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## Improving social protection's response to child poverty and vulnerability in Nepal

**This brief presents findings from a study by Save the Children and the Center for Social Protection (CSP), the Institute of Development Studies (IDS), aiming to assess the extent to which social protection in Nepal addresses child poverty and vulnerability.**

Nepal can be considered at the forefront of social protection compared to other low-income countries, being one of the first to have introduced a social pension, implementing a set of nationally funded social protection schemes and in the process of finalising a National Framework for Social Protection (NFSP). At the same time Nepal's social protection schemes suffer from coverage, implementation and delivery challenges, and has had to respond and adapt to the 2015 earthquake emergencies. This brief presents findings from a study by Save the Children and the Centre for Social Protection (CSP) at the Institute of Development Studies (IDS) aiming to assess the extent to which social protection in Nepal addresses child poverty and vulnerability and can be considered to be 'child-sensitive', and how it can be strengthened to further improve children's lives.

### Child-sensitive social protection

Social protection can be considered child-sensitive when it directly improves children's lives – through the provision of cash transfers, for example – but also when it reduces unintended adverse consequences or perverse incentives – through the provision of child care when caregivers participate in public works programmes, for example. As such, child-sensitive social protection includes instruments that directly focus on children (such as child grants or scholarships) but also extends to schemes targeted at other household members or aiming to benefit the household as a whole (such as old age pensions or disability allowances).

### Social protection's response to child poverty and vulnerability in Nepal

Nepal's National Framework for Social Protection adopts a 'life-cycle' approach, ensuring that the social protection systems addresses needs and vulnerabilities across all stages of life. This study therefore considers a set of social protection programmes covering all stages of the life-cycle, assessing the programmes' intended and unintended impacts on children's outcomes. Table 1 provides an overview of the relative impacts of the selected programmes.

**Table 1: Relative impacts on child poverty and vulnerability across all social protection programmes**

	Child Grant	Scholarships Programmes	Midday Meal	Safer Motherhood Programme (Aama)	Karnali Employment Programme (KEP)	Old Age and Single Women's Allowance	Full Disability Allowance	Partial Disability Allowance
Poverty	+	?	?	?	+	+	+	+
Nutrition	+	?	+/-	+	+	+	?	?
Education	?	+/-	+/-	?	+	+	?	?
Health	+	?	?	+	?	+	+	+
Child Labour	?	+/-	?	?	?	?	?	?
Child Care	+	?	?	+	+/-	+	?	?

Overall, Nepal's social protection system positively influences children's lives in areas of poverty, nutrition and health followed by positive changes with respect to education and child care. It has to be noted that all these impacts are modest rather than leading to large changes in children's lives. Impacts of the scholarship and Midday Meal programmes as well as KEP were considered ambivalent with adverse consequences potentially outweighing positive effects. That said, it is important to point out that the current system serves as a fertile basis from which to address and overcome challenges to improve social protection's degree of child-sensitivity. The many question marks in Table 1 also highlight the need for more information about the effect of social protection on children, including programmes both targeting children directly or indirectly.

**Design challenges include low transfer amounts, rigid registration processes, limited integration of sensitisation and awareness activities, stringent categorical targeting, lack of linkages between child protection and social protection, and lack of participatory processes.**

### **Institutional, administrative, design and implementation challenges**

The modest impact of social protection on children's lives follows a series of institutional and administrative challenges, design challenges, and implementation challenges.

In terms of institutional and administrative challenges, findings suggest that the lack of leadership and coordination and limited collaboration between government, international and NGO stakeholders hamper prioritisation and systematisation of social protection. Budget and capacity constraints limit coverage of social protection and lead to irregular and ineffective implementation. Finally, children are under-prioritised in policy, undermining social protection's potential to reduce child poverty.

Design challenges include low transfer amounts, rigid registration processes, limited integration of sensitisation and awareness activities, stringent categorical targeting, lack of linkages between child protection and social protection, and lack of participatory processes. While institutional and administrative challenges undermine social protection at large, these design challenges particularly hamper social protection's positive impact on children.

Implementation challenges refer to corruption and misuse of funds, payment delays and arrears and lack of effective and well-functioning monitoring systems, again limiting social protection's overall impact. Finally, the wider economic context and supply-side factors were also found to be crucial in enabling positive impact of cash transfer and public work programmes.

### **Improving social protection's response to child poverty and vulnerability**

#### **1) Strengthen the functioning and implementation of existing social protection programmes**

An improvement of the current functioning and implementation of social protection constitutes a first important step in making the system more effective in reducing child poverty and vulnerability. Core components of doing so include strengthening coordination and collaboration, improving capacity at VDC (village) level and improving transparency.

#### **2) Expand coverage**

Given current eligibility criteria, Nepal's social protection system excludes the majority of children from benefiting from social protection, making the expansion of coverage crucial for improving social protection's ability to respond to child poverty. This can be done

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directly – through programmes targeted at children - or indirectly – through programmes targeted at households or other groups. A twin-track approach that taps into government responsibilities and community participation may yield most promising results for children. The expansion of the Child Grant already receives much support from UNICEF and other stakeholders. Save the Children has been instrumental in establishing Child Endowment Funds (CEF) at VDC (village), offering a community-based and owned mechanism for providing regular support to the most vulnerable children in the community that are not otherwise supported by social protection.

### **3) Increase transfer amounts**

The relatively low level of transfers in relation to the cost of living is one of the main reasons for limited impact of programmes on children and beneficiaries at large. Although budget constraints are an obvious and real concern, transfer amounts should at least be tied to a justifiable benchmark, reflect regional prices and be adjusted to inflation. With respect to public works programmes such as KEP, programme participants need to be able to at least work the number of days of work as stipulated against a fair wage rate.

### **4) Make programme registration more responsive and flexible**

Current registration processes – allowing for registration only once per year - are an important cause for delays in receiving transfers. Programme registration and entry into programme budgets need to become more flexible so that beneficiaries can start benefiting from the grants with a minimal delay. This particularly holds for new-borns, newly widowed women or those becoming partially or fully disabled. Efforts are underway to minimise the delay for those applying to the Child Grant and Disability Allowance to a maximum of four months.

### **5) Strengthen sensitisation and awareness raising regarding use of funds and child wellbeing**

The exploration of opportunities for raising awareness and sensitisation regarding transfer use, spending on education and health and access to complementary services, and more strategic use of those opportunities, can greatly enhance the child-sensitivity of social protection. Opportunities could include the presence of community health and extension workers and the Village Child Protection Committees (VCPCs) during physical payment of transfers. The rise of mobile and new technology also present opportunities for providing more general messaging about social protection and other issues related to children.

### **6) Improve link to child protection**

While child-sensitive social protection and child protection are two distinct policy areas, they do share the important objective of reducing poverty and vulnerability among children. This shared objective calls for a greater link between the two policy areas, not by conflating them but rather by fostering collaboration across. This implies the establishment of a mechanism that facilitates referrals of children from the social protection into the child protection system or vice versa, and the need for capacity building in terms of identifying child protection violations. The Village Child Protection Committees (VCPCs) might present a core component of such a referral mechanism.

### **7) Establish grievance mechanisms**

Grievance and complaints mechanisms are important tools in creating a social contract between citizens and the government and for creating broad-based awareness and ownership of social protection programmes. It will ensure that programmes are not seen as discretionary government hand-outs but as structural support networks and improve transparency about who is eligible for such support and who is not. The establishment of such mechanisms will therefore not only work towards improving effectiveness of programmes but also for establishing a citizen-state relationship.

### **8) Raise awareness and voice**

While it is the government's duty to provide its citizens with a minimum standard of living, citizens should be empowered to raise their voice and keep the government to account in living up to this duty. This requires making sure that those eligible for social protection programmes are aware of their eligibility and the mechanisms through which they can apply, and feeling confident to make use of those mechanisms. But also requires people – those in

and outside of the social protection systems – to be vocal in putting forward their demands, such as increased coverage and higher transfer amounts. Public support may be crucial for creating momentum regarding the extension and improvement of social protection in Nepal. The creation of awareness about people’s rights, eligibility criteria and mechanisms for making their voices heard can be done using conventional technology such as radios and newspapers but also by exploring more innovative options, such as SMS or social media.

### 9) Create clarity about the purpose of social protection, and about child-sensitive social protection

Despite the long-standing history of social protection in Nepal, clarity about what it means and should do remains an issue for many. This in conjunction with limited priority of children’s issues may undermine efforts to make social protection child-sensitive. Creation of knowledge and awareness of the meaning of child-sensitive social protection among policy-makers and practitioners is crucial in strengthening social protection’s potential benefits for children. This holds for both those developing policy at national level and those implementing policy at district and village level.

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#### 2015 earthquakes in Nepal and implications for social protection

On 25 April and 12 May 2015 Nepal was struck by heavy earthquakes with a shattering effect on the country. Almost half of all 75 districts in the country were affected. Within those areas 14 “most affected” districts (see map from UNICEF, 2015) were prioritised for immediate humanitarian relief by government, INGOs and NGOs. These 14 districts have an estimated total affected population of 2.8 million, out of which 1.1 million (40 percent) are children.

The response to Nepal’s earthquakes has been wide and multi-faceted, including in-kind and cash support from government, INGOs and NGOs. Two initiatives are



particularly notable in reference to social protection. Firstly, the Emergency Top-Up Cash Transfer Programme (ETCTP) which provided one-off top-up payments of 3,000 NRS for participants in five social protection programmes implemented by the Department of Civil Registration in Ministry of Federal Affairs and Local Development

(including the Child Grant) in the 19 most-affected areas, aiming to offer immediate assistance to vulnerable households through financial support. An independent assessment found that participants appreciated the support and that transfers were primarily used for purchasing food, household items, clothing and medicines (UNICEF, 2016). As two-thirds of beneficiaries live with at least one child under the age of 18 and one-third live with a minimum of one child under the age of five, children disproportionately benefited (ibid). Secondly, households affected by the earthquake were provided with an ID card giving them access to a range of in-kind and cash support, ranging from basic household supplies, government cash transfers totalling 25,000 NRS and NGO cash transfers such as 15,000 NRS by Save the Children. There are also plans to distribute a large housing grant of 200,000 NRS to households carrying this ID card, leading to many households splitting up to gain access to more support. No information is currently available about the implementation or impact of the support provided through the ID card for households affected by the earthquake, although the combination of transfers channelled through this card suggests that it plays an important role in supporting people with basic needs and rebuilding their livelihoods.

This report was written in March 2016 by Keetie Roelen and Helen Karki Chettri from the Centre for Social Protection (CSP) at the Institute of Development Studies (IDS) in collaboration with Bishwa Pun, Shodashi Rayamajhi, Hemanta Dangal and Disa Sjöblom from Save the Children. More details can be found in the full report “Improving social protection’s response to child poverty and vulnerability in Nepal”.