



# GOVERNANCE

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## Nepal's Need for a Realistic Social Security System Amid Economic Strain

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Photo by My Republica

Social security has become a prominent agenda for political parties in Nepal, but the escalating costs of social security programs pose a significant challenge. Over the past decade, social security allowances have surged nearly elevenfold, leading to an unsustainable financial burden on the government.

In the fiscal year 2024/25, the federal government has allocated NRs 298.57 billion for social security, constituting about 15 percent of the total budget. This allocation marks a significant increase from NRs 12.99 billion in FY 2013/14. Similarly, the expenditure on social security allowances has also increased dramatically from NRs 10.95 billion to NRs 116 billion during this period. The expenditure has risen from 2.51 percent of the total budget in FY 2013/14 to 8.16 percent in FY 2023/24. There has also been a trend of increasing social security allowances every two years.

The beneficiaries receiving social security have also risen to approximately 3.8 million citizens, i.e. almost 12 percent of the total population. At present, the social security allowance is provided to senior citizens aged 68 and above (previously aged 70 and above), single women, persons with disabilities, Dalit children, and endangered caste citizens. Beyond that, the programs also include pensions for former employees, scholarships, compensations, etc.

While social security is crucial for ensuring citizen welfare, the government must also realistically assess their financial situations. Reviewing existing schemes to eliminate duplication among beneficiaries and ensuring programs genuinely meet citizens' needs is necessary. Allocating budgets to create employment and ensuring long-term revenue generation is essential for maintaining financial stability and the effective functioning of the social security system. In addition, it is equally important to balance social welfare with economic development for its long-term viability.

Read more: [My Republica](#)

### Governance Issues of the Week

1. The Dalit Campaign Nepal began a protest at Maitighar Mandala, on 9th August 2024, against the lack of Dalit representation in political appointments and government formation. The current cabinet has only one Dalit minister, Rupa B.K., serving as State Minister of Forests and Environment. The campaign is demanding Dalit representation as mandated in the constitution, and accusing political parties and the state bodies of neglecting these provisions.

Read more: [Kantipur](#)

2. The Madhesh government has presented a 22-point demand list to the federal government, calling for the Postal Highway completion and linking the East-West Railway to major cities. The list aims to ensure the focus of the federal government on the province's long-term development. It also includes demands for bridge construction, a Janaki Temple Development Fund, freight trains, a tourist corridor, industrial zones, modern farming technologies, etc.

Read more: [Onlinekhabar](#)

3. Nepal's three main political parties have unanimously backed the amendment bill to the Disappearances Enquiry, Truth and Reconciliation Commission Act, marking a key step in finalizing the transitional justice process. A task force led by Janardan Sharma, Mahesh Bartaula, and Ramesh Lekhak has resolved key disputes on the bill regarding serious human rights violations while allowing amnesty for other cases. The bill is anticipated to be approved by Parliament after committee review.

Read more: [The Kathmandu Post](#)

4. Tribhuvan University has set a new record by publishing exam results in under four days. The results for various programs of the first-year master's level were achieved through effective personnel management and extended working hours. The Examination Controller's Office aims to publish the remaining results from exams conducted since last year within a week and to ensure that all future exam results are released within 100 days.

Read more: [Naya Patrika](#)

5. The Supreme Court has ordered a review of election laws to ensure proportional representation aligns with the Constitution's spirit. This follows a writ petition highlighting that mainstream leaders are seeking proportional seats in these lists, which is in turn corrupting the system. The Court emphasized that the proportional system should enhance participation from economically, socially, and educationally disadvantaged groups.

Read more: [Onlinekhabar](#)

6. The Civil Aviation Authority has decided to suspend the Air Operator Certificates (AOC) of two helicopter companies due to their lack of compliance with Safety Management System standards. The Authority is auditing all airline companies and has decided to ban flights for those with less than 60 percent compliance. The two helicopter companies in question were found to be operating below the threshold and were asked for an immediate flight ban with a request for clarification.

Read more: [Setopati](#)

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nepal@accountabilitylab.org