

**Report
on
Scoping Study of (Government-Led) Social Protection Schemes to Reach the
Most Vulnerable Groups in Nepal**

**Submitted to
Oxfam in Nepal and National Environment and Equity Development Society Nepal
(NEEDS Nepal)
Kanchanpur Nepal**



**Submitted by:
Shyam Prasad Ojha**
Email: ojhasp@gmail.com
Ph: 9851063330

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INTRODUCTION

NEEDS Nepal, a Kanchanpur-based NGO established in 1999, has been implementing the “Strengthening Community Preparedness, Rapid Response and Recovery in Nepal” project in partnership with Oxfam in Nepal. This project covers 40 communities of the two districts and four municipalities of Kanchanpur and Dadeldhura.

This project builds on the previous Oxfam/Nepal programming which implemented different humanitarian and disaster risk reduction activities. The project aims to strengthen the capacities of the governments and communities to mitigate and prepare for disasters with improved early warning systems (EWSs), risk information, community-level response mechanisms, and improved linkages with Disaster Management authorities, and community-based disaster risk reduction measures, and improved livelihoods.

Sudurpaschim (Far-Western) province of Nepal is confronted by the significant challenges resulting from several disasters and shocks. Frequent floods, landslides, cold waves, and fires pose unprecedented challenges and people are often displaced. To manage and cope with such challenges, community-based DRR activities and relief and recovery projects are being implemented in the region.

The government of Nepal is implementing several social protection programs including a child grant, cash transfers for senior citizens, people with disabilities, endangered ethnic communities, widowed women, and single women; in addition to various poverty reduction programs, public works, and micro-insurance initiatives.

While the social protection interventions aim to support people with vulnerabilities in regular times, there are ample opportunities of integrating shock-responsiveness in these schemes to operate and provide additional support before, during, and after a disaster. All social protections deal with shocks in some way.

The social protection sector can contribute by building households’ resilience to shocks, preparing systems and programs, recognizing that shocks may happen, and supporting people after the shock. In the current context of shocks, such as natural disasters, pandemics, conflict, and violence, there is a need to think about how social protection models can be made shock responsive, scaling up the amounts, expanding beneficiaries, or adaptive in the event of shocks.

While government-led social protection schemes are being implemented, they have yet to be made shock-responsive. This study, therefore, aims to provide a scoping of social protection schemes by reviewing current implementation status, challenges, and potential ways forward so that ACT project municipalities will have opportunities to learn and implement social protection schemes better adapted to respond to shocks.

PURPOSE AND OBJECTIVES OF THE SCOPING STUDY

The purpose of this scoping study is to find out the benefits, drawbacks, reach and shock responsiveness of existing social protection schemes. In this context, this assignment is looking to explore and document the variety of support mechanisms available for local governments to support the most vulnerable and disaster-exposed populations at the local level that can be mobilized and/or

improved to implement social protection (SP) system/social security allowance (SSA) (identification of beneficiaries, top-up on the assistance, adjustments of calendars of disbursement, of means of disbursement, diversification of the purpose of support, etc.).

The specific objectives are:

1. To explore existing systems and tools available for social protection schemes and provide practical recommendations and steps to adapt enhance existing schemes to become more shock responsive.
2. To identify the gaps between existing social protection schemes and the social protection legislation, policies, regulations, or directives that guide this system and assistance. To document the scope and reach of social protection schemes being implemented by the Government of Nepal.

APPROACH AND METHODOLOGY

This study was focused mainly on the qualitative approach, which comprises desk review, semi-structured interviews (Key informant’s interviews) for the ACT-SCOPR3 working Local Levels; Beldandi, Bhimdatta, and Dodhara Chandani of Kanchanpur district and Parasuram Municipality of Dadeldhura district. Similarly, some quantitative data were also collected to understand the enrollment to the government social protection allowances. The methodology and process undertaken in this study is given in the diagram below.



Diagram: Methodology and process for Scoping Study

A total of 22 stakeholders were consulted to understand their perspective relevant to this study. The details of the consultative meeting/KII conducted for the scoping study is given in the below table.

Table 1: No of Consultation/KIIs done in the study

Agencies	Tool	No of KIIs/consultations
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Local government	KIIs	8
Local government	Collection of social security data from municipalities	4
Federal government	KII (MoFAGA)	1
Coordination Groups	CCG Nepal	1
Expert Opinion	SRSP/Humanitarian/CVA	1
Provincial government	KII (Sudurpaschim Province, Ministry of Social Development)	1
Social security allowance recipients	KII	4
Banks	KII	2
Total		22

In addition, the following set of documents were reviewed for the which are relevant to this scoping study;

- The Social Security Act 2075
- DRR related policy/laws if not available model laws issued by MoFAGA. Such as - LDRRM Act, LG Emergency working procedure etc.,
- Relief distribution related procedures, such as Relief Standard
- Local disaster and climate resilience planning guidelines LDCRP guidelines 2074
- Local government DRRM Acts, DPRP, LEOP, Disaster Management Fund Operation Guideline, etc.
- Local government operation act-2017.
- Review the information obtained from ACT.
- Journals and other similar publications on SRSP.

In addition to above documents, the team reviewed additional resources and literatures for this study which are mentioned as foot notes in this report. Likewise, the team carried out KII with a member of ‘Forecast-based Action and Shock-responsive Social Protection (FBA/SRSP) Community of Practice’ to understand how they are working in a team to contribute in SRSP sector.

KEY FINDINGS

4.1 Social Protection

Nepal has a robust constitutional and legal basis for social protection. The rights to social security, employment, education, health, food, and housing are fundamental rights enshrined in the Constitution. The Constitution of Nepal also provides for other fundamental rights reserved for Dalits, women, children, and senior citizens. Social justice is included as both a fundamental right (Article 42) and a guiding principle of state governance (Article 50). The economically poor, incapacitated and helpless, single women, people with disabilities, endangered ethnicities, children,

and those who cannot take care of themselves have the Right to Social Security (Article 43). Social protection and inclusion-related policies are to prioritize targeting of the economically poor among members of all genders, communities, and regions (Article 51.j.12). The inclusion of these rights provides a legal and constitutional basis and mandate to require all social protection programs to ensure that no eligible citizens are excluded from exercising their fundamental rights to those services. The transition from a unitary to a federal structure of governance brings challenges as well as opportunities to ensure that investments in social protection are leveraged for the effective realization of these fundamental rights. Nepal's social protection sector has been characterized by a fragmented program landscape, with limited institutional capacity to coordinate across various interventions. The transition to federal state was accompanied by continuation of legacy programs and delivery systems developed during the unitary structure of governance. The somewhat slow progress in building capacity of subnational levels and continuing lack of clarity on the roles of different levels of government in the new federal structure further adds to the complexities and challenges of the transition. However, decentralization also provides a unique opportunity to improve beneficiary identification, coverage, adequacy, and the quality of service delivery at the subnational levels, while also allowing for greater citizen participation in setting levels and standards of social protection services.

4.1.1 Government social protection system

Social security is a part of the government's compulsory liabilities, aimed at providing a safety net to the aged, vulnerable and marginalized citizens. Therefore, social security is the largest component of the government budget in Nepal. The local governments are implementing this program under the overall management of the Department of National ID and Civil Registration. This program is currently operating under Social Security Act 2075. After the federal government structure, this program is more concentrated at the local level.

The social security scheme was launched in 1994-95 by the government led by Manmohan Adhikari, a CPN-UML leader. The scope of the scheme, which started by providing Rs100 per month to the elderly, was gradually expanded to include single women and people with disabilities in 1996-97. Members of tribes on the verge of extinction and disabled persons were also added to the list in 2008-09. Dalit children made it to the list in 2010-11 while widows were included in 2011-12. Dalits from the Karnali region were added to the list in 2016-17 and children from 15 districts with low human development status were made beneficiaries of cash transfers in 2018-19. The number of such districts has gone up to 26 this fiscal year (2078-79).

According to the department, over 3.45 million people were the beneficiaries of the social security allowances by the end of the last fiscal year 2020-21. There are 42 types of social security schemes currently.” Of the total expenditure, 13.08% has been spent on social security in the fiscal year 2077/78¹. The government spent Rs 66.16 billion on cash transfers to those under the social security allowance scheme in the fiscal year 2019-20, according to the department. The allowances increased to Rs 68.65 billion in the fiscal year 2020-21. The KP Sharma Oli administration increased the social security allowances by 33 percent for all types of beneficiaries. The monthly allowance for senior

¹ <https://www.onlinekhabar.com/2022/01/1069618>

citizens was increased to Rs. 4,000 per month from Rs. 3,000 per month. As a result, budgetary allocation jumped to Rs100 billion for the purpose of social security allowance.

In order to reduce the cost of social security, the government made an attempt to discontinue social security provisions by issuing the social security regulations in March last year. Under the regulations, single women below 60 years of age, people with partial disabilities and people who are receiving remuneration, pension, retirement benefits and incentives from the government and foreign government services such as the Indian and British armies were excluded from the social security allowance scheme. But after protests from the affected people and an uproar in Parliament, the government was forced to roll back the regulations. The government also introduced an ordinance to ensure their benefits would not be snatched away.

Among government's other social security schemes, social security allowance has been most popular and widely used because it provides cash to beneficiaries on a monthly basis. However, awareness about the other social protection schemes seems very low among the citizens. The SSA beneficiaries were asked about their awareness of the other social security schemes but all of them were found unaware. However, they find the SSA very useful for them that has helped them to support their livelihoods. Particularly, senior citizens told that the SSA helped them to be manage their monthly expenses for their treatments, clothes, and other daily expenses. However, they told that SSA is not enough to manage their overall household expenses. One of the SSA recipient said that political parties has taken this as a means gain votes in elections in Nepal. Therefore, every new government used to increase the allowances without considering the country economy.

4.1.2 Precondition and document required enlisting in social security allowances

A person who is entitled to get the social security allowance shall make an application including required documents to the ward office. For a person who cannot make an application by himself or herself then his or her guardian, curator or caretaker may make such application on behalf of them.

Table 2: Required Documents to Enroll into Social Security Allowance (SSA)

S.N	Target Group	Documents Required for Enrollment
1.	Senior citizen	Citizenship certificate
2.	Other senior citizens	Citizenship certificate, migration certificate for migrant
3.	Single women	citizenship certificate, single status certificate or divorced certificate
4.	Widows	citizenship certificate, death certificate of husband, and single status certificate

5.	People with complete disability	Citizenship certificate (above 16 years) or Birth Certificate (below 16 years) and Grade-A disability certified by the medical doctor
6.	People with severe disability	Citizenship certificate (above 16 years) or Birth Certificate (below 16 years) and Grade-B disability certified by the medical doctor
7.	Tribes on the verge of extinction	Citizenship certificate (above 16 years) or Birth Certificate (below 16 years) and evidence of specified tribal caste
8.	Child nutrition allowance (for specified district and all Dalit children below five years)	parent or guardian citizenship certificate, and birth registration certificate

4.1.3 Types of social security allowance and eligibility

Based on the data collected from Palikas,² the social security scheme is same across all Palikas which are guided by the Social Security Act 2018 (2075 BS) having a clear categorization of target groups and eligibility.

In addition to that, there are specific schemes implemented by Sudurpaschim Province under its Ministry of Social Development. In study area, there are higher schemes implemented in Bhimdatta and Parasuram Municipality, while in the Dodhara Chandani and Beldandi have fewer, and are in plan for expanding. Some of these schemes, in addition to the regular social allowances to the categorized group of people are:

- Self-employment and skill development training (priority to social excluded, vulnerable, economically poor) on the basis of demands
- Special grants to CSOs working in the social welfare and wellbeing.
- Elderly people's day care programme (operational management)
- Special schemes to tackle the challenges of harmful social practices such as child marriage, untouchability during the early menstrual time, Chhaupadi etc.
- Special schemes on violence against women

Note: There is no special programme found that takes resources of SSA to mitigate the disaster risks and has provisions for disaster response. But the logic from the municipalities is relevant in a way that these special schemes are contributing to the wellbeing and resilience of the economically poor, vulnerable, marginalized families thus contributing to the risk reduction/vulnerability reduction with enhanced capacity to manage and cope with localised disasters.

² Palika is a common term used for both rural municipalities and urban municipalities

Table 3: Amount of Social Security Allowances³:

S.N	Target Group	Eligibility Criteria	Allowance (NPR)
1.	Senior citizen	citizens over the age of 70 years	4,000
2.	Other senior citizens	Citizens over the age of 60 years from Karnali region and all Dalit citizens of the country	2,660
3.	Single women	Never-married women who have completed the age of sixty years, divorced or legally isolated women who completed 60 years, and widows completed 60 years.	2,660
4.	Widows	All women whose husband get expired	2,660
5.	People with complete disability	All those who received red color disability ID card or 'Ka-class' from the related government agencies	3990
6.	People with severe disability	All those who received green color disability ID card or 'Kha-class' from the related government agencies	2,128
7.	Tribes on the verge of extinction	Kusunda Raute Hayu Kisan Meche Bankariya Surel Raji Lopcha Kuswadiya (Pattharkatta, Silkat, Kushbadhiya and Kuchbadhiya)	3,990
8.	Children	all Dalit children under five years and children from the specified region and districts <5 (only two children from the same parents)	532

Based on the data collected from the four target Palikas, a total of 9,752 senior citizen completed 70 years are receiving SSA. Likewise, 2,233 are receiving Sr Citizen Allowance-Dalit completing 60 years, 2,314 are receiving Sr Citizen Allowance-Single women (Never married or divorced) completing 60 years, 3,900 are receiving Helpless Single Women/ Widow Allowance, 457 are receiving Disability Allowance people with full disability, 794 are receiving Disability Allowance people with partial disability, 3,243 are receiving Child nutrition allowance- children < 5 yrs. from Ultra Poor or Prescribed Location, 460 are receiving Endangered Ethnicities Allowance, 784 are receiving Maternity Incentive Scheme (CCT) for ANC Checkup and Deliveries. Please find the no

³ Nepal budget speech 2078-79

of enrollment for every scheme that are active in four Palikas is in annex-B. In the Palikas, the data related to social security has not been managed in single place. Therefore, it was difficult to collect data for each of schemes from the Palikas.

4.1.4 Effectiveness of social protection

Among other 42 different social security schemes SSA is found most effective because people have high level of awareness regarding this. However, the community people are found less aware about many of the other social protection schemes as a result there are very few enrollment as compared to SSA and other non-contributory schemes. However, there are some exclusion errors as result the eligible people could not access to the SSA. Similarly, some poor and marginalized people are found unaware about SSA. Palika officer who manages SSA told that there are people who are eligible for SSA but they could not enroll them because of they do not have required documents for enrollment. SSA recipient said that that they are not able to receive the allowance in time but the bank transfer system has been effective to reduce the time. One of the recipients said that she received the allowance after three months of the usual time during COVID-19 first wave which was a difficult time for her to manage household expenses.

Social protection programs vary in the frequency and timing of services or transfers: scholarships are provided once a year, at the beginning of the school year; midday meals are provided throughout the school year; SSAs are provided every four months; and so on. Anecdotal evidence suggests variations in program delivery processes due to delay in the release of the funds, inefficient planning and prioritization by the local level, and variations in fund flow modality between the local level and service delivery facilities. These often result in service disruptions and poor beneficiary experience and may also reduce the effectiveness of the programs themselves.

Most social security programs are targeted to geographic or demographic categories, irrespective of their poverty status, which means that many poor households are not eligible for any assistance. Social security programs To date, Nepal does not have a cash transfer program that is targeted at the poor and vulnerable. However, the 2018 Social Security Act has a provision for a transfer to the economically poor (Social Security Allowances for the Economically Poor) which could address this gap. For some existing programs, some demographic and geographic criteria for eligibility, such as belonging to a Dalit family, are relatively strong proxies for poverty and exclusion. However, by design, such categorical targeting excludes the poor who do not fall into any such categories. In the absence of explicit goals for social assistance programs to reduce poverty, there is little conversation about the impact of programs on poverty or about exit strategies from these programs.

4.1.5 Not being entitled to social security allowance

The following persons shall not get the social security allowance referred to in the Act:

- The persons who are appointed, elected, nominated for any government or public offices,
- The persons who are receiving a pension from a government fund,
- The persons who are regularly receiving remuneration, pension, retirement facility and other incentives in any other manner.

4.1.6 Means of SSA distribution

Now, all the study Palikas have started to use banking system to transfer allowance. In this system, all SSA recipients should maintain their bank account in the specified bank appointed by the Palika. This system has shortened the time duration so that the recipients are able to receive their allowances timely. Similarly, this has also reduced the risk of burglary. Dodhara Chandani municipality has request banks to come and provide recipients' opportunities withdraw their allowances at their door step during COVID-19 first wave. Similarly, banks used to serve to those recipients who are unable to visit the bank to withdraw their allowances. Dodhara Chadani municipality appointed different bank in each of the wards to transfer SSA. One of the bank officials proving SSA transfer service told that the banking system has improved transparency in distribution and updating the list every quarter based on the Palika's regular incident registration system. One of the official managing SSA told that banking system has reduced the workload and also promoted transparency in the system

4.2 Agriculture and Micro-insurance:

Government of Nepal has aimed to provide insurance coverage to the thirty percent of the population. Micro insurance is supposed to be one of the effective means to spread the benefit of insurance to majority of population. Despite policy level efforts are made by Government of Nepal and regulatory authority Beema Samiti, the coverage of micro insurance is still in poor state. According to the Bima Samiti,⁴ the available agricultural and micro-insurance policies are as follows;

- Banana Insurance Policy
- Cattle Insurance Policy
- Cardamom Insurance Policy
- Fish Insurance Policy
- Fruit Insurance Policy
- Ginger Insurance Policy
- Goat Insurance Policy
- Grass Insurance Policy
- Honey Bee Insurance Policy (Revised)
- Junar Orange Insurance Policy
- Lemon Insurance Policy
- Mushroom Insurance Policy
- Orange Insurance Policy
- Ostrich Insurance Policy
- Paddy Insurance Policy
- Paddy Group Insurance Policy
- Pheasant (Kalij) Insurance Policy
- Potato Insurance policy
- Poultry Insurance Policy
- Seed Insurance Policy
- Sugarcane Insurance Policy
- Tea Insurance Policy
- Turmeric Insurance Policy
- Vegetable Insurance Policy
- Vegetable Insurance Policy (Production based)
- Weather Index Policy
- Health Micro Insurance Policy
- Household Micro Insurance Policy
- Micro Endowment Health Life Insurance Policy
- Micro Term Life Bond Insurance Policy
- Personal Accident Insurance Policy
- Youth and SME Insurance Policy

According to Beema Samiti, insurers are reluctant to sale micro insurance product. The micro insurance products are a loss to the insurer. The budget statement of FY 2077/78 has mentioned the provision of 5 per cent micro insurance of insurer' s business portfolio. However, except maintaining the compulsory portfolio of micro insurance, insurers have not found interested for the effective

⁴ Insurance Regulatory Authority of Nepal,

implementation of the micro insurance product. It is estimated that still 18.7 per cent of the total population is living under poverty line. Government of Nepal is hopeful that micro insurance products can benefit large size of population living under poverty line. According to Bima Samiti's annual report, in FY 2076/77, a total of 1,533,000 micro-insurance policies worth NPR. 8,015 million issued. Among them, a 5,130 claims received worth NPR. 357,400,000 in FY 2076/77.

As per the study of Beema Samiti, the challenges of micro insurance are mentioned below:

- Lack of Awareness.
- Lack of technical knowledge about micro insurance
- Poor Presence of Insurance Companies in rural area.
- Supply derived market
- Lack of Cost Effective Distribution
- Limited area covered
- Lack of trust on Insurance
- Complicated claim process
- Lack of knowledge among agency about micro insurance.
- Lack of Institutional Infrastructure and Training
- No subsidy for Micro Insurance
- Poor competition among insurers etc.

4.2 Disaster context

In addition to experiencing political and social challenges, Nepal “stands at the top 20th list of the most multi-hazard prone countries in the world. The country is ranked 4th, 11th and 30th in terms of climate change, earthquake and flood risk respectively” (DPNet 2004). Multiple and recurrent natural hazards such as earthquakes, landslides, floods and other impacts of climate change have time and often hit the country, leaving a devastating track of fatal casualties and injuries, damaged infrastructure, and destroyed means of livelihoods, undermining short-term as well as long-term sustainable development. Data ranging over a period of 40 years shows that Nepal experiences several natural disasters every year - including earthquake, floods, and landslides. In recent years, the country has faced large scale catastrophes like the 2008 Koshi flood, the 2013 Mahakali floods, and 2014 floods in the western part of Terai, and two devastating earthquakes in 2015, among others (NCDM, 2020). Heavy rain occurred in August 2017 caused significant flooding in the Terai region destroying many homes and displacing tens of thousands of families emphasizing the need for sustainable approaches towards resilience-building in Nepal.

Among the study Palikas, all four Palikas are found highly vulnerable to floods similarly, cold waves, crop pests and disease are also common in the Dodhara Chandani, Bhimdatta and Beldandi. Some wards of the Dodhara Chandani municipality are inaccessible during rainy season and need to use boats to access.

4.3 Shock responsive social protection (SRSP)

So far, Nepal has been responding to disasters and other emergencies through humanitarian disaster management model of rescue, relief, and recovery, by adopting ad hoc model of mobilizing volunteers, civil society organization. In addition, it has been creating temporary parallel system and addressing the need of affected populations. However, it has been realized that the country often repeats the same model that has resulted in waste of significant resources for identifying, targeting and adopting parallel mechanism to reach to those affected sections of the society. This has compelled agencies to think on options and mechanism to identifying and targeting most disaster-prone areas and population, and register them as potential groups of people in order to reach immediately aftermath of any disaster. In order to achieve this, social protection mechanism is identified as one of the most relevant and efficient models in many countries, including Nepal. However, Nepal's social protection system are not found shock responsive but it has been realized by many stakeholders including government officials. Therefore, these opportunities for agencies like Oxfam to pilot and demonstrate the effectiveness of SRSP to the policy makers.

Social Security Assistance (SSA) provides a window of opportunity to link sock response with social SSA. As explained above SSA is provided to a number of most vulnerable groups from diverse categories. SSA allowance is different for different groups but this ensures protection of these groups to address their specific vulnerability and needs. While disasters affect all people, these groups are more affected than others. However, information from interviews with representatives of these groups clearly reflects various findings.

4.3.1 Time of adjusting the SSA disbursement can reduce risks and offer more resilience

Government stakeholders across the districts visited shared that they have a practice of disbursing the SSA allowance on a quarterly basis: First installment – Ashoj (2nd week of September), Second Installment – Magh (2nd week of January) and Third Installment – Jestha (2nd week of May) though at times this was different. However, Palika officials reported that usually the release of the SSA budget gets delayed by at least a month from the federal level, and ultimately the disbursement to recipients gets delays. In particular, the disbursement was delayed for several months in 2076 and 2077 BS (FY20 and 21) because of COVID-19.

4.3.2 Horizontal and vertical expansion of SRSP has to be advocated by humanitarian actors

Whilst it is clear that attention and investment in social protection is growing in Nepal, this study finds that there are challenges in ensuring universal coverage of the eligible population, especially in situations of disasters where system inefficiencies and gaps are often exacerbated. There now exists an important window of opportunity to ensure a social protection system in Nepal that is both robust and responsive to both small- and large-scale shocks.

4.3.3 SSA disbursement during disaster situations

Local governments report administrative and financial/accountability challenges to provide SSA timely during disaster periods. Local levels disburse funding only when the federal government releases resources. Local governments recognize that early disbursement is not possible due to resource constraints. Government officials' feedback included those changes need to be agreed at the

deferral level to use local funding or federal funding for forecast based financing utilizing SSA mechanisms. However, the bank transfer system has been effective to disburse allowances timely but banks might not be accessible for everyone during disaster situations. During COVID-19 first wave, DodharaChadani Municipality called upon the bank to the communities for SSA translation.

4.3.4 Efforts in supporting local governments in improving targeting of SSA and those exposed to disasters are needed

- Existing SSA coverage within disaster-exposed wards does not currently overlap with a large share of disaster-exposed households. Thus, there is a need for increased SSA beneficiary targeting.
- There is an opportunity to design, pilot and scale-up the CVA modalities that harmonizes the nexus of SSA and disaster/shock response, and provide opportunity for preparedness and timely response.

4.4 Collaboration between DRR and Social Protection

Every Palikas has appointed a DRR focal person to manage disaster risk reduction and disaster response initiatives in the Palikas. In disaster situations, they provide relief support based on the Palika policies. However, it seems lack in collaboration with the social protection initiatives managed by the same Palika office. There should be collaboration between two departments in the same municipality office for effective and timely response. One of the DRR focal person told that these two departments should work together to make social protection shock responsive. He further added, these two departments should not work independently. As the Palikas have already started to distribute social security allowances through bank accounts, it is even easy for us to provide cash support using the data maintained by the social security department.

4.5 Challenges accessing social protection services

While exact coverage rates for the schemes are difficult to obtain given the lack of data disaggregated by target group, exclusion errors have been identified as a key challenge, though the extent of these errors varies according to the source, especially in relation to the senior citizens' allowance. According to the 2011 Nepal Living Standards Survey (World Bank, 2014, cited in Palacios, 2016), 46% of people eligible for the senior citizens' allowance were not receiving it. One of the reasons of exclusion is lack of documents required for enrollments. Among the documents, some people could get citizenship certificate due to several reasons. Similarly, real age does not match with the one mentioned in the citizenship certificates. Likewise, some people failed to do vital registration in time as a result they are not able to enroll into the SSA in particular to those who are eligible for single women (widow) allowances.

- Lack of information on social security allowances and other schemes among beneficiaries is another reason for exclusion.
- Geographic distance and access to bank for taking allowance amount.
- Delay in ID card renewal
- Database in local government is inconsistent due to delay in vital incident registration.
- Migrant population are also facing problem enrolling in the social security allowances.

- There is no clarity in roles and responsibility of all three tiers of government in legislations.

Nepal has a robust constitutional and legal basis for social protection. The rights to social security, employment, education, health, food, and housing are fundamental rights enshrined in the Constitution. The Constitution also provides for other fundamental rights reserved for Dalits, women, children, and senior citizens. Social justice is included as both a fundamental right (Article 42) and a guiding principle of state governance (Article 50). The economically poor, incapacitated and helpless, single women, people with disabilities, endangered ethnicities, children, and those who cannot take care of themselves have the Right to Social Security (Article 43). Social protection and inclusion-related policies are to prioritize targeting of the economically poor among members of all genders, communities, and regions (Article 51.j.12). The inclusion of these rights provides a legal and constitutional basis and mandate to require all SP programs to ensure that no eligible citizens are excluded from exercising their fundamental rights to those services. Table 1 provides a list of SP-related rights included in the Constitution. The transition from a unitary to a federal structure of governance brings challenges as well as opportunities to ensure that investments in social protection are leveraged for the effective realization of these fundamental rights. Nepal's social protection sector has been characterized by a fragmented program landscape, with limited institutional capacity to coordinate across various interventions. The transition to federal state was accompanied by continuation of legacy programs and delivery systems developed during the unitary structure of governance. The somewhat slow progress in building capacity of subnational levels and continuing lack of clarity on the roles of different levels of government in the new federal structure further adds to the complexities and challenges of the transition. However, decentralization also provides a unique opportunity to improve beneficiary identification, coverage, adequacy, and the quality of service delivery at the subnational levels, while also allowing for greater citizen participation in setting levels and standards of social protection services.

RECOMMENDATION

To explore existing systems and tools available for social protection schemes and provide practical recommendations and steps to adapt enhance existing schemes to become more shock responsive.

Based on this scoping study, considering following recommendations would help to make social protection more shock responsive;

- Modification to the social protection system that might allow the system function during and after a disaster need to be explored together with local stakeholders and tested in simulations. Oxfam can facilitate Palikas to develop a SOP/guideline to continue functioning social protection system regardless of any adverse situations including COVID, disasters, etc.
- It is found that the Palika social security departments have not maintained data for disaster relief and seems unknown about the initiations taken by DMCs. However, the social protection act has identified 'Natural Disaster Emergency Relief (through NDRRMA, DDMC, Palika DMCs)' as one of the schemes of government social security. Therefore, these two departments of the Palika office should come under one umbrella as a starting point to

make social protection shock responsive. Organizations like Oxfam/NEEDS should initiate dialogue at the Palika level for integrations among these two departments.

- Development of jointly-agreed vulnerability indicators is of utmost necessity to identify the additional ultra-poor households that are not included in the social security schemes. It can be integrated with Palika initiations that already started to identify ultra-poor households and providing Poverty Cards. This will help include vulnerable households in the list of individuals identified through SSA and maintain their data at the Palika level. During any shock situation, local government and other like-minded organizations can use the same data to provide affected populations with relief support immediately without spending time for beneficiary identification. Oxfam can facilitate in this process.
- During this study, it is found that there were delays in releasing SSA during the COVID-19 first wave. Therefore, the Palikas should identify alternatives means to provide allowances during such situations so that the beneficiaries do not have to suffer more to cope with the situation. In the similar context, some Palikas have distributed cash during COVID situation to those beneficiaries who do not have access to bank. Therefore, Palikas can identify local cooperatives to disburse allowances timely in those types of situations.
- Palika social security department should maintain data of additional vulnerable household that are not included in SSA, so that every stakeholder can provide relief supports to the disaster affected population in short period. Similarly, data for relief supports should be maintained by social security department to avoid duplication and target to the ones who has not received supports before.
- The timing of the SSA distribution should be aligned with the general trends of disaster timing so that people can get prepared to cope with any future shocks. Oxfam together with FbA/SRSP community of practice can initiate this as an advocacy agenda with federal government to align time for allowance distribution.
- There should be legislative clarity of roles and responsibilities of all three tiers of government regarding social security. Therefore, there is a scope for development partners to support government by introducing/bringing global experiences in this area.
- As the existing social protection system do not seem scalable during disaster and other economic shocks, there should be some efforts to scale it up if needed.
- All the information/data related to social security schemes should be managed centrally either Palika IT person or social security department. There is a scope for Oxfam to support Palikas design a database/portal to maintain all social security related data in a single portal.

DATA MANAGEMENT AND SECURITY

The study team applied the following security measures during the workflow;

- The team leader provided orientation to other members about the data security measures.
- The study team separated the personal information like name and phone number from the pool of data.
- No data or information will be shared with a third party unless or until approved by NEEDS Nepal. The study team will not use the data and information for any other purpose.
- After three months of completion of the assignment, the study team will erase or destroy all the stored data for the particular assignment.

GESI & NO HARM PRINCIPLE

The study team designed the study and carried out field research by considering the sensitivities and unique needs of women, children with disabilities and ones from ethnically and socially marginalized background, ensure age- appropriate, ability- appropriate questions. Similarly, GESI perspectives has been incorporated in the assessment approach and methodology.

Likewise, the study team followed principles of Conflict Sensitivity/Do No Harm principle during study. All study team members strictly followed government decisions and protocols related to COVID-19 to ensure safety and security of all those engaged in the planning and delivery of the activities under this initiative.

RESEARCH ETHICS

The stakeholders were informed about the aims of the research, the consent to participate or withdraw from the interview, the confidentiality of the information, the consent to use their information in the survey, the time duration, the anonymity of their information, the advantages expected from it, and any possible hazards or inconveniences. Consents were taken before conducting interviews and the record their personal information and use them for analysis. All the information related to the respondents are kept confidential and anonymous.

Each and every individual involved in the study were oriented on the approaches and factors during human subject research. Every individual in the study team followed the child protection policy accordingly to protect the child from any abuse or harm during and after the study.

Consents were taken before taking the photographs and audio recordings. The participants were taken to a confidential place where the participants feel secure and comfortable

The data has been stored in a secure database and only accessible to the study team.

The study was conducted abiding by the Covid-19 health protocols. Every team member was oriented on the health and security protocols regarding themselves and the respondents' safety. The use of masks, face shields and sanitizers in every interview were followed. The respondents were also provided masks and sanitizers.

The experts and members of the study team were briefed on social norms and values and practices concurring in the pilot areas. They were also briefed on gender equality, social equality and inclusion (GESI) and avoid any act of discrimination, violence and abuse.

COORDINATION, MANAGEMENT, AND REPORTING

Team Leader managed the overall assignment. The team leader coordinated with all concerned Palikas and key stakeholders during the study. Similarly, team leader carried out an intensive review of existing government policies, guidelines, and related documents, ACT project documents, and other documents. Similarly, the team leader conducted this study in close coordination with the project team.

COMPLIANCES AND REPORTING

The team leader was responsible for the compliance handling, precautionary management against COVID-19, and the reporting in the emergencies to NEEDS Nepal Kanchanpur point of Contact. Similarly, the team leader managed all the safety and security associated issues during the times of this assignment.

ANNEX-A: SURVEY TOOLS

A1. Key informant interview (KII) checklist for Palika, province and federal government level stakeholders

Introduction: Namaskar,

My name is , You may know that NEEDS Nepal has been implementing ‘Strengthening Community Preparedness, Rapid Response and Recovery in Nepal’ project in partnership with Oxfam in Nepal. This project covers 40 communities of the two districts and four municipalities of Kanchanpur and Dadeldhura. The project aims to strengthen the capacities of the governments and communities to mitigate and prepare for disasters with improved early warning systems (EWSs), risk information, community level response mechanisms, improved linkages with Disaster Management authorities and community-based disaster risk reduction measures and improved livelihoods. Therefore, I am here to carry out scoping study on shock responsive social protection for NEEDS/Oxfam to collect information. The specific objectives for this study are;

- To identify the gaps between existing social protection schemes and the social protection legislation, policies, regulations or directives that guide this system and assistance. To document the scope and reach of social protection schemes being implemented by Government of Nepal.
- To explore existing systems and tools available for social protection schemes and provide practical recommendations and steps to adapt enhance existing schemes to become more shock responsive.

I will ask some related questions and it might take 30-45 minutes of your time. Individual-level information will be handled confidentially, and your individual information will not be disclosed to any other parties. During the interview, you can skip questions or sections if you do not like to answer.

Do you agree to participate in this interview?

Yes, I would like to participate

No, I don't like to participate

Name of the respondent: **Position** **Name of Office:** **Office Address:** **Contact Number:**

Name of Researcher: **Date of Survey:**

Checklist:

1. Could you please explain about the social protection?
 - a. How many schemes are being implemented so far?
 - b. Are there any schemes not implemented so far? If yes, please give details and why those schemes could not implement? What should be done to implement them effectively?

2. How do you operationalize of social protection schemes considering the geography and contextual circumstances? What are the transfer mechanisms? Please explain about the relevance of existing social protection schemes in terms of their coverage, target populations, and their shock responsiveness?
3. What roles the federal, provincial and local governments need to play to implement SP effectively?
4. Are there any challenges to implement SP effectively? Please explain challenges and way forwards?
5. How does local government in Nepal currently use the Social Protection system (SP) and especially Social Security Allowance (SSA) to support the disaster affected people?
6. What are the additional sources of funding/in-kind donations to support the most vulnerable disaster-exposed populations at the local level, including private donations?
7. Do disaster management authorities use available social protection resources during any crisis situation? If yes, how the disaster management authorities are engaging with and using the available social protection resources during a crisis (Linkages between existing social protection schemes and current disasters?) What are the other local level agencies or offices that we should focus on?
8. Are there any government policies or initiations taken so far to use social protection mechanism during any crisis situations?
9. Do you think, the SSA-system, can be used as a shock response mechanism enabling its continuous delivery in the face of disasters? If yes, how? If no, why-any challenges (operational, ...) or policy gaps?
10. Are there any lessons learnt so far while implementing SP/responding to shocks? Please explain.

A2. KII checklist for people receiving social security allowances

Introduction: Namaskar,

My name is , You may know that NEEDS Nepal has been implementing ‘Strengthening Community Preparedness, Rapid Response and Recovery in Nepal’ project in partnership with Oxfam in Nepal. This project covers 40 communities of the two districts and four municipalities of Kanchanpur and Dadeldhura. The project aims to strengthen the capacities of the governments and communities to mitigate and prepare for disasters with improved early warning systems (EWSs), risk information, community level response mechanisms, improved linkages with Disaster Management authorities and community-based disaster risk reduction measures and improved livelihoods. Therefore, I am here to carry out scoping study on shock responsive social protection for NEEDS/Oxfam to collect information. The specific objectives for this study are;

- To identify the gaps between existing social protection schemes and the social protection legislation, policies, regulations or directives that guide this system and assistance. To document the scope and reach of social protection schemes being implemented by Government of Nepal.
- To explore existing systems and tools available for social protection schemes and provide practical recommendations and steps to adapt enhance existing schemes to become more shock responsive.

I will ask some related questions and it might take 30-45 minutes of your time. Individual-level information will be handled confidentially, and your individual information will not be disclosed to any other parties. During the interview, you can skip questions or sections if you do not like to answer.

Do you agree to participate in this interview?

Yes, I would like to participate

No, I don't like to participate

Name of the respondent:**Address (Palika, ward no):**
..... **Contact Number:** **Name of Researcher:**
..... **Date of Survey:**

Checklist:

1. In which social security allowance scheme are you enrolled in?
2. How long have you been enrolled in SSA/receiving allowances? Did you get chance to enroll in the right time? If not, why? How easy was the enrolment process?
3. How much SSA do you receive now? What is the mode of payment (physical cash, or cheque or account transfer, ...)? How far do you need to travel to receive allowances?
4. Does anyone else from your household receive SSA? If yes, who, for what and how much?
5. Are you receiving SSA regularly? Did you receive allowances timely during COVID-19 pandemic, crisis situation? If not, why?

6. Have you ever received any additional supports (cash/in-kind) during the crisis situations? If yes, did you receive those supports as a result of being enrolled in SSA?
7. What do you like about SSA? and dislike?
8. Who decides, how to utilize the amount received as SSA? Do you keep the amount yourself? How do your family members behave with you after you started receiving SSA?
9. Do you have any suggestions to make SSA more effective, accessible, timely, and supportive during the difficult times?

A3. KII checklist for local banks officials providing services of social security allowances

Introduction: Namaskar,

My name is , You may know that NEEDS Nepal has been implementing ‘Strengthening Community Preparedness, Rapid Response and Recovery in Nepal’ project in partnership with Oxfam in Nepal. This project covers 40 communities of the two districts and four municipalities of Kanchanpur and Dadeldhura. The project aims to strengthen the capacities of the governments and communities to mitigate and prepare for disasters with improved early warning systems (EWSs), risk information, community level response mechanisms, improved linkages with Disaster Management authorities and community-based disaster risk reduction measures and improved livelihoods. Therefore, I am here to carry out scoping study on shock responsive social protection for NEEDS/Oxfam to collect information. The specific objectives for this study are;

- To identify the gaps between existing social protection schemes and the social protection legislation, policies, regulations or directives that guide this system and assistance. To document the scope and reach of social protection schemes being implemented by Government of Nepal.
- To explore existing systems and tools available for social protection schemes and provide practical recommendations and steps to adapt enhance existing schemes to become more shock responsive.

I will ask some related questions and it might take 30-45 minutes of your time. Individual-level information will be handled confidentially, and your individual information will not be disclosed to any other parties. During the interview, you can skip questions or sections if you do not like to answer.

Do you agree to participate in this interview?

Yes, I would like to participate

No, I don't like to participate

Name of the respondent: **Position** **Name of Office:** **Office Address:** **Contact Number:**

Name of Researcher: **Date of Survey:**

Checklist:

1. How long has your bank been transferring SSA? For how many Palikas?
2. How many people fromPalika are receiving SSA through your bank? How long does it take to enroll in your bank for SSA?
3. Are your outlets/branches accessible for every people receiving SSA (including PLWDs, senior citizens, ..).
4. What the transfer schedule? Are you able to transfer their SSA in time?
5. Were you able to transfer amount in time during COVID pandemic or other crisis situation? If not, what supports do you need from Palika to transfer SSA timely?
6. Do you have capacity to top-up cash to the same no of people during crisis situation in short period of time?
7. Do you have any suggestions to make SSA more effective, accessible, timely, and supportive during the difficult times?

A4. Tool to map-out social protection at Palika/ward level

Program Type	Program/eligibility criteria	Benefits	Documents required or procedures	Status (active/not active)	No of enrollment
Cash Transfers	Sr Citizen Allowance - All Sr. citizens completing 70 yrs				
	Sr Citizen Health Treatment Programme				
	Sr Citizen Allowance -Dalit completing 60 yrs				
	Sr Citizen Allowance -Single women (Never married or divorced) completing 60 yrs				
	Sr Citizen Allowance - Completing 60 yrs of prescribed Location				
	Helpless Single Women/ Widow Allowance				
	Disability Allowance people with full disability				
	Disability Allowance people with partial disability				
	Child nutrition allowance - children < 5 yrs. from Ultra Poor or Prescribed Location				
	Endangered Ethnicities Allowance (Tribe on the verge of extinction allowance) Kusunda, Raute, Hayu, Kisan, Meche, Bankariya, Surel, Raji, Lopcha, Kuswadiya)				
	Maternity Incentive Scheme (CCT) for ANC Checkup and Delivery				
	Deputy Mayor Gift to new mother and infant				
	Ultra poor chronic diseases treatment fund				
	Strengthening Decentralized Support for Vulnerable and Conflict-Affected Families and Children (CCT)				

	Subsistence Allowance for those Martyred or Handicapped in the Conflict				
	Ultra poor chronic diseases treatment fund				
	Tax Exemption and Debt Relief				
In kind and CfW transfers	Freed Bonded Labourers support programme				
	Natural Disaster Emergency Relief (through NDRRMA, DDMC, Palika DMCs)				
	GBV support grants				
	Non disaster conditional In Kind transfer through Food and Cash for Work activity (eg WASH construction, road construction etc)				
	School Meal Programme (SMP) and Maternal Child Health Care (MCHC) Programme				
	Free Sanitary Pad and Folic Acid				
	All children aged 6-23 months in Karnali are provided with a nutritious food supplements.				
Access to Services	Education for All				
	Free Health Services				
	Free Medicines				
	Free Health and Ambulance Services				
	President Pregnancy Fund				
	Free Sanitary Pad and Folic Acid				
	PCR Test				
	Housing programme				
Care Services	Social care Services for Children				
	Social care Services for Women				
	Social care Services for Senior Citizens				
	Social care Services for PwD				
Livelihood Program	Ultra Poor Program				
	Prime Minister Youth Employment Fund				
	Fertilizers and Seed Transportation Subsidy				
	Subsidy on Chemical Fertilizers				
	Community Livestock Program				
	Kamaiya and Haliya Rehabilitation Program				
	Leasehold Forestry Program				
Employment/Skills Development Program	Poverty Alleviation Program				
	Technical and Vocational Educations Assisted Migrants				
	Technical Education for Dalits and poor girls				
	Child Labour Elimination and Child Labour Reforms Program				
Social insurance	Employee Provident Fund (Labor Act)				
	Gratuity (Labor Act)				

	Civil Service Pension Scheme				
	Work Injury Insurance				
Public Works	Rural Community Infrastructure Works (RCIW)				
	Youth Self-Employment Scheme				
	Technical and Vocational Education Training (TVET)				
Government Insurance Programmes	Health Insurance				
	Ag Crop insurance				
Other programs					

ANNEX-B: People Receiving Social Security Benefits:

Program/Scheme	Total Enrollment
Sr Citizen Allowance- All Sr. citizens completing 70 yrs	9,752
Sr Citizen Allowance-Dalit completing 60 yrs	2,233
Sr Citizen Allowance-Single women (Never married or divorced) completing 60 yrs	2,314
Helpless Single Women/ Widow Allowance	3,900
Disability Allowance people with full disability	457
Disability Allowance people with partial disability	794
Child nutrition allowance- children < 5 yrs. from Ultra Poor or Prescribed Location	3,243
Endangered Ethnicities Allowance (Tribe on the verge of extinction allowance) Kusunda, Raute, Hayu, Kisan, Meche, Bankariya, Surel, Raji, Lopcha, Kuswadiya)	460
Maternity Incentive Scheme (CCT) for ANC Checkup and Delivery	784
Deputy Mayor Gift to new mother and infant	130
Ultra poor chronic diseases treatment fund	62
Subsistence Allowance for those Martyred or Handicapped in the Conflict	299
Ultra poor chronic diseases treatment fund	62
School Meal Programme (SMP) and Maternal Child Health Care (MCHC) Programme	12,462
Free Sanitary Pad and Folic Acid	7814
Education for All	296
Free Health Services	130
Free Medicines	22,528

Free Health and Ambulance Services	266
Social care Services for Children	925
Social care Services for Women	240
Social care Services for Senior Citizens	138
Subsidy on Chemical Fertilizers	3,000
Poverty Alleviation Program	639
Health Insurance	46,309