

NEPAL

GOVERNANCE

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Social Security for Migrant Workers

A Safe yet Dubious Investment

WEEKLY

Photo by The Kathmandu Post

In November 2018, the government, led by former Prime Minister KP Sharma Oli, introduced the contribution-based Social Security Scheme to safeguard workers in the formal private sector nationwide, promising them comprehensive welfare benefits. Under the new government headed by Pushpa Kamal Dahal, the scheme has now been expanded to include migrant workers and self-employed individuals abroad.

Remittances from migrant laborers, amounting to \$4 billion annually, comprise 28% of Nepal's GDP. These hardworking individuals put their lives at risk in hazardous work environments. Every year, around 1,000 migrant workers lose their lives abroad, with many returning home with long-term disabilities and chronic illnesses. Due to consistent pressure from labor migrant organizations, the government has heeded the call to address the risks faced by migrant workers, leading to their inclusion in the Social Security Scheme.

Migrant workers and self-employed individuals based abroad will be required to contribute a minimum of NRs 2,002 monthly, equivalent to 21.33% of the minimum basic monthly salary set by the Nepalese government for domestic industrial workers. According to guidelines from the Ministry of Labour, Employment, and Social Security, 7.48% of the contribution will be allocated to cover accidents, disability cases, and dependent family support, while 13.25% will go towards the old-age security plan. The Social Security Fund spokesperson revealed that approximately 58,986 migrant workers have already enrolled in the scheme.

Although the initial launch of the scheme was praised, researchers specializing in labor migration have questioned stakeholders for implementing it without proper analysis and institutional management. Nepali migrant workers have also expressed concerns about the inaccessibility of the social security fund's websites in many countries. Their reluctance to enroll stems from doubts about the accountability of stakeholders and the mandatory investment of their hard-earned money. They question whether the scheme is truly a safety net or a potential trap.

Read more: [The Kathmandu Post](#), [The Kathmandu Post \(2\)](#)

Governance Issues of the Week

1. Nepal Telecommunications Authority has introduced the Mobile Device Management System (MDMS) that mandates foreigners to register their mobile devices if their stay in Nepal exceeds 15 days. So far, 27,000 phones have been registered, leaving 4 million still unregistered. The implementation of MDMS has successfully reduced the gray market by 50%, and Nepal has imported smartphones worth Rs 28.26 billion in the past year.

Read more: [The Kathmandu Post](#)

2. Nepal Police's Cyber Bureau has received 16,190 complaints over the past four years, primarily related to hacking, online fraud, revenge porn, and unauthorized access. Government websites are at high risk, with around 1,500 of them being shut down in late January. Nepal's overall cybersecurity score is low at 44.99 out of 100 points, according to the Global Cybersecurity Index.

Read more: [The Kathmandu Post](#)

3. The Supreme Court has confirmed the life imprisonment sentence for Tharu leader Resham Chaudhary in connection with the Kailali carnage. Resham Chaudhary and 11 others were found guilty of inciting violence during the Tharuhat movement, resulting in the loss of nine lives, including that of a toddler, on August 24, 2015. Among the casualties were eight security personnel, including a Nepal Police Senior Superintendent (SSP).

Read more: [The Himalayan Times](#)

4. The government has displayed a lack of interest in legalizing the popular ride-sharing services despite their growing user base. Section 12 of the Vehicle and Transport Management Act 2049 states that a vehicle registered for one purpose cannot be used for another. Irregularities related to ride-sharing services have notably risen, yet the government has shown indifference towards amending the Act for the past six years.

Read more: [Online Khabar](#)

5. Due to the government's inability to expedite its capital expenditure, the government received Rs 64.99 billion in foreign loans against the budgetary target of Rs 242 billion, which is only around 27 percent of the target. Nepal has a system of taking reimbursement of resources spent from domestic resources first. Most of the foreign loans are spent in the form of the capital budget.

Read more: [The Annapurna Express](#)

6. Climate change-makers from 12 different countries, including Nepal, protested against G7's president Japan and member countries for continued promotion of fossil gas and technologies. Japan is the largest public fossil fuel financier, with an annual average of USD 10.6 billion towards fossil fuel projects from 2019 to 2021. The protest is an Asia-wide mobilization for the Don't Gas Asia Campaign.

Read more: [myRepublica](#)

CALL TO ACTION

The Kathmandu Metropolitan City is reaching out to all citizens, urging them to provide their valuable input on the policy, budget, and programs for the upcoming fiscal year 2080/081.

More Details: [e-suggestions](#)

Email your suggestions to mayer.sect@kathmandu.gov.np

Deadline: 23 May, Tuesday



Nepal Governance Weekly is an analytical update of Nepal's current affairs based on media and real sources mining, to sensitize the communities on hot news on various governance issues from the perspective of accountability.

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