

Social Protection In Nepal -design, effectiveness and impact-



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Commoner's definition of

Social security

“ any government system that provides monetary assistance to people with an inadequate or no income”

Social protection

“ the set of policies and programs designed to reduce poverty and vulnerability to protect against hazards and loss of income”

Nepal Social Protection addresses

Horizontal (across programme) and vertical (amount) coverage

'Social protection' in Nepal is widely understood as 'social security'. Programmes (Social assistance, Care services, Social insurance, Labour market interventions etc.) mostly implemented by government agencies / Boards and Committees. Major programmes include Social Security Allowances (2.8mil beneficiaries / NPR 67.5 Bill.), scholarships/stipend (3.29 Mill. students), health subsidies (NPR 7.5 Bill.), public works programmes (NPR 11.6 Bill.) etc.

Protection of vulnerable

Nepal's social protection systems are less designed to protect the poorest and most vulnerable from the crisis of long-term deprivation and from income shocks. Disaster response programmes are limited to a few from SSA and some of the relief schemes.

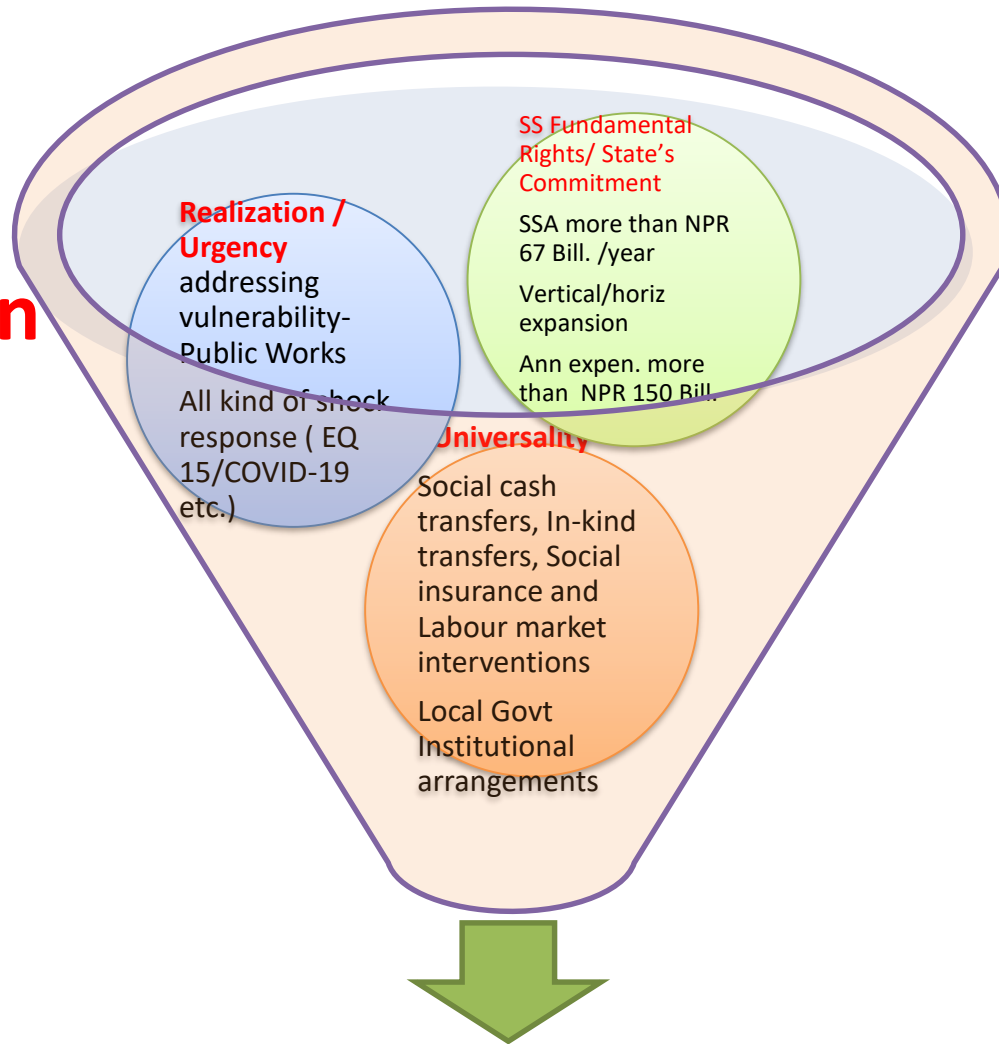
Goal achievement

Achieving SDG (Goal 1/1.3/1.3.1, 3, 5, 8, 10, 16), 15 th Plan, UNICEF CPAP

Targeting/ Registry

Programs inbuilt information systems are designed to support registration, determination of potential eligibility, applications etc to check inclusion/exclusion and other errors.

Nepal Social Protection Design



Social Security Programmes

Fundamental Rights	Right to Education (Art.31)	Major Acts related to the Social Security	
	Right to Employment (Art.33)	<ul style="list-style-type: none"> • Disaster Risk Reduction and Management Act, 2074 • Local Government Operations Act, 2074 	
	Right to Labour (Art.34)	<ul style="list-style-type: none"> • Social Security Act, 2075 	
	Right to Health (Art.35)	<ul style="list-style-type: none"> • Senior Citizens Act, 2063 	
	Right to Food (Art.36)	<ul style="list-style-type: none"> • Rights of Person with Disability Act, 2074 	
	Right to Housing (Art.37)	<ul style="list-style-type: none"> • Domestic Violence (Offence and Punishment) Act, 2066 	
	Right of Women (Art.38)	<ul style="list-style-type: none"> • Human Trade and Trafficking (Control) Act, 2064 	
	Right of Child (Art.39)	<ul style="list-style-type: none"> • Penal Code, 2074 	
	Right of Dalit (Art.40)	<ul style="list-style-type: none"> • National Women's Commission Act, 2074 	
	Senior Citizens Right (Art.41)	<ul style="list-style-type: none"> • Right to Safe Motherhood and Reproductive Health, 2075 	
Right to Social Justice (Art.42)	<ul style="list-style-type: none"> • Public Health Act, 2075 • Civil Service Act, 2049 		
Social Security Right (Art.43)	<ul style="list-style-type: none"> • Employment Guarantee Act, 2075 • Contributory Social Security Act, 2074 • Act against social discrimination, 2068 • Employees' Provident Fund Act, 2019 		
Power relating to Social Protection	Federation Power	State Power	Local Level Power
	Social Security and poverty alleviation Schedule- 5. 32	X	Management of senior citizens, people with physical disability and incapacitated (Schedule - 8.16)
	Matters related to social security and employment, trade union, resolution of industrial disputes, labor rights and disputes (Schedule 7. 11). • Employment and aid to unemployed (Schedule 7. 25)	X	X
	• Social security and poverty alleviation (Schedule 9.10)		

Legislations, 15th Plan and Commitments addressing Social Protection

15th Plan on SP	Aim	To implement citizens rights making social security and protection sustainable, universal and accessible and enhance citizens confidence towards nation.
	Objective	<ol style="list-style-type: none"> 1. To encompass all citizen in contributory and universal social security systems. 2. To protection to community in Socio Economic socio exclusion and vulnerable. 3. To reduce economic social environmental and other risk through social security and social protection measures.
	Strategies	<ol style="list-style-type: none"> 1. Increasing access of the social security programmes area gender class and community in socio economic exclusion and risks. 2. To expand contributory social security programmes in non formal sector to make it universal. 3. To develop inter governmental information system to make coordination and cooperation effective of Federation, Provinces and Local Government in social security protection and cooperation.
Major Convention/Covenant		
<ul style="list-style-type: none"> • Convention on the Elimination of All Forms of Discrimination against Women • The International Covenant on Civil and Political Rights • The International Covenant on Economic, Social and Cultural Rights • Convention on Child Rights • Convention on the Rights of Persons with Disabilities • ILO related Conventions 		

Social Security Programmes

- Broadly 16 programmes, more than 76 schemes operated by 11 Ministries. Large number of programmes/schemes e under health and education sector.
- Contributory social security schemes are limited to SSF, EPF, Health Insurance Board. Large informal sector as agriculture and labor, occupational jobs, daily wage earners not covered
- Local governments with few innovative schemes on labour promotion, senior citizen and child development. Provincial governments are yet to come up with Social security programmes.

Growing Burden

- WB estimates the expenses have been many fold increased from 1% of GDP in 2003 to 2.5 % of GDP in 2013.
- National annual outlay NPR 131 bil. (more than 13% of national annual budget) in FY 18/19 increased to NPR 150 bil. in current FY14%.-highest in South Asia.
- The increment has further aggravated by the diminishing inclusion error and longevity.
- Public employee pension NPR 53 Bill./ year.

Effectiveness

- **Social Security Allowances-** Despite inclusion and exclusion errors, largely effective to protect vulnerable, caring nutrition and child health, providing health care services and preserving dignity of elderly people.
- **Public Works-** Until 2015 food and cash support programmes with community high acceptance. Some of modalities still continued in PMEP.
- **PMEP-** Despite faulty modus operandi / politicization, single large programme to reach across local governments. (NPR 11.6 Bill, 20/21).
- **Health Insurance subsidy for 70 yrs above – 0.3 mil covered.**
- **Educational support-** With duplications and weak management stipend /scholarship/school meal/ hostel schemes have become customary.

Impact

Few evaluations available

- “The overall satisfaction level of the beneficiaries about the scheme is found to be very low. This relates primarily to the amount provided to the beneficiaries.....” (Assessment of Social Security Allowance Program in Nepal NPC/2012).
- “...have shown that the Child Grant has had only limited impacts on beneficiary households....The qualitative analysis shows some limited areas where some progress appears to have been made. “ (Evidence from the Child Grant in the Karnali Region , 2014)
- “... in general birth registration has been reported to have increased due to the universalization of child grants.” (Service delivery in a decentralized context: the case of Social Security Allowances, UNICEF Nepal 2018)
- “The Emergency Cash Transfer Programme was thus successful in meeting its broad aims and objectives, albeit experiencing some significant operational challenges...” (Lessons from the UNICEF Nepal ECTP through Social Assistance, 2016)

Confronting Issues

- Working definition/ understanding of Social Protection/Social Security not available.
- No single organizational with mandate on social protection. No umbrella law. Organizations/agencies prompt to implement in their own.
- Role clarity of all three tiers of government thru legislations not yet done.
- Not scalable during disaster and other economic shocks.
- Many registries for different and similar purpose exist. (SS & VEMIS, NIDC, SOSYS SSF, PMEP, Poverty Card, Health Insurance Board, MOWCSW ID, Electronic Driving license, Voters' ID Card, Citizenship Info Mgmt –CIMS, Employees' ID , Retired Govt Employee ID Card)
- SS Bank accounts are not digitally connected to payment gateway. Electronic payment modalities are not available.
- Contributory SS yet to accommodating non formal sector.
- Bylaws on Government's notifications on standards/income ceiling etc. not developed.
- Policy coordination and harmonization remain as the established challenges.

Way forward....



- Robust single registry
- Programmes, schemes integration/consolidation /merger etc.
- Devolving functions with resources to local governments
- Redress and grievance mechanism at all levels

Social Protection National Frame

FRAMEWORK

- Long awaited policy document
- NDAC has approved concept on National Social Protection Framework.
- GON/NPC's priority on preparation of Framework to harmonize policies, improve coordination, strengthen system to improve preparedness and develop capacity of government and partners to have a shock-responsive and resilient inclusive social protection system.
- NISSF shall envisage organizational set up for policy coordination for delivery and administration through sector Ministries.



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