster portal Bipad, Tiktok's Safety Center and the Tragic Events Support Guide. The guide also offers mental health support resources and tips on responsibly sharing or reporting sensitive content.

Read more: [Onlinekhabar](#)

6. **Nepal sees substantial increase in remittance:** Nepal has recorded a new remittance high of NPR 1.53 trillion during the first 11 months of the current fiscal year, marking a 15.5% increase compared to the previous year. This surge helped generate a current account surplus of NPR 307.31 billion and boosted foreign exchange reserves, now sufficient to cover 17.6 months of imports. Additionally, inflation eased to 2.72%, down from 4.17% last year, reflecting improved economic stability and stronger external financial health.

Read More: [Nagariknews](#)

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