



International Conference on Resilient Social Protection for Inclusive Development

FULL REPORT

Kathmandu, Nepal

18-19 September 2019

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Background

Social protection has emerged as a major new focus in efforts to reduce poverty and promote human capital accumulation around the world. The 2030 Agenda for Sustainable Development aims to end poverty in all its forms by expanding social protection for all, with SDG Target 1.3 aiming to 'implement nationally appropriate social protection systems' towards that objective.

The International Conference on Resilient Social Protection for an Inclusive Development aimed to support the Government of Nepal, and its relevant Ministries, to deliver in its vision of a core package of social protection for all and help Nepal become a more prosperous nation, with a focus on the next generation and the most vulnerable.

Recognizing that there are many paths towards universal social protection, and programmes in different countries have followed different paths towards their expansion and consolidation, the Conference aims to bring regional and international experiences and research to support Nepal learn from the global experience and develop an evidence based national integrated social protection framework.

The conference is being organized by the Government of Nepal in collaboration with ILO, UNDP, UNESCAP, UNICEF, UK Aid, The World Bank, GIZ, and Social Science Baha.

Conference Objectives

The Conference focuses specifically on how social protection programmes, such as social security allowances and cash transfers, can be scaled-up and strengthened with a focus on the following key themes:

Strengthening social protection systems, including rights-based approaches and contributory social protection;

Child and family benefits, such as child grants, and linking cash transfers with key services;

Productive programmes aimed at increasing productivity and labour market participation;

Shock-responsive social protection; and

Programmes reaching minority and particularly disadvantaged groups, such as disability grants.

It also aims to support the Government of Nepal in forwarding efforts to improve its existing programmes and, within its institutional and fiscal capacity, promote equality of opportunities and ensure that the human rights of all people are secured.

Summary of presentations and activities

Day 1

Session 1: Social Protection in South Asia

The introductory or keynote speeches provided by high-level speakers set the stage, guided the conference and shared broader political direction and vision under the broader umbrella of investing in social protection for a more inclusive future.

Chair: Hon'ble Dr. Ram Kumar Phuyal, Member, National Planning Commission, Government of Nepal

Keynote Speech: Dr. Hossain Zillur Rahman, Executive Chairperson, Power and Participation Research Centre & Chairperson Brac Bangladesh

Participants:

Ms. Elke Wisch, Representative, UNICEF Nepal

Dr. Idah Pswarayi-Riddihough, World Bank Country Director for Nepal, Sri Lanka and the Maldives

Ms. Lisa Honan, Head of DFID Nepal

Chief Guest Hon'ble Dr. Yubaraj Khatiwada, Minister of Finance, Government of Nepal

Social protection is recognized by the government as a key component of Nepal's development agenda: an essential mechanism to reduce poverty levels and increase the population's resilience to disasters and shocks. The inaugural session introduced social protection as a priority and set the tone of the rigorous and honest debates that followed: experts and government officials were forthright about the challenges of establishing comprehensive and sustainable social protection systems.

Nepal's poverty and vulnerability to disasters were addressed by this session's presentations and highlighted as key concerns for the development of the country's social protection system. Furthermore, speakers listed the many challenges and concerns regarding the design and implementation of social protection schemes in Nepal.

The need for coordination among agencies was stressed as an essential element in each of the steps of the policy cycle – from the identification of emerging issues to the evaluation of already implemented programmes.

The need for programme sustainability – both politically and financially - was also highlighted, along with the demand for adaptive social protection programmes that can be scaled up to support the country's shock-preparedness and response. Particularly for the initial development of a programme, the improvement of social registries and databases was called for as an essential task to avoid leakage and support the system's monitoring, sustainability and adaptability.

Furthermore, early childhood, poverty, shock-resilience, gender inequality and productive inclusion were mentioned as key issues and priorities for the development of social protection schemes.

Currently, in Nepal, there is a strong political commitment for improving social protection programmes – this momentum is precious and the opportunity to build more efficient systems in the country must not be missed. The session was closed with a reminder that the expertise provided in the Conference must result in concrete actions and a clear set of objectives from the government.

Session 2 - Addressing Inequalities in South Asia through Social Protection Policies

Inequality remains at the top of the development agenda, with rising evidence about the impacts of poverty and unequal life chances on productivity and growth. This session explored some of the key trends shaping the poverty and inequality debate in the region, as well as recent advances in measuring inequality of opportunity, to frame the debate on the importance of social protection as a key tool to reduce inequalities in its multiple forms and achieve a more sustainable development.

Chair: Mr. Balananda Paudel, Chair, National Natural Resource and Fiscal Commission, GoN

Participants:

Mr. Patrik Andersson, Chief of the Sustainable Socioeconomic Transformation Section, United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)

Dr. Baikuntha Aryal, Secretary, Ministry of Industry, Commerce and Supplies, GoN

H.E. Ms. Fathimath Yumna, Deputy Minister, Ministry of Gender, Family and Social Services, Maldives

Dr. Abdul Alim, Regional Social Policy Advisor for South Asia, UNICEF

Mr. Stefano Paternostro, Practice Manager, Social Protection and Jobs, South Asia Region, World Bank

This session explored the key issues involving inequality in South Asia. One of the poorer regions in the world, it still has significant inequality of opportunities – particularly for women and children – hampering its inclusive growth.

Different methodologies and approaches for assessing the inequality of opportunities were presented by the speakers: D-index, Gini, HCI, tree classification methods, intra-household analysis and a variety of dimensions and indicators illustrated the current context of the region.

Although the methods and approaches varied, all the presentations highlighted social protection's potential as an effective measure to address inequality, stressing that in South Asia, the investments in the area are considerably below the global average.

A number of social protection interventions – on social assistance, social insurance, labour market and microfinancing – were mentioned as part of the efforts to reduce inequality in the region. Examples of good practices – such as some of the Maldives' social protection policies – were brought to illustrate the path ahead.

Speakers also noted that inequality is reflected differently in the accessibility to programmes: from lack of information to difficulties in transportation to receive the benefits. In fact, a combination of circumstances may impact the access to social protection programmes, including gender, language, education, geographic location and others – and they all should be considered on the policy design.

In that sense, clearly identifying the targets of each programme, as well as understanding the circumstances in which they are living, is essential to ensure the programme's success. One of the speakers also highlighted that information is

key to tackle household level and age specific inequalities, which can have significant impact on inequality and inclusion in the long term.

The speakers acknowledged social protection as a key tool to reduce inequalities in its multiple forms and achieve a more sustainable development. Key challenges on the way forward include improvements on the access and quality of services, promotion of employment support packages, development of shock-resilience initiatives and strengthening the integration of programmes, information and delivery systems.

Session 3 - Investing in the future: Child and family benefits

In this session, panellists discussed experiences, potential and challenges of child and family benefits, such as Child Grants, as a key way to invest in future generations. The session also discussed Nepal's current plans to expand the Child Grant and bring other experiences on how different countries have moved towards universal coverage. The session highlighted some of the emerging evidences about Cash plus and how other key services can enhance impacts.

Chair: Hon'ble Dr. Usha Jha, Member, National Planning Commission, GoN

Participants:

Dr. Michael Samson, Director of Research, Economic Policy Research Institute, South Africa

Mr. Deepak Kafle, Director General, Department of National ID and Civil Registration, Ministry of Home Affairs, GoN and Ms. Preksha Golchha, Senior Research Fellow, Economic Policy Research Institute (EPRI), South Africa

Dr. Somchai Jitsuchon, Thailand Development Research Institute

Ms. Sanghamitra Ghosh, Secretary, Department of Women, Child Development & Social Welfare, Government of West Bengal

The importance of investing in early childhood was highlighted throughout the whole session. Speakers brought evidence of the positive impacts of investing on child grants, including the full development of cognitive capabilities, nutrition security and school attendance.

In that sense, while the purpose of child benefits is to create or improve well-being, they can also build cognitive capital, improve household's resilience and have long lasting effects not only on a person's life, but in a country's long-term growth. Further research points out that well-implemented child grants are also linked to positive impacts on smallholder agriculture, health and gender equality.

Thailand's Child Grants programme was mentioned as an example of good practice: although the exclusion error rates are high (around 30%), the programme had significant positive effects. Strong partnerships and monitoring systems were mentioned as some of the key factors of the programme's success.

Additionally, the case of India's Kanyashree Prakalpa was presented as an example of successful programme that combined cash transfers with other interventions (cash plus). Designed to prevent child marriage among adolescent girls in the Bengal region, the programme managed to achieve almost full coverage on its target region.

The main lesson learned from this programme, however, was the importance of combining the monetary transfers with other interventions. In this particular case, the interventions included training and awareness-raising initiatives to ensure the programme goals are reached and maintained even after the girls are older.

Whenever possible, cash plus programmes must be favoured over simple cash transfer programmes – there is strong evidence demonstrating that combined interventions have more significant and lasting impacts on their target populations.

Regularity, quality and accessibility of services and need for expansion to cover pregnant women were some of the key challenges mentioned during the session. The benefits of child grants are so widely acknowledged that Universal Child Grants have become a priority for Nepal's government: efforts are being carried out to ensure the expansion of existing programmes to more regions and households.

Session 4 - Shock-responsive social protection: Building resilience and protection against shocks

Panellists discussed the role of social protection systems in helping states respond to natural disasters and shocks. The session reflected on recent experience and research on shock responsive social protection in Nepal and set it within the international context of different approaches to shock responsive social protection. The aim of the session was to take stock of where Nepal is and what the potential is for Nepal to develop its social protection system to be more shock responsive in the future.

Chair: Ms. Indu Ghimire, Joint Secretary, Ministry of Home Affairs, GoN

Participants:

Ms. Clare O'Brien, Senior Adviser on Social Protection, World Food Programme

Ms. Alexandra Yuster, Associate Director and Chief of Social Policy, UNICEF NYHQ

Mr. Daniel Clarke, Director, Centre for Global Disaster Protection

Dr. Thomas Walker, Senior Economist, World Bank

During this session, panellists discussed the role of social protection systems in helping states respond to natural disasters and shocks: a topic of major importance to Nepal. Each year, 25-50% of households in Nepal experience some kind of shock – and major disasters such as earthquake, floods, landslides and droughts are common in Nepal. Riots, blockades, price hikes and death in the family were identified as factors of considerable impact in many households, and all those factors have different impacts across different types of household.

The session analysed Nepal's current context in detail, highlighting that understanding how communities cope with losses caused by different kinds of disaster hazards is essential to tailor social protection programmes and increase their adaptiveness.

As discussed during the session, the acknowledgment that shocks may happen must be a key component of a good social protection policy design, particularly for a disaster-prone country like Nepal. More than preparing the programmes, there is a need to ensure that their implementation systems can support sudden expansions needed in times of crisis.

As it was pointed out, being able to keep social protection programmes delivering their benefits despite the crisis is already a great challenge – one that requires extensive planning and coordination to happen. In a moment of crisis, social protection programmes must be able to share payment systems, include or expand beneficiaries and maintain its monitoring framework, without losing touch with their main objectives.

The session also covered the financial challenges of implementing successful adaptive and shock-resistance social protection systems. Multiple examples around the world (both in developed and developing countries) demonstrate that the lack of proper planning and coordination result in slow and insufficient responses to disasters.

The development of efficient shock responsive social protection systems should focus on the elaboration of a national plan, identifying vulnerable communities, risk-prone areas and programmes that could be expanded in case of disasters. It is also key to structure contingency funds and coordination mechanisms among different agencies.

The session also brought examples of good practices in Malawi and Myanmar, raising attention to the challenges that Nepal will have to face in order to build effective shock-resilient social protection programmes. In Mexico, examples of good practices include shared responsibility between local and national government. Kenya established partnerships to support the financing and expansion of social protection programmes when shocks occur.

Furthermore, financing shock-responsive policies result in increased accountability, faster responses and faster reconstruction. The key lesson of the session is that strong social protection systems are key to mitigate shocks and can more easily be expanded and adapted in case of major disasters.

Day 2

Session 1 - Improving productivity through social protection

In addition to providing a safety net for the most vulnerable people, social protection can also support people to become more productive. This can also facilitate people to move up the ladder of prosperity. In some parts of the world, public works plus or second and third generation public works programmes have proven how productive social protection can function successfully.

Chair: Mr. Binod K.C., Secretary, Ministry of Labour, Employment and Social Security, GoN

Participants:

Dr. Rachel Slater, Professor, University of Wolverhampton

Mr. Bjorn Johannessen, Senior Specialist on Employment Intensive Investments, International Labour Organization

Mr. Phillippe Leite, Senior Social Protection Economist, World Bank

Mr. Prakash Dahal, Joint Secretary, Ministry of Labour, Employment and Social Security, GoN

The session started with definitions of key concepts and scope: productive inclusion programmes can vary greatly on their extension, targets and objectives. The challenge of productive inclusion is its strategic nature: good programmes and interventions enable people to improve their livelihoods and, eventually, become less dependent on social safety nets.

Productive inclusion programmes are also key to ensure decent wages, providing cash income that could be invested in other income generating activities and for producing sustainable assets. In that sense, evidence shows many positive impacts as a result of those programmes, including increased income, access to credit, skills training and others.

As a key mechanism for employment, sustainable livelihoods and infrastructure improvement, these programmes are important elements of resilient social protection systems. Furthermore, mainly from the effect of improved infrastructure, these programmes can lead to better roads, increased farming yields, improved access to health services, etc.

Apart from the challenges common to the design of any social protection programme, policymakers face a particular set of challenges when designing productive inclusion and public works programmes: interventions must be developed according to the needs of the region, but always considering scalability, sustainability and, if possible, cash plus interventions.

The cash plus programmes are proven to be particularly fruitful for productive inclusive initiatives: Brazil's successful Brasil Sem Miséria programme, for example, had different interventions for rural and urban settings, combining grants with training, mentoring and psycho-social support for the participants.

Other examples of good practices from all over the world illustrated the importance of incorporating cash plus interventions to the programmes, enabling participants to improve their overall living condition in the long term, and underlined the importance of productive inclusion programmes for development.

Session 2 - Promoting social inclusion: impacts of social protection on vulnerable groups

This session looked at how to design inclusive and robust social protection programmes that reach and support particularly disadvantaged and excluded groups such as persons living with disabilities, minorities, and women and policy options to consider when designing inclusive schemes.

Chair: Mr. Chandra K Ghimire, Secretary, Ministry of Women, Children and Senior Citizens, GoN

Participants:

Ms. Ermina Sokou, Social Affairs Officer, Social Development Division, ESCAP

Mr. Mitra Lal Sharma, President, National Federation of the Disabled Nepal

Mr. Ram Prasad Ghimire, Joint Secretary, Ministry of Labour, Employment and Social Security, GoN

Mr. Ahmet Tunc Demirtas, Expert for Family, Labour and Social Services, Ministry of Family, Labour and Social Services of Republic of Turkey

Mr. MD. Abul Hossain, Deputy Secretary, Ministry of Social Welfare, Bangladesh

Ms. Tahereh Zandi, First Secretary, Division of International Specialized Agencies, Islamic Republic of Iran

The session started with a remark on the importance of establishing social protection floors and strong social protection systems: social protection was again acknowledged as a key instrument to reduce inequality, mitigating shocks and increasing productivity. Global evidence illustrating the impact of social protection in the reduction of inequality was shown to the audience.

In that sense, the role of social protection for people with disabilities was also addressed by the presentations, with special attention to Nepal's context: the country's disability allowance lacks on coverage and provides a benefit that is insufficient to fulfil people's needs.

Furthermore, there are major problems in targeting and in providing access to the benefits, which hinder people's access to an already insufficient system. The key lesson is that programme design for disabled people should make an extra effort to correctly identify people that are eligible for the programme, providing relevant grants and ensuring they are able to receive it.

Other social protection schemes targeted to vulnerable people – particularly women and mothers - were also addressed during the session. Bangladesh's experience was brought to illustrate the wide range of social protection programmes to cover for the country's most vulnerable populations: in total, 132 programmes are currently in place, which demonstrates the relevance of social protection schemes to improve the living conditions of marginalized and vulnerable groups.

Following up on the case studies, Iran's efforts towards universal health coverage were discussed during the session. Targeting vulnerable groups, which include disabled people, rural workers, youth and women, the country aims to provide free and accessible health care for its citizens. Furthermore, the policy includes a component to prevent HIV contamination among vulnerable youth.

Closing the session, Turkey's experience with migrants was brought to exemplify two important social protection mechanisms for reducing inequalities and protecting vulnerable populations: social safety nets and conditional cash transfers for education.

Session 3 - Developing systems: policy integration, implementation systems and financing

This session discussed the systematic approaches of social protection to ensure that people are covered against poverty and risks throughout the lifecycle. The discussion also focused on how the social protection strategies and programmes are to be coordinated with those of other sectors, including employment and food security. The session also discussed how integrated social protection information systems can be developed in Nepal.

Chair: Mr. Shreekrishna Nepal, Joint Secretary, Ministry of Finance, GoN

Participants:

Narhari Ghimire and Yadu Acharya, Programme Directors, National Planning Commission, GoN

Dr. Franziska Gassmann, Professor of Social Protection and Development, Maastricht University

Pinaki Chakraborty, Chief of Social Policy, Chennai Office, UNICEF India

Dr. Said Mirza Pahlevi, Head of Data and Information Centre, Ministry of Social Affairs, Government of Indonesia

A discussion on Nepal's social protection policy integration, implementation and financing opened this last session. Presenting the legal framework and financial regulations of Nepal's social protection system, the numerous schemes currently existing in the country were identified. The presentation highlighted the difficulties in establishing effective coordination and accountability among different levels of government – which continues to be a challenge hindering the schemes' successful implementation.

The country also presented the structure of an integrated social protection framework and a detailed list of possible interventions thought to address a different set of social issues. Furthermore, the session also addressed the importance of complementary policies for the effectiveness of social protection policies.

Throughout the conference, the challenge of financing social protection was addressed many times. It is important to note, in that sense, that social protection does not always present immediate results – and, in fact, its return on investment is quite difficult to determine.

To increase the complexity of the issue, there could be barriers to hinder the realization of social protection systems. Context factors (sometimes unpredictable) can have significant impact on the effectiveness of programmes – including ones that were initially well designed.

In that sense, evidence shows that context highly affects the effectiveness of social protection. The importance of cash plus interventions add to this issue: they are essential to overcome some barriers, particularly in the household levels, and ensure the full accomplishment of social protection policies.

Lastly, the session addressed challenges of financing social protection: while, ideally, social protection should be financed with domestic revenues, there are increasing constraints to revenue mobilization in independent tax policies.

The debate also highlighted that policy flexibility, attention to the local context and centralized coordination mechanisms are essential for the establishment of the necessary fiscal space for the social protection scheme. Additionally, including social protection on the national budgets could greatly contribute to more transparency and accountability.

Closing Session

This session outlined the contributions of the Conference and presented the views of Nepal's Government on a call to action and the path forward.

Participants:

Hon'ble Dr. Ram Kumar Phuyal, Member, National Planning Commission, GoN, presents Call to Action
Remarks by Hon'ble Prof. Dr. Puspa Raj Kadel, Vice Chairman, National Planning Commission, GoN
Closing remarks by Mr. Gokarna Bista, Hon'ble Minister of Labour, Employment and Social Security, GoN

More than sharing experiences and good practices on social protection, one of the main goals of the Conference was to promote informed policy debate to support the Government of Nepal and its relevant ministries in their efforts to promote and advance an inclusive social protection agenda for the country.

In that sense, after the policy dialogues and sessions were ended, ministries and government officials were reunited at the Conference's venue to agree on an action plan for social protection.

In their speeches, ministries acknowledged the importance of the event for highlighting matters of concern, good practices and recommendations. It was mentioned that the debates and evidence presented throughout the Conference provided invaluable subsidies to this call for action and for government actions to follow.

Following up on the Conference's debates, the ministries established key priorities for Nepal's social protection:

- the creation of an integrated social registry, with demographic, social and economic data;
- the need to assign institutions and agencies responsible for the development of that single registry, as well as ensuring its update and monitoring;
- the need to link social protection with key services;
- the need to invest in productive employment and social security;
- the need to expand coverage of specific programmes, particularly child grants.

Lastly, the ministries reminded that the recommendations from the conference will be in the centre of the government's actions and reaffirmed their commitment for the establishment of more effective and comprehensive social protection schemes, particularly for vulnerable populations.

Main Outcomes

The conference provided an important space to discuss the current situation of Nepal's social protection system, as well as good practices and experiences from other countries. The presentations provided key insights over the current debates on social protection, displaying frankly the challenges and political commitment necessary to establish efficient programmes and systems in Nepal.

Speakers also listed challenges and concerns regarding the design and implementation of social protection schemes, including the need for:

- coordination between different government agencies on the implementation, expansion and integration of programmes, as well as the delivery of benefits;
- political will and commitment for the establishment of social protection programmes;
- design programmes that are sustainable through political change and social turmoil;
- efficient monitoring and evaluation frameworks;
- improvement of social registries and databases;
- adaptive social protection policies that can support the country's shock-preparedness and response;
- fiscal space to establish and maintain social protection programmes.

The Conference was instrumental to identify and clarify key issues for the establishment of efficient social protection systems: early childhood, poverty, shock-resilience, gender inequality, disabilities and productive inclusion were mentioned as key issues and priorities for the development of social protection schemes.

Moreover, the Conference has helped to update, enrich and re-define the social protection agenda in the country, bringing to the spotlight issues of urbanization, sustainable financing, institutional arrangements for coordination, designing of safety ladders and responding to aspirational citizenry, while emphasizing the role of the private sector.

Throughout the Conference, it became even clearer that Nepal needs to establish a package of social protection policies and programmes which will effectively protect people from poverty, help manage risks and vulnerabilities, and promote poor households' investments in human and productive capital.

In that sense, social protection needs to be central strategy within planning and budgetary decisions. Establishing partnerships, alliances and a concerted advocacy process must be an agreed strategy and a priority for Nepal. It is essential to reconcile competing priorities and tailor an efficient and effective integrated strategy to forward this agenda.

In order to realize this, Nepal needs to:

- Urgently formulate and adopt a national social protection strategy;
- Mandate an institution to lead the formulation of social protection policies, coordinate social protection programmes, manage the social registry, and monitor the outcomes of the Nepal's Government social protection investments;

- Build an integrated social registry to be used by all social protection programmes to ensure the inclusion of the poor and vulnerable and coordination across programmes;

- Improve the design of key programmes to make them more effective, including by improving their targeting, linking them to services and productive opportunities, and making them responsive to disasters.

The Conference presented evidence and recommendations that could support not only Nepal's government, but any agency interested in forwarding social protection in its local context. Nepal is currently in a unique position of spurring a regional transformation – and the Conference's sessions and materials will surely serve a source of inspiration for the development of more inclusive social protection policies.