

KEY POINTS

- The technical assistance supported the development of a comprehensive policy approach to social protection through the creation of a draft social protection framework for Nepal with line ministries and development partners.
- Institutional capacity building and knowledge sharing were strengthened through training and the formation of a community of practice comprised of representatives from government and other stakeholders working on social protection.

SOCIAL PROTECTION BRIEF

Social Protection Framework in Nepal¹

BACKGROUND

Nepal is implementing several social protection programs including a grant for children, cash transfers for senior citizens, people with disabilities, endangered ethnic communities, and single women, plus support to the Karnali Employment Program, various poverty reduction programs, public works, and microinsurance initiatives.

Currently, a number of social protection programs suffer from a lack of coordinated implementation by various government agencies, which places stress on fiscal budgets. The situation often comes under criticism from policy makers and other stakeholders who contest the nature and relevance of such programs.

The Government of Nepal has recognized that a well-articulated framework and strategy is necessary for running an effective and efficient social protection system with regulatory, oversight, and delivery capacities. Similarly, the availability of financial, institutional, and human resources is critical, including the effective utilization of available resources. Having realized this, many countries have developed national social protection strategies by consolidating various initiatives. Such consolidated frameworks—prepared through wide stakeholder consultations—are instrumental in ensuring political consensus, social harmony, policy coherence, and efficient implementation.

In view of the need to develop a more comprehensive plan to strengthen social protection programs and initiatives in Nepal, the National Planning Commission constituted the National Steering Committee on Social Protection under the chair of the Member-Secretary of the Commission. The committee was given the responsibility of reviewing existing social protection programs and suggesting necessary improvements in the scope, implementation modality, financing, and institutional strategies, through developing a consolidated national social protection framework.

THE PROJECT

The Asian Development Bank (ADB) provided a small-scale capacity development technical assistance (TA) project Supporting the Development of a Social Protection Framework for Nepal (TA 7530-NEP) in May 2010. This was done to support the

¹ This brief highlights the achievements of the capacity development technical assistance. A brief on the same project was released in 2010 which presents the background of Nepal's social protection system. See: <http://www.adb.org/publications/supporting-development-social-protection-framework-nepal>

preparation of a consolidated social protection framework.² The TA was implemented through the National Planning Commission and was completed in April 2011. The development of the social protection framework received parallel support from other development partners including the International Labour Organization, the Department for International Development, the World Bank, and the United Nations Children’s Fund.

The various support initiatives proved complementary in nature due in part to the effective coordinating platform established by development partners and the government. The framework aimed to provide advisory support and enhance the government’s institutional and decision-making capacity for the management of a consolidated social protection system, including policy analysis and formulation, monitoring and evaluation, and other relevant functions that contribute to reducing poverty and vulnerability. The TA’s major outputs included (i) the development of a comprehensive social protection framework, (ii) enhancement of knowledge and skills of the government staff to plan and manage social protection schemes efficiently, (iii) defining organizational roles to implement the social protection framework, and (iv) identification of financing options for social protection.

KEY RESULTS

The TA was groundbreaking in respect to its ability to initiate a comprehensive policy approach to social protection, and to facilitate discussions on the social protection framework with line ministries and development partners. The TA mapped out the government’s major social protection programs for the first time in Nepal, looking at their overall objectives, initiating a review of their

achievements, and assessing the delivery mechanisms currently employed. It supported stakeholder consultations to design the framework and the creation of a task force for each line ministry. These task forces then created specific action plans with detailed 10-year cost/budget analysis that feed into the national social protection framework cost/budget analysis.

In addition, the TA supported capacity building efforts within participating agencies. Institutional capacity assessments were also carried out to improve administrative capacity. Three specialized training courses on social protection implementation and costing were implemented. The framework developed under the TA was also the basis for an International Labour Organization study undertaken to estimate the costs of the framework’s envisaged social protection initiatives, with different scenarios over the next 10 years. The TA trainings directly benefited 75 central and local government senior officials working on social protection. Furthermore, a study tour was organized for 15 senior government officials to look into key social protection programs in Thailand. To strengthen knowledge sharing, the TA recommended the formation of a forum for a community of practice, with 13 members from the government and freelancers working in the field of social protection in Nepal.

As a result of the initiatives undertaken, and for the first time in the history of Nepal’s development plans, a special chapter on social protection was included in the Three-Year Plan (FY2011–FY2013) for Nepal. This has continued under the Thirteenth Plan (FY2014–FY2016), underlining the sustainable major policy impact of the TA. The draft national social protection framework prepared with the TA support was submitted to the National Planning Commission at the time of the TA conclusion.

² ADB. 2011. *Technical Assistance Consultant Report. Supporting the Development of a Social Protection Framework for Nepal*. Manila. (prepared by Kapil Dev Ghimire, project management and social protection expert).

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