

International
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The ILO in Nepal

Nepal and decent work



Nepal has made notable socio-economic progress in the past decade, reducing its absolute poverty rate from 42 % to 23.8 %. The country has also made the historic achievement of promulgating a new Constitution in September 2015, which enshrines the right of the citizen to be free to engage in all economic, social, cultural and religious activities.

Agriculture is the mainstay of the economy, providing livelihoods for more than 68 % of the population. In the absence of adequate domestic employment opportunities, an ever-increasing number of Nepalis leave the country for work abroad. Remittances account for 25-28 % of the GDP.

The slow pace of economic growth, political instability, underemployment, child labour, severe inequalities, a large informal economy, and lack of protection of workers' rights are the major challenges the country faces, exacerbated by the April 2015 major earthquake.

Nepal has been a Member of ILO since 1966 and has ratified **eleven international labour Conventions**.

Strategic framework: the Decent Work Country Programme (DWCP) aligned with national priorities.

Drawing on the common commitment of the Government and of the workers' and employers' organizations, the **DWCP** for Nepal articulates the strategic framework for ILO interventions for the years 2013-2017. It is aligned with major priorities identified in the **United Nations Development Assistance Framework for 2013-2017 (UNDAF)** and the Government of Nepal's Three-year Plan (2010-13), and involves collaboration with all stakeholders on specific objectives in the area of employment promotion, rights at work, social protection, and labour market governance.

Key challenges

- **1.6** million children (5-17 years) in child labour.
- **5.6** million workers were affected by the earthquake, while **94** million work days were lost.
- 2006-2013 general strikes decelerated annual GDP growth between **0.6-2.2 %**

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Tripartite constituents

Government: Ministry of Labour and Employment (MOLE)

Workers' organisation: Joint Trade Union Council Members (JTUCC)

Employers' organisation: Federation of Nepalese Chambers of Commerce and Industry (FNCCI)

Find out more

ilo.org/nepal

The Decent Work Country Programme (2013-2017) Priorities are

- 1 Improved labour market governance and industrial relations
- 2 Promotion of employment-centric and inclusive growth
- 3 Promotion of fundamental principles and rights at work

Main actions and key results

Promoting employment-centred inclusive growth policies



The ILO has provided technical and financial assistance to the Government and social partners to develop labour and employment policies and programmes focused on employment and growth. Various programmes and projects have been conducted, which concern support to the formalization of the informal sector, particularly in construction, SMEs and tourism; the reinforcement of labour market information systems; and the establishment of a mechanism to provide effective

employment services. As a result, the Government of Nepal endorsed the **new National Employment Policy in 2015** and drafted revised labour legislation through tripartite consultations. Mechanisms to provide regular services for formalizing and strengthening SMEs were implemented, and gender-sensitive policies were developed to help trade unions address informal economy issues. **Over 5,000 SMEs have been already formalized.**

Extending social protection coverage for all

The ILO helped the Government to draft a national framework for social protection floor, and provided support to develop social security schemes in the areas of maternity benefits, sickness benefits, workplace accident and unemployment insurance benefits. An actuarial valuation report to enhance

the financial viability of the social security schemes has been prepared and accepted by the Social Security Fund and the Ministry of Labour and Employment. A Social Security Organization Act was also developed with ILO's technical assistance, which the Cabinet has forwarded to Parliament for approval.

Through the ILO capacity building programme, ILO constituents have been able to advocate and include social security provisions in the new Constitution, especially for workers in the informal economy. Technical assistance is currently ongoing to design a pension scheme for private sector workers.

Eliminating child labour and forced labour and protecting migrant workers at risk of trafficking



The ILO provided technical and financial assistance to constituents and stakeholders to effectively implement the provisions of Conventions on child labour,

forced labour and migrant workers. Some key results include the promotion of migrant workers' access to accurate and timely information by the establishment

of information centres. Furthermore, the 18th Summit of the South Asian Association for Regional Cooperation (SAARC) adopted the **Kathmandu Declaration of 2014** with a commitment to collaborate and cooperate on the safe, orderly and responsible management of labour migration from South Asia to outside the region. In parallel, the ILO also helped the Government to draft and discuss bilateral agreements with the Governments of Jordan, Lebanon and Saudi Arabia. The Foreign Employment Act of 2007 was reviewed for conformity with international labour standards.

Concerning the eradication of child labour and forced labour, (**a child labour-free strategy**) was mainstreamed into local development plans in two districts, and (**over 1,000 people**) were educated and trained on forced labour, trafficking and child labour issues. A new bonded labour bill was drafted and is at the final stage before adoption.

Improving livelihoods through emergency job-intensive infrastructure improvement

The ILO has been implementing an employment-intensive road maintenance programme, introducing cost-effective, labour-based methods and training and capacity building for the public and private sectors, with special attention to gender equality. Some **232,931**

work-days of short-term employment were created in 36 selected districts of Nepal. To date, **3,667 kilometres of roads** have been maintained. A total of **2,268 people (70% women)**, representing mostly deprived communities, were provided with paid employment.

Using the same approach and following the powerful earthquake that struck Nepal on 25 April 2015, the ILO launched a new emergency Cash-for-Work Programme covering nine of the worst hit districts. The programme selected **27 roads** with a total length

418 km in severely hit districts and assigned work to people to clear debris from the roads, to restore connectivity, and jumpstart early recovery. As a result, **22,000 work-days** of employment

were created, besides the rehabilitation of infrastructure, providing much needed cash to the local population, whose source of livelihood is still uncertain in the aftermath of the earthquake. A total

of **1,718 families** in the affected communities benefited from improved road infrastructure and training in construction.

SUCCESS STORY: MEETING BASIC NEEDS FOR WOMEN EMPOWERMENT

Ms Royi Kumari Subedi, 40 years old, lives in Salyankot. She lost her house and all her goods after the devastating 2015 earthquake and her husband was injured.

She was selected to work for the ILO programme as a length worker. She not only earned money, but also served the community and victims by clearing landslides, debris from the damaged roads and by maintaining local roads to allow access to basic needs supplies for earthquakes victims. The programme employs 70 % of women.



Like other women lengthen workers, Ms Subedi earns NPR 500/day and has opened a bank account. She has, more importantly, been able to demonstrate that a woman can also work and earn money.

Next steps

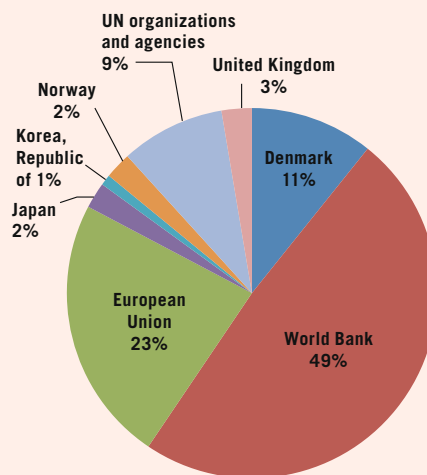
The ILO will use the Nepal DWCP as a tool to support constituents in the implementation of the 2030 Sustainable Development Goals (SDGs), focusing on the promotion of decent jobs and social protection.

New programmes on fair recruitment for labour migration and the elimination of forced labour will be launched in early 2016. Proposals to address gaps in social protection and occupational safety and health will be submitted for funding.

Partnership for decent work

ILO in Nepal has developed key partnerships not only with the government and the social partners, but also with development partners such as UN agencies: IOM, UNFPA, UN Women, FAO, UNDP and UNICEF; bilateral donors (see pie chart) and NGOs: Pourakhi (Nepal) and Women's Rehabilitation Center (WOREC Nepal).

Major resource partners in Nepal (2012-2015)



THE ILO AND DECENT WORK — A MANDATE FOR PEACE AND SOCIAL JUSTICE

The International Labour Organization (ILO) is devoted to promoting social justice and internationally recognized human and labour rights, pursuing its founding mission that labour peace is essential to prosperity. Today, the ILO helps advance the creation of decent work and the economic and working conditions that give working people and business people a stake in lasting peace, prosperity and progress. Its tripartite structure provides a unique platform for promoting decent work for all women and men. Its main aims are to promote rights at work, encourage decent employment opportunities, enhance social protection and strengthen dialogue on work-related issues.

Selected Country Programme Results for Nepal in 2014 and 2015

COUNTRY PROGRAMME OUTCOME AND RESULTS ACHIEVED	ILO CONTRIBUTION (OUTPUTS)
Gender responsive labour legislations and policies are developed and enacted in line with international standards	
In October 2014, the Government, workers' and employers' representatives agreed upon and signed a draft Labour Act (Bill) which incorporates majority of recommendations provided by the ILO. It incorporates provision for gender equality and non-discrimination in the world of work.	<ul style="list-style-type: none"> > Technical inputs and support to the tripartite working group. > Advocacy and sensitization training on relevant ILO Conventions and Recommendations.

COUNTRY PROGRAMME OUTCOME AND RESULTS ACHIEVED	ILO CONTRIBUTION (OUTPUTS)
Policies, strategies and regulatory framework are strengthened for the promotion of employment-centric and inclusive growth	
<p>The National Planning Commission has developed an approach paper for the new three -year development plan which prioritises productive employment, decent work and income.</p> <p>National Employment Policy 2014 prepared and endorsed by the Government of Nepal in March 2015.</p> <p>The National Planning Commission developed a Post Disaster Need Assessment (PDNA) in June 2015.</p>	<ul style="list-style-type: none"> > Support provided to strengthen national capacity of employment stakeholders for improving national development framework and economic strategies. > Series of stakeholders' consultation at local and national level > Awareness-raising on employment issues to be included in the 3-years national plan. > Technical and financial support provided to the Ministry of Labour and Employment (MOLE) to prepare the Policy document through a consultative and participatory process
Labour intensive public works designed and implemented for increased employment opportunities and poverty reduction	
<p>Employment intensive road maintenance programme are being implemented since March 2014. Up to date, 3667 Km of road (District Core Road Network) has been maintained.</p> <p>A total of 1,850 people (70 % women), representing mostly deprived communities were provided paid employment.</p> <p>Technical capacity enhanced of 396 DOLIDAR Officials.</p>	<ul style="list-style-type: none"> > Technical support to the Government of Nepal in terms of road maintenance and contracting. > Regular monitoring and supervision, development of grievance-redressal mechanism, certification of payment mechanism put in place. > Technical support for development of National Policy on occupational Safety and Health. > Occupational Safety and Health capacity of the constituents enhanced.
Strengthened institutional capacity of workers' organisations	
<p>The Wider Workers' Conference adopted a declaration calling for immediate enactment of new labour act and social security act (October 2014). With the inputs of trade union representatives, the new labour act (bill) and the integrated social security act were fully aligned with international labour standards.</p> <p>The draft new labour act (bill) incorporates provision for gender equality and non-discrimination in the world of work.</p>	<ul style="list-style-type: none"> > Technical support to organize a series of joint meetings and workshops of the unions and developed the idea of organizing a Wider Workers' Conference. > In March 2014, the ILO reprinted and distributed 3000 copies of a booklet on "Fundamental ILO Conventions" to educate trade union members.
Constituents adopt and implement an integrated approach to the elimination of forced labour and trafficking	
<p>The Ministry of Land Reform and Management (MoLRM) approved the National Plan of Action (NPA) for Rehabilitation of Freed Haliyas in June 2014.</p> <p>In July 2015, the Ministry of Labour and Employment has declared "Free Visa and Air Ticket" policy for migrant workers in 7 countries in Asia and GCC.</p> <p>In April 2015, the Government endorsed and implemented a new guideline on recruitment process of domestic workers in foreign employment.</p>	<ul style="list-style-type: none"> > Technical support to MOLRM and coordination with stakeholders for finalizing the National Plan of Action. > In 2014 and 2015 ILO held several consultations with the Ministry of Labour and Employment to discuss opportunities and challenges for fair recruitment in Nepal. In addition, ILO worked to build the capacity of the Nepal Association of Foreign Employment Agencies (NAFEA) and trade unions to understand fair recruitment. > Workshop organised in Turin on fair recruitment in 2014. > A joint collaboration of IOM, ILO and Asia Foundation for 2014 publication. > Construction of the information centre and staffing. > Training of trainers (ToT) on domestic work skills > Technical and financial support to establish and strengthen migrant resource centers (MRCs) Morang, Rupandehi, Dolakha and Kathmandu. > The ILO developed community awareness and women empowerment modules for prevention of trafficking in Nepal. More than 15,000 women and about 5,000 men were oriented using the training modules as of July 2015.
Constituents, in partnership with other stakeholders, have implemented priority activities of National Master Plan on Child Labour, with specific emphasis on the elimination of worst forms of child labour by 2016	
<p>Child Labour issues integrated or mainstreamed in local government plan in Kavre and Bhaktapur districts and Dhulikhel and Panauti Municipalities.</p> <p>Lalitpur Sub-Metropolis and Hetauda Municipality integrated the "Green Flag Movement" and declared ward child free zone</p> <p>The Kathmandu Declaration during the 18th SAARC summit held in 2014 stressed on developing a regional strategy for enhancing the quality of education and promotion of vocational education.</p>	<ul style="list-style-type: none"> > Technical and advisory services for integrating child labour issues in the planning process, policies and programmes of local Government > Technical assistance to Districts Child Welfare Board, Kavre to support municipalities in the establishment of child labour desks and on the Green Flag Movement to create child labour free zones. > MOU on child rights/child labour with the South Asia Initiative to End Violence against Children (SAIEVAC)

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DEPARTMENT
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