CHILD POVERTY AND DISPARITIES IN NEPAL

Towards escaping the cycle of poverty

Nepal Report 2010

unicef

New ERA

Government of Nepal
National Planning Commission

The cover design of this report was inspired by the Global Study on *Child Poverty and Disparities*, a multi-country initiative to leverage evidence, analysis, policy and partnerships in support of child rights. the overlapping, multi-coloured frames symbolize the national, regional and global contributions to the Global Study, which form the basis for exchanging experiences and sharing knowledge on child poverty.

The design encapsulates four central tenets of the Global Study: ownership, multidimensionality, interconnectedness and equity.

Ownership: Although children's rights are universal, every country participating in the study has its own history, culture and sense of responsibility for its citizens. the analyses aim to stimulate discussion and provide evidence on how best to realize child rights in each country.

Multidimensionality: No single measure can fully reflect the poverty that children experience. a multidimensional approach is therefore imperative to effectively understand and measure children's wellbeing and the various forms of poverty that they experience.

Interconnectedness: Today's world is increasingly interconnected through economic, social, technological, environmental, epidemiological, cultural and knowledge exchanges. these exchanges have important implications for child poverty – and can also help provide avenues for its reduction.

Equity: The analyses aim to influence policies that reduce disparities, in order to protect the future of children living in poor, vulnerable households, unsafe circumstances, and/or disadvantaged communities.

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Towards escaping the cycle of poverty

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Acronyms

ADB	Asian Development Bank
ARI	Acute Respiratory Infection
BR	Birth Registration
BCG	Bacillus Calmette-Guerin
CA	Constituent Assembly
CAAFAG	Children Associated with Armed Forces and Armed Groups
CATW	Coalition Against Trafficking of Women
CBS	Central Bureau of Statistics
CCTV	Closed-Circuit Television
CCWB	Central Child Welfare Board
CDD	Control of Diarrhoeal Diseases
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CHD	Child Health Division
CLI	Child Led Psychosocial Indicators
CLRC	Community Legal Resource Centre
CPA	Comprehensive Peace Accord
CPDP	Child Protection and Development Programme
CPN (UML)	The Communist Party of Nepal – UML
CPN-M	The Communist Party of Nepal – Maoist
CPR	Contraceptive Prevalence Rate
CRC	Convention on the Rights of the Child
CSP	Country Strategy Programme
CWIN	Child Worker in Nepal Concerned Centre
CZOP	Children as Zones of Peace
DACAW	Decentralized Action for Children and Women
DANIDA	Danish International Development Agency
DCPC	District Children Protection Committee
DCWB	District Child Welfare Board
DDC	District Development Committee

DFID	Department for International Development (United Kingdom)
DLEP	Department of Labour and Employment Promotion
DOHS	Department of Health Services
DPHO	District Public Heath Office
DPT	Diphtheria, Pertussis, Tetanus
DWD	Department for Women Development
EC	European Commission
ECD	Early Childhood Development
EFA	Education for All
EHCS	Essential Health Care Services
EPI	Expanded Programme for Immunization
FAO	Food and Agriculture Organization
FCHVs	Female Community Health Volunteers
FHD	Family Health Division
FWLD	Forum for Women Law and Development
GDP	gross domestic product
GO	Government Office
GON	Government of Nepal
GTZ	German Technical Cooperation
HA	Health Assistant
H&S	Health and Sanitation
HMIS	Health Management Information System
HPI	Human Poverty Index
HW	Handwashing
IBP	Intensive Banking Programme
ICRC	International Committee of Red Cross
IDP	Internally Displace Person
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
IMCI	Integrated Management of Childhood Illnesses

IMR	Infant Mortality Rate
INGO	International Non-governmental Organization
IPC	International Poverty Centre
IPEC	International Programme on Elimination of Child Labour
IPL	International Poverty Line
JICA	Japan International Cooperation Agency
JJSP	Juvenile Justice Strengthening Programme
KSL	Kathmandu School of Law
LGP	Local Governance Programme
LSHTM	London School of Hygiene and Tropical Medicine
MCHW	Maternal Child Health Worker
MCRW	Micro-Credit for Rural Women
MDG	Millennium Development Goal/s
MEDEP	Micro Enterprise Development Programme
MOE	Ministry of Education
MOES	Ministry of Education and Sports (now Ministry of Education)
MOF	Ministry of Finance
MOHA	Ministry of Home Affairs
MOHP	Ministry of Health and Population
MOLD	Ministry of Local Development
MOLT	Ministry of Labour and Transportation
MOLTM	Ministry of Labour and Transport Management
MOWCSW	Ministry of Women, Children and Social Welfare
NDHS	Nepal Demographic and Health Survey
NDWQS	National Drinking Water Quality Standard
NFHS	Nepal Family Health Survey
NGO	Non-governmental Organization
NHRC	National Human Rights Commission
NHSP-IP	Nepal Health Sector Programme Implementation Plan
NLSS	Nepal Living Standard Survey

NNCU	Nepal National Commission for UNESCO
NPA	National Plan of Action for Children
NPA-IWG	National Plan of Action for Children-Implementation Watch Group
NPAN	National Plan of Action for Nutrition
NPC	National Planning Commission
NRB	Nepal Rastra Bank
NRs	Nepali Rupees
NSC	National Steering Committee on Social Protection
NSPF	National Social Protection Framework
NWC	National Women's Commission
OHCHR	Office of High Commissioner of Human Right
ORS	Oral Rehydration Salts
PAF	Poverty Alleviation Fund
PCRW	Production Credit for Rural Women
PDDP	Participatory District Development Programme
PHC	Primary Health Centre
PPP	Purchasing power parity
PRSP	Poverty Reduction Strategy Paper
REDP	Rural Energy Development Programme
ROSA	Regional Office for South Asia (UNICEF)
RUPP	Rural Urban Partnership Programme
SAARC	South Asian Association for Regional Cooperation
SAHW	Senior Auxiliary Health Worker
SAPAP	South Asia Poverty Alleviation Programme
SCDP	Sustainable Community Development Programme
SIDA	Swedish International Development Cooperation Agency
SLC	School Leaving Certificate
SLTHP	Second Long Term Health Plan
SMCs	School Management Committees
SPTT	Social Protection Task Team

SSRP	School Sector Reform Plan
SWC	Social Welfare Council
TDH	Terre des hommes
TFR	Total Fertility Rate
TYIDP	Three Year Interim Development Plan
TYIP	Three-Year Interim Plan
U5MR	Under-five Mortality Rate
UCEP	Underprivileged Children Education Programme
UN	United Nations
UNCT	United Nations Country Team
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNGASS	United Nations General Assembly's Special Session for Children
UNICEF	United Nations Children's Fund
USD	US Dollar
U5MR	Under-five mortality rate
VDC	Village Development Committee
VHW	Village Health Worker
WAN	WaterAID Nepal
WB	World Bank
WCSC	Women and Children Service Centre
WDO	Women Development Office/Officer
WDP	Women Development Programme
WEP	Women Empowerment Programme
WFP	World Food Programme
WG	Working Group
WHO	World Health Organization
WTPAP	Western Terai Poverty Alleviation Project

Foreword by the National Planning Commission

The Government of Nepal is committed to the promotion and protection of the rights of children. During the last decade Nepal has made impressive progress towards poverty reduction in spite of the armed conflict and the painful process of socio-economic and political transition. The poverty rate has come down from 42 percent in 1995/96 to 25.4 percent in 2010. Significant improvements have been made in the fields of education, health and drinking water. Consequently the status of children has improved as shown by aggregated indicators. However serious disparities can be seen along the lines of geography, caste, ethnicity and household characteristics. The measure of inequality shown by the Gini coefficient has increased from 0.34 to 0.46 during the same period. The Global Study on Child Poverty and Disparities was undertaken by UNICEF to assess the levels of poverty faced by children in different countries of the world.

This national report on Child Poverty and Disparities, which has used a standardized right-based methodology, has made a serious effort to capture the extent and magnitude of child poverty and disparities in Nepal using seven indicators. The results are both provocative and instructive. The facts that two-thirds of Nepali children suffer severe deprivation and that half of Nepal's under-five children suffer severe malnutrition present strong reasons for concern. Although the problem of child poverty is part of a wider picture it shows that our past development efforts have not adequately addressed the multiple deprivations suffered by children. It is an issue that is crying out for the attention of policymakers as well as other stakeholders working in the field of child and human development. The report's findings also point to the need to invest more in the development and protection of children to help future generations out of poverty and deprivation as well as to achieve the country's Millennium Development Goals.

I congratulate UNICEF and the study team for delving into such an important area and hope that the information and insights generated by this research will be used to inform the policies and programs of government as well as other stakeholders. I also hope that it will inspire the Government of Nepal, its development partners and other non-government actors to combine their efforts for more substantive interventions and results in future.

Jagadish Chandra Pokharel, PhD
Vice Chairman,
National Planning Commission.
Singha Durbar, October 2010

Foreword by UNICEF Representative in Nepal

This report into child poverty in Nepal uncovers some stark realities.

Almost 70 per cent of Nepal's children - tomorrow's parents, workers and leaders - are severely deprived of at least one of the seven basic necessities.

Children have a harder time than adults in Nepal. When it comes to poverty our study showed that children are disproportionately poor compared to the rest of the population. In 2003/2004 when the national incidence of income poverty was 31 per cent, for children it was 36 per cent.

Poverty is no longer just measured by income for basic consumption needs. This report takes a multi-dimensional approach. It shows that determining whether a child lives in poverty depends on their access to basic necessities like shelter, water, sanitation, education and health.

The most worrying indicators highlighted in this document concern malnutrition and sanitation. Almost every second child under five - 49 per cent - is stunted or has a low height for their age which results from chronic under-nourishment. The study shows that more than half of Nepal's children have no access to a toilet of any kind.

Urgent action is required to tackle these problems. Severe deprivation during the first few years of a child's life can cause irreparable damage, perpetuating poverty cycles across generations. Everything from cognitive development to employment potential is laid down within these formative years. It is not only essential to invest in Nepal's children for social and moral reasons, it is also an economically sound investment strategy for the future.

There's no doubt that Nepal has made significant progress in tackling poverty over the last 15 years despite everything the country has faced during that period.

This report lists the many tough challenges ahead but also sets out a pathway for progress in the future.

I hope we can use this report to help build a brighter future for all of Nepal's children.

Gillian Mellsop
UNICEF Representative in Nepal
Kathmandu, October 2010

Acknowledgments

This report is part of the UNICEF Global Study on Child Poverty and Disparities. This particular study was commissioned in Nepal by the UNICEF Country Office in collaboration with the National Planning Commission and the New Era Research Institute.

Thanks are due to the National Planning Commission which formed an inter-Ministerial Advisory Committee to provide overall guidance and critical input to the study. The Advisory Committee included the Ministry of Education, Ministry of Health and Population, Ministry of Home Affairs, Ministry of Local Development, Ministry of Women, Children and Social Welfare, Central Bureau of Statistics, Central Child Welfare Board, and Association of International Non-governmental Organizations (INGOs). The draft report was discussed by the committee and sent for peer review and comments. Particularly appreciated is the hard work of Atam Ram Pandey, Joint Secretary of the National Planning Commission, who led the Advisory Committee and National Planning Commission colleagues Mr Sanjaya Kumar Khanal, Mr Gyanendra Shrestha and Shiv Raj Chaulagain for providing the necessary inputs and follow-up to allow the completion the study.

This report would never have been completed without the New Era team led by Dr Bal Gopal Baidya and including Dr Sharad Sharma, Ms Ava Joshi, Mr Binod Karki and Dr Prakash Pant, who highlighted child poverty and disparities by analyzing all of the available data and other information. In addition, we appreciate the support provided by Consultant Jafferjee Azra Yusuf Ibrahim to finalize the Child Poverty and Disparities Study.

The national and international peer-reviewers offered constructive criticism and suggestions throughout the process. Dr Yuva Raj Khatiwada from UNDP's Regional Office in Colombo, now Governor of Nepal Rastra Bank, as well as Jane Falkingham and her team from the University of Southampton (UNICEF partner for the Global Child Poverty Study) gave timely review and feedback.

Mr Ashok Vaidya, Ms Beth Verhey, Ms Marta Cali, Ms Misaki Akasaka Ueda, Mr Thakur Dhakal and Mr Uddhab Khadka gave guidance, support and feedback throughout this project. Ms Mariana Stirbu and UNICEF Regional Office for South Asia (ROSA) deserve a very special mention for their inputs and support to this study, as well as the many UNICEF Nepal colleagues who made inputs and suggestions.

Staff working for different institutions and departments of the Government of Nepal as well as various INGOs were generous with their time and inputs during the conduct of this study. This study could not have taken place without their assistance.

Overview

Children living in poverty. More than a third of Nepal's 12.6 million children – the foundation for tomorrow's parents and leaders – live below the national poverty line.[1] This is not all. Measured by the factors that constitute a child's wellbeing, an even larger proportion of Nepal's children suffer from severe malnutrition (just under 50% of children are short for their age or stunted), have inadequate access to schooling (10% of children do not attend school), and are deprived of at least one of the seven basic human needs (69%).[2] Two in every five children experience severe deprivation of at least two basic human needs and, by this measure, can be considered to be living in absolute poverty.

Child poverty has not declined as quickly as overall poverty and inequalities are rising. Nepal lies next to two of the fastest growing economies in the world (China and India), yet with an annual GDP per capita income of US$367, is one of the poorest countries in the world (United Nations Development Programme (UNDP) 2009a). Nepal has made recent strides in reducing overall poverty, thanks in part to substantial inflows in foreign remittances from its large contingent of overseas workers. The overall poverty trend showed an 11 percentage-point decline from 42 per cent in 1995/96 to 31 per cent in 2003/04.[3] However, the pace of the reduction in child poverty was only eight percentage points, declining from 44 per cent to 36 per cent over the same period (Central Bureau of Statistics (CBS) 2004). Furthermore, despite the overall decrease in poverty, inequality has been rising to alarming levels. Nepal now has a Gini coefficient of 0.47 in 2007 – the highest in Asia (Asian Development Bank (ADB) et al 2009).

Nepal's Child Poverty and Disparities Study. This study of child poverty and disparities in Nepal is an attempt to systematically identify the poverty and disparities that children experience and the shortfalls in outcomes. The study follows UNICEF's global methodology[4] by focusing on the poverty and disadvantage faced by families with children and looks in detail at how public policies and resources could more effectively reduce child deprivations. The study aims to strengthen the profile of children at the national policy table by drawing attention to the children who are left behind in Millennium Development Goal (MDG) progress, why they are being left behind, and how public policies and resources could more effectively reduce child deprivations. Through highlighting the critical areas and policy gaps and weaknesses, it is hoped that the study will equip government to develop more effective, child-sensitive poverty reduction strategies and policy interventions that will enable the country to achieve its targets for the MDGs.

Multi-dimensional child poverty analysis. The methodology applied in defining child poverty is based on that developed by Bristol University and adopted by UNICEF for its global study. The methodology uses a rights based approach to defining child poverty that views poverty as multi-dimensional. The dimensions of poverty are interrelated and interdependent. If a child is deprived of one of his or her rights, it is likely to affect the child's ability to exercise other rights. The dimensions of poverty used in the methodology to measure child wellbeing are based on agreements reached at the World Summit for Social Development. Hence deprivation of children has been measured using the following seven indicators (aspects): (i) shelter; (ii) sanitation; (iii) water; (iv) information; (v) food; (vi) education; and (vii) health. A child lacking in any one of the

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1 Defined as NRs. 5,089 per capita, per year in 1995/96 and NRs. 7,696 per capita per year in 2003/04.

2 Defined as: shelter, sanitation, water, information, food, education and health.

3 The Nepal Child Poverty Study was undertaken with NDHS 2006, MOHP 2007, NLSS 2003/04 and other datasets. Nepal has recently announced national poverty at 25%; this Overview contains data available when the disaggregation for children according to the Bristol methodology was performed in 2008.

4 See UNICEF blogspot for details of the study, including completed reports. http://unicefglobalstudy.blogspot.com/

dimensions as defined by the Bristol indicators, is considered to be severely deprived. A child that is lacking in two or more of the severe deprivation indictors is considered to live in absolute poverty.

Major findings

Households with children experience more poverty. As noted, although the overall poverty trend showed an 11-percentage-point decline from 1995/96 to 31 per cent in 2003/04, the reduction in child poverty was only eight percentage points over the same period at 36 per cent in 2003/04 (CBS 2004). Small children in large families are particularly prone to poverty. Slower than average poverty reduction among households with two or more small children or six or more family members reflects structural factors that prevent these households from escaping poverty.

Child poverty is a highly asymmetrical condition. The most important determinants of poverty are household size, educational status of the household head, ethnicity/caste, residency, and dependency ratio. Children from large households, illiterate families, disadvantaged[5] and Dalit households are likely to be the poorest, as are children from rural areas and hill regions, from households with small landholdings, and from families with a high dependency. The incidence of child poverty is higher in families with illiterate household heads than in families with educated household heads. Child poverty is three times higher in rural households than in urban households. Children from households with small landholdings are twice as likely to be poor compared to children from households with large landholdings. Poverty incidence of children living in large families is three times higher than children living in small families. Fifty per cent of children in families with a high dependency ratio (4+ children per adult) live in poverty.[6] One in ten children lives in persistent poverty (defined as having a per capita consumption less than two-thirds of the requirement).

Two thirds of Nepal's children are severely deprived and just under forty per cent live in absolute poverty. Applying the methodology developed by Bristol University, more than two-thirds of Nepalese children are severely deprived of at least one basic human need (shelter, sanitation, water, information, food, education, and health). Just under forty per cent of children experience severe deprivation of at least two basic human needs and, by this measure, can be considered to be living in absolute poverty.

The leading child deprivation in Nepal is lack of sanitation. Measured by the absence of a toilet of any kind, over half of Nepal's children (55.7% or 6.4 million) defecate in open spaces with obvious implications for the spread of diseases. Information and shelter follow sanitation as the next most common deprivations – each affecting close to a third of Nepal's children. Nepal is unlikely to meet the MDG 7 indicator on halving the proportion of the population without sustainable access to improved sanitation. Deprivation of basic services is generally highest among rural children. Deprivations of food and sanitation services occur most frequently, followed by deprivations of water and information services. More than three million children live in overcrowded conditions, with adverse effects on their health and resulting high levels of morbidity. More children from the mountain regions are deprived of food, health, and educational services than from other regions. Almost all children from the poorest wealth quintile, and nine in ten from marginalized households experience at least one severe deprivation, most frequently sanitation services.

Malnutrition is a severe problem with half of Nepal's children under the age of five, stunted and over two thirds underweight. Malnutrition is a serious obstacle to the survival, growth and development of children. Forty-one per cent of rural children are underweight (low weight for age), 49 per cent are stunted (low height for age), and 13 per cent are wasted (Ministry of Health and Population (MOHP) *et al* 2007). More girls than boys suffer from malnutrition. Children from the mid-

[5] Disadvantaged groups include marginalised and excluded castes and ethnic groups such as Dalits, *janjati* and Muslims.

[6] The dependency ratio is the proportion of under 15 and over 64 individuals in relation to individuals between 15-64.

and far western regions are the worst affected. Children of illiterate mothers and from households in the lowest wealth quintile suffer the most from malnutrition. This bodes ill for realising the full intellectual potential of Nepal's children.

Nepal has witnessed significant improvements in health outcomes, but significant disparities exist and the overall health status remains low compared to other countries in the South Asian region. Nepal is likely to meet the MDG indicator on reducing under-five mortality by two thirds. The under-five mortality rate (U5MR) is 65 deaths per 1,000 live births, the infant mortality rate (IMR) is 51 deaths per 1,000 live births, and the neonatal mortality rate is 31 deaths per 1,000 live births (MOHP *et al* 2007). Declining child mortality rates indicate improved health services amongst other factors: only three per cent of children experienced severe health deprivation in 2006 (MOHP *et al* 2007). Nevertheless, significant disparities in access to health services and health outcomes exist between rich and poor, rural and urban, marginalized and non-marginalized groups, and less educated and more educated families. These disparities are reflected among children too. U5MR and IMR are highest in rural, mountain and mid-western regions. The education level of the parent, especially the mother, has a significant bearing on child health outcomes. Children with educated mothers and from households in the highest wealth quintile have the lowest U5MR and IMR and record better nutrition outcomes. Over 83 per cent of children are covered by all vaccines (including BCG, DPT3, polio3, and measles) (MOHP *et al* 2007). Slightly more boys (85 per cent) than girls (81 per cent) are covered, and coverage is lowest for children from rural, *terai*[7] and hill areas, from the lowest wealth quintile, and with illiterate mothers.

Although progress towards universal primary education is encouraging, disparities exist. Education has received high priority since 1990 and public investment in the sector has increased significantly over the years. Nepal compares favourably with other South Asian countries in terms of the proportion of the national budget or GDP spent on education. The enrolment rate of primary-aged children has increased, and 90 per cent are now in school (Ministry of Education and Sports (MOES) 2007). Gender parity at both primary and secondary schools has improved (MOES 2007). Nepal is potentially likely to meet the MDG indicator on achieving universal primary education by 2015. Nevertheless, many of the gains have been at primary level (rather than in early childhood and secondary education) and 9.5% children of school going age still have not been to school. Worse, the gains even in primary education are inequitably distributed. Net enrolment rates for both primary and secondary schools are higher in urban areas than rural areas, and in the hills than in the *terai* and mountains (MOHP *et al* 2007). Net primary enrolment is lowest among children from the poorest wealth quintile and among Muslim and Dalit households. The mid- and far western regions have the lowest net enrolment rates across the regions. Dropout and repetition rates are higher in rural areas than urban areas suggesting problems with the quality of education, especially in rural schools. While public primary schools are free for tuition, significant direct and indirect costs (e.g., books, clothes, transport) represent a major deterrent for poorer households to send their children to school.

Child protection needs significant investment. A large number of children have been affected by the conflict and thousands of children are in institutionalised child care centres. The weak law enforcement system is unable to provide protection to the vulnerable in general and children in particular. Nepal lacks a child sensitive judicial process and the high numbers of children sent to homes out of economic reasons due to the lack of a family support system put them at high risk of abuse and exploitation. There is also a severe lack of financial resources for child protection activities. What services exist are fragmented across an array of ministries and departments and programme outreach and scope are weak. In particular, child labour, child trafficking and the over institutionalisation of child care are major concerns.

[7] The *Terai* are the southern plains of Nepal, bordering India.

Social protection system needs holistic attention. The social security system covers permanent and retired public servants and, to some extent, the old, destitute, widows, and people with disabilities. The government is becoming more aware of the need for a comprehensive social protection programme, and gradually increasing investment in social protection schemes. A particular highlight in this regard is the introduction of a child grant announced in July 2009. Nepal's investment in social protection, however, is still low compared to other developing countries. In addition, Nepal ranks low among its South Asian counterparts in terms of the efficacy of social protection, which measures not only expenditure but factors such as quality, coverage, reach and delivery (ADB 2007).

Policy gaps and weaknesses

Good public service delivery is crucial for reducing child poverty and deprivation. Public sector institutions in Nepal are generally weak at implementing programmes, and available resources are often not utilized effectively. To improve governance, the policy of decentralization and devolution of authority to local communities has been pursued, albeit at a moderate pace.

Political instability and the decade long armed conflict have weakened public institutions and service delivery systems. Party political influence, lack of accountability and weak governance mechanisms in public institutions continue to create bottlenecks to achieving desired development outcomes. Ongoing constraints include poor infrastructure, especially in transport and power supply, loss of labour days on account of industrial strife, and increasing crime and violence, all of which serve to limit Nepal's investment climate.

Endemic poverty has long been a concern of Nepal's policy makers/planners. A comprehensive Poverty Reduction Strategy Paper (PRSP) was prepared for the Tenth Plan 2002–07 in order to streamline and intensify efforts to reduce poverty in accordance with MDG targets. Nepal's Interim Three Year Plan, sectoral plans, policies and programmes do take into account children's need to survive, develop, and be protected. However, implementation remains weak with fragmented delivery systems and ineffective legal mechanisms and efforts in areas such as child protection have received minimal attention. Periodic plans including the PRSP have overlooked the important difference between overall poverty and child poverty, resulting in policies/programmes that do not address children's concerns specifically.

Strategies to Improve Child Poverty and Deprivations

Major data gaps on the situation of children need to be addressed. National surveys (such as National Living Standard Survey (NLSS), National Demographic Health Survey (NDHS), etc.) and the census should make provisions to enable analysis of child-disaggregated data in the future. This will improve capacity to monitor progress and make adjustments to policies and programmes in favour of children.

Effective public service delivery is crucial for reducing child poverty and deprivation. Service delivery is fragmented across sectors and monitoring of impact is virtually non-existent. This is particularly a problem with the multiple institutions and agencies responsible for planning, coordinating and implementing child related services, putting into place a cadre of trained and professional child care workers is a vital need. This will enable the country to better address problems at the family and community level, moving away from the over institutionalised approach currently practiced.

Focus on equity. Poverty and deprivations are high among children from marginalized groups, less educated families, and those living in rural or remote regions. Future policies and programmes should pay specific attention to the plight of such children, and design and implement programmes focusing on their needs.

Resource mobilization. Since Nepal does not have adequate internal resources for speeding up progress in order to achieve all its MDGs, it will have to mobilize additional external resources. However, even currently available external resources are under-utilized. Therefore, implementation capacity of public sector institutions needs to be increased and strengthened.

Nutrition. Children from marginalized groups and poor families are under-nourished, and disparities between rich and poor have widened. Nutrition programmes need to address children from all social and economic sectors given its widespread prevalence. The priority component of nutrition programmes should be to improve infant and young children feeding practices. Targeted nutrition programmes for children from poor families, and supplementary food for mothers and children are also needed. Extra attention is required to be given to maternal nutrition before and during pregnancy.

Health, water and sanitation. Major causes of child morbidity are bad sanitation and unsafe drinking water, leading to a high incidence of diarrhoea which further exacerbates child malnutrition. Provision of safe sanitation facilities should be made a national development priority especially as it is a cost effective way to improve the health and nutrition of children. The public health delivery system needs to be made more pro-poor as it is the poor that largely rely on public health institutions for their health services. Strengthening the public health system requires additional financial resources as well as improvements in management. The present policy of decentralization of health services by devolving management authority of local health institutions to local communities is a step in the right direction. Ensuring provision of free public health care and increasing the use of public health services by the poor must be emphasized. More attention needs to be given to capacity-building of local management bodies. This is an area where partnerships between public authorities and INGOs working in the sector can be forged.

Education. The present incentive scheme targeted at children left out from the schooling system (remote regions, girls, marginalised groups and children living with disabilities) is appropriate, but its implementation needs to be more effective. The provision of incentive scheme guidelines to schools will help to address the problem faced by local school management in the distribution of incentives on account of pressure from parents of children from non-poor marginal groups. Greater attention needs to be given to improving the quality and relevance of school education. This will require assurance of high quality teaching standards, more equitable distribution of well-trained teachers as well as increasing the number of teachers commensurate with increased enrolment, closer supervisory support for teachers, and curriculum reform. There should also be increased support to the early childhood and development (ECD) programme as this helps to improve young children's readiness for and gains obtained from primary school. Despite mixed signals from government, the present policy of allowing private schools should be continued as the government is not in a position to provide education for all children who are currently attending private schools. A more prudent strategy would be to devote additional public resources to improving the quality of public education.

Child protection. The present process of preparing a new Child Rights Act is an excellent opportunity to strengthen the rights of the child in line with the UN Convention on the Rights of the Child (CRC). Concomitantly, the law enforcement capacity of government institutions should be strengthened, and awareness programmes to educate the general public about child rights should be continued. Juvenile justice benches need to be more child sensitive through for instance by developing a diversion mechanism for juvenile offenders and a child sensitive justice procedure for child victims and witnesses. This is where partnership with INGOs could be fruitful. District Child Welfare Boards (DCWB) or equivalent bodies could play a crucial role in intercepting and addressing child related issues at sub-national level if such structures were made more active and functional in relation to addressing children's rights rather than simply focusing on child welfare. The capacity of local bodies should be strengthened to maintain a sex-disaggregated database of children, including the incidence of violence against children at the local level. The child protection strategy should be based on a more systemic approach to ensure policies, legislation, justice systems and professional

child protection services at all levels of society – family, community, school and so on – are strengthened and integrated. The overly institutionalised approach to caring for children in difficult circumstances requires urgent review so that care provided by families and communities is offered as the first option.

Social protection. Nepal should consider consolidating various social protection measures as part of developing a comprehensive social protection policy. A comprehensive review of existing social protection measures would help to identify needed actions in capacity and system building and to inform future policies and programmes. The country's poverty reduction strategy is generally appropriate but must place stronger emphasis on issues relating to poor families with children. The recently introduced Child Grant should be expanded and revisions in the old age pension and single women allowance programmes should be considered.

chapter

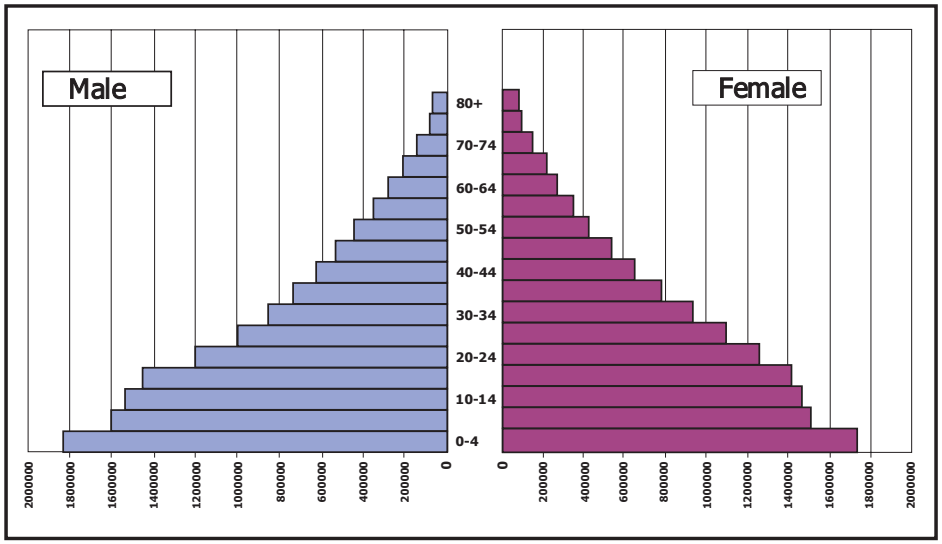
1 Introduction

1.1 Introduction

Nepal is one of the poorest countries in the world, for many reasons, not least its challenging geographical terrain. It currently ranks 138 of 169 countries in the United Nations' Human Development Index (UNDP 2010).

Around 48 per cent of its population are children (aged 0-17 years)[8], evenly divided between boys and girls. In 2007 that amounted to 12.6 million children, around 3.6 million of them younger than five years old (UNICEF 2009).

Figure 1.1 Population by age and sex, Nepal, 2006



Source: *CBS, 2003a.*

In 2006, the country emerged from a bitter decade-long conflict that sapped its economy and took the lives of 14,000 people, three per cent of them children. The economy suffered significantly with war-time growth rates falling to an average 3.8 per cent (1995/96 to 2001/02) from average pre-war levels of 5.1 per cent (1987/88 to 1994/95). At the end of the conflict in 2006, growth fell to 2.5 per cent (2006/07) (CBS various dates).

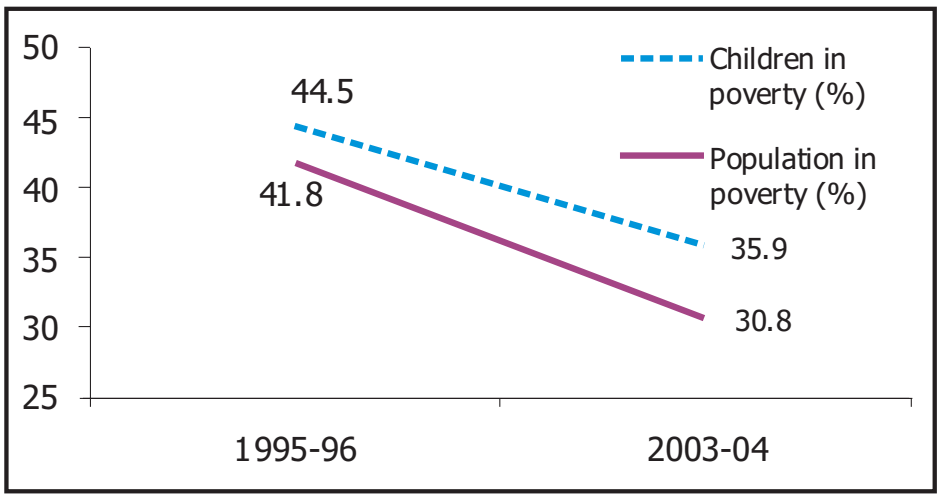
Despite the conflict, considerable progress was made in reducing poverty levels. The headcount poverty rate fell dramatically from 42 per cent in 1995/96 to 31 per cent 2003/04 and the international poverty line (US$1.08 ppp) from 28 per cent in 1995/96 to 18.1 per cent in 2003/04 (CBS 1996, 2004). Much of this reduction is attributed to the vital role played by remittances to the Nepali economy, which accounted for some 22 per cent of GDP in 2008 (World Bank 2008b).

[8] This report adopts the definition set out in the Convention on Child Rights, which defines all individuals aged 0–17 years as children.

In addition to reduced poverty there have also been improvements in human development indicators. As a result of significant increases in a number of education related indicators - including net enrolment and youth literacy - the country is likely to meet the primary enrolment target of MDG 2. Similarly, there have been substantial gains with regard to child (but less so with infant) mortality. Child malnutrition and maternal mortality remain high and the prospects of achieving these MDGs are unclear.

Overall, however, progress in poverty reduction among children lags behind. The incidence of child poverty in Nepal is 36 per cent, higher than the 31 per cent of the general population. Similarly, the pace of decline in child poverty is slower than that of the general populace (CBS 2004). Whereas general poverty declined 11 percentage points, child poverty declined 8.6 percentage points during the same period (see Figure 1.2). In absolute terms, the number of children living below the national poverty line declined by just 100,000 from 4.3 million in 1995/96, to 4.2 million in 2003/04.

Figure 1.2 **Trends in poverty (per cent) 1995 / 96 - 2003 / 04**



Source: *CBS 1996, 2004, New Era estimates based on NLSS 1995/96, 2003/04.*

Although the total population living below the poverty line has declined since the mid 1990s, progress has been uneven (CBS 2004). Poverty among rural households (with/without children) is higher than urban households. The incidence of poverty is also greater among larger households (7+ members); less educated households (i.e., head of household with no education or only primary level); disadvantaged groups[9] (*janjati*[10], Dalit, Muslim, etc.); households with a higher dependency ratio[11] (4+ children per adult); agricultural wage earners, landless or households with small landholdings (<1 ha); and single-parent families.

Poverty rates are also higher for people living in the remote mid- and far-west regions – areas where the population has limited access to paved roads, health facilities and market centres. The incidence of poverty in 2003/04 was 27 per cent in the (more developed) Western region, 45 per cent in the Mid-western region and 41 per cent in the Far-western regions. The under-five mortality rate (U5MR) was 84 deaths per 1000 live births in the Western region and 149 in the Far-western region (World Bank 2009).

[9] Disadvantaged groups comprise marginalised caste, ethnic and religious groups.

[10] *Janjati* is defined as a community having its 'own mother tongue and traditional culture, but not belonging to the Hindu caste system' and is generally 'socially backward in comparison to other caste groups'.

[11] The dependency ratio is the proportion of under 15 and over 64 individuals in relation to individuals between 15-64.

1.2 Conceptual framework for the study

Why child poverty?

The uneducated, malnourished, poor child of today is likely to become the uneducated, malnourished, poor adult of tomorrow. One of the only ways for a country to stop this inevitable progression is to provide today's children with food security, shelter, health care, education, public services (i.e. water and sanitation) and a voice in the community. Only then will those children have the strength and services to break out of the child poverty cycle and grow up to build a better future for themselves and their country (Minujin et al 2006).

Tackling child poverty recognises children's right to survive, develop, participate and be protected. It means fulfilling the obligations inherent in international human rights conventions such as the United Nations Convention on the Rights of the Child (CRC). Several organisations, including UNICEF, base their child poverty action plans on the CRC and other human rights documents.

UNICEF holds that:

"Children living in poverty experience deprivation of the material, spiritual and emotional resources needed to survive, develop and thrive, leaving them unable to enjoy their rights, achieve their full potential, or participate as full and equal members of society" (UNICEF 2004).

Material resources include income, food, and access to education or health services, protection from health risks such as those associated with hard physical work amongst others. Spiritual resources include relationships with peers, access to stimuli and role models while emotional resources include love, trust, and feelings of acceptance, inclusion and lack of abusive situations (UNICEF 2007b).

The methodology

A comprehensive child poverty strategy needs to build on the existing definition and measures of poverty. Any concept needs to bring in the unique way that children experience poverty while also maintaining links to the broader society of family, community and nation. Clear challenges exist to measuring child poverty in all its complexity.

In 2003 this challenge was taken up by a team of researchers from the Townsend Centre for International Poverty Research at the University of Bristol and the London School of Economics. The team conducted an empirical study that established seven measures of basic needs and looked at how children in developing countries are affected by deprivations in these basic needs (Gordon et al 2003). The measures of child poverty used by the Bristol team were based on the agreements from the World Summit for Social Development and are measured using the following seven indicators (aspects): (i) shelter; (ii) sanitation; (iii) water; (iv) information; (v) food; (vi) education; and (vii) health (see Table 1.1 below).

Referred to as the 'Bristol methodology' this approach to measuring child deprivation was adopted and applied by UNICEF in its global initiative entitled the *'Child Poverty and Disparities Project'* launched in 2007 and involving 40 countries worldwide[12]. The UNICEF Global Study focuses on poverty because it is closely entwined with slow MDG progress as well as gender inequality and the daily deprivations that millions of children suffer. By systematically identifying the poverty and disparities that children experience and shortfalls in development outcomes the study aims to strengthen the profile of children among national policymakers and planners in order to influence economic and social policies and resource allocations that are in the best interest of the child. It is hoped that governments participating in the global study will be able to respond by developing more

[12] See http://unicefglobalstudy.blogspot.com/ for discussions and reports on the Global Study.

effective, child-sensitive poverty reduction strategies and policy interventions that will enable achievement of their national MDG targets (UNICEF 2007b).

The Global Study adopted a methodology that defines and measures child poverty in its more complex and multi-dimensional form while at the same time building on existing data and definitions. It uses a three-part approach to child poverty (UNICEF 2007b).

1. The first part sees child poverty as indistinguishable from overall poverty. This approach starts with a macro view of poverty that must be made more specific (or disaggregated) in order to reveal poverty at the community or household level. This part looks at channels such as economic growth in aiding disadvantaged children; for instance through employment opportunities to parents/communities, or via social services delivered to their households/ communities.

2. The second part equates child poverty with the poverty of families raising children. The advantage of this model is that it takes the household's perspective, which is much closer to the level at which children come into focus. This part captures the income and labour disadvantages that families (especially women) face when raising children. This model has the drawback that it ignores the non-material aspects of child deprivations and could mask child disparities that exist within the household, including gender inequalities.

3. The third part captures individual child outcomes and also brings in the non-material aspects of poverty and considers child wellbeing and child deprivation to be 'different sides of the same coin'. However, this part suffers from methodological problems in producing standard measures that can capture the complexities of non-material aspects of poverty.

While part three best captures child poverty and deprivations, data constraints limited its application potential in the Nepal Study. Hence Nepal's Study examines child poverty through the lens of the seven deprivations of human needs to estimate the child poverty headcount. The dimensions and indicators employed in this study, based on the indicators developed by Bristol University (hence commonly referred to as the Bristol indicators), are shown in Table 1.1.

Table 1.1 Bristol child deprivation matrix

Deprivation	*Criteria for severe deprivation*
Shelter	Children living in a dwelling with 5+ people per room or with no floor materials.
Sanitation	Children (0–17 years) with no access to a toilet of any kind.
Water	Children using surface water such as rivers, ponds, streams and dams, or those for whom it takes 30 minutes or longer to collect water (walk to the water, collect it and return).
Information	Children (3–17 years) with no access to a radio or television or telephone or newspaper or computer (i.e., all forms of media).
Food	Children (under 5 years) who are more than three standard deviations below the international reference population for underweight (weight-for-age). This is also known as severe anthropometric failure.
Education	Children (7–17 years) of schooling age who have never been to school or who are not currently attending school.
Health	Children who did not receive immunization against any diseases or who did not receive treatment for a recent illness involving ARI or diarrhoea.

Source: *Gordon et al., 2003 (cited in UNICEF, 2007b).*

1.3 Structure and limitations of the report

This report is the outcome of the Global Study initiative and focuses on child poverty and disparities in Nepal. It applies the methodology used in the Global Study to analyse child poverty through the multi-dimensional lens of child wellbeing. In addition to the analytical narrative comprising this report the study has produced two types of template (statistical templates and policy templates[13]) in order to analyse as fully as possible the extent of child poverty and the disparities that exist in Nepal. The outline of the report broadly follows the template provided in the Global Study Guide (UNICEF 2007b) although the authors have used their discretion in deviating from the template where necessary.

Lack of data in developing countries often constrains the use of this concept of child poverty and Nepal is no exception. For this reason this study considers child poverty as poverty of households raising children. This may be substantiated by the fact that poor households tend to have a larger number of children (because children are considered an economic asset, high fertility and a preference for boys) and become even poorer. In order to reduce child poverty this concept implies that the country will need to address the immediate, underlying and root causes of poverty as well as the inadequate support and services for families raising children.

Nationally there is no published data on child poverty. Data are available at the household level where there is an assumption that if a household is poor so are all members of that house. The lack of intra-household information on child poverty and deprivations has limited this study's analysis of the situation and outcomes for children. The main sources of data used in this study are the Nepal Living Standard Surveys (NLSS), the Nepal Demographic and Health Surveys (NDHS), the Nepal Family Health Surveys, the Economic Surveys of the Ministry of Finance and Central Bureau of Statistics (CBS), as well as surveys from the Ministry of Health and Population (MOHP) and other secondary sources.

[13] Available from UNICEF Nepal and the National Planning Commission upon request.

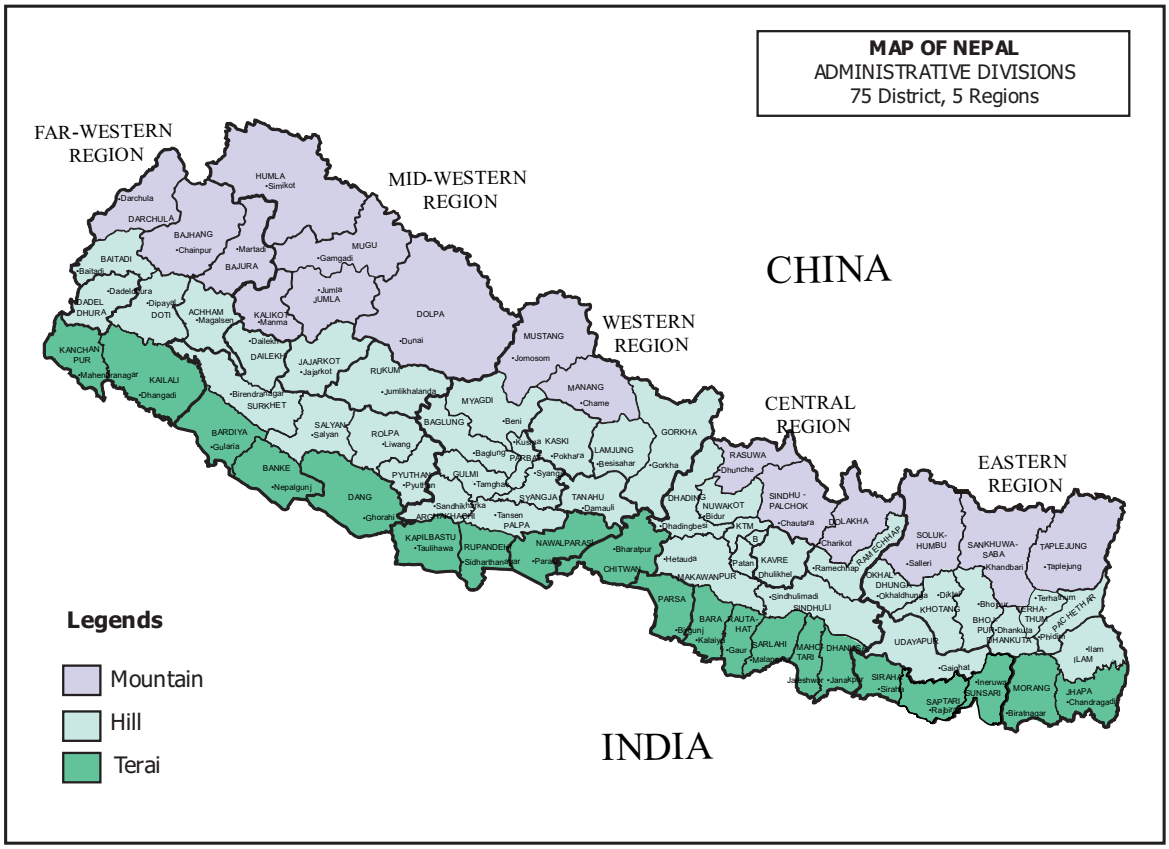
chapter 2

Demography, politics and economy

2.1 Geography, demography and administrative profile

Nepal covers 147,181 square kilometres of territory, ranging from the *terai* plains at less than 100m above sea level to the northern mountains that rise to nearly 8,850m (see Figure 2.1).

Figure 2.1 **Administrative map of Nepal**



UNICEF Nepal

Most of Nepal's 26.4 million people live in the plains and the valleys of its hill country. Just under half the population lives in the *terai*, 44 per cent in the hills and only seven per cent in the mountains. That leads to wide variations in both population density and the costs of delivering services (UNICEF 2006). The population density in the highly populated *terai* is 329.6 persons per km, in sharp contrast to the mountains where the figure is 32.6 persons per square km. About 86 per cent of the population is classified as rural.

Administratively, Nepal is divided into five development regions (Far West, Mid West, West, Central and East), 75 districts, 58 municipalities and 3,915 Village Development Committees (VDCs) (CBS 2002).

Ethnicity, language and religion

Nepal is a highly diverse and socially stratified country. The 2001 census listed more than 100 ethnic or caste groups, gathered into six broad cultural bands for the sake of simplicity (CBS 2002). They are:

i. Caste origin hill Hindu groups (38 per cent)

ii. Caste origin *terai* Hindu groups (21 per cent)

iii. The Newar (5.5 per cent)

iv. The *janjati* (sometimes described as indigenous or ethnic minorities) (31 per cent)

v. Muslim (4.25 per cent)

vi. Others (0.25 per cent).

The census identified 92 "mother tongue" languages used as a person's first language. Nepali is used in schools as the official language of instruction, often leaving speakers of other languages at a disadvantage.

Hinduism is the most widely-held faith in Nepal although there are also significant communities of Buddhists, Muslims and Animists. The 2001 census found 81 per cent of the population identified themselves as Hindu, 11 per cent as Buddhist, 4.2 per cent as Muslim and 3.6 per cent as Kirant (a religion traditionally observed by Rai and Limbu ethnic groups).

Caste

Caste distinctions are prevalent in all Hindu cultures. They tend to be stronger in the caste-origin Hindu communities and weaker in the Hindu *janjati* groups. Although discrimination on the basis of caste is illegal according to the Country Code of 1963, it is still common across Nepal, particularly in the more orthodox communities where Dalits are considered 'untouchable'. Membership of a 'lower caste' can restrict a child or parent's ability to access, among other things, education, health care, economic opportunities, capital and justice (UNICEF 2006).

Consequences of conflict on children

Nepal emerged from 10 years of armed conflict in 2006. As noted, more than 14,000 people died in the fighting including an estimated 475 children - 336 boys and 139 girls, around three per cent of the total death toll (UNDP 2009b). Another 8,000 children were orphaned and 40,000 displaced (Child Worker in Nepal Concerned Centre (CWIN) 2006), some to India, some to relatives far away from their homes and others to Nepal's urban centres where many have been put to work. At least 562 children (406 boys and 156 girls) were injured and a number have been left with permanent disabilities.

The conflict ceased after the 'people's movement' (Jana Andolan II) of April 2006 ended the autocratic rule of the king. The subsequent peace process led to the signing of the Comprehensive Peace Accord (CPA) in November 2006 between the Government of Nepal and the Communist Party of Nepal–Maoist (CPN-Maoist). This was followed by adoption of an Interim Constitution in 2007 and in April 2008 by the election of a Constituent Assembly (CA) which serves as the Parliament. The CPN-Maoist emerged as the largest party, with 38 per cent of seats in the Assembly, a body which is dominated by leftist parties. Almost a third of its members are women.

2.2 Macro-economic strategies and resource allocation

2.2.1 GDP growth performance

In 2007 Nepal's GDP per capita was US$367 which was the lowest in the South Asian region, excluding Afghanistan (UNDP 2009a).

Nepal has made progress in reducing overall poverty levels. Remittance flows and rural infrastructure investments helped it cut poverty levels to 31 per cent in 2003/04 from 42 per cent in 1995/96.

But there are concerns about a sharp rise in inequality. Inequality, as measured by the Gini coefficient, rose from 0.34 in 1995/96 to 0.41 in 2003/04 and 0.47 in 2007, which is one of the highest in Asia. This growing gap is particularly worrying as inequality was seen as one of the main factors behind Nepal's conflict. Future strategies need to open up economic opportunities to excluded groups and make sure growth is more evenly spread (ADB et al 2009).

Inequality remains greater in urban areas, with a Gini coefficient of 0.44, than in rural areas, with a Gini coefficient of 0.35 (World Bank 2009). The lowest quintile's share of total consumption is only six per cent, while the highest quintile's is 53 per cent (CBS 2004).

Efforts to reduce poverty are hampered by high prices of food, which makes up 59 per cent of expenditure (CBS 2004).

The onset of the conflict, particularly a surge in the violence after 2001, took its toll on the economy. GDP registered an impressive 5.3 per cent jump in 2007/8 (Nepal Rastra Bank (NRB) 2009). But this was largely thanks to a good harvest and a rise in tourist arrivals, rather than any major improvements in economic fundamentals. Inadequate infrastructure — especially in electricity, transport and irrigation — labour market rigidities and poor industrial relations[14] (ADB et al 2009) continue to weigh on the country's economic prospects and investment climate. Nepal's woes have been aggravated by poor governance and fragile political coalitions based on regional identities and interests. Political parties have reached a stalemate on drafting a constitution.

The role of remittances

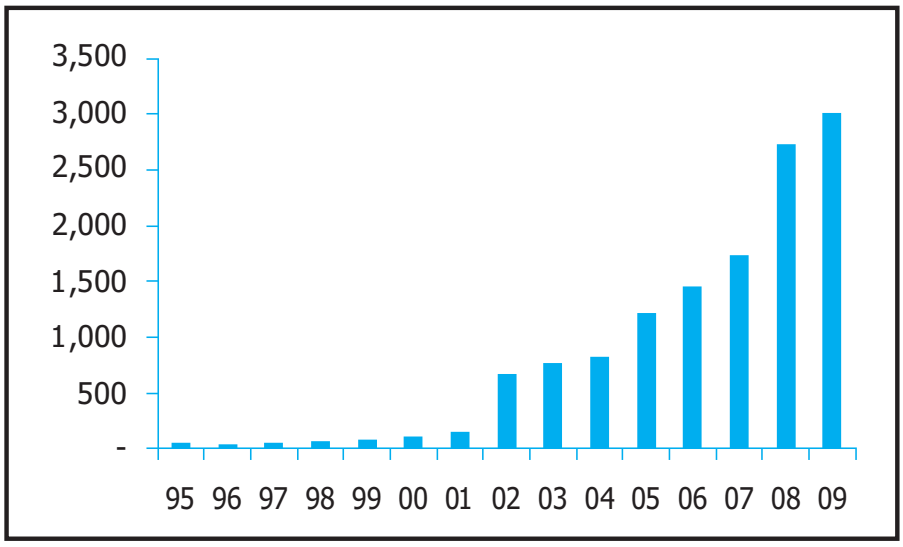
Large numbers of young people leave Nepal every year to find work in India and other countries. Many move to escape landlessness, food shortages, caste/ethnic discrimination, conflict and other socio-economic constraints. In total, 31.9 per cent of households had family members working abroad in 2003/04. It is estimated that about five per cent of these migrant workers are children, less than 18 years old (CBS, 2004).

These workers are sending more and more of their money back home. Remittances increased to NRs 34,698 per household per year in 2003/04 from NRs 15,160 per household per year in 1995/96 (CBS 1996; CBS 2004). This more than two-fold rise has undoubtedly contributed to reducing poverty. Much of the remittance income is spent on household consumption (mainly food and basic necessities), with a direct impact on child wellbeing.

In 1991, around 600,000 Nepalese worked abroad (CBS 1992) — three per cent of the population or six per cent of the active labour force. In 1995, they sent home US$57 million. By 2009 remittance levels hit a record US$ 3 billion (Figure 2.2). In 2008, remittances accounted for 22 per cent of GDP, making Nepal the 14th higher receiver of remittances, in GDP terms, in the world (World Bank 2008b). According to analysis of NLSS 2003/04 data, present trends suggest that remittances will grow by 11 per cent annually and may reach NRs 937 billion by 2027.

[14] An estimated 190,000 person days of work were lost due to industrial issues in 2005/06 (ADB et al 2009).

Figure 2.2 **Workers' remittances, compensation of employees and migrant transfers, credit in Nepal (US$ million)**



Source: *World Bank Migration and Remittances Factbook 2008*

There have been signs that Nepalese migrants found it harder to find work abroad during the global economic slowdown. The number of Nepalese workers going abroad fell by 21 per cent in the first month of the fiscal year 2009/10 compared to the same period a year earlier (Department of Labour and Employment Promotion (DLEP) 2009).

The World Bank, however, predicts that the flow of remittances to South Asia may not decrease significantly. This is because: (i) remittances are sent by a cumulative flow of migrants over the years (making them more persistent over time); (ii) remittances are a small proportion of migrants' incomes (and so suffer less from income shocks); (iii) when migrants return home, they tend to bring an accumulation of savings; and (iv) the 'home bias' causes remittances to return home during an economic downturn in the host country (World Bank 2008b).

Impact of the conflict

Nepal's Government has been working to improve access to social services since the worst days of the conflict. The surge in violence in 2001 drove the Government out of many remote areas and the rule of law is still not functioning smoothly in some parts of the country, particularly in the *terai*.

Nevertheless, Nepal has managed to increase funding for health, education and other sectors despite the economic downturn, thanks largely to donor budgetary support and increased remittances. This, together with poverty reduction efforts, has had a particularly positive outcome for children.

There is a growing consensus among political and civil society leaders that social exclusion and deep-seated poverty were among the root causes of the conflict and need to be addressed effectively.

Nepal prepared its Three-Year Interim Plan (TYIP) 2007–10 with a focus on inclusive development. It adopted a new health policy guaranteeing free access to basic health services in public institutions. The 2008/09 budget increased social security benefits for the old, the physically challenged and the destitute.

2.2.2 The fiscal context

The gap between total government expenditure and revenue mobilization remains a persistent feature of Nepal's budgetary system (Table 2.1). In 2005/06, the gap between expenditure and revenue increased to six per cent from 5.5 per cent in 2004/05 (Ministry of Finance (MOF) various dates). This deficit is being met largely through foreign aid and other sources, including increasing internal borrowing with implications for higher inflation.

Foreign aid is a significant feature of Nepal's economy and although gradually declining, still accounts for three to four per cent of GDP. While the deficit fell in 2005/06, debt financing is a growing phenomenon, diverting funds that could be available for social development of children and women.

Table 2.1 Fiscal sector indicators as an average annual percentage of GDP

	10-year intervals				*5-year interval*	*Individual years*	
	1980/81–1989/90	1985/86–1994/95	1990/91–1999/2000	1995/96–2004/05	2000/01–2004/05	2005/06	2006/07
Total expenditure	18.6	18.3	18.1	18.6	18.9	17.2	18.4
Revenue	9.0	9.6	10.7	12.0	12.4	11.2	11.4
Budgetary deficit	-7.2	-7.4	-6.3	-5.1	-4.7	-6.0	-7.0
Foreign aid	6.8	6.9	5.8	4.6	4.0	NA	3.0

Source: MOF, various dates.

In the post-conflict period, new opportunities for socio-economic transformation have emerged. Security spending has been reduced and there has been a gradual shift to the social sector, which currently receives the highest share of government spending — 34 per cent in 2006/07, a steady increase over the years (MOF various dates). The largest share of social sector spending goes to education, at about 17 per cent of total government expenditure (Table 2.2) (MOF various dates).

Table 2.2 **Share of social sector in total spending (percentage)**

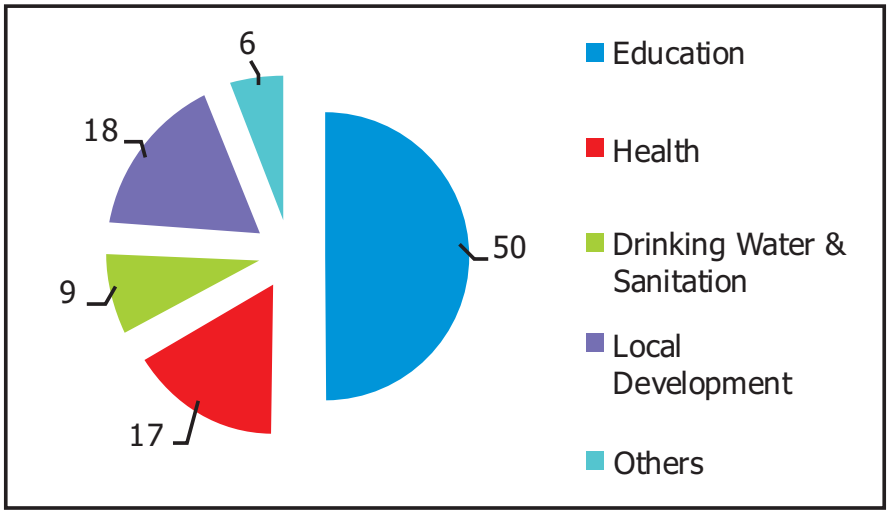
	1984/85	1994/95	1999/2000	2004/05	2005/06	2006/07
General administration	4.7	4.3	4.2	5	4.0	5.4
Police	3.4	4.1	4.9	7.3	7.3	6.3
Defence	6	5.1	5.3	10	10.2	8.3
Social services	22.8	27.3	31.3	29.7	32.6	34.0
a) Education	9.6	13	14.1	16	17.3	16.2
b) Health	4.7	3.8	5.2	4.9	5.2	5.5
c) Drinking water and sanitation	2.5	2.8	3.7	2.2	2.5	3.0
d) Local development	4.9	6.2	6.3	6	5.1	5.7
e) Other social services	1.1	1.4	2.1	0.5	2.6	2.1
Economic services	45.5	35.7	31.5	17.3	21.81	19.7
Principal & interest payment	8.1	15.6	15.1	19.7	18.4	12.5
Miscellaneous	9.5	7.9	7.6	10.9	4.3	6.1
Total	100	100	100	100	100	100

Source: MOF, various dates.

Social sector spending accounted for more than 30 per cent of total government expenditure, even during the conflict (MOF various dates). It declined marginally from 31 per cent in 2003/04 to 29 per cent in 2004/05, but still remained higher than all other sectors (MOF various dates), demonstrating that social sector spending has been a priority over the years, particularly since 2000.

Figure 2.3 shows the division of social sector spending in 2006/07 between education, health, local development, as well as drinking water and sanitation. Education received half, local development 18 per cent, health 17 per cent and drinking water and sanitation nine per cent (MOF various dates).

Figure 2.3 **Sectoral shares of social sector in total social sector spending in 2006/07 (percentage)**



Source: MOF, various dates.

Expenditure on basic social services

Spending on basic social services that directly target the poor, including children and women, accounts for more than 70 per cent of total social sector spending (MOF various dates). It includes primary health care (including family planning, preventive and basic curative care), basic education (including preschool, primary, and literacy and life skills), water supply and sanitation for rural and semi-urban areas and nutrition support (micronutrients). All these services directly affect child wellbeing.

Total expenditure on education for 2008/09 was NRs 39.72 billion, of which basic education accounted for 70 per cent and non-basic education for 30 per cent (MOF various dates). Expenditure on basic education is growing faster than on non-basic education. Most is spent on primary education and alternative schooling and basic education for youths and adults.

Total expenditure on health for 2008/09 was NRs 16.29 billion (estimate), of which 81.5 per cent was for basic health and 18.5 per cent was for non-basic health (MOF various dates). Annual growth in expenditure on basic health is twice that of non-basic health. Basic health services include disease control, mother and child health, reproductive health and family planning, basic curative care, health education and local/district hospital and management.

Total expenditure on drinking water and sanitation for 2008/09 was NRs 9.96 billion (estimate), of which 60 per cent was spent on basic water and sanitation and 40 per cent on non-basic water and sanitation (MOF various dates). Services include low-cost water supply projects, low-cost sanitation projects, hygiene education and training.

2.2.3 Poverty reduction and MDGs

Nepal expressed full commitment to achieving the MDGs[15] but progress has been slow. At the present pace of progress (see Table 2.3), some of the MDG targets including overall poverty reduction, enrolment at primary education and U5MR can be achieved by 2015. However, achieving other MDGs will require additional investments, improved policy/programme efforts and greater donor commitment and coordination.

The MDG for poverty reduction aims to halve the incidence of poverty by 2015. For Nepal, this means bringing down the proportion of people living below the poverty line to 21 per cent by 2015. While the overall goal for poverty is likely to be achieved, the target of halving child poverty may not be reached.

[15] Nepal's periodic plans have internalized MDG targets and strategies and budget allocation priorities are determined accordingly.

Table 2.3 **Millennium Development Goals in Nepal's context**

	Indicator	1990	1996	2000	2005	2015 [e]
Poverty and hunger indicators						
1	Percentage of population below the national poverty line	42 (1995)	42	38 [a]	31	21
	Percentage of population below minimum level of dietary energy consumption	20 (1991)	26 (1996)	17 (2002)	–	10
	Per cent of underweight under-five children	57[b]	47 (1996)	48[c] (2001)	39 (2006)	29
Education indicators						
2	Net enrolment rate in primary education	–	67 (1999)	73	80 (2004)	100
Gender indicators						
3	Percentage of girls to boys in primary education (gross enrolment)	63 (1991)	77 (1999)	79	91	100
	Percentage of girls to boys in lower secondary education (gross enrolment)	46 (1991)	70 (1999)	71	86	100
Health indictors						
4	Under-five mortality rate (per 1,000 live births) (for 10-year period preceding the survey)	142	–	86	63	48
5	Maternal mortality rate (per 100,000 live births)	850[d]/515[c] (1991)	–	830	281 (2005)	213
6	HIV prevalence rate among adults (15–49 years old)	0	–	0.5 (2001)	0.5 (2007)	–
Environment indicator						
7	Percentage of population without access to drinking water supply	28	22	17	11 (2006)	21

Sources: *[a] NPC, 2003; [b]UNCT, 2002; [c] FHD, 2002; [d] NPC and UNCT, 2005.*

Notes: *All data except those with footnotes are from http://mdgs.un.org/unsd/mdg/Data.aspx accessed on 27 November 2008; [e] goals for 2015 are based on the situation indicated for 1990.*

2.3 Pro-poor growth and child results

Human rights issues started receiving greater attention in Nepal after the restoration of multiparty democracy in 1990. Nepal ratified the CRC and the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and participated in the Child Summit in 1990. The Eighth Plan 1992–97 set out a programme of action to attain the Child Summit's goals and larger budget allocations were made to social sectors, including education, health and social protection.

Nepal's plans, policies and programmes do take into account children's need to survive, develop and be protected. However, periodic plans have overlooked the important difference between overall poverty and child poverty, resulting in policies and programmes that do not specifically address children's concerns. Nepal's conflict from 1996 to 2006 mobilized significant attention to the need for more inclusive strategies, which are most specifically reflected in the Three Year Interim Plan 2007-2010, and which includes expanded attention to children's concerns.

The government first identified poverty reduction as a concern in its Seventh Plan 1985–90, with the announcement of a Basic Needs Programme. The Eighth Plan 1992–97 again made poverty reduction a key objective and included a rural development strategy. However, due in part to the democratic movement, implementation of these Plans was poor and Officials began to work on poverty reduction systematically from the Ninth Plan onwards.

(i) *Poverty reduction in the Ninth Plan 1997–2002:* The main objective of the Ninth Plan was to reduce poverty and integrate people economically and socially in the mainstream of the development process (NPC 1998a). Unlike previous plans, the Ninth Plan established long-term goals for improving development indicators in all sectors, based on their potential for reducing poverty. One of the goals of the Ninth Plan was to lower poverty incidence to 32 per cent from 42 per cent by the end of 2002 and to reduce it further to 10 per cent within the next two decades (by 2017). In addition, other indicators of 'human poverty' (i.e., literacy, infant mortality, maternal mortality and average life expectancy at birth) were identified and targets set for improving them. The Ninth Plan intended to reduce poverty through sustained and broad-based economic growth, development of social infrastructure and targeted programmes for the poor. Although significant progress was made in achieving some of the human development indicators, progress in other areas including improved service delivery showed mixed results, affecting poverty reduction goals.

(ii) *Poverty reduction in the Tenth Plan 2002–07:* The main objective of the Tenth Plan was to reduce poverty to 30 per cent from 38 per cent by 2007 (NPC 2003). Data from the NLSS 2003/04 indicated that the national poverty level had been reduced to 31 per cent (CBS 2004). This was encouraging, although national policies and programmes may have contributed little towards this. Achievement was attributed to remittances, which surged and impacted household consumption levels.

(iii) *Three-Year Interim Plan (TYIP) 2007–10:* The TYIP was formulated after the end of the conflict and kept up the focus on poverty reduction, with an additional emphasis on rehabilitating people (including children) displaced by the conflict, rebuilding infrastructure and reviving the economy (NPC 2007).

The Tenth Plan had envisaged limiting the inflation rate to five per cent but it averaged 5.5 per cent (MOF various dates) over that period. Rises in the price of food (double digit) and petroleum products in recent years have hit the poor hardest, since as much as 70 per cent of their household budget is spent on food, leaving very little for education, health and water supply and sanitation.

The chief instruments used in Nepal for achieving national goals on poverty reduction are the public budget and partnership commitments. Development expenditure during the last decade has shown a fluctuating pattern (Table 2.4). However, expenditure on poverty reduction has shown an increasing trend and includes commitments made by donors in specific poverty reduction activities.

Table 2.4 Expenditure on poverty reduction (NRs. billions)

	1995	2001	2002	2003	2004	2005	2007
Development expenditure	28.8	50.5	38.7	41.8	34.7	52.0	60.8
Poverty reduction expenditure			9.7			13.0	15.2

Source: MOF, various dates

2.4 Causes of levels and trends in poverty

Nepal is justly famed for its ecological and ethnic diversity. But the differences in terrain, livelihood and cultural identity are also matched by sharp divisions in income, access to natural resources and key developmental measures of wellbeing.

Factors behind poverty levels in Nepal include:[16]

Agriculture and land use

- Ethnic and caste groups engaged in rain-fed subsistence agriculture in Nepal's hills are increasingly coming under pressure. Shortages of available land are forcing many on to low-quality, marginal terrain. Many are becoming labourers on larger farms in the hills, or finding work further afield in the *terai*, India and beyond. Others are turning to low-productivity animal husbandry on rapidly degrading public land.
- As much as 54 per cent of Nepal's agricultural land (1,446,372 ha) relies on rain rather than irrigation for water. This has proved to be a highly unreliable supply, particularly in the rugged terrain of the hills and mountains. Insufficient precipitation has led to food shortages, hit productivity and limited the ability of farmers to grow high-value horticulture and vegetables. Only 30 per cent of Nepal's remaining irrigated land receives irrigation all year round. A total of 63 per cent of agricultural land in the hills and 31 per cent in the *terai* is fully rain-fed. The World Food Programme said 3.7 million people - about 16.4 per cent of the rural population - were food insecure in 2009, most of them in the hill and western regions (World Food Programme (WFP) 2009).
- Low levels of mechanization have also hit productivity. Most farmers use locally-made agricultural implements and tools. About 57 per cent own an improved plough (*bikase halo*). Only one per cent owns a tractor or power tiller and one per cent owns a thresher.
- Marginal and landless farmers struggle to get access to formal credit, especially in deprived communities and groups. There is a lack of institutions to help farmers get funding for the modernization and commercialization of high-value agriculture, such as horticulture, floriculture and animal husbandry.
- Landowner elites dominate all social relationships and, through their influence and power, capture most benefits of development. In a largely subsistence economy, land guarantees not only social status but also economic advancement, since irrigation, credit, technology and other services rely on access to land. Land tenure is the basis for economic, social, political, legal and institutional relationships.
- In spite of land reform programmes in the1960s, land distribution remains extremely skewed. Approximately half of Nepal's households have landholdings of less than 0.5 ha, accounting for 6.6 per cent of cultivated land. Forty-seven per cent of land is owned by nine per cent of households. Land is distributed even more unevenly in the *terai*, where the average size of holding is 0.09 ha; the average size of holding in the hills is 0.18 ha. Landlessness, a rising phenomenon in the *terai* over the past 30 years, has reached 20 per cent. A high degree of inequality in landownership has created a market for leasing land to poor tenants (see Text Box 1). Not being able to sustain a livelihood from tiny parcels of cultivable land, a large majority of marginal and landless farmers have opted to work as seasonal or permanent migrant workers within and outside Nepal.
- The terai has a high potential for agricultural growth. However, rapid population growth, mostly from migration from the mountains and hills, has exacerbated the land fragmentation.

[16] Unless otherwise specified, information in this section comes from CBS, 2003a, CBS, 2003b and CBS, 2004.

Employment and labour

- The poor have limited employment opportunities at home and, if they migrate, can often only afford to reach the relatively low-value job markets of India.[17] Their situation is exacerbated by poor access to financial resources and information.
- Poverty levels are disproportionally high among agricultural workers, compared with other sectors. Most of the labour force from landless and marginal farmers, Dalits, Muslims, indigenous people and backward *madhesi* communities are poor. Households headed by agricultural wage labourers and those self-employed in agriculture are the poorest, with poverty levels at 54 per cent and 32 per cent, respectively. Households engaged in trade and services have low incidences of poverty at 11 per cent and 14 per cent, respectively. Households headed by professional wage earners are the least poor (2.1 per cent). Among the poorest households, 68 per cent are employed in agriculture and 32 per cent in non-agricultural work. In comparison, only three per cent of the richest households are engaged in agriculture and the remaining 97 per cent in non-agriculture work.
- Unemployment in the *terai* has reached 15 per cent. In the absence of employment opportunities and access to land, former bonded labourers have joined the ranks of the increasing pool of the unemployed in the *terai*. About 47 per cent of the labour force is under-employed.

Social and economic policies

- Women generally earn less than men. Children of single-parent households headed by women without a male earning member have a higher risk of being poor than children in other households. The proportion of female-headed agricultural households was 20 per cent in 2003/04.
- Domestic policy and processes show a strong bias in favour of large-scale irrigation projects as opposed to the small-scale irrigation that is more suited to small and poor farmers.
- The poor are exploited by middlemen who offer low prices for their products.
- Increasing population pressure has accelerated marginalization of the poor, making their children more vulnerable to outside shocks.
- Protracted conflict and internal displacement have made a large number of children highly vulnerable and malnourished.
- High rates of inflation (particularly of basic food items) have taken a heavy toll on the rural poor by reducing their purchasing power. The poor spend a large proportion (as much as 70 per cent) of their income on food.
- The absence of basic services, such as transportation, primary health care and drinking water supply, in remote areas reflects the low priority given to these areas by the State.
- With membership of the World Trade Organization, Nepal's economy is becoming more liberal and subsidies in agriculture are being removed. The elimination of tariffs and internal taxes and domestic support is likely to make the sector more vulnerable to outside competition. Increases in prices of imported goods and fuel will adversely affect the economy. The poorest will be the hardest hit.

[17] Employment in Malaysia and the Gulf countries is far more lucrative. Nepali workers remit an average of NRs.18,000 per year, while those from Malaysia and the Gulf remit NRs.90,000 per year (CBS 2004).

Natural disasters

While the above are important, perhaps traditional factors analyzed for their role in poverty, Nepal's vulnerability to natural disasters is also important to highlight as a cross-cutting influence on all forms of poverty. Located in a fragile environment that is easily degraded, Nepal is subject to frequent natural disasters (floods, hailstorms and landslides), and is in an earthquake zone with the capital Kathmandu being highly vulnerable. According to a recent UN report, Reducing Disaster Risk, Nepal ranks 11th and 30th globally in terms of relative vulnerability to earthquakes and water-induced disasters such as floods and landslides respectively (UNDP 2004). According to the Department of Narcotics and Disaster Management, Ministry of Home Affairs, 64 out of Nepal's 75 districts are prone to disasters of some type. Over the past three years, floods have affected over 500,000 people in 14 *terai* districts. On average, Nepal faces the loss of some 1,000 lives every year due to various natural disasters and property loss amounts to Rs. 1,208 million annually (UNDP 2008). When lost opportunities and service delivery break-down are accounted for, the resultant indirect losses are of a far greater magnitude and impact on children, families, and their livelihoods.

Text Box 1 **Dalit woman fights back**

Laxmi Lohar got married at 13 and gave birth to her first son three years later. Most of the people around her, in the community of Sukhasal, Mahendranagar saw nothing wrong in her becoming a child bride - it was simply the prevailing custom.

Now a 31-year-old mother-of-four, Laxmi is determined the same thing is not going to happen to her daughters. *"We have learned so many things and I have lived through the pains of marrying early, so I will marry off my daughters only after they are 22,"* she says.

Laxmi's husband owns two kattha of land, which grows enough food to last just two months. During the transplanting and harvesting seasons, Laxmi works as an agricultural labourer and her husband pulls a rickshaw to supplement the family income. It is difficult for the couple to manage food and other expenses such as salt and oil, clothes and stationery for the children. The scholarships provided to Dalit children have helped their children enrol in school. *"One of the many reasons why people are poor is they have no education. I really feel sad when I remember the day when I was forced to leave school"* says Laxmi. Another major cause of poverty is lack of resources, mainly land. *"A few rich people own a lot of land, while many poor people do not have any."*

Laxmi worked as a Female Community Health Volunteer (FCHV) for five years before being replaced by a non-Dalit woman. She feels that she was sacked because she was a Dalit and not very educated. *"When the authorities hold such an attitude, even in a small position that does not have much facility and income, how can one expect them to ensure the rights of Dalits?"* she asks. After the incident, she joined a political party as a cadre to fight for the rights of Dalits. She was also active in organizing Dalit women into a mother's club. Laxmi is an active member of the Regional Dalit Network which is raising its voice against caste-based discrimination and fighting for equity. She is proud to be involved in these organizations and there is a sense of self-respect.

Being a party cadre, she is very conscious about national politics. She has experienced different forms of government and has come to the conclusion that no government is serious about helping the poor. Despite this, she feels it is the obligation of the government to implement the Act on untouchability effectively. *"Just declaring laws in the House of Representatives has no meaning. They need to be implemented."* She claims there is caste-based discrimination in her own village, which lies close to the zonal headquarters where the government machinery is located. Dalits cannot draw water from public water taps in this village. *"At times, I also feel that tradition and superstition are yet another cause of poverty in our country,"* she says.

Source: GON et al 2006.

chapter 3

The policy and legislative framework for the pillars of child wellbeing

The UN Convention on the Rights of the Child sets standards that all children have the right to a core minimum level of *wellbeing*, including the right to nutrition, basic education, survival, protection and the right to grow up in a family.[18] States that ratify the CRC have promised to make sure that even the most vulnerable children can enjoy those rights. State parties to the CRC should also pursue social transfers and labour market policies (as well as social protection embedded in public expenditure, public revenue and monetary policies) that support families in their child rearing capacities. Social equality for children, then, might start with all children getting access to a 'core minimum' set of services and basic needs (UNICEF 2007b).

Nutrition, health, child protection, education and social protection constitute the five pillars of child wellbeing, as defined by the UNICEF Global Study on Child Poverty and Disparities (UNICEF 2007b). This section looks at the framework for enshrining the rights of the child as set out by Nepal's national legislature and policy framework. The analysis focuses on laws, policies and institutional arrangements relevant to each pillar as they form the basis for formulating insights and 'building blocks' for a comprehensive strategy to address child poverty and disparities.

3.1 Overview of child rights in Nepal's constitutions and national legislation

3.1.1 Constitutional provisions

Historically, child rights in Nepal have not received the same level of recognition as other human rights in the country's national legislation and constitutions. The Interim Constitution of 2007 goes some way towards addressing the needs of children as does Nepal's ratification of the UN Convention on the Rights of the Child in 1990.

Since Nepal's ratification of the CRC in 1990, it has ratified a number of international conventions (Text Box 2) and started to formulate legislation and initiate steps to harmonize national laws in line with the CRC.

Constitution of the Kingdom of Nepal 1990

The 1990 Constitution made provisions to allow for acts that positively discriminate in favour of children and to ensure children's rights.

Interim Constitution of Nepal 2007

After the signing of the Comprehensive Peace Accord (CPA) following the cessation of hostilities in 2006, the country embarked on a three year process of writing a new constitution to reflect its new status as a republic. While that process was going on, an Interim Constitution was prepared which specifies for the first time, through a specific child rights article (Article 22), that child rights are a fundamental right. It ensures a child's right to nourishment, basic health and social security, including the right to an identity and a name.

[18] Universal Declaration of Human Rights 1948 (Articles 22, 25), International Covenant on Social, Economic and Cultural Rights 1966/1976 (Articles 9,11), Convention on the Rights of the Child 1989 (Articles 26, 27).

Specifically, Article 22 guarantees the following rights for children;

(1) Every child shall have the right to his/her own identity and name.

(2) Every child shall have the right to be nurtured, to basic health and to social security.

(3) Every child shall have the right to protection against physical, mental or any other forms of exploitation. Any such act of exploitation shall be punishable by law and the child so treated shall be compensated in a manner determined by law.

(4) Helpless, orphaned, mentally retarded, conflict victims, displaced, vulnerable and street children shall have the right to special privileges from the State to secure their future.

(5) No minor shall be employed in factories, mines or in any other such hazardous work, or shall be used in the army, police or in conflicts.

Furthermore, other fundamental rights also guaranteed in Part 3 of the Interim Constitution, such as the right to education, clearly affect children more than other groups.

Part 4 of the Interim Constitution deals with the principles, policies and directives of the State. Under Article 35, which deals with state policies, it is prescribed that: Clause 35(9) The State shall pursue a policy of making special provisions of social security for the protection and welfare of single women, orphans, children, helpless, the aged, disabled, incapacitated persons and disappearing tribes.

The impact of the above Clause 35 is however, mitigated by Clause 36, which forbids any litigation of questions of whether such policies are actually implemented. In effect this means that the subjects of the policies have no recourse should the State fail to implement the responsibilities, policies and directive principles (Children as Zones of Peace (CZOP)/ Consortium 2009).

Campaigning for child rights as envisaged in the forthcoming constitution

While the Interim Constitution takes a major step forward in addressing the special needs of children, it needs to go further in complementing and completing these provisions, to meet both Nepal's international obligations and the pressing needs of children.

Since 2006, two child networks, Children as Zones of Peace (CZOP) and Consortium of Organisations Working for Child Participation (Consortium), comprising 72 member organisations, have been holding a series of national and district consultations aimed at capturing the voices of children and their concerns over the New and Interim (2007) Constitutions.

The results of the initial round of consultations led to the major political parties coming together to sign a Child Rights Commitment in March 2008. The agreement outlines nine points that the parties have committed to work towards to promote the realisation of child rights in the new constitution.

The following summarises the submissions to the Constituent Assembly (Nepal's Parliament) by the CZOP and Consortium for consideration in the New Constitution (ibid).

Fundamental Rights

- Making the best interests of the child the paramount consideration in matters affecting the child
- Defining a 'child' as anyone under the age of 18 years, in line with international standards and Nepal's international obligations
- Enshrining the right to participation for all children
- Including the fundamental right to life, survival and development

- Introducing a non-discrimination clause specifically applying to children
- Introducing juvenile justice provisions into the Constitution
- Making education both free and compulsory up to and including secondary level
- Adding the right to nationality at birth to the right to identity and name already guaranteed in the Interim Constitution
- Introducing the right to family care and alternative care where necessary
- Adding the right to basic health care, nutrition, shelter and access to social services to the less specific rights contained in Article 22 of the Interim Constitution
- Broadening the right to protection as it applies to include trafficking, child marriage, harmful cultural and religious practices, work, exploitation, violence, abuse, neglect, the use and protection of children in times of conflict and the use and protection of children for political purposes
- Inserting children's rights to leisure, play and culture
- Providing for special protection and assistance by the State for particular categories of disadvantaged or marginalised children
- Including a directive principle/state policy that specifically deals with children's rights.

Structural / Procedural Rights

- Inserting a state policy to ensure child rights are protected and promoted at all levels of government – national, federal entity and local. Concurrently, Article 36(1) of the Interim Constitution, or any article to that effect, should be taken out of the New Constitution to ensure that state policies are justifiable (capable of having legal effect) in the interest of increasing accountability
- Inserting judicial responsibility and the necessary judicial structures to ensure that children can access justice through courts, quasi-judicial bodies, alternative dispute resolution bodies and, that if they do so, they will be treated in a child-friendly manner and with the full protection of the law in accordance with their rights
- Creating a Child Rights Commissioner as a separate constitutional body, or expanding the role of the National Human Rights Commission in monitoring child rights violation to monitor the State's progress on implementing the child rights guaranteed in the Constitution and ensuring accountability
- Ensuring that national, federal and local governance structures are child-friendly, encouraging child participation and providing financing for this purpose
- Making a commitment to implement international agreements and treaties, including the CRC, to which Nepal is a party.

3.1.2 National policies and administrative frameworks

Nepal has completed five decades of planned development. Child education and health related programmes have been carried out since the first periodic plan. However, child development and protection have come to more prominence since the Ninth (1997-2002) and Tenth (2002/03-2006/07) Plans, which have emphasized children's issues, realizing that children's rights have not been ensured due to poverty, lack of education and conflict. Following the ending of hostilities in 2006, the Three Year Interim Plan (2007-2010) goes further in its focus on child development and child rights; in particular focusing on children affected by war and marginalised children. The TYIP seeks

to establish a permanent Children's Fund for the protection of child rights and plans to make necessary legal, policy and institutional provisions to ensure children are protected from all types of abuse, exploitation and violence. It also encourages children's participation at all stages of the planning cycle dealing with children's programmes.

Social care services in Nepal are delivered through three types of medium:

i. Fixed services - residential services including detention centres of various kinds, day care, foster care, drug rehabilitation centres, adoption, guardianship, courts etc,

ii. Mobile services - i.e., services delivered by state and non-state actors to fluid groups of people in communities (homeless, sex workers, trafficked people, drug addicts, disabled people, ethnic/caste groups etc) and,

iii. Network services - i.e., that blend a mixture of fixed and mobile services that aim to build community solidarity and reduce social exclusion.

Many of these are financed by charitable donations and, to a lesser extent, through public financing. However, most of the services provided by NGOs are based in urban and peri-urban areas, leaving rural areas largely uncovered (World Bank 2009).

Text Box 2 **Nepal's signature to International and Regional Conventions**

Nepal has ratified a number of international instruments and agreed to significant declarations, including the following:

- Convention on the Rights of the Child (14. October 1990)
- Optional Protocol to the CRC on the involvement of Children in Armed Conflict (8. September 2000)
- Optional Protocol to the CRC on the Sale of Children, Child Prostitution and Child Pornography (20. February 2006)
- Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) (22. May 1991)
- Convention on the Elimination of All Forms of Racial Discrimination (CERD) (1. May 1971)
- Convention No. 138 on Minimum Age (30. May 1997)
- Convention No.182 on Worst Forms of Child Labour (3. January 2002)
- 1993 Hague Convention on Protection of Children and Cooperation in respect to Inter-Country Adoption (28 April 2009-signed, not ratified)
- South Asian Association for Regional Cooperation (SAARC) Convention on Preventing and Combating Trafficking in Women and Children for Prostitution (31. October 2005)
- SAARC Convention on Regional Arrangements for Child Welfare (5. January 2002).

Source: *Statistical Pocketbook for South Asia, UNICEF ROSA, Kathmandu, 2009.*

3.2 Child nutrition

The National Nutrition Policy and Strategy 2000 provides a comprehensive guide to the goals, objectives and strategies for improving the nutritional status of children, with the aim of ensuring that they can live a productive life, free from hunger and nutritional disorders (Child Health Division (CHD) 2004). It has been incorporated into the TYIP 2007–10. Specific targets have been set for protein energy malnutrition, iodine deficiency disorders, iron deficiency (anaemia), vitamin A deficiency disorders and low birth weight, among others. However, no specific efforts have been made to address gender inequality nor have any programmes been targeted specifically at the poor and marginalized.

The following laws have implications for child nutrition:

- Marketing Breast Milk Substitutes Act 1991
- Iodized Salt Production, Sale and Distribution Act 1998
- Food Act 1966, amended three times, Third Amendment 1991
- Slaughterhouse and Meat Inspection Act 1998
- Drug Act 1978, First Amendment 1989, Second Amendment 1998.

Most of these laws have no direct relation to child health (except for the marketing of breast milk substitutes and regulation of the production, sale and distribution of iodized salt) and this absence of direct relation has affected the development of child-specific programmes and policies.

The objectives of the nutrition programme outlined in the Annual Report 2006/07 of the Department of Health Services (DOHS 2007) are as follows:

- Halve the prevalence of protein energy malnutrition among children aged less than five years and reproductive women by 2017 through a multifaceted approach
- Virtually eliminate iodine deficiency disorders by 2017 and sustain efforts
- Virtually eliminate vitamin A deficiency disorders by 2017 and sustain efforts
- Reduce prevalence of anaemia to less than 40 per cent for children aged less than five years and reproductive women by 2017
- Reduce prevalence of low birth weight to 12 per cent of all births by 2017
- Promote exclusive breastfeeding until the age of six months and then the introduction of complementary feeding along with breast milk until the age of two years.

Budgetary allocations

Of the total budget allocated for child health and nutrition-related programmes (NRs 1,306 million), the budget specifically earmarked for nutrition-related programmes amounts to NRs 108 million (8.3 per cent) (MOF 2009a). This is less than 0.9 per cent of the total budget allocated for the Ministry of Health and Population (MOF 2009a). Given the magnitude of nutritional problems in the country and their impact on child morbidity and mortality, this allocation appears to be less than adequate.

Reaching the poor and disadvantaged

The Department of Health Services collects and reports data related to nutrition services annually. Information is available for three indicators: percentage of eligible children monitored for growth, percentage of under-fives receiving biannual vitamin A supplement and percentage of pregnant women receiving iron/foliate supplement. Coverage rates for these indicators are given in Table 3.1.

Table 3.1 **Coverage of child nutrition indicators by development region for 2001–07 (percentage)**

	00/01	01/02	02/03	03/04	04/05	05/06	06/07
Growth monitoring of children < 3 years of age							
Eastern	42.4	49.2	60.9	59.1	57.2	64.3	58.3
Central	29.1	33.3	43.8	50.8	50.9	52.0	50.8
Western	43.4	46.5	56.9	59.2	55.6	56.8	55.8
Mid-western	37.8	36.5	41.9	52.0	54.5	60.9	59.9
Far western	42.2	41.4	49.1	54.0	56.7	67.9	66.5
Whole country	37.3	41.0	50.6	54.8	54.4	58.7	56.5
Vitamin A distribution to children 6–59 months of age							
Eastern	100.9	90.0	94.1	117.0	117.0	100.0	100.0
Central	88.6	98.0	100.0	115.0	119.0	100.0	100.0
Western	92.3	100.0	90.6	103.0	104.0	104.0	104.0
Mid-western	88.4	98.0	98.5	110.0	108.0	100.0	100.0
Far western	87.2	99.0	83.7	94.0	102.0	98.0	99.0
Whole country	92.0	97.0	97.0	109.0	112.0	100.0	100.0
Iron distribution as percentage of expected pregnancies							
Eastern	70.5	70.0	82.2	99.1	74.0	73.3	75.6
Central	42.1	45.0	62.0	105.1	91.3	102.1	81.0
Western	55.3	62.0	71.7	103.1	92.5	76.9	88.1
Mid-western	58.7	54.0	55.6	102.0	70.8	92.9	93.4
Far western	52.3	64.0	66.5	111.1	88.5	91.5	96.4
Whole country	54.3	57.0	68.1	103.5	84.3	88.0	84.4

Source: *DoHS, 2007*

In 2006/07, 56.5 per cent of under-threes were monitored for growth. Coverage of growth-monitoring of children has increased steadily over the years, with the far western region registering the highest (67 per cent) and the central region the lowest (51 per cent)[19]. Vitamin A distribution to children aged 6–59 months reached almost 100 per cent coverage, although one per cent of children were not reached in the far west. Some 84 per cent of pregnant women were provided with iron/folate supplementation.

Despite these services being free of cost and targeted at all children, some hard-to-reach groups such as children from vulnerable and marginalized households still do not benefit.

3.3 Child health, water and sanitation

A comprehensive framework of health policies, plans and strategies exist in Nepal. The major health policies include: National Health Policy, 1991, Second Long-Term Health Plan 1997–2017, Ninth Plan 1997–2002, Nepal Heath Sector Programme (NHSP) (2004–2009), new NHSP II (2010–2015) and are reflected in the Government's overall development plans, in particular the Tenth Plan 2002–

[19] This could be the result of more health centres reporting growth monitoring data in the far western region as compared with the central region.

07 and TYIP 2007–10. The Government has set goals for the health sector in general and child health in particular. While fixing specific national targets, consideration has been given to the MDGs.

The National Health Policy, first adopted in 1991, aims to improve health outcomes through expansion of the primary health care system, provision of modern medical facilities and services of trained health workers. The policy calls for multi-sectoral coordination, community participation and mobilization of local resources through decentralized planning and management. The 1991 policy also gives priority to programmes that directly help to reduce infant and child mortality. It calls for integrated services across the country through a network of national health systems.

In developing a 20-year Second Long-Term Health Plan (SLTHP 1997–2017), the Ministry of Health and Population aims to improve the health status of rural people including women, children, the poor, underprivileged and marginalized. The plan has developed low-cost, high-impact essential health care services. The SLTHP sets targets for reducing the IMR to 34.4 deaths per 1,000 live births and the U5MR to 62.5 deaths per 1,000 live births by 2017. It identifies essential health care services that address the health needs of children in a cost-effective manner, such as the expanded programme of immunization (EPI) including hepatitis B, integrated management of childhood illnesses (IMCI) and nutritional supplementation, enrichment, education and rehabilitation. The SLTHP envisages a health care system that is equitable, accessible and provides quality services in both rural and urban areas. The system is built on principles of sustainability, community participation, decentralization, gender sensitivity, efficient and effective management and promoting public–private partnership.

One of the objectives of the Tenth Plan was to reduce poverty through improved access to quality health services for the poor, focused on reproductive health and family planning. Another major objective of the Tenth Plan was to increase access to improved health services for the poor and disadvantaged from rural and remote areas. The Expanded Programme for Immunization and IMCI were priorities. Similar emphasis was given in the Nepal Health Sector Programme Implementation Plan (NHSP-IP) (2004–2009). The NHSP-IP emphasized decentralized management of health facilities, public–private partnership and quality health care through management of human, physical and financial resources. The NHSP-IP aimed to improve health outcomes by expanding access to essential health care services for the poor and is implemented nationwide.

The Interim Constitution 2007 expresses a strong commitment to basic health as a fundamental right. Accordingly, the TYIP guarantees health services to economically and socially deprived groups, including women and certain ethnic groups, communities and regions. The TYIP states "Community health policy will be adopted by increasing investment in rural health."

Three-Year Interim Plan (2007-2010)

The Interim Constitution 2007 enshrines health as a human right and declares the State's commitment to this for the first time. Its vision of an inclusive society where people of all races and ethnic groups, gender, caste, religion, political beliefs and economic status live in peace and harmony and enjoy equal rights without discrimination is a guiding principle underlying the policies, plans and programmes developed by the Ministry of Health and Population (MOHP). Among other things, the TYIP aims to (i) improve the health status of all Nepalese citizens through the provision of quality health care services that are effective and equitable and (ii) develop capable human resources to support poverty alleviation and national development.

The targets set for child health in the TYIP are as follows:

- Reduce U5MR from 61 deaths per 1,000 live births to 55 deaths per 1,000 live births
- Reduce IMR from 48 deaths per 1,000 live births to 44 deaths per 1,000 live births
- Reduce the neonatal mortality rate from 33 deaths per 1,000 live births to 31 deaths per 1,000 live births.

To achieve these targets, a number of activities have been planned:

- Operationalise constitutional provision in laws, policies and guidelines. The constitutional provision to the rights to basic health services, reproductive health, social protection of children and rights to food security, employment and health to the poor and socially excluded people will be defined through a broad and inclusive consultative process, with the participation of all relevant stakeholders. Legal frameworks and policies will be developed and guidelines will be developed to enable health institutions to provide free basic health services.
- Upgrade peripheral health facilities to provide quality care for people living in villages and rural communities.
- Improve health services in the geographically remote and disadvantaged mid-western and far western regions.
- Improve services targeted at the poor and socially excluded, disabled and victims of conflict.
- Improve services targeted at women.
- Provide essential health care services that prioritize safe motherhood, newborn care, child health programmes, nutrition and adolescent reproductive health programmes.
- Upgrade health system management to strengthen health sector planning and management through reorganization of the structure of MOHP and formation of a National Health Development Council and through improvements in financial administration, implementation of a health care technology policy, health information system and effective implementation of decentralization.

Budgetary allocation

Expenditure in 2007/08 for child health and nutrition-related programmes is estimated at NRs 1,306 million, which amounts to 10.8 per cent of the total budget allocated to the MOHP.

Immunization with seven antigens (tuberculosis, diphtheria, pertussis, tetanus, Hepatitis B polio and measles) is provided free of cost to all children aged less than five years. In addition, biannual vitamin A supplementation, de-worming and polio programmes are targeted at all children aged less than five years. Similarly, services on diagnosis and treatment of acute respiratory infection, diarrhoea and other childhood illnesses are provided through all health facilities and Female Community Health Volunteers (FCHVs). However, the outreach for these services has been patchy.

There has been recent improvement in the extent of out-of-pocket payments for health services; dropping from 62.5 per cent in 2002/03 to 61.5 per cent in 2003/04, 60.5 per cent in 2004/05, and finally 50 per cent in 2005/06. Household expenditure on health care was estimated at 5.7 per cent of total household expenditure, according to NLSS II data (MOHP 2009). This improving trend is expected to continue with the right to basic health being widely promoted for incorporation in the drafting of Nepal's new Constitution and the new Government Policy on Free Health Care Delivery. (See also chapter 3.6 for health-related social protection schemes).

3.3.1 Water and sanitation – a vital artery of child health

Although not defined as a separate pillar, this sector is regarded as a central part of the pillar on child health, given its importance in ensuring the health of the young child and in view of the extent of water and sanitation deprivation in Nepal.

The legislative and policy framework

In general, past policies in Nepal have given low priority to sanitation as compared to water supply, with sanitation left to the realm of civil society and non-government organisations. However, the

current policy is to support and even insist upon, the integrated development of sanitation services with water supply schemes. This also ensures that health benefits are optimised, as neither sanitation nor water supply alone can have the desired impacts on a community's health status (UNICEF 2006).

In Nepal, the Ministry of Physical Planning and Works, the Ministry of Local Development and many NGOs are working in water and sanitation promotion initiatives. National coverage of water supply is recorded to be about 80%. However, the safety of the water is still unknown and assumed to be very low due to the lack of a routine Water Quality surveillance system. This is despite the fact that service providers are supposed to live up to the National Drinking Water Quality Standard (NDWQS) and directives 2006 (B.S.2062), under the surveillance of the Ministry of Health and Population and its line agencies.[20] The review of NHSP and preparation of NHSP-II is an opportunity for the Health sector to put this surveillance and monitoring duty into practice. This will include the monitoring of the arsenic contamination of drinking water supplies and the related remedial actions (to combat arsenicosis).

Hygiene and sanitation promotion

Hygiene and Sanitation (H&S) promotion has been implemented as an "add-on" to water supply (infrastructure) projects rather than an integral part of a national preventive health care programme. This approach has clear risks. The provision of accessible, safe drinking water infrastructure by itself does not necessarily result in health and poverty reduction outcomes unless it is also fully integrated with improved sanitation and hygiene behaviour change. Official figures show national sanitation coverage at 46% although it is not known how well those facilities are used. There is still no specific national target for hygiene promotion, despite the fact that hygiene promotion can maximise the benefits obtained from water supply and sanitation promotion and can also reduce water, sanitation and hygiene (WASH)-associated diseases.

These three crucial elements - water, sanitation and hygiene - are all equally important ways of bringing health benefits to children. When incorporated in programmes together, they can also bring value for money, sustainability (in operation, management and maintenance), improved inter-sectoral collaboration, integration and poverty-reduction outcomes.

The Ministry of Health and Population (MOHP) and the Department of Health Services (DOHS) can make a crucial contribution to promoting the nation's preventive health, hygiene and sanitation.

MOHP/DOHS have strong, experienced staff and a broad network of service delivery systems down to the community level. There is a huge potential in using the existing institutional setup to promote hygiene and sanitation, particularly through the mobilisation of District Public Health Offices (DPHOs) and Female Community Health Volunteers (FCHVs). This needs to become a top priority in NHSP-II under the umbrella of revitalising primary health care provision and scaling up the health program in general.

It will be crucial to agree and adopt clear guidelines and indicators for improved hygiene practices and behaviour change promotion, as part of the routine Health Information System in NHSP-II. Without these standards there is a risk hygiene and sanitation promotion will not be effectively mainstreamed and senior management in the health sector will not give it adequate attention.

The water and sanitation sector has plenty of resources to promote and invest in behavioural change communication. The challenge is make sure key messages on everything from hand washing to domestic and community hygiene are promoted nationwide. It is essential for there to be increased collaboration and coordination between the Ministry of Physical Planning and Works, the Ministry of Education and the Ministry of Local Development.

[20] Nepal Health Sector Programme (2004–2009).

3.4 Education

The Convention on the Rights of the Child places responsibility on governments to ensure that all children have access to primary education. Nepal is a signatory to 'Education for All' (EFA) and is attempting to achieve the MDGs. These instruments mean that Nepal is committed to 'ensuring that by 2015 all children, particularly girls, children in difficult circumstances and those belonging to ethnic minorities, have access to complete, free and compulsory primary education of good quality' (UNICEF 2006).

Education as a fundamental right of citizens is enshrined in Nepal's constitution. The Interim Constitution makes the following provisions for education:

- Each community shall have the right to receive basic education in its mother language, as provided by law.
- Each citizen shall have the right to free education up to secondary level, as provided by law.

Although constitutional provisions guarantee the educational rights of citizens, specific laws to operationalise the provisions of the Constitution are yet to be formulated. The existing Education Act 2002 deals mainly with the management and regulation of schools. It does not mention anything about compulsory education for children nor does it refer to operationalizing the educational rights of citizens as enshrined in the Constitution.

Nepal has tried to ensure the educational rights of its citizens through education policies and programmes rather than by enacting laws. The long-standing goal of Nepal's education policy has been 'education for all'. In the wake of the World Conference on Education for All in Jomtein in 1990, Nepal made an effort to attain the goal of universal primary education by 2000. Like many developing countries, it soon realized that it was an overambitious goal and, in Dakar in 2000, the target date was revised to 2015 (this is the MDG). Nepal formulated an action plan for attaining Education For All (EFA) by 2015 in a bid to further strengthen and streamline ongoing efforts on basic and primary education for all. The EFA programme was completed in August 2009 and is followed by the School Sector Reform Plan (SSRP) which goes on until 2015. As the six major goals set by the Dakar Forum are relevant in Nepal's context, they have been adopted by the EFA action plan. The six goals of the action plan are as follows:

- Expanding and improving comprehensive early childhood care and education, especially for the most vulnerable and disadvantaged children.
- Ensuring that all children, particularly girls in difficult circumstances and those belonging to ethnic minorities, have access to and complete free and compulsory education of good quality by 2015.
- Ensuring that the learning needs of all young people and adults are met through equitable access to appropriate learning and life skills programmes.
- Achieving 50 per cent improvement in levels of adult literacy (especially for women) and equitable access to basic and continuing education for all adults by 2015.
- Eliminating gender disparities in primary and secondary education and achieving gender equality in education that focuses on ensuring girls' full and equal access to basic education of good quality by 2015.
- Improving all aspects of the quality of education that ensure measurable learning outcomes (especially literacy, numeracy and essential life skills) are achieved by all.

The specific targets set by the EFA action plan and achievements as of 2008, are given in Table 3.2. Progress is on track to reach or exceed most indicators. Progress in early childhood development (ECD) far exceeds the target.

Table 3.2 Selected EFA targets

Indicators	Status in 2000	Target for 2015		Target for 2007
		Target	Status	
Gross enrolment rate for ECD (%)	13	32	60	80
Net enrolment rate for primary (1–5) grades (%)	80	90	89	100
Public expenditure for primary education (% of GDP)	1.8	2.0	2.0	2.5
Primary expenditure as percentage of total education expenditure	57	62	57	65
Pupil-to-teacher ratio at primary level	37	34	38	30
Survival rate up to Grade 5 (%)	63	75	81	90
Literacy rate for age group 15–24 years (%)	70	79	83*	95

Sources: *MOE and Nepal National Commission for UNESCO (NNCU), 2003 and MOE, 2007.*
Note: **Estimated from NDHS 2006 results.*

Education is a high-priority sector for the government which has adopted a policy of free education up to secondary level in public schools. In reality, however, children attending public schools incur significant direct costs (textbooks, fees for different purposes, etc.) and indirect costs (opportunity costs) of foregone work opportunities. Per student household expenditure for a primary student attending public school was NRs 326 in 1995/96, increasing to NRs 387 in 2003/04 (World Bank *et al* 2006). Public schools are forced to charge some fees since the annual budget they receive barely meets salary expenses. This implies only a small budget is available for non-salary expenses including education materials and extracurricular activities.

Nepal has adopted the policy of targeted incentives (including scholarships, oil for education and midday meals) to encourage the participation of disadvantaged groups like girls, Dalits and certain ethnic minorities. Despite weaknesses in implementing these incentive schemes, they have generally contributed positively to increasing the participation of children from disadvantaged households.

Budgetary allocations for education

Public investment in school education is almost entirely geared towards public schools. However, the government does allow private schools, which are self-financed, usually by charging fees. These schools are run both for profit by companies and on a non-profit basis by trusts. In 1995/96, six per cent of primary-aged (6–10 years) children went to private schools. This increased to 14 per cent in 2003/04 and declined to 10 per cent in 2007/08 after the government's Welcome-to-School campaign launched in 2005 (Copenhagen DC, 2007) led to a significant increase in public school enrolment. Private school enrolment has also increased among secondary-aged children (World Bank et al 2006). Increased enrolment in private schools is generally attributed to the perceived better quality education in these schools. Such perceptions are generally based on better performance in the School Leaving Certificate (SLC) board examination.

Although the former Maoist government sought to discourage private schools through proposals to tax them, a complete phase-out of private schools any time soon is not likely in view of severe budgetary constraints.

Education has long been a priority of the Nepalese government and its importance has only increased since the restoration of multiparty democracy in 1990. Even when the conflict was at its peak (2002–06), the share for education in the national budget was protected, or even expanded. The education budget in 1990/91 was 8.8 per cent of the national budget or 1.8 per cent of GDP (MOF various dates). By 2008/09, public investment in education reached about 17 per cent or 4.1 per cent of GDP (Table 3.3) (MOF various dates).

Table 3.3 Public investment in education (at current prices)* (NRs million)

Items	90-91	95-96	00-01	04-05	08-09*
Total exp. on education	2,082	6,013	11,134	17,137	35,975
% of total expenditure	8.8	12.9	13.9	16.7	16.8
% of GDP	1.8	2.5	2.7	3.1	4.1
Exp. on primary ed.	1,012	3,895	5,425	10,208	21,827
% of total ed. exp.	48.6	64.8	48.7	59.6	60.7
Exp. on secondary ed.	271	1,100	2,323	4,111	8,716
% of total ed. exp.	13.0	18.3	20.9	24.0	24.2
Total public exp.	23,550	46,524	79,835	102,560	213,578
% of GDP	20.3	19.4	19.3	18.7	24.2

Source: *MOF, various dates.*

Notes*: *Amounts for 2008/09 are revised expenditure and may differ slightly from actual expenditure.*

More than 60 per cent of the total public education budget is spent on basic and primary education which is accessible to most primary-aged children (MOF various dates). The proportion of the education budget spent on secondary education has also risen over the years to reach about one quarter of the total education budget. As levels of enrolment are gradually increasing at the secondary level, public investment is slowly being diverted from primary to secondary level (Table 3.3). Access to secondary education is still limited to better-off rather than poorer households. As such, public investment in secondary education is still less pro-poor than primary education (World Bank *et al* 2006).

An analysis based on NLSS 1995/96 and 2003/04 data showed that households in the second and third wealth quintiles benefited disproportionately more than others from increased expenditure in education between 1995/96 and 2003/04 (World Bank *et al* 2006). Total expenditure on education consists of both public and household expenditures. NLSS 1995/96 and 2003/04 findings show that households invest substantially in education. Based on the NLSS 2003/04, it has been estimated that investment by Nepalese households in the education of their children amounts to nearly 54 per cent of total public investment (CBS 2004). This would imply that Nepal in total invests over five per cent of GDP in education.

About one-quarter of total public investment in education is financed by foreign loans and grants. Recurrent expenditures in the education sector are generally financed by the government and most of the capital expenditures are financed by foreign aid.

A recent New ERA study estimated the annual unit cost per student in community-managed primary schools at NRs 2,620 (New ERA 2008). Based on NLSS 2003/04 data, the unit cost of students going to private primary schools is estimated at NRs 5,640 for the same period (CBS 2004). In other words, the unit cost of private primary schooling is more than double that of public primary schooling. This huge difference in unit cost probably indicates under-spending on public schools, which partly explains the difference in the quality of education between private and public schools.

From this, it emerges that despite substantial public sector investment in education, public schools are still inadequately financed. Moreover, there is substantial room for improving the efficiency of public schools through, among other measures, assuring appropriate age enrolment, improving teacher-pupil ratios in early grades and engaging in proper monitoring and supervision. (See also chapter 3.6 for details of education related social protection schemes).

3.5 Child protection

Preventing and responding to violence, exploitation and abuse is essential to ensuring children's rights to survival, development and wellbeing. The consequences of violation of a child's right to protection include reduced life expectancy, poor physical and mental health, reduced access to education and other services, homelessness, vagrancy, displacement and a sense of hopelessness. There is a strong link between child protection rights and all the other rights of the child. Often the child experiencing abuse or exploitation is the same child experiencing late or no birth registration, malnutrition and illness, lack of early stimulation and reduced learning opportunities (UNICEF 2006). Similarly, the child that experiences poverty and discrimination is also the child that becomes vulnerable to exploitation and violence. Poverty and disparities, therefore fuel violence, abuse, exploitation and discrimination.

Successful child protection begins with prevention. The priority given to education, health and addressing gender discrimination in the Millennium Development Goals underpins this preventive strategy. Child-sensitive approaches to social protection can make a major contribution. National legal frameworks that put an end to impunity and give children access to justice are also essential (UNICEF 2007a).

Text Box 3 **Definition of a child protection system**

A set of laws, policies, regulations and services, capacities, monitoring and oversight needed across all sectors – especially social welfare, education, health, security and justice – to prevent and respond to protection related risks.

What are the main components of Child Protection Systems?

- Child Protection laws and policies, compliant with the CRC and other international standards and good practice
- Meaningful coordination across government and between sectors at different levels
- Knowledge and data on child protection issues and good practices
- Effective regulation, minimum standards and oversight
- Preventive and responsive services
- A skilled child protection workforce
- Adequate funding
- Children's voices and participation
- An aware and supportive public

Source: *Child Protection Systems, UNICEF ROSA presentation at SACG meeting, Kathmandu, September 2009*

To this end, UNICEF has adopted a global child protection system (see Text Box 3) to address gaps. This systemic approach attempts to move away from an issue-based approach towards looking at child protection as a collection of systems comprising policies, regulations and

implementation mechanisms, underpinned by a professional cadre of social workers, the community, the family and the voice of the child itself.

The following section analyses the regulatory and policy framework on child protection from this systemic point of view with the intention of highlighting gaps in the system that can be a platform for advocacy and change.

Laws, policies and programmes on child protection

Children's Act 1992

The most relevant instrument towards fulfilling the rights of the child in Nepal is the Children's Act 1992. The Act has provisions to ensure the rights of children and provides a legal framework in the following areas.

Rights and interests of children: These include the right to a name; the determination of a date of birth; rights against discrimination between sons and daughters; between children borne out of wedlock or in lawful wedlock; between an adopted and a natural child; rights to be protected from torture, cruel treatment or rigorous punishment; the right to be immune from criminal liability; the right to a competent juvenile justice system for the enforcement of child rights; the right to be protected from immoral professions, e.g., offering children in the name of gods and goddesses; and the right not to be put to begging.

Protection of child regarding guardians: The main provisions for protecting orphaned children and their property relate to: the appointment and removal of guardians; looking after an orphan and custody of his or her property; guardian's responsibilities; maintenance of children having no sufficient income; etc.

Welfare provisions: Establishment of a Central Child Welfare Boards as well as District Child Welfare Boards; the appointment of Children's Welfare Officers; and the establishment of children's homes.

Juvenile justice: Court procedures; case filing procedures on behalf of a child[21]; punishment; limitations; etc.

Nevertheless, considerable shortcomings exist in the legislation in protecting children against violence, abuse, exploitation and discrimination - for instance through the heavy emphasis on institutionalisation of children and the lack of support to family preservation, the lack of diversion for juvenile offenders, the lack of child friendly justice systems and the general lack of implementation mechanisms. The Children's Act 1992 is currently in the process of being redefined by the new Child Rights Act which is meant to emphasise child protection and children's rights. However, the current draft still contains a number of weaknesses and does not address the shortcomings of the 1992 Act.

Child Labour (Prohibition and Regularization) Act 1999

The Government of Nepal has shown a strong commitment to combat child labour and promote the right to education of all working children (UNICEF 2006). The Child Labour (Prohibition and Regulation) Act 1999 prohibits the employment of children less than 14 years of age, while the Children's Act 1992 limits the time that a minor (aged 14-16 years) can work from to 6am to 6pm. It also specifies that they should be given non-hazardous work, protective gear and sufficient time for studies. The main constraint for this act, however, is that it is not applicable in the informal sector and the reality is that child labour is still very common in Nepal. The main areas of work are in agriculture (especially bonded labour where the practice although declared illegal, still continues), factories, construction, portering and domestic service (especially girls) (UNICEF 2006).

[21] Nepal defines a child as 16 year or under for purposes of juvenile offenders. In other areas of legislation a child is defined as 0-18 and even 0-20. The varying definition of a child needs reconciling in the legislation.

The Child Labour (Prohibition and Regulation) Act 1999 defines hazardous work and prohibits the employment of children aged less than 16 years old. Major provisions include child labour inspectors and the establishment of a Child Labour Welfare and Coordination Committee. The Act provides a legal and institutional basis to control and regulate child labour. Nevertheless, it has not addressed the reasons for child workers in the informal sector, which are difficult to track down because of their nature. A recent study estimates that there are 1.4 million child workers (aged 5-14) in Nepal (Central Child Welfare Board (CCWB) 2009). Over 95 per cent of all working children are found in rural areas, with about 66 per cent belonging to households engaged in rural activities. Their responsibilities include collecting firewood and fodder and cattle grazing (UNICEF 2006). Many work in hazards sectors, despite the Interim Constitution and other legal instruments prohibiting their employment in a factory, mine, or other dangerous work.

In addition to the more comprehensive Child Rights Act, the provision of child rights and protection is scattered throughout different laws including the following:

- The Local Self-Governance Act 1999
- Birth, Death and Other Personal Events Registration Act 1976
- Civil Rights Act 1956
- Civil Code 1964
- Control of Trafficking in Persons and Transportation Act 2007
- Marriage Registration Act 1972
- Labour Act 1992
- Foreign Employment Act 1986
- Begging (Prohibition) Act 1956
- Hotel Management or Alcohol Distribution (Control) Act 1967
- Domestic Violence Act (Crime and Punishment) 2009.

Key policies

While child health and education has received attention since the inception of Nepal's planning periods, specific policies for child protection were first incorporated during the Ninth Plan 1997–2002. The Tenth Plan further expanded on these issues, acknowledging that children's rights have not been sufficiently ensured owing to poverty, lack of education and the effects of the debilitating conflict. During the period of the Tenth Plan, the government formulated plans of action and enacted various laws. They include:

- Ten-Year National Plan of Action for the Children of Nepal (2004/05–2014/15);
- Juvenile Justice Procedure Rule, 2006;
- Gender Equity Act, 2007;
- National Master Plan on Child Labour (2004–2014);
- The Optional Protocols of CRC and the SAARC Convention (Child Trafficking and Children in Armed Conflict) were also endorsed in this period (2006, 2007).

Ten-Year National Plan of Action (NPA) for the Children of Nepal (2004/05–2014/15)

The NPA for Children is based on the four themes identified in UN's World Fit for Children conference, which includes child protection. The plan sets out targets for the MDGs, including commitments in line with international instruments. Child protection is one of the main thrusts of the NPA. It addresses the problem of child labour, children in armed conflict, sexual abuse, exploitation and trafficking, identification of children, street children, refugee children, children with disabilities and children abusing drugs. The objectives of the theme 'Child Protection' are:

- To protect children from all forms of discrimination, exploitation and abuse; and
- To ensure the rights of children, focusing on those in especially difficult circumstances such as children with disabilities, children affected by conflict, street children, child labourers and others.

The main strategies of the NPA are legal reform, developing the capacity of institutions and staff, networking, decentralization and collaboration. The Ministry of Women, Children and Social Welfare, the Central Child Welfare Board and the District Child Welfare Boards are the main agencies tasked with coordination and monitoring. However, the NPA does not explain the role and responsibilities of different stakeholders or allocate the resources to achieve its objectives.

Text Box 4 **Institutionalising child care in Nepal**

The Convention on the Rights of the Child and the Children's Act guarantee that children have the right to be cared for by their parents and family. However, they also consider that a child who no longer has a family or who has become separated from it or whose family represents a serious danger to its health or development has the right to alternative care. Nevertheless as set out in the Children's Act, institutional care should be the last resort for children in Nepal.

Poverty, however, is widely considered to be a criterion for alternative care. This suggests that the prevailing understanding of the 'best interests of the child' among Nepali authorities and childcare agencies is not in line with the CRC.

There are over 1,000 child centres across Nepal housing over 15,000 children. However, there is no regulatory mechanism to oversee whether or not proper case assessment is conducted in institutional care facilities. Social work as a profession is in its infancy in Nepal and trained and qualified social workers are scarce in Nepal, especially outside the Kathmandu Valley. Despite a doubling in the number of child centres in the past five years, the Government's monitoring capacity has not kept pace.

Moreover, according to a recent study (Terre des hommes (TDH) 2008) some 80 per cent of children in child centres had families to look after them. "This child protection system, which currently relies on institutionalisation should be refocused to provide better support for parental care" (TDH 2008).

Sources: *UNICEF 2006. Situation of Children and Women in Nepal, Kathmandu; TDH/UNICEF 2008. Adopting the Rights of the Child. A study on Inter-country adoption and its influence on child protection in Nepal. Kathmandu.*

While the focus on child protection in the NPA is a first step towards a creating a comprehensive environment for child protection, it needs substantial further development. One of the vital shortcomings in Nepal's existing system is its lack of community and family-based services for vulnerable children. There is a need for a professional cadre of trained social workers at all implementation levels that could support children within their family and communities.

Nepal currently places too much emphasis on residential care (see Text Box 4) – the country has more than 1,000 homes housing close to 15,000 children (Terre des hommes (TDH) 2008). The NPA only strengthens this system by formulating laws on residential homes and by focusing capacity development initiatives on care inside institutions rather than outside them.

National Master Plan on Child Labour (2004–2014)

The National Master Plan on Child Labour is guided by a long-term vision for a Nepal free from social injustices and exploitation of the weaker sections of society, where children are protected from any harm. The master plan aims to eliminate the worst forms of child labour by 2009 and all other general forms of child labour by 2014. It emphasizes the need to eliminate the root causes of

poverty as a way of addressing the problem of child labour. Implementing child labour programmes by integrating them into poverty alleviation programmes is the main strategy and includes the formation of a high-level coordination committee for coordinating child-labour programmes.

The main areas of intervention are policy and institutional development, education and health, advocacy, networking and social mobilization, legislation and enforcement, income and employment generation, prevention, protection, rehabilitation, research and study. The master plan also undertakes some protective measures including workplace monitoring, regulation and improvement of working conditions, legal counselling and support and rescue. The main agency responsible for implementing the plan is the Ministry of Labour and Transport Management, along with other government line ministries, which operate as cooperating agencies. The plan, prepared under the guidance of the International Labour Organization (ILO)/International Programme on Elimination of Child Labour (IPEC) programme on child labour, while ambitious in nature, has been criticised for weak implementation — the basic fact is that child labour continues to exist in Nepal. The Steering Committee of the master plan has fallen short in allocating resources and identifying institutions for carrying out of responsibilities. A midterm review of the master plan is currently underway to address shortcomings and suggest improvements.

Three-Year Interim Plan (2007-2010)

Among other issues, the TYIP focuses on rehabilitation of children affected by the conflict by committing the government to implement integrated and targeted programmes for child conflict victims, children at risk, at-risk girl children, children with disabilities, children from marginalized communities, and street children. It also seeks to establish a permanent Children's Fund for the protection of child rights. It plans to make necessary legal, policy and institutional provisions to ensure children are protected from all types of abuse, exploitation and violence. It also encourages children's participation at all stages of the planning cycle dealing with children's programmes.

National Plan of Action on Trafficking of Women and Children (2001)

The Ministry of Women, Children and Social Welfare (MOWCSW) has initiated a National Plan of Action against child trafficking. The MOWCSW, the Central Child Welfare Board (CCWB), the Department for Women's Development (DWD), the Ministry of Education, the Ministry of Information and Communication, the Ministry of Foreign Affairs, media houses and personnel, NGOs, INGOs, courts, court personnel and police personnel, child rights activists, local administration and like-minded organizations are all responsible for the plan's implementation.

The plan aims to trace or map children at risk, trafficking-prone areas, probable border points for child trafficking, data about children crossing borders and children missing from home. It will offer repatriated children primary health check-ups, psychosocial counselling and vocational and informal education and also develop and implement awareness-raising programmes. The plan focuses on building children's networks, training and community mobilization. The inclusion of human rights, child rights and human trafficking materials in formal and informal education is also one of the main objectives. It stresses the need for implementing laws addressing children's issues from a human-rights perspective and making a child-friendly environment within concerned authorities.

Despite these ambitious aims, the national plan suffers from the same implementation weaknesses seen above in the master plan. Weak delegation of responsibilities, insufficient allocation of resources, inadequate monitoring and verification of indicators all constrain its effectiveness. The Ministry is currently updating the plan and introducing a Human Trafficking Act that has provisions against child trafficking.

Key Programmes

Child Protection and Development Programme

The Child Protection and Development Programme is one of the main programmes in this area initiated by the government. It focuses on emergency humanitarian support, shelter for children,

awareness-raising and sensitization on child rights, advocacy, campaigning and lobbying for reforming child rights legislation. The programme covers children in 32 districts living in difficult circumstances due to the conflict and who are in need of special protection. It suffers from being focused on institutions and 'residential homes'. It is weak in terms of providing services to children within their families and communities.

Birth Registration Programme

This programme aims to ensure the CRC right of every child to registration at birth. Birth registration provides a formal recognition of the child's identity and acts as a starting point to the relationship between the State and the individual. The main purpose of the programme is to ensure the right to an identity for every child and is implemented by the government with support from UNICEF, PLAN and other organizations. It is worth noting that the Child Grant scheme may encourage birth registration in targeted populations and geographical areas.

Normally, only babies born in health facilities are likely to receive a birth certificate. But most children are born at home and most people, even in urban areas, rarely know that they need to register a birth, or how to go about the process. People who do know about the process do not always consider it important or useful. The notion of voluntary birth registration as a matter of civic responsibility has yet to take root in Nepal.

The following reasons are often given for not registering a birth:

- Absence of local registrars
- Lack of parent's citizenship certificates
- Lack of awareness
- Lack of time/busy work schedule
- Shortage of registration forms at village level
- Expensive
- Birth registration is seen as unnecessary
- Place of registration is far away
- Lack of permanent residence.

The Supreme Court of Nepal has been proactive in promoting children's issues. It has nullified a number of provisions that discriminate against children, particularly on the basis of gender, for example one rule requiring the father's citizenship certificate to register a birth. It has also annulled discriminatory provisions regarding citizenship certificates for Badi children and eliminated the provisions regarding corporal punishment of children.

Data reveal that a total of 6.3 million births have been registered since the programme's inception (MOLT, 2004). The government has adopted decentralization policies to make local bodies more responsible for management of local populations. The Local Self-Governance Act 1999 has given authority to Village Development Committees (VDCs) to conduct their own civil registration programmes.

Juvenile Justice Strengthening Programme

The number of juveniles coming into contact with the law is believed to be on the rise in Nepal. Despite provisions in the Children's Act, the procedures for arrest, detention, investigation and trial of children are the same as for adults. The Children's Act denies a separate trial for juveniles where adults and juveniles are charged together. Although the Children's Act provides for children in

conflict with the law to be placed in a juvenile correction facility during investigation and trial, it does not oblige authorities to follow any specific procedures for apprehending children or 'caring' for them thereafter (UNICEF 2006).

The Juvenile Justice Strengthening Programme aims to address some of these shortcoming through: enacting child bench procedures for an effective juvenile justice system; implementing the provision of involving psychologists/social workers in dispensing justice to children; providing 'children-in-justice' education to judges, court officials, public prosecutors and police personnel; advocating for policy changes; and diversion measures at the national level. A Juvenile Justice Committee based at the Supreme Court and chaired by a Supreme Court judge is responsible for policy and legal issues relating to juvenile justice including capacity building of judicial and law enforcement officers.

The Nepal Police has established a victim-handling system to deal with child victims of crime and have expanded the number of Women and Children Service Centres (WCSC) throughout the country. At present some 38 of the 75 districts in the country have WCSCs. Police officers are generally responsible for child and women services at as district level, which is far from an ideal situation. Many of the WCSCs that are set up are simply not used and more work needs to be done to address this under-use.

Organisational framework for child protection

Ministry of Women, Children and Social Welfare (MOWCSW)

The MOWCSW has primary policy and public resource responsibilities for social care services and is the main institution overseeing child rights in the country. It shares these responsibilities with the Social Welfare Council (SWC) and the Central Children's Welfare Board (CCWB) and other line ministries and stakeholders. It also has the responsibility for formulating sectoral policy and legislation in the best interests of children.

One of the main weaknesses of the MOWCSW is that there is no clear link between the CCWB and the Department of Women Development (DWD) although both are situated in the same Ministry. At the district level, however, this coordination is substantially better as Women Development Officers (WDOs) are members of the District Child Welfare Boards.

Central Child Welfare Board (CCWB)

The CCWB is a national level focal point for children's issues and is responsible for: the development of child rights monitoring mechanisms; the development of a national level resource centre on children; advocating on children's issues in all levels of government; coordination of policy and practice on children between line ministries and agencies, civil society, international communities and others; strengthening and mobilising District level CWBs who are responsible for the implementation of children' programmes at the local level; promoting children's rights; the formulation of national policies and priorities concerning children; and mainstreaming children's issues into all the development activities. The CCWB derives its mandate from the Children's Act 1992 and is being redefined by the new Child Rights Act. It has branches at the District Development Committee (DDC) level and feeder links at Village Development Committee (VDC) levels. It supports District Child Welfare Boards (DCWB) in preparing databases on child protection issues such as on child workers, abandoned and physically and mentally disabled children.

District Child Welfare Board (DCWB)

Each district has a District Child Welfare Board (DCWB). DCWBs implement and coordinate programmes at the district level with other partners and formulate district-level plans for safeguarding children's rights in conjunction with the CCWB. They are also responsible for children homes, correction homes and other similar centres in the district.

Budgetary allocation

TYIP announced a budget of NRs 108.1 million for three years from 2007/8-2009/10, mentioning that "a Permanent Children's Fund will be established and operated for the protection of the rights of the children as well as for providing emergency help and relief to children at risk" (NPC 2007).

Strategies for enhancing child protection

Legal frameworks

All laws regarding children, especially the Children's Act 1992 and Child Labour Act 1996, need to be revised to come into line with the CRC, international standards and existing government commitments. The forthcoming new Constitution will also address some crucial issues on child rights including: child domestic workers and other forms of child labour in the informal sector; sexual abuse and exploitation of children; children's right to association and rights of children with disabilities; the rights of children as victims, witnesses and perpetrators to access a child-friendly and child-sensitive justice system. In this respect, recourse to psychosocial services should also be made available. Once the Constitution is adopted it will be necessary to review and amend a number of laws relating to child rights to bring the legislation into line with the Constitution. The Local Self-Governance Act 1999 will also have to be amended to ensure birth registration of every child. The capacity of local authorities and parents must be built to enable them to fulfil their obligations and ensure registration of every birth within their jurisdiction given that the Birth, Death and other Personal Incidences (Vital Registration) Act 1976 holds parents accountable for registering the birth of their children. It will be important to safeguard child rights when Nepal is transformed into a federal state.

Promoting a systemic approach

Effective child protection constitutes a set of laws, policies, regulations and services so that capacities, monitoring and oversight is enhanced across all social sectors - especially social welfare, education, health, security and justice (UNICEF 2007a). Only through a coordinated systemic approach can governments better prevent and respond to protection-related risks. Responsibilities for child protection system components are often spread across government agencies, with services delivered by local authorities, non-State providers and community groups, thus underscoring the importance of both coordination and referral mechanisms. Underpinning such a system must be a strong normative legal framework, building on government accountability for protecting children, as established by the Convention on the Rights of the Child and other international instruments. The emphasis on prevention within the child protection strategy means that child protection systems should be viewed as interlinked with social protection, encompassing efforts to reduce social exclusion and insure that the most vulnerable children are reached by services.

Coordinating systems

There has only been slow progress in building links between ministries and central and local authorities. With that in mind, the MOWCSW should take the lead in helping line ministries and other organisations work together, particularly the Ministry of Health and Population, the Ministry of Education, the Ministry of Law and Justice, the Social Welfare Council, local government institutions and NGOs. Under the Children's Act 1992, DCWBs have been set up in all 75 districts, together with a CCWB at the central level. They should be responsible for raising awareness of child rights and mobilizing government and NGOs to identify families and children at risk at the district level. For various reasons, including financial, human and technical resource constraints, they have not been actively mobilized. The proposed amendment to the Children's Act 1992 should address this issue.

The MOWCSW does not have a programme on child labour. Responsibility for enforcement and control of child labour rests with the labour inspectorate in the Ministry of Labour and Transport

Management (MOLTM). The trafficking of children and women is seen as a growing concern – particularly when it is linked to sexual abuse and international prostitution (World Bank 2009).

Cooperation with civil society

Experience has shown that networks of children's clubs and child-focussed NGOs can also become highly effective monitoring organisations, overseeing the implementation of all legislation, plans and policies. These networks need to be expanded and developed. Children should be encouraged to take part in all stages of the programme/project cycle. Collaboration between partners (government institutions, UN agencies, bilateral and multilateral agencies, NGOs, civil society, family and kinship networks, the private sector, local bodies and user groups) must be encouraged.

In order to facilitate cooperation and coordination between the government and civil society at both the policy and programme levels, the CCWB has to be strengthened at the national level to guide and monitor programmes. The government should collaborate with national NGOs and INGOs to carry out, monitor and evaluate programmes on child protection.

Child rights outcomes and disparities – a long way to go

Child labour

There are an estimated 1.4 million child workers in Nepal with the bulk of them engaged in agriculture (CCWB 2009). Children above 14 years are mostly engaged in the hotel business and carpet factories while children aged 10–14 are mostly engaged as domestic workers and porters (MOLT 2004). Table 3.4 shows the status for the worst forms of child labour.

Table 3.4 Worst forms of child labour

Worst Forms of Child Labour	Number	Percentage
Bonded children	17,152	13.5
Rag pickers	3,965	3.1
Child porters	46,029	36.2
Domestic child workers*	55,655	43.8
Mine workers	115	0.1
Carpet industry workers	4,227	3.3
Total	127,143	100

Source: *MOLT, 2004.*

Note: *Urban area assumption.

Human trafficking, especially child trafficking is an area of high concern for Nepal. While reliable numbers are hard to come by, estimates put the numbers of Nepali girls, most between the age of nine and 16, sold to brothels in India at 10,000. Over 200,000 Nepalese girls are involved in the Indian sex trade (CATW undated). While most preventive efforts focus on girls in the sex trade, evidence suggests that trafficking of girls and boys for labour (e.g., circuses, carpet factories, construction and transport sectors and domestic service) is also alarmingly high (UNICEF 2006).

There are an estimated 5,000 girls aged under 16 years involved in commercial sex work in Nepal. Studies show that many sex workers migrate from rural to urban areas in search of employment. Others are escaping physical and sexual abuse encountered in their homes. This is particularly true of the capital Kathmandu, where 86 per cent of sex workers were migrants (UNICEF 2006).

A large number of children, including those displaced by the 11 years of war, are sheltered in unregulated children's homes. The government prepared minimum standards in 2003 for the care of children living in orphanages or children's homes and all orphanages or children's homes will be required to comply of the minimum standards. The Minimum Standards of Operation for Residential Child Care Homes (2003), and subsequently drafted Comprehensive Minimum Standards for Operation and Management of Child Care Home are, however, yet to be endorsed by the Government.

Street children

It is common to see children working in the streets of Nepal's urban centres, particularly Kathmandu and Pokhara. There are only a few studies on street children or rag-pickers, known as *khate* in Nepal. According to one paper, there are 2.6 million children workers in the country, around 127,000 of them engaged in hazardous work. It is estimated that about 5,000 children leave or are forced to leave their households every year and end up as street children (CCWB 2006).

One study (KC *et al* 2001) found 3,965 child rag-pickers in six major cities, with the highest concentration in Kathmandu and Dharan. Most of these children come from rural hill and mountain areas (46.9 per cent). Dalits and other minority ethnic groups from the *terai* including Muslims constitute 45 per cent. Most are in the age group 10–14 years (67 per cent). The majority are boys (88 per cent). About half are literate. About two-thirds (68 per cent) come from families who own a home and are involved in non-agricultural, low-paying occupations. This shows that children involved in rag-picking usually come from poor rural families (Text Box 5). About half (52 per cent) of street children live on the streets and earn about NRs 87 per day. Boys earn 50 per cent more than girls. The most frequently cited reasons for leaving home are parent's migration (27.2 per cent), poverty (19.3 per cent), abuse from step-parents (14.9 per cent), abuse from parents (13.6 per cent) and the lure of city life (10.1 per cent).

Text Box 5 **Poverty forces children to work**

Sanu Maya Chepang, who does not know how old she is, lives in Shaktikhor in abject poverty. She is the victim of a landslide triggered by heavy rains in 1994. After losing everything in the landslide, her family decided to move to Lothar, a village near the highway. In Lothar, they obtained work tilling someone's land for a share of half the crops grown. But disaster struck again, says Sanu Maya, *"Maybe it was our fate, the land we were tilling was also swallowed up by the river and we were once again left with no work and nothing to eat or wear. Then we moved to this place and rented a house."* She works now as a seasonal agricultural labourer and her husband works with a local contractor who supplies labour for road and other construction. But she cannot work long hours as she has to take care of her six children who are aged between two and 13 years. She admits she has too many children to look after. But her husband badly wanted a son. They had five daughters and then, finally, a boy.

It is extremely difficult for the family to meet household expenses with the little income that her husband makes. In Korak, the food grown on their land used to last for about six months; but now they must buy everything. Since it was difficult to feed and educate six children, Sanu Maya decided to send her 13-year-old daughter, who should have been attending school, to Kathmandu to work as a domestic labourer. Her daughter sends home NRs 500 a month, which pays the house rent.

"*As a mother, it is my duty and responsibility to send my daughter to school. Because I never had the opportunity to attend school, I always wanted my children to go to school. But when my first daughter was small, we were still in Korak and the school was too far away for a small child to walk every day. When we came here, the school was located nearby, but she had grown and did not want to go to school with the smaller children. Also it was difficult to provide food and clothing and we had no option other than to send her to Kathmandu, which is a great relief for us now".*

Source: *GON et al., 2006.*

Children in homes

Nepal has many homes and institutions set up for orphaned, handicapped and disadvantaged children. Many of the youngsters are victims of domestic violence, poverty, natural disasters and social conflict. Accurate figures are hard to come by because much of the sector is unregulated. A 2008 study estimated there were 1,048 child centres in Nepal housing close to 15,720 children. Over half (56 per cent) of child centres in the study sites were less than five years old. In the Kathmandu Valley this figure rose to 61 per cent. Many of these arrivals are psychologically traumatized. Most of these children maintain some contact with their families (TDH 2008).

There are more boys than girls living in homes and most come from the hills (92 per cent). Over half (56 per cent) have lost one or both parents. Within the Kathmandu Valley, three per cent have lost a parent due to conflict-related violence and outside the valley, six per cent have lost a parent to the conflict. Nine per cent of children are internally displaced. The proportion of conflict-affected children is generally higher in the mid-western and far western regions where the fighting was fiercest.

The most frequently reported health problems among children in homes are related to ear, nose, throat, skin diseases, water-borne diseases, arthritis and mental illness. Over 41 per cent of children are stunted, while 29 per cent are underweight and about four per cent are wasted. More than eight per cent are disabled. The nutritional status of children in homes is better than that of the average Nepali child (6–59 months) as reported in the Nepal Demographic Health Survey (NDHS) 2001 (New ERA 2005).

Inadequate legal and institutional safeguards for child protection

Institutionalising children should be seen as a last resort. In Nepal at the moment it is the first resort. Nepal needs to move away from its focus on children's homes and other institutions towards supporting children within the community and home, using methods such as family counselling. There are also concerns about the current arrangements for monitoring children's homes. There is a set of minimum standards, but the monitoring mechanisms to make sure these are followed are unclear. The existing rules also do not cover children's institutions run by NGOs — meaning the vast majority of Nepal's existing children's homes go largely unregulated.

Although the Children's Act has a provision for a juvenile bench in each district, no bench was set up until 2005. After the implementation of the Juvenile Justice Strengthening Programme in 12 districts, well-equipped juvenile benches have been established and a number of juvenile cases have been brought to justice. There is only one juvenile correction home in the entire country and no system for diversion of juvenile offenders from the formal justice system.

Other barriers to introducing child-friendly legal processes include: the limited numbers of special courts; a lack of juvenile benches in every district court; the lack of a system for diversion of juvenile offenders; a lack of training; a lack of support structures for victims; and ineffective monitoring mechanisms.

The National Women's Council, National Human Rights Commission (NHRC) and National Women's Commission (NWC) have been formed to work for the protection of the rights of women and children. The National Human Rights Commission has already established a separate desk for child rights.

The Government has established a National Centre for Children at Risk to address the problems of missing, abandoned and other at-risk children. The centre provides temporary shelter in collaboration with various organizations until children are reintegrated into their families. According to the CCWB, 2,216 children were placed under the lost and found category, with the largest proportion (62%) found in the Kathmandu Valley area (CCWB 2009). The centre has a toll-free number for people to report cases of missing children. The centre records and disseminates information on missing children to parents, schools and children's clubs, as well as to government organizations and NGOs.

Over the last five years, children's clubs have begun playing a vital role in promoting child participation in the planning process and giving importance to opinions expressed by children on safeguarding their best interests. There are approximately 9,000 clubs in Nepal (CCWB 2006).

District Child Protection Committees have been established in 30 districts, where VDCs and Community Child Protection Committees also exist, especially to protect conflict-affected children. Similarly, there over 550 Paralegal Committees functional in 23 districts with a primary focus on women and child protection issues.

Deeply-rooted social beliefs about children and gender have held up a lot of work in this area. To take one example, more boys are registered at birth then girls, despite widespread campaigning and legislation (CCWB 2007a). Poorer women are also not given a chance to speak up for the rights of their own children — in Nepalese society women only start to get involved in domestic decision making higher up the social scale.

The justice delivery system for the victims of trafficking, child abuse and exploitation, child labourers and different forms of discrimination has been seriously affected by the lack of adequate, efficient and trained staff. Only about 0.58 per cent of the total national budget is allocated for the judiciary (NRs 590 million) (MOF 2008).

Legal cases involving children and their rights are uncommon. There have been no prosecutions targeting employers of child labourers. An estimated 7,000 Nepalese women and children are trafficked to India every year but only about 200 cases are reported for investigation each year (CCWB 2007b).

The Child Labour (Prohibition and Regularization) Act is only likely to address the problem in the organized sector, overlooking the huge number of children working in the informal sector. Labour Offices have the authority to hold inspections to check for children in the workplace, but there are presently only 12 of these offices in urban areas.

3.6 Social protection

Nepal has some strong social protection programmes, particularly its allowances and pensions for elderly people, widows and the disabled and its scholarships for socially excluded groups. But these programmes are administered by many different agencies and ministries. As a result, coverage is uneven and there are shortfalls in delivery, monitoring and evaluation (World Bank 2009). There is a need for a much more harmonised and strategic approach. These state programmes do not reach many of the country's poorest and most vulnerable groups, leaving them dependent on often inadequate support from their families and communities.

The Government has ratified a number of international human rights instruments (such as the Universal Declaration of Human Rights, CRC and CEDAW) that commit the State to providing social protection to its citizens, especially vulnerable groups and children. As a result, the government has become increasingly aware of the need for a more expansive and effective social protection system (Text Box 6). The following section reviews existing social protection laws, policies and programmes with a view to analysing their relevance and effectiveness in reducing poverty and vulnerability.

The government has been increasing allocations for social protection programmes in the last two years (Table 3.5), admittedly from a low base. The budgetary allocation for social protection programmes in 2009/10 is about eight per cent of the total budget, although this is still low compared to many other developing countries (UNICEF ROSA 2009b, see also Text Box 7).

Table 3.5 Public expenditure on social protection programmes*

Year	Percentage of total budget	Percentage of GDP
1995	1.9	0.4
2000	2.9	0.6
2005	3.9	0.7
2006	4.0	0.8
2007	4.7	1.0
2008	6.9	1.7
2009**	7.9	NA

Source: *MOF, various dates.*

Notes: **A substantial portion of the allocation consists of pensions for retired civil servants, army, police and teachers; in 2008 these schemes comprised 5% while those schemes reaching the more in-formal sector amounted to just 3% of the allocation.*

*** Allocation for 2009/10.*

Text Box 6 **Why promote child sensitive social protection?**

Social protection is generally understood as a set of public actions – including pensions, unemployment insurance and other programmes – that address poverty, vulnerability and exclusion as well as provide a means to cope with life's major risks throughout the life cycle.

There is a growing body of evidence from a range of developing countries that social protection programmes can effectively increase the nutritional, health and educational status of children and reduce the risk of abuse and exploitation, with long term developmental benefits.

Regular, predictable social transfers (in cash or in kind) from governments and community can reduce child poverty and vulnerability, by helping to ensure children's access to basic social services. Social insurance offers access to health care for children, as well as services to support communities to reach all households and individuals, including children.

The failure to invest adequately in the well-being of children from an early age has long-term implications for children and societies, because it increases the likelihood of poverty in adulthood and perpetuates the intergenerational transmission of poverty.

While many social protection measures already benefit children without explicitly targeting them, small nuances in how children are considered in the design, implementation and evaluation of social protection programmes can make a huge difference. Making social protection more child-sensitive has the potential to benefit not only children, but also their families, communities and national development as a whole.

- Children compose more than one third of the population in most developing countries – particularly in the poorest – and tend to be over-represented among the poor within countries. Accordingly, effective development strategies must be informed by an understanding of the patterns of children's poverty and vulnerability.
- Child sensitive social protection strategies can address the chronic poverty, social exclusion and external shocks that can irreversibly affect children's lifetime capacities and opportunities.
- By virtue of their age and status in society, children are practically and legally less able to claim their rights without the strong support that social protection strategies can offer.
- Child sensitive social protection can address the risk of exclusion that is intensified for children in marginalised communities and for those who are additionally excluded due to gender, disability, HIV and AIDS and other factors such as harmful socio-cultural norms that can marginalize children and leave them vulnerable.

Source: Joint Statement on Advancing Child Sensitive Social Protection, *DFID et.al, June 2009,* www.unicef.org/socialpolicy

Donors have been giving active support and encouragement to Nepal's growing interest in social protection. An interagency statement on child-sensitive social protection measures has been issued (see Text Box 6 for excerpts). The International Labour Organization (ILO) and UN agencies are campaigning for a social protection programme that will include a universal social pension, universal child benefit, disability benefit and benefit for the unemployed.

Multilateral banks such as the World Bank and the Asian Development Bank (ADB) are also keen on assisting member countries in implementing social protection programmes. The ADB funded a study on social protection in Nepal in 2004. The World Bank recently reviewed targeting systems of various safety-net programmes in Nepal (World Bank 2009).

In one very welcome development, the National Planning Commission (NPC) has just established a National Steering Committee on Social Protection (NSC) to review existing social protection interventions and identify new schemes and ways of funding and delivering them.

On the side of Nepal's development partners (comprising multi-laterals and bi-laterals), the Development Partners Social Protection Task Team (SPTT) is actively engaged in strengthening social protection in Nepal. The SPTT is supporting the Government of Nepal in developing a strategic, integrated and coherent National Social Protection Framework (NSPF). The SPTT aims, among other things to build and promote a Nepal specific evidence base on key issues and interventions, in order to inform key policy and programmatic decisions and to improve the effectiveness and efficiency of social protections interventions.

Laws, policies and programmes for social protection

The 2007 Interim Constitution recognizes the social security of children as a fundamental right. Article 22(2) of the 2007 Interim Constitution ensures a child's right to nourishment, basic health and social security. Article 13 vests responsibility on the government and gives it the authority to enact positive discriminatory laws to improve the condition of children from socio-cultural and economically deprived groups. The Interim Constitution further directs the State to provide social protection to destitute and vulnerable groups.

Nepal's formal social security system consists of limited social and health insurance and social assistance programmes including an old-age pension, a disability pension, housing allowance for targeted groups (elderly, orphans, Dalits), widow's allowances and a maternity scheme as well as some food security schemes and labour market programmes. Most positively and well regarded internationally, Nepal is the only country in South Asia to have a non-contributory social pension that was introduced in 1995. As a universal scheme, the old-age allowance qualifies as an important building block of a social protection system. However, the country lacks a comprehensive social protection policy and programme. A number of sector-specific policies and programmes along with some social assistance schemes constitute social protection measures in Nepal. The most significant child-relevant social protection scheme is the new child grant introduced in July 2009 which is discussed below.

Social assistance

Nepal's social assistance for the elderly, known as 'old age pension', initially gave NRs 100 per month to all citizens aged above 75. The monthly stipend was gradually increased and has been NRs 500 per month since 2008; eligibility is now 70 years generally and 60 years for Dalits and people from the Karnali Zone (MOF 2008). As a result of the new eligibility age and higher benefit level, the number of beneficiaries has more than doubled from 360,733 in 2007/08 to 752,797 in 2008/09, with a corresponding four-fold increase in budget for this scheme (World Bank 2009). Benefits are distributed quarterly at VDCs nationwide upon presentation of a certificate of entitlement.

Social assistance to single women was introduced as the 'Survivor Allowance' programme. Widows aged above 60 with no source of income, no family support and no husband's pension were provided with NRs 150 per month. However, from 2008, the programme was renamed as the single women social assistance programme covering all single women above the age of 60, providing a monthly stipend of NRs 500 per month. This change in eligibility criteria almost doubled the number of beneficiaries from about 250,000 to about 500,000, with a 5.5-fold increase in the budget (World Bank 2009). Another social assistance scheme under this programme is the disability allowance that covers nearly 7,000 disabled people. Fully handicapped and disabled are provided NRs 1,000 per month, while partially handicapped/disabled are provided NRs 300 per month (MOF 2008). This cash transfer is targeted at Nepali citizens listed as disabled. From 2008/09, another scheme was introduced supporting endangered ethnic groups such as Raute and Kusunda. The total budget

allocation for the social assistance scheme amounted to about 0.14 per cent of GDP until 2006/07 but, with recent changes, it has increased to nearly 0.7 per cent of GDP, a five-fold increase (MOF 2008). This is still low by South Asian standards (see text box 7).

In a related programme, the government has allocated NRs 1.5 billion in the 2008/09 budget for subsistence allowances to families of soldiers (Government and Maoist) who lost their lives or who were handicapped as a result of conflict. The programme also covers compensation to conflict-affected people (MOF 2008). It should be borne in mind that this category of recipients is temporary and not strictly related to civilian social protection schemes.

The social assistance schemes for the elderly, widows, disabled and endangered communities are not specifically designed from a child's perspective. However, a recent UNICEF/WFP exploratory survey found a significant proportion of this cash transfer is used for expenditures directly benefiting children. The study indicates that 43 per cent of cash support is spent on supplementary food and 30 per cent on the education of children (UNICEF/WFP 2008). Other expenses such as health care (11 per cent), extra food for family (six per cent) and clothes (seven per cent) may also benefit children (UNICEF/WFP 2008).

The social assistance programmes primarily use a categorical or demographic targeting approach. In the absence of systematic studies and evaluations on the impact of these schemes, current delivery systems need to be strengthened with system building and robust monitoring and evaluation.

Child Grant

Nepal introduced the Child Grant in 2009, an innovation in child focused social protection. Under the scheme, children aged less than five from poor Dalit families and all families in the Karnali Zone will get NRs 200 per month from late 2009 or early 2010 (MOF 2009b). The scheme marked a move away from Nepal's previous focus on providing social protection mostly for the elderly and disabled. The total budget allocated for this scheme is NRs 720 million and is expected to improve nutrition levels of about 400,000 children (MOF 2009b). The scheme is being implemented by the Ministry of Local Development. It is an important step towards what is hoped will evolve into a universal child benefit scheme.

Other social protection schemes

Education-related transfers

The direct and indirect costs of attending school in Nepal are high. Public expenditures in education have been increasing in the past decade but secondary education comes with a number of costs including fees, uniforms and textbooks (World Bank 2009). Scholarships are the most significant education-related transfer. Under the programme, 50 per cent of girls in primary school, especially those belonging to poor households or deprived groups, should receive a monthly stipend of NRs 350 per month based on school attendance. Another scholarship is for Dalit students in primary schools who should receive NRs 350 per month for attendance in school.

Text Box 7 **Trends in social protection in South Asia**

According to a study undertaken by UNICEF's Regional Office for South Asia (Social Protection in South Asia: A Review, Koehler et.al, Kathmandu, July 2009) expenditure on services for health, education, social protection and community infrastructure averaged 31% of government total expenditure over 2000-2007. Within the social services budget, the share of expenditures such as the various transfers and public works schemes averaged 21% for the period. As a share of GDP, however, fiscal budgets for social protection are small, averaging 1% across the region. Sri Lanka has the highest share with 3% of GDP. This compares with 12.5% of GDP for the OECD countries.

The efficacy of social protection interventions does not necessarily hinge on expenditure; the quality of the programmes, their coverage, reach and delivery mechanisms are equally crucial. One way of measuring outcomes is a methodology applied by the Social Protection Index of the Asian Development Bank. The index assesses social protection by a set of four indicators: *expenditure* on social protection as a share of GDP, *coverage* in terms of reaching priority groups, *distributional effects* in terms of a poverty targeting indicator and *impact* in terms of per capita social protection expenditure on the poor in relation to the poverty line. The methodology places Sri Lanka as above average, The Maldives as average and the remaining South Asian countries as ranking below average. Below are the rankings for South Asia. Nepal ranks third from the bottom among the seven South Asian countries.

Country	Score
Bangladesh	0.34
Bhutan	0.17
India	0.47
Maldives	0.30
Nepal	0.19
Pakistan	0.07
Sri Lanka	0.47
Comparator: Japan	0.96

Source: ADB 2007. Scaling Up of the Social Protection Index for Committed Poverty Reduction, http://www.adb.org/Documents/PRF/reg/RETA-6308-SPI-Vol1.pdf

A review by the World Bank found coverage of scholarship schemes was rather low, 19 per cent for girls and 12 per cent for Dalits (World Bank 2009). Other studies have indicated that students do not receive the stated amount since the scholarship is distributed to all students in the school rather than just those eligible. The World Bank review found that more than 50 per cent of those receiving scholarships were from better-off households (top three wealth quintiles) and 64 per cent of Dalits receiving scholarships came from poorer households (bottom two wealth quintiles) (World Bank 2009).

The government has initiated a mid-day meal programme for 170,000 students and edible oil programme for 50,000 students in 16 districts facing food shortage, low access to education and low enrolment for girls. This programme is to be implemented locally using local products (NPC 2009).

Health-related transfers

Under the Ministry of Health and Population's maternity-cost reimbursement scheme, women coming to a health facility for delivery receive NRs 1,000 for normal delivery and up to NRs 5,000

for delivery where surgery becomes a necessity (MOHP 2007). This scheme is aimed at encouraging women to use health facilities and to reduce maternal mortality during delivery.

The scheme does encourage women to come to a health facility for delivery but has suffered from problems associated with the absence of health personnel, poorly maintained facilities and equipment and lack of budget to pay the incentive. Moreover, since health facilities for delivery are used mostly by women from better-off households, this scheme may not benefit poor women.

The Ministry of Health and Population has extended free health care services at health posts, sub health posts and primary health care centres from November 2008. This will be extended to include district hospitals from January 2009. Moreover, the government has initiated a scheme to provide NRs.1000 per month for 12 months to HIV infected pregnant women for nutrition support to reduce the chances of low birth weight of their babies.

Employment-related transfers

A number of public work schemes including those under the UN's food-for-work programme are implemented in Nepal. In 2008/09, over NRs 26 billion was allocated for public work schemes towards improving rural infrastructure and generating employment opportunities for the poor (MOF 2008).

The food-for-work programmes are self-targeted since only the poor are likely to work in these types of programme. Although leakages have been reported, most of the food-for-work programmes have adopted a social auditing system to improve transparency and reduce leakages.

Under the one-family-one-employment programme, unemployed or people with annual income insufficient to feed the family for more than three months (especially from remote areas) will be provided jobs yielding NRs 180 to NRs 350 per day (NPC 2009). The focus is on covering 55,000 households in the Karnali Region (NPC 2009). Additionally, the 2008/09 budget creates employment for 270,000 people for 100 days under the Labour-oriented Development Programme based on people's participation, local infrastructure development and the Karnali employment programme (NPC 2009).

Another employment-related transfer scheme targets the poor under the Poverty Alleviation Fund (PAF). As of 2008/09, the programme covers 25 districts with a budgetary allocation of about NRs 3 billion. The programme funds rural infrastructure public-works projects identified and demanded by poor communities, as well as income-generating activities and skills training. The PAF employs both geographical and community-assessed wealth ranking methods to identify the poor. Nearly 240,000 poor households had been covered by the PAF programme as of mid-July 2008 (NPC 2009).

An impact evaluation of six districts under the PAF programme indicates that the programme has been effective in targeting the poor and alleviating levels of rural poverty (NPC 2009). Findings indicate improved conditions of children in households covered by the programme, but that, expansion of the PAF programme without increasing institutional capacity adequately may seriously compromise the programme's effectiveness.

Emergency social protection transfers

Nepal, along with large parts of South Asia, is highly vulnerable to the effects of climate change and natural disasters. Reduced and melting glaciers, droughts, floods and landslides lead to displacement, changes in livelihood patterns and disputes over land. The poor and traditionally disadvantaged populations are particularly vulnerable to the effects of climate change. It is estimated that about 50,000 persons are affected by natural disasters every year (NPC Undated). No systematic programmes for protection of such victims exist, although the Prime Minister's Disaster Relief Fund provides some assistance to victims through the Office of District Administration. In addition, the effect of rising commodity prices in 2008 seriously affected some eight million Nepalese living below or at the poverty line, expanding the numbers requiring food assistance from 1.3 million at the beginning of 2008 to 2.7 million by year end.

chapter 4

Child deprivation outcomes and disparities

4.1 Introduction

This chapter forms the core of this study, setting out a clear and evidence-based account of the reality of life for many children in Nepal. Using the Bristol methodology, it looks at deprivation outcomes and disparities according to seven core indicators as well as through the income/consumption approach to poverty.

4.2 Income poverty and deprivations affecting children

The NLSS 1995/96 (CBS 1996) and NLSS 2003/04 (CBS 2004) provide insights into the poverty levels of the population and households with children, based on a consumption basket. The national poverty line (NPL) is calculated on the basis of income required to purchase a bundle of food and non-food items considered essential to meet minimum calorie and other basic needs for a person.[22]

In Nepal's context, the use of a national poverty line is a more appropriate measure of poverty than the international poverty line (IPL) of US$1.08 ppp per person per day (1993 prices) because the latter tends to underestimate the proportion of households in poverty.[23] However, there is a general perception—although not substantiated by data—that the national poverty line also underestimates the extent of poverty in Nepal to a certain degree.

Data for Nepal reveal that households with children are more likely to be poor than households without children: 29 per cent of households with children were below the national poverty line compared to 26 per cent of all households in 2003/04 (CBS 2004). This equates to 36 per cent of children (4.25 million) compared to 31 per cent of the total population. Correspondingly, 20 per cent of households with children were below the international poverty line compared to 18 per cent of all households. It should be noted that although the incidence of poverty is lower when the international poverty measure is used, the pattern and distribution of poverty does not change.

The incidence of poverty declined by 11 percentage points for the total population between 1995/96 and 2003/04, while it declined by only eight percentage points for children (Table 4.1) (CBS 2004). This equates to a reduction of over 100,000 children living below the national poverty line. The corresponding reduction in the number of children below the international poverty line is more than twice the national poverty line. The widening gap between the decline in poverty for the total population and for children is a concern for child rights advocates and policy planners.

[22] National poverty line is NRs 5,089 per capita per annum in 1995/96 and NRs 7,696 per capita per annum in 2003/04.

[23] It should be noted that at the time of the study, the IPL was US$1.08 ppp per person day (1993 prices). This was later revised to US$1.25 a day. According to the revised IPL the proportion of poor living below the IPL in Nepal is 55.1 per cent – more than estimated by the NPL. For the sake of data consistency the definition of the IPL used in this report is $1.08 a day.

Table 4.1 Trends in consumption poverty

Indicators	1995/96	2003/04
Poverty among all households (%)		
By national poverty line	36.6	25.9
By international poverty line	28.0	18.1
*Poverty among household with children (0–17 yrs) (%)		
By national poverty line	39.2	28.8
By international poverty line	30.3	20.1
*Number of children in poverty (million)		
By national poverty line	4.34	4.25
By international poverty line	3.38	3.05
Percentage of total children in poverty	44.5	35.9
Percentage of total population in poverty	41.8	30.8

Source: *CBS, 1996; CBS, 2004, New ERA estimates based on NLSS 1995/96, 2003/04; see also Table 2.1.1 of statistical template.*

Notes*: National poverty line was NRs 5,089 per capita per annum in 1995/96 and NRs 7,696 in 2003/04, both at current prices; international poverty line is US$ 1.08 PPP a day per capita at 1993 prices.*

A linear projection based on the present rate of decline of the total population in poverty (1.4 per cent per annum) indicates that Nepal may achieve its MDG poverty target by 2015. However, as child poverty is declining by an average of one per cent per annum, it is unlikely that the target for reducing child poverty by half will also be reached.

Disaggregated analysis of poverty data reveals the following (see Table 4.2 and Figures 4.1 to 4.4):

- One in ten child in Nepal lives in persistent poverty (defined as having a per capita consumption less than two-third the requirement) (CBS 2004).
- Children from large households (7+ members), illiterate families and disadvantaged and Dalit households are likely to be the poorest. Children from rural areas, from households with small or no landholdings (< 1 ha), from hill regions and from families with a high dependency ratio (4+ children) are also among the poorest.
- The incidence of persistent poverty is particularly high (twice the national average) among children from Dalit and *janjati* households. Children from Dalit, *janjati* and Muslim families are also twice as likely to be poor as children from Brahmin/Chhetri and Newar families (about 40 per cent compared to about 20 per cent).
- Child poverty is higher among families with an illiterate household head (45 per cent) than among families with an educated household head (13 per cent).
- Children living in larger families (7+ members) experience an incidence of poverty three times higher (45 per cent compared to 15 per cent) than children living in smaller families. More than 50 per cent of children in families with a high dependency ratio (4+ children per adult) also live in poverty.
- Children in households with smaller landholdings (<1 ha) are twice as likely to be poor as children in households with larger landholdings.
- Child poverty is three times higher in rural households (39 per cent) compared to urban households (13 per cent).

- Children from the hills and mountains are twice as likely to be living in persistent poverty as children from the *terai.*
- All children from households within the lowest wealth quintile are poor, while about half of children from second lowest wealth quintile are poor.

Figure 4.1 Proportion of poor (%) by ethnicity /caste

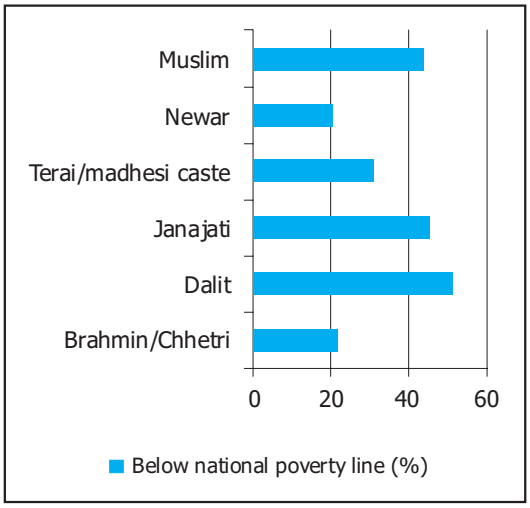


Figure 4.2 Proportion of poor (%) by region/residence

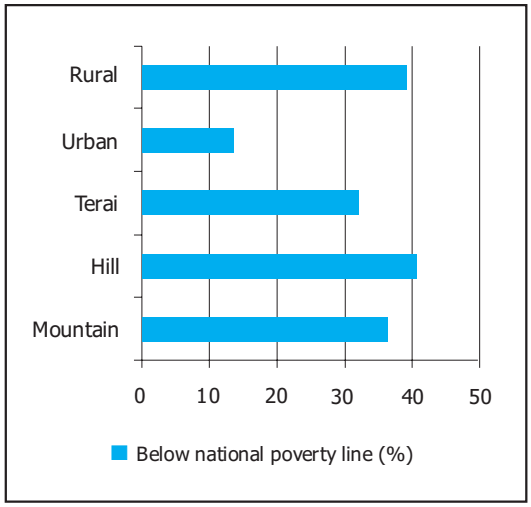


Figure 4.3 Proportion of poor (%) by education of household head

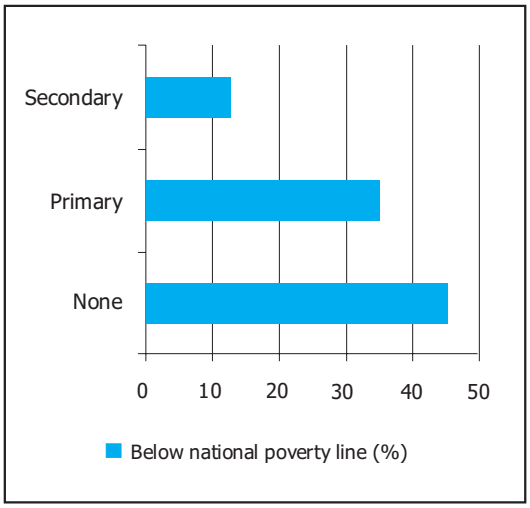
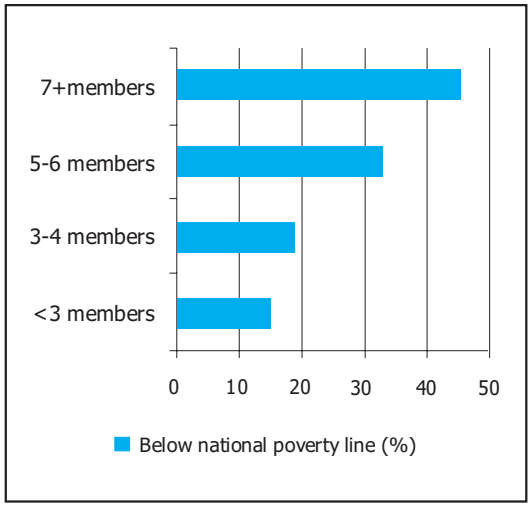


Figure 4.4 Proportion of poor (%) by household size



Source: *New Era estimates based on NLSS 2003/04.*

Note: *Those having per capita consumption less than two-thirds of the national poverty line are considered persistent poor.*

Table 4.2 Correlates of child poverty

Characteristics	Below national poverty line (%)	Persistent poverty (%)*
Household size		
<3 members	15.2	2.2
3–4 members	19.0	4.6
5–6 members	33.1	9.3
7+ members	45.7	15.1
Education of household head		
None	44.9	14.8
Primary	35.1	7.8
Secondary	12.7	3.0
Wealth quintiles		
Lowest	100.0	41.7
Second	40.8	0.0
Third	0.0	0.0
Fourth	0.0	0.0
Highest	0.0	0.0
Caste/Ethnicity		
Brahmin/Chhetri	21.8	8.5
Dalit	51.1	22.3
Janajati	45.3	23.0
Terai/madhesi caste	31.0	10.5
Newar	20.4	9.2
Muslim	43.8	13.3
Landholding		
<0.2 ha	39.6	12.6
0.2–1 ha	38.9	12.2
1–2 ha	26.0	5.6
>2 ha	18.1	4.2
Family vulnerability (categories not mutually excessive)		
Single-parent	36.9	12.1
Orphan child in household	38.2	13.9
High dependency ratio (4+ children per adult)	51.9	16.2
Region		
Mountain	36.2	10.1
Hill	40.7	17.0
Terai	31.9	6.0
Residence		
Urban	13.6	3.31
Rural	38.9	1.9
Nepal	35.9	10.7

Source: New Era estimates based on NLSS 2003/04.

Note: **Those having per capita consumption less than two-thirds of the national poverty line are considered persistent poor.*

Analysis of the incidence of poverty at the household level (households with children) reveals a similar pattern (Table 4.3). Larger households are twice as likely to be poor as smaller households. A household headed by an educated person is three times less likely to be poor that a family with an

illiterate household head. Interestingly, more male-headed households are poor than female-headed challenging the general assumption that female-headed households are more likely to be poor. The reason behind this anomaly could be that male members are absent due to employment outside the home, resulting in women being listed as the household head.

Multivariate analysis was carried out to determine which of the factors are statistically significant in explaining which households are likely to be poor. Logit regression was carried out with households likely to be poor as the dependent variable and correlates identified in as the independent variables. This is a more robust test to establish the significance level than non-parametric tests such as Chi-square.

Table 4.3 Correlates of consumption poverty among households with children (based on national poverty line)

Characteristics	Poverty rate for households (%)
Household size	
<3 members	15.9
3–4 members	17.9
5–6 members	29.1
7+ members	41.2
Education of household head	
None	37.2
Primary	28.2
Secondary	9.5
Gender of head of household	
Male	30.0
Female	23.5
Caste/ethnicity	
Brahmin/Chhetri	17.5
Dalit	42.8
Janjati	37.2
Terai/madhesi caste	25.7
Newar	13.0
Muslim	38.4
Landholding	
<0.2 ha	31.2
0.2–1 ha	31.4
1–2 ha	19.3
>2 ha	14.7
Family vulnerability (categories not mutually excessive)	
Single-parent	35.5
Orphan child in household	48.0
High dependency ratio (4+ children per adult)	48.8
Region	
Mountain	32.3
Hill	30.3
Terai	25.4
Residence	
Urban	8.7
Rural	32.3
Nepal	28.8

Source: *New Era estimates based on NLSS 2003/04.*

Estimates of odds ratio revealed that children in households with 7+ members are about four times more likely to be living in poverty than children in smaller households (<3 members); this is significant.

The tests again confirm that children in families where the household head is educated (secondary education or more) are less likely to be poor than children in households headed by an uneducated person. Further, children in Dalit, *janjati* and Muslim households are 3-4 times more likely to be poor than children in Brahmin/Chhetri households. Children in households with a high dependency ratio (4+ children per adult) are 2.6 times more likely to be poor than children in other households. Children in rural households are five times more likely to be poor than children in urban households.

The results of the multivariate analysis show that the important determinants of poverty are: household size, educational status of the household head, ethnicity/caste, residency and the dependency ratio of the household.

4.3 Extent of child poverty based on Bristol deprivation approach

As outlined in Chapter One, the approach used in this study to measure child poverty is based on the concept of child wellbeing, i.e., deprivations experienced by Nepalese children. The Bristol measures of severe deprivation have been used for this study rather than the MDG measure of deprivation, as they are more stringent.[24] The results of the severe deprivation analysis deserve greater attention as they present the absolute worst case scenario of child poverty.

Analysing child poverty through the lens of severe deprivations in at least one of the seven basic human needs (i.e., the Bristol indicators), data from the NDHS 2006 shows that more than two-thirds (69 per cent) of Nepalese children are deprived of at least one basic human need. This rate is almost double the estimation of children living in consumption poverty as defined in the national poverty line (35.9 per cent). Two in every five children (38 per cent) experience deprivation of at least two basic human needs and can be considered to be living in absolute poverty[25].

The extent of poverty as measured by the criteria for severe deprivation has declined over the last 10 years (Table 4.4 and Figure 4.5). It shows that children's access to all seven basic services has improved despite the conflict. This is similar to the trends identified for consumption poverty.

Table 4.4 Child poverty as deprivation of basic needs

Basic need	*Age group (years)*	*Incidence of severe deprivation*			
		1996		2006	
		%	Number (millions)	%	Number (millions)
Shelter	0–17	40.0	3.7	27.6	3.2
Sanitation	0–17	79.2	7.1	55.7	6.4
Water	0–17	20.6	1.8	11.4	1.3
Information	3–17	59.0	4.3	31.5	2.9
Food	0–4	16.1*	0.4	10.6	0.4
Education	7–17	21.8	1.1	9.5	0.6
Health	0–2	20.2	0.2	2.8	<0.1

Source: *New Era estimates based on NFHS 1996 and NDHS 2006.*

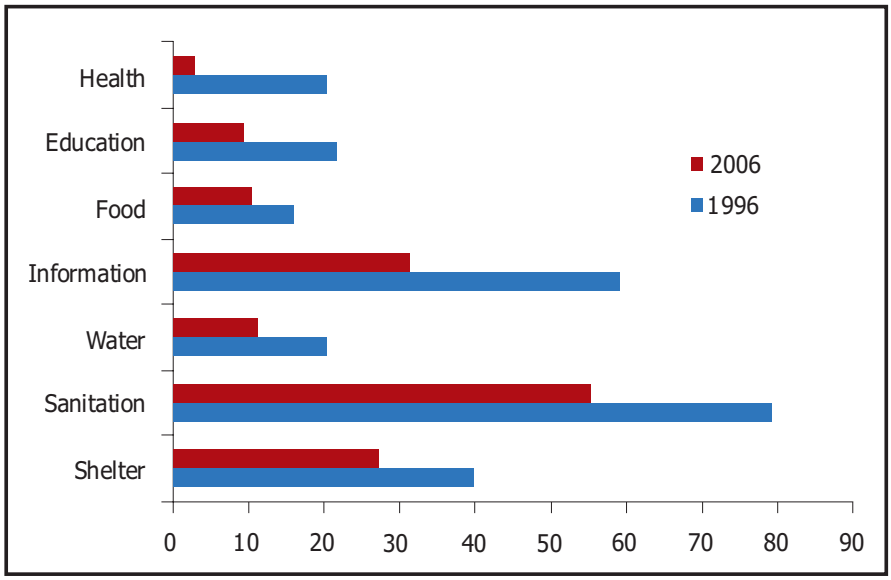
Note: **This is for children aged 0–2 years.*

[24] The thresholds use 'no schooling' instead of 'non-completion of primary school' for education, 'no sanitation facilities in or near dwelling' instead of 'unimproved sanitation facilities' for sanitation, 'no immunisation of any kind' instead of 'incomplete immunisation' and most important – especially for Nepal – for food deprivation, 'children under five years who are below minus three standard deviations from the mean weight of the international reference population' instead of the World Health Organization (WHO) standard which uses minus two standard deviations as the cut off for defining underweight. IPC March 2004, www.undp.org/povertycentre

[25] Gordon *et al*. (2003) consider children living with at least two severe deprivations as those in absolute poverty. Definition of severe deprivation for those seven indicators is much more stringent than those used in the official MDG indicators.

The number of children deprived of basic shelter has declined from 3.7 million in 1996 to 3.2 million in 2006. However, more than three million children still live in overcrowded conditions that adversely affect their health and contribute to high levels of morbidity.

Figure 4.5 Trends in the prevalence of severe deprivation (per cent)



Source: *CBS 1996, CBS 2004, New Era estimates based on NFHS 1996 and NDHS 2006.*

More than half (56 per cent) of Nepali children—some 6.4 million—have no access to toilet facilities. It is widely recognized that a lack of sanitation facilities is closely linked to high levels of diarrhoeal diseases, worm infestation and malnutrition among children and increased levels of morbidity and mortality.

The percentage of children lacking safe and adequate access to water supply declined from 20.6 per cent in 1996 to 11.4 per cent in 2006, a fall of some 500,000 children.

Almost one-third (31.5 per cent) of children (aged 3–17 years) are severely deprived of information or have no access to any form of media. Although the situation has improved substantially since 1996, 2.9 million children are have no access to information which is vital for realising one's full potential and exercising one's fundamental rights.

Although it is estimated that some 100,000 fewer children (aged 0–4 years) experienced food deprivation in 2006 than in 1996, there are still about 400,000 children who are severely deprived of food. Malnourishment is a serious obstacle to the survival, growth and development of children in Nepal. Even mildly or moderately malnourished children are likely to die from common childhood diseases than those that are adequately nourished. In addition, malnutrition is associated with impaired overall child development.

Nepal witnessed remarkable progress in the provision of basic educational services between 1996 and 2006, with a decline in deprivation of educational opportunities from 22 per cent to 10 per cent of children (aged 7–17 years). However, there are still 600,000 children, mainly Dalits and Muslims from rural areas, deprived of educational opportunities.

There was also significant improvement in basic health services between 1996 and 2006. In 1996, one in five children (aged 0–2 years) did not receive any immunization or treatment for illnesses such as ARI or diarrhoea. By 2006, this was reduced to 2.8 per cent.

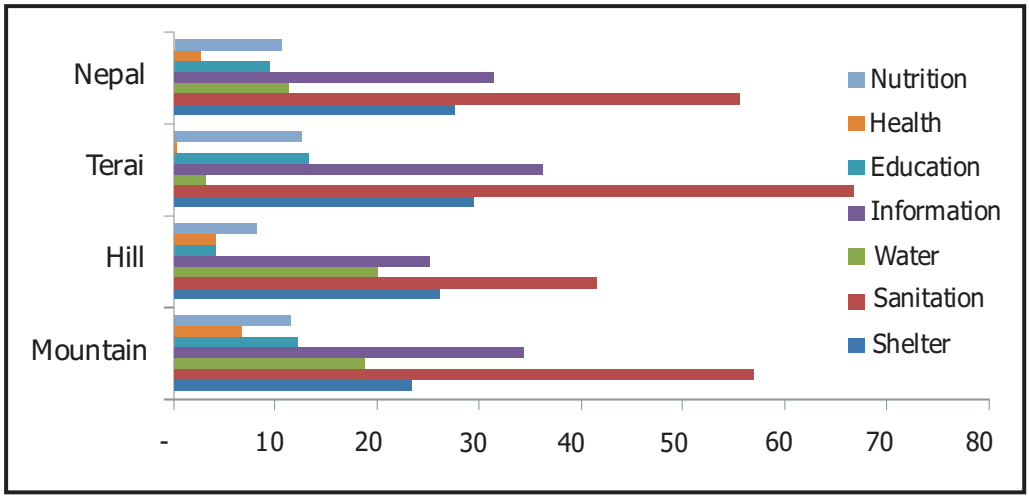
4.3.1 Disparities in child deprivation outcomes

Children in Nepal are most deprived of sanitation, information, shelter, water and food, in that order. Prevalence of deprivation of basic services is higher (more than two times) among rural children than urban children, except for basic health services (Table 4.5). The most pronounced differences are in access to food and sanitation services, followed by water and information.

Children in the *terai* are more deprived of sanitation services than children in the hill and mountain regions, but less deprived of water supply and basic health facilities. This is mainly due to easier availability of groundwater and ease of transport facilities in the *terai* which make health services more accessible. However, *terai* households usually have limited access to sanitation facilities primarily due to social factors such as unsupportive cultural practices and other factors like small landholdings.

Children from mountain regions are more likely to be deprived of food, health, educational and informational services compared to children from hill regions, due mainly to low levels of agricultural productivity and lack of access to basic services (Figure 4.6).

Figure 4.6 Prevalence of severe deprivation by region (per cent)



Source: *New Era estimates based on NFHS 1996 and NDHS 2006.*

Further analysis of deprivation at sub-regional levels (geographic and ecological) reveals more striking disparities (Table 4.5). Deprivation of sanitation services in the western mountains is more than twice that in the central and eastern mountains. Households in the western mountains are also more likely to have deprivations of water, education, health, and nutrition services than households in central and eastern mountains.

Table 4.5 **Severe deprivation experienced by children by regions and sub-regions**

	Shelter	*Sanitation*	*Water*	*Information*	*Education*	*Health*	*Nutrition*
Urban	22.92	20.99	6.67	17.09	5.01	3.33	4.8
Rural	28.35	60.98	12.08	33.73	10.22	2.78	11.4
Mountain	23.47	57.07	18.80	34.40	12.21	6.67	11.50
Hill	26.11	41.61	20.06	25.20	4.23	4.26	8.1
Terai	29.46	66.79	3.25	36.16	13.42	0.44	12.6
Eastern mountain	30.81	35.14	16.22	29.61	7.04	4.00	8.4
Central mountain	28.06	36.52	13.60	19.73	4.80	10.53	5.9
Western mountain	17.42	78.68	22.94	45.48	19.66	6.56	14.6
Eastern hill	34.58	40.17	22.28	26.23	3.78	4.35	7.6
Central hill	24.45	32.17	13.67	18.57	5.58	6.96	3.7
Western hill	27.09	31.13	14.05	25.58	1.99	0.00	8.9
Mid-western hill	23.99	70.76	29.31	30.52	3.84	4.84	11.0
Far western hill	18.50	57.77	41.69	37.54	8.08	9.52	15.0
Eastern *terai*	27.39	62.12	1.42	36.71	12.84	1.90	7.9
Central *terai*	32.95	78.29	6.31	46.55	23.69	0.00	17.2
Western *terai*	29.82	62.28	4.28	30.20	8.86	0.00	13.7
Mid-western *terai*	20.97	59.76	1.54	24.58	4.33	0.00	10.5
Far western *terai*	29.87	59.12	0.11	26.79	5.64	0.00	9.6
Nepal	27.6	55.7	11.4	31.5	9.5	2.8	10.6

Source: *New Era estimates based on NDHS 2006.*

Similarly deprivations of sanitation, nutrition, health and water are higher in the mid- and far western hills compared to the central and eastern hills. Deprivation of shelter is lower in the mid- and far western hills than in the central and eastern hills. The deprivations of sanitation, nutrition and health are lower in the far western, mid-western and western *terai* compared to the central and eastern *terai*.

Analysis of severe child deprivations by background characteristics reveals a similar pattern as seen with income/consumption poverty (Table 4.6). The analysis shows that nearly seven in ten children (70 per cent) experience at least one of the seven severe deprivations. Children whose mothers are not educated are twice as likely to experience at least one severe deprivation as children of educated mothers. Almost all the children from households in the poorest wealth quintile experience at least one severe deprivation, most frequently sanitation services. Only one in four children from households in the richest wealth quintile experience at least one deprivation.

Table 4.6 **Correlates of severe child deprivations**

Characteristics	*At least one severe deprivation*	*At least two severe deprivations (= absolute poverty)*
Mother's education		
No education	78.9	46.6
Primary	58.8	23.8
Secondary+	32.9	10.5
Wealth quintiles		
Poorest	96.6	74.9
Second	88.8	52.1
Third	73.0	33.3
Fourth	51.6	14.6
Richest	25.1	4.8
Caste/ethnicity		
Brahmin/Chhetri	54.6	26.3
Dalit	88.5	58.9
Janjati	70.4	36.7
Terai/madhesi castes	89.1	53.4
Newar	33.3	14.4
Muslim	85.9	51.6
Dependency ratio		
Low	86.9	37.6
High (4+ children per adult)	84.2	59.5
Region		
Mountain	75.4	43.0
Hill	62.1	33.3
Terai	74.1	41.3
Residence		
Urban	42.8	17.5
Rural	73.3	41.3
Nepal	69.3	38.2

Source: New Era estimates based on NDHS 2006

Nine in ten children from marginalized groups (Dalit, *janjati*, Muslim) are likely to face at least one deprivation, while only one in two children from Brahmin/Chhetri households face this level of deprivation. Children from mountain and *terai* regions and rural areas are more likely than other children to face at least one deprivation.

Children deprived of at least two basic needs are living in 'absolute poverty'. Accordingly, nearly two in five (38 per cent) children lived in absolute poverty in 2006. This is equivalent to 3.4 million children.

Children from households whose mothers have no education are four times more likely to be living in absolute poverty than children whose mothers are educated. Seven in ten children from households in the poorest wealth quintile are likely to be living in absolute poverty compared to less than one in ten children from the richest households. Half of the children from marginalized groups (Dalit, *janjati*, Muslim) are living in absolute poverty, while one quarter of children from the Brahmin/Chhetri group and less than one in five children from the Newar ethnic group are living in absolute poverty.

Children from rural households are twice as likely to be living in absolute poverty as children from

urban households. Children from the mountain and *terai* regions are more likely to be living in absolute poverty than children from the hill regions.

4.3.2 Correlation between indicators of child poverty

In order to assess how child poverty outcomes are affected by the various factors of deprivation, simple linear correlation coefficients have been computed. Correlation analysis was carried out to identify relationships between the various indicators of deprivation of child poverty. A correlation coefficient between two variables ($r>0.5$) is considered strong or weak at $p<0.05$ level of significance.

Significant positive correlations (Table 4.7) between any two deprivations and deprivations of shelter (r=0.502), sanitation (r=0.579) and information (r=0.602) were found. In other words, households that experience any two severe deprivations are also likely to be severely deprived of shelter, sanitation and information. Not surprisingly there is also a significant positive correlation between the poorest wealth quintile and any two severe deprivations. Additionally, the poorest wealth quintile households have positive correlations with severe deprivations of sanitation, water, shelter and information. Interestingly, this quintile has weak positive correlations with the deprivations of food, education and health. This could be due to the impact of targeted programmes for the poor.

Table 4.7 Correlation between indicators for child poverty deprivations

Wealth status/ deprivations	Poorest wealth quintile	Any two deprivations	Shelter	Sanitation	Water	Information	Food	Education	Health
Poorest wealth quintile	1	0.408(**)	0.252(**)	0.339(**)	0.319(**)	0.246(**)	0.044(**)	0.064(**)	0.084(**)
Any two deprivations	0.408(**)	1	0.502(**)	0.579(**)	0.311(**)	0.602(**)	0.170(**)	0.271(**)	0.073(**)
Shelter	0.252(**)	0.502(**)	1	0.189(**)	0.091(**)	0.168(**)	0.043(**)	0.064(**)	0.026(**)
Sanitation	0.339(**)	0.579(**)	0.189(**)	1	0.085(**)	0.286(**)	0.078(**)	0.153(**)	0.036(**)
Water	0.319(**)	0.311(**)	0.091(**)	0.085(**)	1	0.048(**)	0.016(*)	0.007	0.054(**)
Information	0.246(**)	0.602(**)	0.168(**)	0.286(**)	0.048(**)	1	-0.043(**)	0.167(**)	00.003
Food	0.044(**)	0.170(**)	0.043(**)	0.078(**)	0.016(*)	-0.043(**)	1	-0.042(**)	0.039(**)
Education	0.064(**)	0.271(**)	0.064(**)	0.153(**)	0.007	0.167(**)	-0.042(**)	1	0.004
Health	0.084(**)	0.073(**)	0.026(**)	0.036(**)	0.054(**)	0.003	0.039(**)	0.004	1

Source: *New Era estimates based on NDHS 2006.*
Note: *** Correlation coefficient significant at five per cent level.*

4.4 Water, sanitation and health deprivation

4.4.1 Water and sanitation

Although, Nepal has made significant progress in reducing the national child mortality rate (162 per 1,000 live births in 1990 to 61 per 1,000 live births in 2006) as per the NDHS 2006, the basic determinants for better health such as safe water, hygienic sanitation and hygiene are still in a critical state.[26]

[26] Chapter 4.1.10, Environmental Health and Hygiene NHSP-IP II (2010-2015).

A large majority of the population living in rural areas does not have access to safe drinking water and sanitation. The mode of excreta disposal plays a significant role in contamination of the environment and contributes to the spread of diarrhoea. According to the NDHS 2001, 65 per cent of households throw away children's stool haphazardly, while it was contained hygienically by only 18 per cent households. The practice of containing children's stool is much higher in urban areas (47 per cent) than rural areas (15 per cent) (MOHP *et al* 2001).

Water, sanitation and hygiene (WASH) are the basic primary drivers of public health. Humans find it difficult to survive without safe drinking water. Water and sanitation related infectious diseases are still being the most common causes of illness and deaths in developing countries and Nepal is not an exception. WASH-associated diseases including skin diseases, acute respiratory infections (ARI) and diarrhoeal diseases are the top three leading preventable diseases reported in Nepal. ARI and diarrhoeal diseases remains the leading causes of child deaths (10,500 diarrhoeal deaths among <5 yrs children per year, WaterAID Nepal (WAN) 2009) in Nepal (Table 4.8).

People with continued exposure to contaminated water, inadequate sanitation, smoke and dust and mosquitoes - especially children, women, marginalized people and vulnerable - are still falling sick. This is a problem that imposes a sustained and heavy burden on the health system. Given the environment's contribution to malnutrition, there is an urgent need to broaden the spectrum of interventions beyond the health sector. The statistics below highlight these facts:

- 7.1 million Nepalese have no access to improved water sources.
- 14.2 million Nepalese defecate in the open air every day (three-quarters of the population).
- Annually Nepal reported around 10,500 diarrhoeal deaths of which around 80 per cent are directly or indirectly associated with WASH. The recent diarrhoea/cholera outbreak in mid- and far-western development regions also reflects the outcomes of lack of safe drinking water, proper hygiene and sanitation facilities in those areas.

Table 4.8 Cause of death of among children under five (2006)

Cause of death	*Percentage of children under five years*
Tetanus	1.2
Congenital abnormality	4.2
Injury	3.1
Birth asphyxia	7.8
Birth injury	9.7
Measles	0.1
Measles followed by ARI or diarrhoea	0.2
Diarrhoea	4.8
ARI	23.1
ARI, diarrhoea	2.4
Other serious infections*	27.9
Preterm birth / low birth weight	3.1
Malnutrition	3.2
Cause not identified	9.1
Number of deaths	475

Source: *NDHS 2006*

* *Other serious infections include possible ARI and possible diarrhoea*

There is an urgent need to focus on preventive health care in Nepal, given the country's poor health, hygiene and sanitation situation and the Government's commitment to meet the MDG goals and targets in health and sanitation. It is a point of great concern that, according to present estimates, Nepal is unlikely to achieve the indicator for 'halving the proportion of the population without sustainable access to improved sanitation' which falls under MDG 7 on Environmental Sustainability.

In this context, the Ministry of Health and Population (MOHP) has a key role in encouraging preventive environmental health interventions like hygiene promotion, the use of sanitation facilities (including toilets) and household/environmental sanitation promotion.

Table 4.9 Millennium Development Goals and environmental health

Millennium Development Goal	*Environmental health determinants relating to child health*
1. To eradicate extreme poverty and hunger	▪ Expenses incurred for informal sector delivery of water and sanitation services, as well as costs of medical treatment, impose a burden on family budgets (including food budgets). Lack of adequate water and sanitation services leads to diarrhoea. These problems affect children's nutritional status adversely and indirectly add to a vicious cycle of poverty. ▪ In urban areas, time spent fetching or queuing for water limits earning capacity.
2. To achieve universal primary education	▪ The environment health burden has significant effects on school performance and attendance
3. To promote gender equality and empower women	▪ Women disproportionately suffer from (a) exposure to smoke from the use of biomass for cooking, (b) drudgery and inconvenience from poor access to water and (c) privacy and dignity issues related to inadequate sanitation. ▪ Time spent collecting water and firewood impinges on time to care for sick children or to seek livelihood opportunities
4. To reduce child mortality	▪ Leading causes of child mortality includes diarrhoea, ARI and malaria. Indoor air pollution adversely affects young children (exposure to smoke from biomass use). Sickness and deaths result from inadequate hygiene, water supply and sanitation.
5. To improve maternal health	▪ Inadequate hygiene and lack of availability of clean water results in poor health outcomes related to delivery and birthing ▪ Malaria and helminths affects pregnant women and can lead to malnutrition of the foetus
6. To combat HIV/AIDS, malaria and other diseases	▪ HIV-infected children especially need a clean environments ▪ Environmental conditions related to mosquito breeding (such as lack of irrigation, poor drainage and stagnant water) point to the need for adequate water resource management practices.
7. To ensure environmental sustainability	▪ Access to water and sanitation is a goal in itself ▪ Slum dweller (including children) face dismal living conditions, congested settlements and poor access to environmental services
8. To establish a global partnership for development	▪ Multisectoral coordination on environmental health issues is lacking. Both horizontal and vertical links is needed.

Source: Poverty, Health, & Environment – Placing Environmental Health on Countries' Development Agendas*" a Joint Agency Paper signed up to by 18 Lead Agencies including UNDP, WHO, World Bank, EC, DFID, SIDA, DANIDA, LSHTM, Water Aid etc., June 2008.*

A recent Joint Agency Paper, signed by 18 leading development agencies including UNDP, World Bank, WHO and the European Commission (EC), refers to the common disease patterns in developing countries.[27] It highlights the growing international recognition and evidence that issues relating to environmental health link closely to several Millennium Development Goals — not only with MDG 7, target 9, on ensuring environmental sustainability, but also MDGs 4, 5 and 6, that are linked to child mortality, maternal health and combating vector-borne diseases (Table 4.9).[28]

4.4.2 Health, child survival and equity

Nepal has made significant progress towards achieving the MDG target for reducing child mortality. If present progress is maintained, it is likely to achieve this goal. The overall progress, however, masks significant disparities between regions and social groups. Existing economic disparities are also closely associated with differential child mortality rates.

Trends in child mortality rates

There has been a significant reduction in all indicators of early childhood mortality. Between 1996 and 2006, U5MR was reduced by almost half from 118 to 61 deaths per 1,000 live births and IMR was reduced by one-third from 78 to 48 deaths per 1,000 live births (Table 4.10) (MOHP *et al* 1997; MOHP *et al* 2002; MOHP *et al* 2007).[29] These are remarkable achievements and are attributed to effective mass immunization campaigns and improved delivery of basic health services. Despite this progress, Nepal has one of the highest early childhood mortality rates in the region.

Table 4.10 Early childhood mortality trends (per 1,000 live births)

	1996	*2001*	*2006*
Neonatal mortality rate	49.9	38.8	33
Postnatal mortality rate	28.6	25.6	15
Infant mortality rate	78.5	64.4	48
Child mortality rate	43.2	28.6	14
Under-five mortality rate	118.3	91.2	61

Source: *MOHP et al 1997; MOHP et al 2002; MOHP et al 2007.*
Note: **Early childhood mortality rates are for five-year periods preceding the survey.*

U5MR by regions and economic and social groups

An analysis of IMR and U5MR by wealth quintile reveals an alarming trend. The poorest to richest ratios for both IMR and U5MR have increased over time (Table 4.11). This implies that early childhood mortality rates for the richest families are declining faster than for the poorest families.

[27] "*Poverty, Health, & Environment – Placing Environmental Health on Countries' Development Agendas*" a Joint Agency Paper signed up to by 18 Lead Agencies including UNDP, WHO, World Bank, EC, DFID, SIDA, DANIDA, LSHTM, WaterAID etc.) June 2008.

[28] Ibid.

[29] Note for Tables 4.10, 4.11 and 4.12 that State of the World's Children Special Edition 2010 shows that U5MR and IMR has decreased to 51 and 41 per 1,000 respectively.

Table 4.11 **Infant and under-five mortality rates over time by wealth quintiles**

	IMR*			U5MR*		
	1996	2001	2006	1996	2001	2006
Poorest	96	86	71	156	130	98
Second	107	88	62	164	125	83
Third	104	77	70	155	104	91
Fourth	85	73	51	118	97	63
Richest	64	53	40	83	68	47
Poorest/richest ratio	1.51	1.61	1.78	1.89	1.92	2.09

Source: *Johnson and Bradley, 2008.*

Note: **These figures are based on 10-year periods preceding the survey. Accordingly, IMR and U5MR for the whole of Nepal from this table would be different from more recent (five-year periods preceding the survey).*

The decline in IMR and U5MR is not uniform across the country or across social groups (MOHP *et al* 1997; MOHP *et al* 2007).

Table 4.12 **Trends in IMR and U5MR by background characteristics**

	IMR		U5MR	
	1996	2006	1996	2006
Sex				
Male	102	60	143	80
Female	84	61	136	78
*Household size				
Less than 3	NA	NA	NA	NA
3–4 members	NA	54	NA	78
5–6 members	NA	68	NA	88
7+ members	NA	54	NA	71
Mother's education				
None	98	69	149	93
Primary	80	58	99	67
Secondary+	54	29	61	29
*Caste/ethnicity				
Brahmin/Chhetri	NA	60	NA	78
Dalit	NA	69	NA	93
Janjati	NA	60	NA	82
Terai/madhesi caste	NA	65	NA	89
Newar	NA	37	NA	43
Muslim	NA	69	NA	NA
Region				
Mountain	136	99	208	128
Hill	87	47	127	62
Terai	91	65	139	85
Place of residence				
Urban	61	37	82	47
Rural	95	64	143	84
Development region				
Eastern	79	45	113	60
Central	86	52	138	68
Western	84	56	119	73
Mid-Western	114	37	178	122
Far Western	124	74	179	100

Source: MOHP *et al*, 1997; MOHP *et al*, 2007.

Note: * *New ERA estimates based on NFHS 1996 and NDHS 2006.*

Table 4.12 presents differentials in IMR and U5MR by sex, region and other social and economic groupings. There is no significant difference in IMR and U5MR between boys and girls (although the decline is higher for boys than for girls between 1996 and 2006). This may be because immunization programmes cover both boys and girls in the family, although coverage for the poorest children continues to lag behind. Household size does not seem to affect IMR and U5MR.

A mother's education has a significant impact on child mortality. The data shows that both IMR and U5MR are more than three times higher for children whose mothers are not educated. The rate of decline is also higher for mothers who are educated. Children from Dalit, *janjati*, *terai/madhesi* and Muslim communities have a higher IMR and U5MR.

Children from the hills have a significantly lower IMR and U5MR compared to children from the mountains. Children from the mid-western and far western regions have a higher IMR and U5MR. This may be because access to immunization and health services is difficult in the mountains and the mid- and far western regions. However, the rates of decline in IMR and U5MR are higher in these regions, indicating improved delivery of immunization and health services over the years.

IMR and U5MR for children from rural areas are almost twice that of urban children, similar to the consumption poverty pattern. This may be attributed to improved access, greater awareness and better economic conditions of households in urban areas. In addition, the rate of decline is higher in urban areas than in rural areas, resulting in a widening gap between urban and rural children which is of concern. Newars, being more literate and concentrated in urban centres mainly in the central and eastern regions, have the lowest IMR and U5MR.

Neonatal deaths

Analysis of Under Five deaths in Nepal has revealed that majority of children die in the first month of their lives, more specifically within 24 hours of birth. The current neonatal mortality in Nepal is 33 per 1,000 live births contributing to 54% of Under Five Mortality. Reducing neonatal mortality is key if Nepal wants to reach MDG 4.

Immunization coverage

Slightly more boys are covered by all vaccines than girls (Table 4.13). More children in the terai *and hills are covered by immunization than in the mountains. Children whose mothers are not educated and are from the lowest wealth quintile are least likely to be covered by immunization.*

Table 4.13 Immunization coverage by background characteristics

Background	*All basic vaccines*
Sex	
Male	84.9
Female	80.6
Place of residence	
Urban	86.3
Rural	82.4
Ecological zone	
Mountain	71.3
Hills	81.6
Terai	88.3
Mother's education	
No education	74.3
Primary	88.2
Some secondary	97.7
SLC and above	99.0
Wealth quintile	
Lowest	68.0
Second	82.4
Middle	87.1
Fourth	90.7
Highest	93.5

Source: *MOHP et al., 2007.*

Child disability

Children and young people make up a large proportion of the country's disabled population. In 2001 UNICEF conducted a disability cluster survey based on 13,000 households (75,994 persons of whom, 39,575 were under 20 years of age).[30] Based on estimations of this study the national prevalence of disability in 2001 was estimated at 1.63 per cent of the total population. About 25.5 per cent of total disabled persons were 14 years old or younger: one in four persons is a child (World Bank 2009).

Coverage of health facilities and health workers

There is wide variation in the number of health facilities and the distribution of health workers across the country. Mountain regions are sparsely covered compared to the *terai* and hills (Table 4.14). Despite the fact that more than half of health facilities are in the hills and *terai*, there are large gaps in the provision of health personnel and in actual staffing at all levels (DOHS 2008). Almost half the positions for doctors remain unfilled and 30 per cent of posts for nurses and 40 per cent of posts for health assistants and health workers are vacant in a typical regional health directorate. Health services are neither efficient nor accessible, owing to the lack of facilities (especially in remote areas) and health professionals and the inadequate provision of basic medicines and equipments.

[30] *A situation analysis of disability in Nepal*, Kathmandu, UNICEF/National Planning Commission, 2001.

Table 4.14 **Type of health institutions by region**

Type of institution	*Mountain*	*Hills*	*Terai*	*Total*
Sub health post	383	1600	1146	3129
Health post	151	377	170	698
Primary Health Care Centre/ Health Centre	18	90	78	186
District hospitals	16	33	16	65
District Health Office (DPHO)	16	39	20	75
Zonal Hospitals	–	–	8	8
Regional Hospitals	–	3	–	3
Regional Health Training Centres	–	3	3	6
Regional TB Centre	–	1	–	1
Sub Regional Hospital	–	–	1	1
Central Hospitals	–	7	1	8
National Health Training Centre	–	1	–	1
National Health, Information and Communication Centre	–	1	–	1
National Centre for AIDS & STD Control	–	1	–	1
National Public Health Laboratory	–	1	–	1
National Tuberculosis Centre	–	1	–	1
Singha Durbar Vaidyakhana	–	1	–	1
District Ayurvedic Health Centre	8	27	15	50
Zonal Ayurvedic Aushadhalaya	1	8	5	14
Ayurvedic Hospital	–	1	1	2
Ayurvedic Aushadhalaya	28	125	58	211
Unani Dispensary	–	1	–	1
Homeopathic	–	1	–	1

Source: *DOHS, 2008.*

4.4.3 Malnutrition outcomes and disparities

In spite of a modest reduction in malnutrition indicators in the past decade, the levels are alarmingly high, with half of children under five suffering from stunting.

Table 4.15 **Trends in nutritional status of children: based on various surveys 1975–2006**

Survey	*Year*	*Age group*	*Stunting (%)*	*Underweight (%)*	*Wasting (%)*
National Nutrition Survey	1975	6–59 months	69.4	69.1	13.0
Family Health Survey	1996	0–36 months	48.4	46.9	11.2
NDHS	2001	0–59 months	57	43	11
NDHS	2006	0–59 months	49	39	13

Sources: *WHO, 1997; MOHP et al, 1997; MOHP et al, 2002; MOHP et al, 2007. The surveys are not entirely comparable.*

Table 4.15 and 4.16 summarise variations in prevalence rates of underweight, stunted and wasted children aged less than five years.

Table 4.16 Nutritional status of children disaggregated by various characteristics, 2006

Background	*Underweight*	*Stunted*	*Wasted*
Urban	23.1	36.1	7.5
Rural	40.7	51.1	13.3
Male	37.5	49.0	12.9
Female	39.7	49.6	12.7
Ecological zone			
Mountain	42.4	62.0	9.4
Hill	33.2	50.3	8.4
Terai	42.3	46.3	16.6
Development regions:			
Eastern	32.9	40.3	10.1
Central	38.2	50.0	13.8
Western	38.5	50.4	10.9
Mid-western	43.4	57.9	11.6
Far western	43.7	52.5	16.7
Mothers' education			
No education	46.6	52.7	14.0
Primary	31.1	46.3	7.5
Some secondary	24.0	29.7	4.6
SLC and above	11.0	15.6	2.5
Wealth quintiles:			
Lowest	47.0	61.6	11.5
Second	46.0	54.9	15.2
Middle	41.7	50.4	15.2
Fourth	31.0	39.8	12.8
Highest	18.8	30.9	7.0

Source: MOHP et al, 2007.

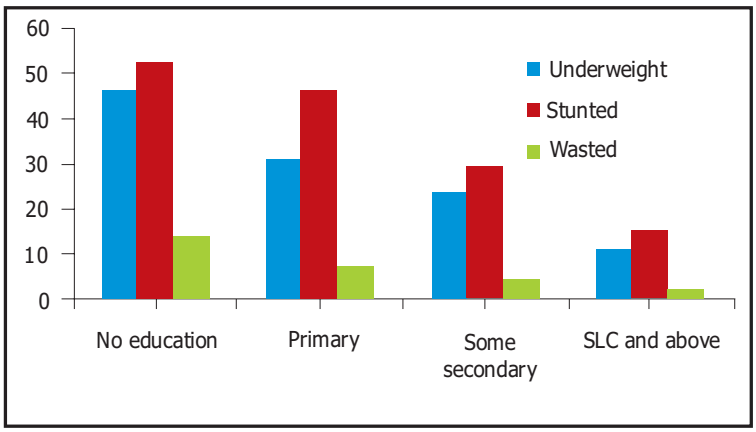
Rural children are more likely than urban children to be underweight (41 per cent compared with 23 per cent), stunted (51 per cent compared with 36 per cent) and wasted (13 per cent compared with 7.5 per cent). Children from the mid- and far western regions are more likely than other children to be underweight, stunted and wasted. Stunting is more likely among children from the mountains (62 per cent) than among children from the hills (50 per cent) and the *terai* (46 per cent). Children from the *terai* are twice as likely to be wasted (17 per cent) than children from the hills and mountains (about eight per cent).

The education of the mother has a significant bearing on the nutritional status of children (see Figure 4.7). Children of uneducated mothers are three times more likely to be underweight (47 per cent) and stunted (53 per cent) than children of educated mothers (secondary level and above). Children whose mothers are educated are five times less likely to be wasted (only 2.5 per cent). Children from the lowest wealth quintile are twice as likely to be underweight (47 per cent), stunted (62 per cent) and wasted (12 per cent) as children from the highest wealth quintile. Children from families whose mothers have no education and are in the lowest wealth quintile are more likely to be stunted and wasted than other children. Children's nutritional status is directly related to mother's education, household wealth and location of residence.

Various surveys since 1975 indicate a decline in stunted, wasted and underweight children (Table 4.15). However, the levels remain very high; at current levels, close to half the child population suffers from stunting, which translates into every second child under the age of five.

The extent of stunting among children aged 6–59 months has reduced from 69 per cent in 1975 to 49 per cent in 2006. The proportion of underweight children has declined from 69 per cent in 1975 to 39 per cent in 2006. However, wasting—an indicator of severe acute malnutrition—has changed very little, fluctuating between 13 per cent and 11 per cent. Although data have not been disaggregated by levels of poverty over the years, the NDHS 2006 indicates that children from households in the lowest wealth quintiles show the highest levels of malnutrition for all three indicators (Table 4.16).

Figure 4.7 **Prevalence of malnutrition indicators by mother's education**



Source: *MOHP et al, 2007.*

MDGs and outcomes in child nutrition

The MDG for hunger utilizes two indicators: prevalence of underweight children aged less than five years and the proportion of the population below the minimum level of dietary energy consumption. To reach the MDG target of halving hunger by 2015, Nepal needs to reduce the prevalence of stunting in children (aged 0–4 years) to 27 per cent. At the current prevalence rate of 49 per cent and with a reduction rate of 0.8 per cent per year, Nepal can be expected to reach 42.7 per cent by 2015. This is far higher than the 2015 target which will take an additional 15 years to reach at the current rate of progress. Efforts need to be rapidly scaled up if Nepal is to achieve the MDG of halving hunger by 2015.

In Nepal, the most common forms of malnutrition are protein energy malnutrition, iodine deficiency disorders and deficiencies of iron and vitamin A. There has been significant improvement in the availability of food and health services in the country over the last two decades. Child health services have effectively reduced U5MR and IMR. Good improvement in the reduction of micronutrient deficiencies can also be observed. Goitre has almost disappeared; clinical vitamin A deficiency is less of a public health problem (except in pregnancy) than before; and there is a decline in the prevalence of iron deficiency anaemia among women and children. However, the envisaged reduction in the prevalence of childhood malnutrition has not been achieved. As seen in Table 4.15, the prevalence of stunting has declined by eight per cent and the prevalence of underweight children by four per cent between 2001 and 2006. As stated above, the prevalence of wasting has not appeared to decrease.

General improvements in the food supply, basic health services and micronutrient deficiencies may hide regional disparity as well as a lack of progress in family health and dietary practices. The availability of food in the market does not mean it is affordable to every household and, even if it is,

not every member of the household may have an adequate share. The food situation has worsened in recent years with double-digit inflation, following local supply disruptions and declining production. The poor are the most affected because their expenditure on food often constitutes over 70 per cent of their household income. Immunization coverage and access to health services have helped children to survive but, in the absence of adequate feeding and care, children still suffer from stunting and underweight.

Causalities of malnutrition

The general model proposed by UNICEF to analyse the possible reasons why malnutrition remains a significant problem in Nepal is reviewed here (Engle et al 1997).

Food intake

Although almost every newborn is breastfed at birth, breastfeeding practices are far from satisfactory in Nepal. The percentage of those exclusively breastfed for up to six months has declined from 69 per cent in 2001 to 53 per cent in 2006 (MOHP *et al* 2002; MOHP *et al* 2007). Other problems associated with infant-feeding include the practice of giving pre-lacteal feeds, late introduction of complementary feeding, use of liquid or bulky energy-deficient complementary feeds and infrequent feeding. There is a general tendency to give pre-lacteal feeds, which leads to delay in initiation and establishment of successful breastfeeding and interferes with the feeding of colostrum. It may also contribute to the increased incidence of diarrhoea. The mother's or caretaker's duties within a busy household and farming chores leave little time for child-feeding and care, leading to infrequent or hurried feeding. Many working mothers feed their children 1.2 times a day after six months, whereas the required number of feeds is 5-6 times a day.

Complementary foods are often introduced too early or too late and less frequently than desirable. According to the Family Health Survey 1996 and the Demographic and Health Survey 2001, grain and cereal based food is the most frequent complementary food and meat and poultry based food the least frequent. The early introduction of energy deficient and bulky food seems to be a common unhealthy practice.

Diseases in infancy and childhood

Surveys (e.g., Family Health Survey, Demographic Health Survey) consistently report a high frequency of ARI and episodes of diarrhoea among children aged less than five years (Table 4.17).

Table 4.17 Percentage of children with ARI, fever, diarrhoea in two weeks preceding the survey

	1996 (<3 years)	*2001 (<5 years)*	*2006 (<5 years)*
ARI	34	23	8
Fever	39.4	32	16
Diarrhoea	27.5	20.4	12

Sources: *MOHP et al., 1997; MOHP et al., 2002; MOHP et al., 2007.*

As surveys differ in age groups studied and the seasons when surveys were conducted, it is difficult to ascertain the trend accurately. However, the percentage of children with ARI has reportedly reduced from 34 per cent in 1996 to eight per cent in 2006. Reported cases of fever have declined from 39 per cent in 1996 to 16 per cent in 2006 and children reporting diarrhoea episodes declined from 27.5 per cent to 12 per cent. This follows improvements in the coverage of immunization and vitamin A supplementation. A similar trend is reported for children visiting health facilities for treatment. Records of health facilities show an almost halving in the incidence of ARI and diarrhoea among children during this period (Table 4.18).

Table 4.18 **Percentage of children with ARI, fever and diarrhoea taken to a health facility**

	1996 (<3 years)	*2001 (<5 years)*	*2006 (<5 years)*
With ARI	43	24	18.2
With fever	34	–	–
With diarrhoea	27	21.2	13.8

Sources: *MOHP et al., 1997; MOHP et al., 2002; MOHP et al., 2007.*

Morbidity rates and care-seeking behaviour

ARI: The NDHS 2006 found that five per cent of children aged less than five showed symptoms of ARI at some time in the two weeks preceding the survey (MOHP et al 2007). The prevalence of ARI varied by age: children aged 6–11 months were more likely to have ARI symptoms (10 per cent) then children in other age groups. There was little variation by other background characteristics in the prevalence of ARI and in the percentage who sought treatment from health facilities.

Diarrhoea: The NDHS 2006 found that 12 per cent of children aged under five reported diarrhoea in the two weeks before. Two per cent of them had blood in the stool (MOHP et al 2007). Diarrhoea was relatively more common among younger children (6–11 months and 12–23 months), boys, children living in the mountains and eastern region and children with mothers in the lowest wealth quintile. Mothers' education did not seem to have an effect. The children who were most likely to appear for treatment at a health facility were 36–47 months, male, with severe bouts of diarrhoea, urban, with educated mothers and from the highest wealth quintile.

Data on child morbidity are not disaggregated by wealth quintile. Therefore, it is difficult to determine the effect of childhood illnesses on the nutritional status of children living in poverty. Although there is no difference in the percentage of children with ARI symptoms between the lowest and highest wealth quintile (MOHP et al 2007), the percentage of children admitted to a health facility is one and half times greater for children within the highest wealth quintile. Poor children are treated with antibiotics two times more frequently, receive less care and are sicker when admitted to a health facility. This may account for their higher mortality and lower nutritional status.

Household food security

As reported in the National Plan of Action for Nutrition (NPC 1998b), 36 per cent of people do not have enough food to meet the daily calorie requirement of 2,250 kcal per person per day. Estimates of available dietary energy, however, have shown improvements over the years. The average adult calorie intake reached 2,450 kcal per person per day during 2001–2003, up from 2,230 kcal per person per day during 1995–1997 and just 1,800 kcal per person per day during 1969–1971 (Food and Agriculture Organization (FAO) 2007).

While overall available dietary energy for adults has increased, there has not been a significant improvement in appropriate infant and young child feeding practices. As a result the nutritional status of children has not improved correspondingly.

Health services

Child health services, including immunization coverage, showed improvement between 1996 and 2006 (MOHP *et al* 1997; MOHP *et al* 2007). Eighty-three per cent of children were covered by all vaccines in 2006, almost 100 per cent more than in 1996 (Table 4.19). Significant gains were made in BCG, DPT3 and polio3 coverage, with over 90 per cent of children immunized. Successful immunization programmes have reduced child mortality significantly. It should be noted that more recent (2007–2009) figures for immunization from service register (Health Management Information System (HMIS)) show some fluctuation in the rates for coverage. However a recent survey by the

Nepal Family Health Programme/USAID in 40 districts of Nepal in rural clusters has shown that coverage of various antigen has not declined. BCG coverage has increased to 95%, DPT3 coverage has reached 90%, measles is still around 85.6% and children receiving all vaccines is still 83%.

Table 4.19 Immunization coverage

Vaccine	*1996*	*2001*	*2006*
BCG	76	85	93
DPT3	54	72	89
Polio3	51	92	91
Measles	57	71	85
All vaccines	43	66	83

Sources: *MOHP et al, 1997; MOHP et al, 2002; MOHP et al, 2007.*

Preventative actions

The care of children and women has shown some progress in certain areas, when reviewed against twelve desirable practices (Table 4.20). Immunization, micronutrient supplementation and antenatal care have improved, whereas exclusive breastfeeding, complementary feeding, safe disposal of faeces, feeding during diarrhoea and treatment at health facilities have not shown much, if any, improvement. This indicates that more actions are needed to improve current practices.

Table 4.20 Desirable child and women care practices

Desirable practice	*Status*
Immunization coverage	Needs attention
Micronutrient supplementation	Satisfactory for vitamin A
Antenatal care, tetanus toxoid	Improving more efforts are required
Exclusive breastfeeding	Declining, needs attention
Complementary feeding	Unsatisfactory, no evidence of improving trend, needs attention
Safe disposal of faeces	Unsatisfactory
Handwashing (HW)	Need for a targeted women and child focused handwashing (HW) promotion program[#]
Feeding during diarrhoea	Unsatisfactory, needs more in-depth study and interventions
Insecticide-treated bed-nets	No information
Home treatment of common illnesses	No information, in-depth studies with a focus on poor households needed
Seeking treatment outside	Unsatisfactory, but showing improving trends
Follow health workers' advice correctly	No information
Provide stimulating environment	No information

[#] *Note: Studies indicate that handwashing practices - especially after using a toilet - are commonly low in Nepal.*

Decision-making power of women

Women in Nepal are predominantly engaged in agriculture, have few skilled manual jobs and are less likely than men to be engaged in professional, technical and management fields. Furthermore, women lag behind men in educational attainment, literacy and exposure to mass media (MOHP *et al* 2007). All these factors determine the level of women's decision-making power.

NDHS 2006 explores women's decision-making power compared to men's in terms of income, type of earnings and control over cash earnings (MOHP *et al* 2007). Only 14 per cent of employed women are paid in cash, 27 per cent are paid in cash and kind, 41 per cent are paid in kind only and nearly 25 per cent do not receive any payment. Fifty-six per cent of women who earn cash incomes make joint decisions on its use with their husband. Thirty-one per cent decide on their own and about 10 per cent let their husbands make spending decisions. Only 20 per cent of women make their own health decisions. Husbands make the health decisions for a third of the women, while 27 per cent of women make joint decisions. Women tend to exercise very little decision-making power in the family. This has important ramifications with regard to child health and nutrition.

4.5 Deprivation outcomes in education

The role of education in reducing poverty is well recognized and education has received continued priority in national plans and the Government's budget. This has been reflected in a steady improvement in education outcomes over the decades.

The focus on education has concentrated on expanding the number of schools and on enrolment. In terms of schools, Nepal had 30,924 schools in 2008, an average of seven schools in each VDC (Table 4.21) (MOES 2008). A drawback is that the number of schools is not evenly distributed. Higher level schools are generally located in urban areas or rural market centres and towns. As expected, primary schools are most widely distributed. All types of private schools are concentrated in urban areas and small towns. All 30,924 schools offered primary education. Only 10,636 offered lower secondary schooling while 6,516 offered secondary level education.

The quality of teachers has also improved over the years. In 2008, the proportion of trained teachers reached 82 per cent at primary level and 84 per cent at secondary level, but was still relatively low (70 per cent) at lower secondary level. The proportion of female teachers also reached 39 per cent at primary level, which has contributed significantly to improving gender parity at the primary level (Table 4.21).

Table 4.21 Summary statistics of schools in Nepal, 2008

Item	*ECD/Pre-primary*	*Primary*	*Lower Secondary*	*Secondary*
Official age (years)	3–4	6–10	11–13	14–15
No. of schools* 23,659	30,924	10,636	6,516	
Percentage of private schools	15.4	13.4	24.3	31.0
No. of students (million) including private school	0.88	4.78	1.47	0.72
Percentage of students in private schools	NA	10.3	13.9	15.7
No. of teachers including private school	NA	143,574	37,068	26,925
Percentage of trained teachers+	NA	82.4	70.0	84.5
Percentage of female teachers	NA	38.6	24.7	15.9
Student-teacher ratio (public schools)	NA	43.8	57.9	38.6
Net enrolment rate per cent	63.4 (Boys 65.3, Girls 61.3)	91.9 (Boys 93.2, Girls 90.4)	57.3 (Boys 58.0, Girls 56.6)	36.4 (Boys 37.8, Girls 35.0)

Source: MOES, 2008.

Notes: **Total number of recorded separate schools in Nepal in 2008 was 31,156. A school having Grades 1–10 is counted four times, as a primary, lower secondary and secondary schools. For this reason the sum of different levels of schools far exceeds the total number of separate schools. +Includes partially trained teachers.*

However, inequalities in educational outcomes persist. Since Nepal has recognized education up to secondary level as a fundamental right, addressing existing disparities has become an urgent, albeit sensitive, political issue. Existing analyses of inequality in educational outcomes have generally focused on levels of participation. This provides an incomplete picture of education disparities as it ignores vital factors of access, attainment and quality.

Different data sources can be used to examine existing inequality in access to education. As NLSS 1995/96 and 2003/04 data do not capture the impact of more recent efforts in education, the analysis below is based on NDHS 1996, 2001 and 2006 data. One of the limitations of the NDHS is the lack of income/expenditure data. However, it collects asset information and a new technique to classify households into different economic groups on the basis of asset ownership has been successfully developed and used.

Trends in school enrolment

Increasing enrolment of children in schools has been Nepal's top priority. Recent evidence shows that this has been successful, especially at the primary level.

Table 4.22 **Trends in net attendance rates at different levels of school (percentage)**

Background characteristic	*Net attendance rate**			
	Primary school		Secondary school	
	2001	2006	2001	2006
Residence				
Urban	88.7	90.5	50.2	56.6
Rural	71.6	86.0	28.7	45.2
Ecological Zone				
Mountain	73.9	83.7	26.5	42.2
Hill	83.2	90.9	34.6	54.7
Terai	64.5	83.5	28.1	40.7
Development Region				
Eastern	74.9	86.0	31.9	46.9
Central	66.1	81.6	28.8	41.0
Western	80.7	90.1	37.6	51.5
Mid-western	71.1	92.1	26.6	52.9
Far western	78.0	88.9	26.0	47.1
Total	73.0	86.6	30.8	46.7

Sources: *MOHP et al, 2002; MOHP et al, 2007.*

Note: **Net attendance rate (NAR) for primary school is proportion of primary-aged (6–10 years) children attending primary grades. NAR for secondary school is proportion of 11–15 year olds attending secondary grades.*

In 2008, nearly eight million children were in school. The attendance rate was high in primary school, but it was still quite low at secondary levels (Table 4.21). Hence it is also necessary to look at completion rates / or survival rates (e.g. Grade 5) when assessing education outcomes, which is estimated at 81 per cent (UNICEF 2009).

Although school enrolment, especially at the primary level, has been increasing over the years, significant disparities are still observed. Table 4.22 shows that net attendance of primary age children from the *terai* and the mountains are significantly lower than from the hills. Net enrolment of primary-aged children is lowest for those from rural, poorest wealth quintile, Muslim and Dalit households (Table 4.23).

Table 4.23 **Net enrolment rate in primary school by selected characteristics, 2006**

Characteristics	*Net primary enrolment rate (%)*
Economic	
Poorest	80.6
Second quintile	84.3
Third quintile	87.4
Fourth quintile	89.0
Richest	94.5
*Caste/ ethnic/ religion	
Brahmin/Chhetri	92.3
Dalit	80.7
Janjati	83.2
Terai/madhesi caste	90.7
Newar	88.0
Muslim	62.4

Sources: *MOHP et al, 2007, *New Era estimates based on NDHS 2006*

A recent trend analysis of NDHS education data by economic groups reveals that disparities between the rich and poor are quite significant, but that there have been impressive equitable gains in primary school attendance (Table 4.24). Gender parity has also improved for all quintiles.

Table 4.24 Primary school participation* (6–10 years) by economic groups

Quintiles	*1996*			*2001*			*2006*		
	Girls	Boys	Gender parity	Girls	Boys	Gender parity	Girls	Boys	Gender parity
Poorest	37.3	61.0	0.61	53.4	74.6	0.71	80.8	87.1	0.93
Second	48.5	70.9	0.68	57.3	75.2	0.76	85.0	88.6	0.96
Third	51.9	73.3	0.71	61.1	76.2	0.80	85.5	95.4	0.90
Fourth	67.0	80.5	0.83	74.0	82.5	0.90	89.9	93.6	0.96
Richest	91.7	94.6	0.97	92.4	94.9	0.97	97.2	98.3	0.99
Total	57.3	74.9	0.76	66.1	80.0	0.83	86.8	92.3	0.94
Poorest/ richest ratio	0.41	0.65	-	0.58	0.79	-	0.83	0.89	-

Source: *Adapted from Johnson and Bradley, 2008.*

Note*: *School participation is higher than net enrolment rate, as participation includes enrolment in any grade whereas net enrolment considers only those enrolled in primary grades.*

Gains in primary enrolment have been more pronounced for girls than for boys between 2001 and 2006 (Table 4.24). During this period, there were massive 'Welcome-to-School' campaigns to attract children to schools. Given the impressive gains in enrolment as observed from the poorest/richest ratios (0.41 for girls in 1996 to 0.83 in 2006 and from 0.65 to 0.89 for boys for the same period), the public investment in primary schools has been pro-poor.

Differentials in repetition and dropout rates at the primary level

Class repetition and dropout rates are reasons behind high inefficiencies in the education system. The repetition rate at Grade 1 is high, although there was some decline between 2001 and 2006. However, repetition rates slightly increased for all other primary grades. NDHS data show relatively low dropout rates in all primary grades. Generally, dropout rates declined between 2001 and 2006, but it increased at Grade 5 (Table 4.25).

Table 4.25 Trends in repetition and dropout rate

Grades	*Repetition rate*		*Dropout rate*	
	2001	*2006*	*2001*	*2006*
One	32.7	28.0	1.4	0.7
Two	9.7	10.6	1.3	0.6
Three	7.5	8.8	2.0	1.0
Four	6.4	10.4	2.8	2.1
Five	6.2	8.3	2.6	4.1

Sources*: MOHP et al, 2002; MOHP et al, 2007.*

Analysis of NDHS data shows significant differentials in repetition rates by residence (rural/urban) and by wealth. The pattern for dropout rates is not very clear probably because of relatively low dropout rates at all levels (Table 4.26). The repetition rate is highest at Grade 1 and then drops dramatically at higher grades. This is probably because many underage children enrol in Grade 1 and tend to repeat the grade.

To reduce repetition rate at Grade 1, early childhood centres are being established for children aged 3–4 years. The Grade 1 repetition rate for rural children is almost double that of urban children. Repetition rates in all grades are higher in rural areas. This indicates lower efficiency of primary schools in rural areas than in urban areas. As expected, children from the poorest households tend to repeat their grades more than children from better-off households. This may be related to a number of deprivations poorer children face. Addressing them would result in higher efficiency of the education system.

Table 4.26 Repetition and dropout rate by residence and economic groups

Background characteristic	*Repetition rate*					*Dropout rate*				
	1	2	3	4	5	1	2	3	4	5
Residence										
Urban	16.5	6.0	8.2	6.5	4.8	1.8	0.6	1.5	2.3	2.4
Rural	29.2	11.2	8.9	11.1	8.8	0.6	0.6	1.0	2.0	4.4
Wealth quintile										
Poorest	33.9	19.5	14.6	15.5	13.1	0.8	0.9	1.3	3.1	9.4
Second	26.4	11.6	9.0	5.7	8.2	0.8	0.7	1.3	2.7	3.0
Third	34.3	6.11	9.2	13.7	11.3	0.4	1.0	1.3	2.2	3.6
Fourth	18.0	0.9	5.3	9.3	6.5	0.8	0.0	0.4	0.7	4.0
Richest	18.0	3.4	5.9	7.7	2.2	0.7	0.4	0.8	1.8	1.2
Total	28.0	10.6	8.8	10.4	8.3	0.7	0.6	1.0	2.1	4.1

Source: *MOHP et al, 2007.*

4.5.1 Analysis of disparities in educational outcomes

Nepal has witnessed significant improvements in children's access to primary school with the net enrolment rate in 2006-2007 at 87.4 per cent (MOHP *et al* 2007). Economic poverty of households clearly appears to be one of the main reasons for children not attending school. Although public primary schools are supposed to be free, significant direct and indirect costs have to be borne by families. These costs act as a significant barrier for children from poorer households. Moreover, such households also incur a significant opportunity cost in terms of income forgone in sending their children to school since a significant number are engaged in some economic activity at farm and household levels.

The lowest enrolment rates are observed among Muslim, Dalit and *janjati* children. Since Nepali is the medium of instruction in most primary schools, children from groups that are non-Nepali speaking, face an additional barrier. This problem is being addressed by the School Sector Report Plan (SSRP) which aims to provide Grade 1 teaching in Mother Tongues together with Nepali.

School facilities are generally poor. Many schools lack basic facilities such as toilets, drinking water and furniture (GON et al 2006). These schools have problems attracting and retaining students. Many children from marginalized groups also say they face discrimination from teachers and fellow pupils.

Another group severely deprived of educational opportunities are the physically challenged. Nepalese schools, even in urban areas, are ill-prepared to cater to the needs of the disabled. Even when they are enrolled in schools, these children face discrimination.

The education curriculum has improved over the years. However, it is still heavily oriented towards the needs and aspirations of urban elites. Rural parents, who cannot expect their children to go beyond the primary level, find school learning irrelevant to their way of life. Some leaders from remote rural areas have even remarked that the school system is producing 'misfits for society'. They say school children start shunning household agricultural work as being beneath their 'dignity'. At the same time, they do not have enough education to be eligible for white-collar jobs, which are in any case scarce.

The analysis of NLSS 2003/04 data shows that a mother's education has a significant impact on whether children go to school. Children whose mothers are educated are far more likely to attend school than those children whose mothers have no education. According to the NDHS 2006, more than one half of Nepalese women aged 15–49 years were illiterate in 2006 (MOHP *et al* 2007). This is indicative of the weak non-formal education efforts of the country. A significant increase in the literacy rate of women, especially those from deprived groups, would contribute towards improving access to education of those children who are still deprived.

chapter 5

Key findings on child deprivation and disparities

This study has set out to show the many faces of child poverty in Nepal. It has used a combination of methods — looking at deprivation through the income/consumption poverty of households with children, the MDG indicators, the Bristol methodology's deprivation indicators and the pillars of child wellbeing, with a particular focus on child protection and social protection.

It has done this with one main aim — to push policy makers into action by highlighting the urgency of the situation.

This chapter summarises the key findings of the study. Chapter Six goes on to suggest some strategies for addressing child poverty and deprivation in Nepal. Given the scope of the study, the recommendations are not exhaustive but intended to encourage discussion on strategies to make inroads into the alarming state of child poverty in Nepal.

The scale of child poverty

The incidence of poverty in Nepal is higher among children (36 per cent) than among the general population (31 per cent). Although the proportion of children living in poverty declined by eight percentage points between 1995/96 and 2003/04, the actual number of children living in poverty declined by only two per cent (or 100,000 individuals), because of population growth. There are still 4.2 million Nepalese children living in poverty.

Nepal could meet its target of halving overall poverty to 27 per cent by 2015 if the current rate of decline of 1.4 percentage points per annum continues. Under the current circumstances, however, it is unlikely Nepal will halve child poverty by the same date (child poverty is only falling by an average of one percentage point per year). There is a clear need to redouble efforts to reach poor households with children.

Disaggregated analysis shows a high incidence of poverty for children from large households (7+ members), marginalized caste/ethnic groups (Dalit, *janjati* and Muslim), families with small landholdings (<1 ha), families with a high dependency ratio (4+ children per adult), vulnerable (single-parent and orphan-child) families headed by an illiterate person, especially a non-educated mother, and families from the lower wealth quintiles.

Nearly 11 per cent of Nepalese children live in persistent poverty (where per capita consumption is less than two-thirds the requirement). The highest levels of persistent poverty are observed among children from Dalit and *janjati* households and households in the poorest wealth quintile. Persistent poverty is also high among large families (7+ members) with a high dependency ratio that live in the hills.

Using severe deprivation criteria gives a much more comprehensive picture of child poverty than just relying on measuring income and consumption levels. More than two-thirds (69 per cent) of children are severely deprived in at least one of seven deprivation indicators. More than one-third (38 per cent) live in absolute poverty because they are severely deprived in at least two deprivation indicators. Just 36 per cent of children live in poverty and 11 per cent in absolute poverty when measured purely by consumption.

The nature and scale of deprivations

The biggest single deprivation that children face in Nepal is a lack of access to sanitation. It affects 55 per cent of Nepal's children — around 6.4 million young people. **Sanitation deprivation** has a direct impact on children's health. Diseases linked to inadequate supplies of safe water and bad sanitation are the leading cause of child morbidity in the country. The situation is poor across Nepal but sanitation deprivation is three times worse in rural than in urban areas. It is unlikely that Nepal will manage to reach the MDG target of halving the proportion if its population without sustainable access to improved sanitation.

The second biggest deprivation is lack of adequate shelter which affects a third of Nepal's children. More than three million children live in overcrowded conditions, with a serious impact on their health. A third of children are also deprived of access to **information**.

Malnutrition rates in Nepal are a scandal. One in every two children under the age of five is considered to be stunted. This means around 850,000 children will probably face difficulties meeting their full intellectual potential. In extreme cases they could suffer permanent intellectual damage. The disparity between rich and poor has increased, especially for severe nutritional conditions. Under-nutrition is highest among children from rural areas, poorer families and mountain regions. Children of less educated mothers have the worst nutritional status. Nepal is a long way off meeting its MDG target of halving hunger by 2015. To do this it needs to cut the prevalence of stunting in children (aged 0–4 years) to 27 per cent, from the current rate of 49 per cent. At the current rate of annual decline, Nepal will not meet this target until around the year 2030. There is clearly an urgent need to step up efforts in this area.

The Government's focus on **education** has had a clear, positive impact. Enrolment rates of primary-aged children stand at 90 per cent (although the figures are much lower in secondary schools) and Nepal is on track to achieve the MDG 2 on education. The country now needs to try even harder to reach the remaining children in poorer and marginalized groups in rural areas and bridge other social and economic disparities. Net enrolment of primary age children is lowest among those from rural Muslim and Dalit households from the poorest wealth quintile. Nepal also needs to improve the quality and relevance of the education on offer.

Health deprivation is on the decline, shown by declining child mortality rates and increased coverage of immunisation and treatment for diseases. Fewer than three per cent of children experienced severe health deprivation in 2006 (MOHP *et al* 2007), as measured by the Bristol methodology. If the present rate of decline in child mortality is maintained, Nepal is likely to meet the MDG target for reducing child mortality. However, neonatal mortality is now increasing as a proportion of U5MR. Delivery and postnatal services will have to be improved if Nepal wants to see a significant reduction in neonatal mortality rates. The country has made limited headway in increasing the use of skilled birth attendants (e.g., doctor, nurses, etc) during delivery and the MDG target is unlikely to be met. This may adversely affect Nepal's progress on reducing maternal mortality.

Childhood mortality rates are closely related to the family's location and its social and economic status. Families in the poorest wealth quintile have the highest child mortality rates (IMR and U5MR). Disparities in IMR and U5MR rates between the rich and poor have widened over the years. Rates are also higher for children residing in rural areas and the mountains and *terai*. Children from marginalized groups (Dalit, *janjati* and Muslim) also have high IMR and U5MR. Surprisingly, children from *terai*/*madhesi* castes who experience average levels of poverty also have higher levels of IMR and U5MR. Early childhood mortality rates are higher for those groups who do not use skilled birth attendants during delivery. There is also a close correlation between mortality rates and the level of the mother's education.

Nepal has ratified a number of treaties on children's rights and the Interim Constitution recognises a child's right to protection. Despite this, only about a third of children have their births registered and nearly a third of children aged 5–14 years work as child labourers. More than 127,000 children aged 10–14 years are engaged as porters, domestic workers and some of the other worst forms of child labour. There are also a growing number of street children. An estimated 5,000 to 7,000 Nepali girls and young women are trafficked to India every year.

A large number of children are victims of violence and need support and justice. Child protection activities, however, are under-funded. Enforcement of child protection laws is weak and there is a particularly worrying lack of child friendly justice processes. Some districts have set up juvenile benches but the coverage is far from comprehensive and there are some notable gaps in the services on offer. There is a need for greater coordination between international organisations and government agencies working in this area.

The Government is becoming more aware of the need for a comprehensive **social protection** programme and greater public investment is being made in social protection schemes. The introduction of the Child Grant in late 2009 was a breakthrough. Yet, the role of the State in providing social protection to the poor and vulnerable groups remains weak. The existing social protection system covers only permanent and retired public servants and, to some extent, the old, the destitute, widows and people living with disabilities. Poor and vulnerable groups have to rely on whatever social protection their family members or communities can provide and this is often inadequate. At the policy level, Nepal still needs a more harmonised and strategic framework. Social protection and social assistance schemes are administered by a large number of different agencies. As a result, coverage is uneven and there are shortfalls in delivery mechanisms, monitoring and evaluation.

chapter 6

Strategies for improving child wellbeing in Nepal

Improving data, governance and legislative frameworks

During this first study of child poverty and disparities in Nepal it has become apparent that there are major data gaps. National surveys (such as NLSS, NDHS, etc.) and the census should make provisions to enable analysis of age- and gender-disaggregated data in the future. This will improve the ability to monitor progress and for adjustments to be made to policies and programmes in favour of children.

Good public service delivery is crucial for reducing child poverty and deprivation. However public sector institutions are generally weak at implementing programmes and available resources are often not utilized effectively. Service delivery is fragmented across sectors and monitoring of service impact is virtually absent. The policy of devolution of authority to local communities must be strengthened and the prioritization of women and children, and their participation, in local governance must be further promoted as Nepal considers models of Federalism under the current Constitution drafting.

The drafting of a new Constitution for Nepal is a good opportunity to strengthen child rights in line with the UN Convention on Child Rights. In line with these efforts, a wide-body of legislative reforms will be needed, including the important new Child Rights Act currently under development.

Prioritize water and sanitation

Nepalese children experience high levels of deprivation of their basic needs. The most frequent deprivation experienced by children is lack of sanitation facilities which causes high morbidity and has a negative impact on their nutritional status. All partners need to be mobilised to urgently tackle the lack of sanitation facilities. This will prove cost-effective as it improves the health and nutrition of children with long-term benefits.

Children need better access to sanitation facilities to improve their health and nutrition. Many Nepalese children suffer from frequent diarrhoea which is linked directly to poor quality drinking water, lack of sanitation facilities and poor hygiene. Malnutrition, which is a major problem among Nepal's children, stems from illnesses caused by poor sanitation.

The three crucial elements of "Water – Sanitation – Hygiene (WASH)" all need to be given equal importance to properly tackle the problems of sanitation and poor drinking water like the three legs of a stool. If one or more of the legs is weak or missing then obviously the benefits of the others will automatically be severely constrained and the potential for reducing poverty and increasing preventative health outcomes will be missed. A strategic hygiene behaviour change campaign used ahead of water and sanitation interventions can have a big overall impact on outcomes.

Prevention is better than cure

The current public investment in health of about five per cent is inadequate to effectively address the issues at hand and should be gradually increased to about 10 per cent of the national budget. Given the nature of the disease burden in Nepal most investment should be for preventive, promotional and primary health care services.

The public health delivery system should be made more efficient as poor people rely on public health institutions for their health services. Strengthening the public health system requires additional financial resources as well as improvements in its management. The present policy of decentralization of health services by devolving management authority of local health institutions to communities is a step in the right direction. There are opportunities that can be exploited: primarily, the institutional infrastructure for basic health service delivery already exists in Nepal. At the community level, health services are provided through 209 primary health centres, 677 health posts, 3,126 sub health posts and 14,366 outreach clinics (DOHS 2008). There are also more than 48,000 Female Community Health Volunteers (FCHVs) who regularly visit mothers and children in their homes to offer health-related preventive, promotional and curative services (DOHS 2008). Most of these units and volunteers are engaged in providing specific health and nutritional services such as growth-monitoring and biannual vitamin A supplementation and de-worming, as well as iron/foliate supplementation. There are also institutions reaching communities in remote areas (such as community forestry user groups, water user committees, etc) that provide services in agriculture, animal husbandry, irrigation and education. Well-coordinated efforts among these institutions could improve the effectiveness of child health and nutrition programmes.

The policy of free health services in public health institutions is a good start but more needs to be done to improve the quality and effectiveness of services. Attention needs to be given to ensure the presence of appropriate health personnel, adequate supply of drug, medical supplies and proper maintenance of medical equipment. Devolution of management authority to the local level should help improve the management of health institutions.

Malnutrition needs to be tackled at multiple levels

More focused and effective programmes are needed to improve children's nutritional status. Without an appropriate legal framework and policy provision for pro-poor child nutrition programme progress in this sector will not achieve the envisaged outcomes.

The main component of nutrition programmes should be the improvement of childcare practices. Children from poor families will need supplementary food as will mothers and infants as overall consumption levels for these families are lower than the minimum requirement. Extra attention is required to be given to Nepalese women before and during pregnancy and in the first two years of an infant's life.

The Government's new policy of free access to basic health services for all (particularly the poor and disadvantaged) could be expanded to include child nutritional programmes targeting the poor. These policies/programmes should be based on comprehensive research that analyses the nutritional status of children according to sex, ethnic groups, wealth status, educational status and geographical regions. Programmes that use a blanket approach without due recognition to local situations will have limited success. A more flexible but better focused pro-poor child nutritional programme is needed. The Child Grant is an excellent opportunity to improve the nutrition levels of poor children as the grant is primarily aimed at improving their dietary intake and nutritional status. This could be expanded so that the beneficial impacts can be broadened.

The gains of education need to be widened

Although Nepal has witnessed significant improvements in school participation of primary-aged children, 10 per cent are still not in school. These children are primarily from remote regions, poor families, marginalized groups and those living with disabilities. The present incentive scheme targeted at these children is appropriate but its implementation needs to be made more effective. There should be adequate funding for such programmes as well as regular monitoring. Guidelines to schools on how to include children from marginalized groups who are really poor will help to address the problems faced by school managers in the distribution of the incentives. At the moment schools are coming under pressure from parents to give the incentives to children from non-poor marginal groups.

Greater attention needs to be given to improving the quality and relevance of school education. This will require more effort on the part of teachers, a fairer distribution of teachers as well as an increase in teacher numbers in line with increased enrolment. There needs to be closer supervisory support for teachers and curriculum reform. There should also be increased support to the ECD programme as this helps to improve the educational quality and efficiency outcomes of the education system.

Investment in education needs to be increased from the current levels of around 16 per cent to about 20 per cent of the total national budget. This may be possible by freeing up public investment from large infrastructure projects especially hydropower which should attract private or direct foreign investment.

The education system needs to be made more efficient. Devolution of school management to local School Management Committees (SMCs) is the right strategy but there needs to a concerted effort to improve the capacity of SMCs. The Government's monitoring and supervision system needs to be reinvigorated.

The present policy of allowing private schools should be continued despite mixed signals from the Government since budgetary constraints prevent provision of public schooling for all children who are currently attending private schools. A more prudent strategy would be to devote additional public resources to improving the quality of public education. If the public education system was improved it would stop thousands of people seeking private education as the only viable option.

A more vigorous child protection system is required

The revision of the Child Act is providing the opportunity to strengthen the protection of children and there is a strong need to gradually overcome the so-called issue-based approach and move towards system building. In the area of system building, the Government of Nepal will need to strategically accelerate results in the following areas:

- Incorporation of child protection issues into national and decentralized planning processes to ensure that child protection issues are adequately addressed by different sectors.
- Gradually improve the justice and security sector systems to protect children who come into contact with the law as victims, witnesses and offenders as well as reducing impunity for crimes committed against children.
- Strengthen coordination amongst those involved with the child protection system and improve referral mechanisms to ensure that children whose rights have been violated receive adequate services.
- Strengthen the protective role of communities to ensure that a protective environment for children is gradually built and consolidated.
- Strengthen the protective role of families and gradually ensure the development and implementation of social protection interventions to mitigate risks and vulnerabilities among children.

A programme should be established which can provide community solutions for juveniles as an alternative to the formal justice system. Such a system should include local authorities as well as NGOs and other bodies such as Paralegal Committees. In addition, the overly institutionalised approach to childcare needs urgent review so that child-related support to families and communities are offered as the first option.

The Women and Children Service Centres should be strengthened and awareness programmes to educate the general public about child rights should be continued. The MOWCSW and DCWBs should be made more functional and active and they should focus more strongly on child rights (rather than simply on child welfare). The capacity of local bodies should be strengthened to

maintain a sex-disaggregated database of children including the incidence of violence against children at the local level.

The capacity of all those who directly work with and for children must be developed. Training should be provided to help improve people's understanding of the rights of children. The State should invest in systematic education and training programmes helping professionals to prevent, detect and refer violations against children.

More effort needs to be made to ensure that different forms of violence against children and adolescents are recorded and analysed. The Government of Nepal needs to address this issue and should take a lead in developing a plan of action on violence against children with realistic, time-bound targets. It should involve multiple sectors to ensure there is a broad-based implementation strategy.

Social protection prioritising children will have cumulative benefits

Social security coverage is limited and the distribution system is weak. Establishment of a social security system that benefits all poor households with children would be an effective way to address child poverty and boost national development. Cash transfer schemes for poor families with children, along the lines of the new child grant, especially in the remote regions, could be considered as one possible course of action. Nepal's development partners could support such schemes.

The recent establishment of the National Steering Committee on Social Protection and its effort to develop a national social protection framework will contribute to alleviating child poverty. The social protection strategy should take a systemic approach to ensure that professional services for intervention at all levels of society (family, community, school, etc) are developed. The country's poverty reduction strategy ignores the need to address specific issues relating to poor families with children. Targeted programmes need to be identified and implemented effectively addressing the specific needs of families with children living in persistent poverty.

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