**National Evaluation Systems: M&E Act to Evaluation Policy Provisions in Nepal**

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As a follow-up commitment enshrined in Nepal’s Constitution (2015), the Government of Nepal recently passed the Monitoring and Evaluation Act (2024). This landmark legislative achievement results from several years of diligent efforts by parliamentarians and other stakeholders in Nepal. While this Act marks a significant milestone in enhancing transparent, accountable, and inclusive development governance, it also presents challenges in harmonizing policy instruments, ensuring institutional accountability, engaging stakeholders across different tiers of governance, and translating these elements into actionable strategies.

This concept note delves into the key areas where forthcoming evaluation-related policies and provisions need further exploration, drawing from the new Monitoring and Evaluation Act (2024). It highlights the major strengths and weaknesses of the Act and outlines critical areas for future policy considerations. The analysis and propositions are based on Nepal’s Constitution, the recently approved M&E Act, other relevant national and international documents (such as UNGA Agenda item 18 / A/77/L.64/April 2023), and the author’s two decades of experience in the field of M&E.

Policy provisions in evaluation constitute a rich and varied space where stakeholders operate. Regulatory frameworks, policies, and institutions shape and influence the direction, scale, and functioning of evaluation actions, as well as the value, systems, culture, and use of evaluation. The recent Act includes many encouraging provisions aimed at enhancing transparent and accountable governance through systematic integration within government agencies at different levels. These provisions include the use of participatory tools such as public or social audits, the establishment of a governance structure for oversight, and the delineation of specific roles for relevant actors. It also addresses wrongdoing in the M&E process while carrying out specific M&E tasks.

However, despite these positive steps, the Act has several weaknesses and presents upcoming challenges that need thorough exploration. For instance, the Act emphasizes monitoring over evaluation and learning, and it largely ignores non-public expenditures, leaving out significant development efforts by non-governmental agencies, including the private sector. There is insufficient focus on systematic evidence generation through the M&E process, which is essential for informed decision-making. Additionally, the connection between M&E functions across different government tiers remains weak.

In developing forthcoming policy provisions, such as M&E regulations, the following points should be considered:

1. Embedding evaluation in development management systems to ensure learning, improvement, and accountability.
2. Devising evaluation systems that cut across the sectors (move from ‘silo’ approach) for better results that contribute to transformative societal change.
3. Adopting a tailored approach based on local needs while respecting inclusivity and addressing "whose" agenda for change.
4. Engaging stakeholders, including sub-national entities and the private sector, for developing resilient evaluation systems through capacity building, knowledge sharing, and institutional development.

This paper aims to illustrate the areas where evaluation-related policies and provisions need further attention, ensuring that the Monitoring and Evaluation Act (2024) can be effectively implemented to achieve its intended goals.