













Nutrition Responsive Public Financial Management in Asia

Capacity Strengthening Workshop

Bangkok, Thailand



BACKGROUND

Earlier this year at the Nutrition for Growth (N4G) Summit SUN countries made important nutrition commitments, including many to improve public financial management (PFM) for nutrition. Countries are now working diligently on efforts that will help achieve country goals. At the same time the aid financing landscape is shifting, with donor funding for nutrition declining and domestic resource mobilization becoming increasingly essential for the sustainability of vital nutrition programs. Now more than ever there is a clear need to strengthen nutrition-responsive PFM and countries have expressed the need for enhanced regional guidance to support government transition towards increasing domestic financing and minimize impacts from reduction in donor funding. In response, in October 2025, 11 SUN countries came together to discuss and share experiences with budgeting, planning, financial tracking and other essential PFM actions that improve nutrition outcomes. This convening built on the experience of last year's Nutrition Financing Workshop and drew heavily on the findings of a recent regional study in Asia that documented country experiences with nutrition budget tracking and generated lessons learned.

WORKSHOP OVERVIEW

Eleven countries were represented by delegations composed of government officials including the SUN Focal Point or SUN Secretariat representative and representatives from the Ministry of Finance or Budget and Planning, civil society representatives, and partners who support nutrition financing and PFM in the country. Global and regional partners present included SMS Asia, the World Bank, Capacity for Nutrition (C4N), the Finance Capacity Development Platform (FCDP) for SUN countries, UNICEF, WHO, WFP, FAO, EU, and GiZ.

The workshop was an opportunity for **capacity strengthening** and **peer learning** across countries on nutrition-responsive PFM actions for the region. It was also an opportunity for country delegations to develop **draft country action plans** by reflecting on their current situation and ideating on ways forward based on learnings at the workshop across various components of PFM. This is meant to be taken forward at country level following the workshop. This structure facilitated dialogue on what has or has not worked well, core questions and challenges countries are facing, and ways stakeholders can work with countries to strengthen nutrition financing.

All eleven country delegations gave presentations on their nutrition financing experience and shared examples of what has been successful in moving the nutrition financing agenda forward. Participants also heard from partners on the latest research and guidance in the field—the World Bank presented findings on the economic evaluation of scaling nutrition in Asia and the 5-step framework for nutrition-responsive budgeting and C4N/FCDP presented findings from the Asia regional study on nutrition budget tracking. To complement these discussions, Indonesia and Timor Leste presented their experience with nutrition budget tracking and tagging. The participants also discussed in depth what financing levers and investment entry points can be leveraged to boost the momentum for sustainable nutrition financing and justify the need for system building. Philippines presented their experience with performance-based financing for nutrition based on which a multi-sectoral nutrition investment will be scaled up and resource tracking system will be institutionalized at local government level to strengthen accountability for results. Bangladesh presented experience accessing climate financing for nutrition. SUN Civil Society Network presented their new Asia Regional strategy for 2026-2030, to unite and amplify Asia's CSOs to drive policy change and secure sustained investments for nutrition.



In practical working sessions, country teams worked through the following key questions:

- a) Which existing government-led programs are best suited to integrate nutrition and what are the financing opportunities for each? Using a prepared Excel tool, participants reported existing programs that currently do include nutrition objectives/activities/indicators and those that do not but have the potential to enhance nutrition-sensitivity. This exercise helped spark discussion on potential policy and program "asks" that can enhance nutrition sustainable financing through optimizing existing investments.
- b) How to ensure nutrition is more visible and sustained within PFM? Participants reviewed their annual planning and budgeting cycle and identified key entry points with actions to integrate nutrition guided by the nutrition-responsive PFM steps defined in the World Bank guide.
- c) How to track financial performance and impact for nutrition? Participants reviewed and validated findings from the Asia regional study on nutrition budget tracking including their own country profiles. Using a diagnostic tool generated by the study, participants considered a set of five diagnostic elements to help decide on the best way forward to strengthen or implement nutrition budget tracking systems.
- d) What actions can government take to strategically and innovatively finance nutrition? Participants reviewed example policy levers that enable sustainable nutrition financing and example financing mechanisms and tools to allocate funding and discussed pros/cons of each.
- e) How to engage with Ministry of Finance? In an engaging role-playing exercise, participants prepared their "elevator pitch" to Ministry of Finance and other target audiences (e.g., Planning Commission) which allowed for practice refining the nutrition ask. Participants noted that the presence of Finance officials and economists at the workshop provided nutrition leaders with a rare and dedicated opportunity to engage in detailed nutrition financing discussions in this exercise and throughout the workshop.

After working through each of the questions above, delegations prepared first draft **country action plans** that highlighted short- and long-term priority actions they will pursue to strengthen nutrition-responsive PFM in their countries, assigning responsible parties and a timeline for monitoring and reporting. These plans also built around the **peer learning exchanges** on what was working well in countries and what could be adapted. These draft action plans are live documents countries will continue to work upon, building them out as initiatives progress and new priorities arise which will also serve as a helpful tool for progress monitoring and accountability.









KEY LEARNINGS AND INSIGHTS

Across the 4-day workshop, three important themes on what drives country progress emerged. First, it is clear that making the case for investing in nutrition remains the foundation of sustainable nutrition financing. Communicating a clear rationale for why investing in nutrition is important to a country's broader socioeconomic goals is essential for decision makers to unlock funding. Next, having the right policy levers that enable nutrition-responsive PFM is important to incentivize budget and planning officers to embed nutrition actions into annual plans and be held accountable. Lastly, all of this must be executed with government financing mechanisms and tools within PFM systems that enable effective and efficient usage of funds that encourage multi-year investment in activities that work best to achieve country goals. Each of these thematic areas are explored below.



1. Making the case for investing in nutrition. Country governments require a rationale for investing in nutrition in order to support the allocation of funds, especially under circumstances of tight budgets and competing resources. Evidence shows there is a strong economic basis for investing in nutrition with a 1:23 return of investment globally (or as high as 1:54 in the East Asia & Pacific region), and the potential to earn billions in terms of economic benefits for a country. Workshop participants discussed the need for strengthened country-level advocacy that makes the case for investing in nutrition—including clear financing "asks" grounded in their costed plans and prioritization processes, expected impact with ties to the broader socioeconomic goals of the country, and a summary of current government investments and the opportunities for more or better spending that exist. The latter can often be generated by nutrition budget tracking efforts.

Importantly, there is a wide range of actors that must be engaged in nutrition sensitization including Parliamentarians and legislators, and government officials **horizontally** across sectors including Ministry of Finance and Planning Commission and **vertically** at all subnational levels of government including Governors and local government authorities. The horizontal and vertical governance structures are key to ensure high-level priorities are established for nutrition and officials at local levels follow through with implementation. Timing for engagements matters and advocacy opportunities should be mapped to the fiscal calendar of the country during important milestones of budgeting and planning. Civil society partners working on budget advocacy can support governments with effective messaging that is evidence-based and speaks to the language of policy makers.

Challenges and bottlenecks: Workshop participants shared experiences where efforts to track what was spent for nutrition could be counterproductive from an advocacy lens when results show very high expenditure to nutrition relative to actualities, simply due to assumptions in the methodology. This can make it difficult to secure new funding that pushes beyond "business as usual" to explicitly and intentionally scale-up nutrition actions and make programs more nutrition-sensitive. This opened a conversation about what to count for nutrition, a need for a common taxonomy of investment types where nutrition is explicit (currently only two countries have a taxonomy—Indonesia and Philippines), and a need for a renewed look at existing guidance on applying weights to approximate nutrition investment within larger investments to limit artificial inflation of nutrition investments, noting there are pros and cons of applying weights.



- 2. Policy levers that enable sustainable nutrition financing. Establishing a strong policy foundation that secures nutrition as a developmental priority across strategic plans (national and sub-national) promotes nutrition investment. Policy levers can be viewed as important "enablers" of nutrition financing because they provide incentives and reasoning for government planners (including program leads alongside budget and planning officers) to embed nutrition actions into annual plans and ensure all responsible parties are held accountable. Workshop participants shared experiences and brainstormed important policy levers examples:
 - Ensuring nutrition is included within national strategic plans including development plans and expenditure frameworks (long- and medium-term), and sector strategies—not only within multisectoral costed nutrition plans. For example, Nepal explicitly incorporated nutrition into the country's Mid-Term Expenditure Framework (MTEF) (F.Y. 2025/26-2027/28). Other countries provided perspectives that the inclusion of nutrition in their MTEF may provide the established directive for sectors to include nutrition within their sector budgets, and this should be explored further within specific country contexts.
 - Building subnational governance structures that embed nutrition leadership at various levels of government down to local level. For example, in Pakistan, Provincial level SUN Units and Provincial Technical Working Groups (TWGs) on nutrition have been established, focusing on sub-national level where implementation occurs and annual planning and budgeting decisions can directly respond to need and changing environments.
 - Engaging sub-national and local government units (LGUs) on nutrition financing to ensure nutrition activities are embedded within localized planning and budgeting. This includes nutrition trainings that bring nutrition awareness down to local government level to budget holders for implementation. Several countries raised this as an important endeavor, including Philippines, Indonesia, Nepal, Pakistan, and Bangladesh.
 - Developing a costed multisectoral nutrition action plan inclusive of a financing plan.
 Multiple countries identified this as a priority action for the way forward in immediate short-term plan.
 - Ensuring nutrition dialogue keeps moving forward and prioritized in humanitarian response financing in conflict and fragile settings. For example, Myanmar is operating within a complex humanitarian and political landscape and yet has strong champions and advocates continuing to ensure that life-saving nutrition activities are prioritized within the country's humanitarian response.

Challenges and bottlenecks: Workshop participants discussed that while having nutrition embedded within the medium-term development plans is important there is still a potential disconnect between inclusion into sector strategies and annual budgets which is what is ultimately necessary to allocate funding for implementation. While most countries have multisectoral nutrition plans, not all have been costed, and even for those that have been costed, it is often unclear what the specific financing need is for each concerned sector. Without clear financing projections and targets for each sector to track against and report on, budget tracking has limited use in accountability, advocacy, and assessment of the funding gap. Collective agreement from partners can help support countries in identifying priority sectoral nutrition activities and cost them accordingly.



- **3. Financing mechanisms and tools within PFM systems:** Designing appropriate financing mechanisms and tools to fund nutrition activities and manage spending can improve implementation while also gaining efficiencies that secure programmatic success. Workshop participants shared experiences and brainstormed examples to incentivize improved nutrition planning, budgeting and tracking:
 - Deploying appropriate tools that enable tracking and course correction to ensure funds are released and utilized effectively based on planned priorities. For example, Indonesia's tracking system enables tracking of budget utilization and output realization in order to review disbursement efficiency and make course corrections when necessary, at specific points throughout the year [semester and yearly]. Other countries have not yet implemented nutrition budget tracking but are interested to develop and refine tools including a nutrition investment taxonomy, including Sri Lanka.
 - Developing and using consistent taxonomy of nutrition investment. Countries such as Viet
 Nam raised the importance of aligning on language and classification of nutrition to guide investment, which was reinforced across all countries present.
 - Implementing nutrition resource tracking tools. The regional study on nutrition budget tagging and tracking revealed potential tools that can be leveraged to track nutrition including programmatic classifications and nutrition markers, for example, Timor Leste presented their experience using nutrition budget tagging within their financial information system. And Papua New Guinea's representative from the Ministry of Finance identified it as a priority action item to implement a nutrition budget code moving forward. The study can be found here.
 - Performance-based grant structures at local government level (LGU) The Philippine Multisectoral Nutrition Project (PMNP) for example, utilizes Performance-based Grants (PBGs) to ensure high-impact nutrition interventions are incorporated and budgeted in local plans. These PBGs improved the prioritization of nutrition in LGU planning and programming with evidence of enhanced LGUs financing to implement Local Nutrition Action Plans (LNAPs) and a reported 68% increase in LGU budgets for nutrition from 2023 to 2024. The next phase of the initiative is to build a nutrition resource tracking system at LGU level, which will be incorporated into relevant information systems for visualization and use to strengthen accountability.
 - Leverage existing investments across sectors to boost nutrition gains efficiently within existing resources. For example, Bangladesh as one of the world's top 10 most climate-vulnerable countries, is working to identify and map all opportunities, gaps, and entry points for accessing climate finance for nutrition. This comes after Bangladesh signed the Nutrition Integration Compact (March 2025) and committed to a Climate-Smart Food Environment Strategy (N4G Paris 2025) paving the way for integrated action.
 - **Exploring contingency resources for continuity of programs under volatile development financing.** In the context of aid fluctuations and development budgets on decline, participants discussed the need for contingency funding to ensure programs are not interrupted. For example, the Government of **Nepal** increased domestic resource allocation to the Multi-Sectoral Nutrition Plan III (MSNP-III) through use of a special grant allocation to nutrition during an interim period between donor grant close outs which created a financing gap for the program.
 - Establishing guidelines for private sector engagement. Lao PDR, along with other countries, are keen to explore the role of private sector and the development of these guidelines to help mitigate conflict of interest, mobilize additional resources for nutrition, and ensure better nutrition outcomes for the population.

- Government managed nutrition trust funds can provide a dedicated pool of resources earmarked for nutrition interventions or aligned with the national nutrition action plans in order to incentivize sectoral budget holders to prioritize funding for nutrition within their annual budgets. Their usefulness is greater when donor-financing of nutrition is significant. Participants discussed this as a potential mechanism for dedicated nutrition financing.
- Lanka expressed interest in establishing sin taxes for nutrition, however the global evidence and guidance warrant that these fiscal policy measures be primarily designed to meet behavior change objectives and targets to curb the consumption of targeted unhealthy products, and not for resource generation. Experiences also show that earmarking tax revenues for specific initiatives/programs requires a high-level political support and strong tax administration capacities. There remains a common misunderstanding of the objective and motive for sin taxes for nutrition.

Challenges and bottlenecks: Several countries reported weak integration of nutrition into existing PFM systems, where nutrition financing tools remained ad hoc or project-based rather than embedded in national budget systems.. A common challenge is a lack of a roadmap to strengthen PFM for sustainable nutrition financing, which reduces country's capacity to support multi-year investments and long-term planning. Capacity gaps and high turnover rates across levels of government also make it harder to manage complex financing instruments. Monitoring systems are not always designed from the start to monitor performance and track spending against nutrition outputs and outcomes. The region is characterized by diverse donor and domestic financing landscapes, with some countries in the region relying heavily on donor financing (for example, 91% in Lao PDR) which can lead to an increased risk of fragmentation across program implementation. This also makes it harder to track and monitor budgets and expenditures if they are kept off budget.





WAY FORWARD AS A REGION

The workshop successfully fostered a highly participatory environment, resulting in overwhelmingly positive post-workshop feedback from attendees. Participant feedback from the workshop emphasized the need for a long-term and comprehensive approach in the region for sustainable nutrition financing.

The following were identified as priority regional activities to take forward:

- 1. Establish a new narrative for sustainable nutrition financing in the context of PFM to support making the case for nutrition and ensure alignment of all relevant stakeholders in this collaborative effort. This includes a review of existing guidance and tools on:
 - Nutrition budget tracking based on country experience
 - Prioritization of underfunded nutrition actions across sectors [e.g. nutrition investment taxonomy across sectors based on latest evidence]
 - Costing of multisectoral nutrition plans with a financing strategy, ensuring they are aligned to and inform sector strategies
- 2. Collectively work to strengthen capacity of country governments to improve nutrition-responsive PFM through a coalition of actors using the new narrative and tools for sustainable financing.
- 3. Establish a Regional Community of Practice on Sustainable Nutrition Financing including routine virtual calls for country guidance and update sharing, and a regular annual convening of the regional capacity strengthening workshop.

Each country developed their own first draft Country Action Plan which they are taking forward to action. This regional guidance will help accelerate and enhance what countries are able to achieve.

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