



ASIA-PACIFIC
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Social Protection in a Changing World

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Nepal: Ensuring Right to Employment: Learning of Prime Minister Employment Programme (PMEP)



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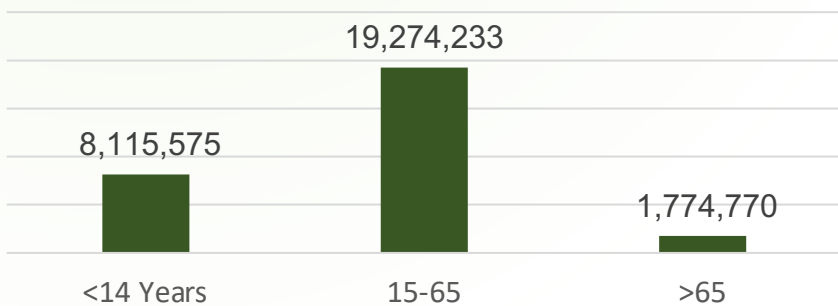
Outline of Presentation

- **Population and Labour Market of Nepal**
 - Population
 - Workforce Analysis
- **Prime Minister Employment Programme (PMEP)**
 - Rational of Programme
 - Theory of Change
 - Scope and Activities
- **Major Achievement & Learning**
 - Major Achievements
 - Key learnings
 - Major Challenges
- **Change of PMEP Direction**

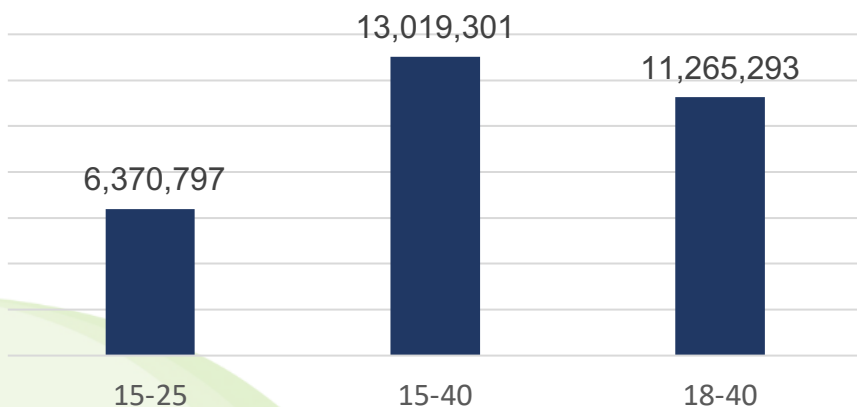


Nepali Population and Labour Market

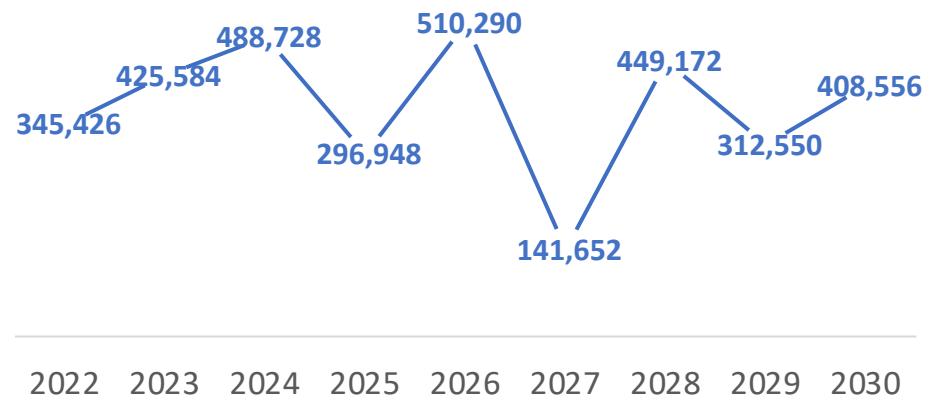
Total Population 29,164,578



Youth Population



ACTUAL ENTRY TO THE LABOUR MARKET



- Poverty Rate 15.1% (4.44 million people)
- MDPI 28.1% (8.19 million)
- 78.7% poor living in rural area.
- Population Dividend (Median age 24.4)
- 18-59 Age Group: 16.3 million

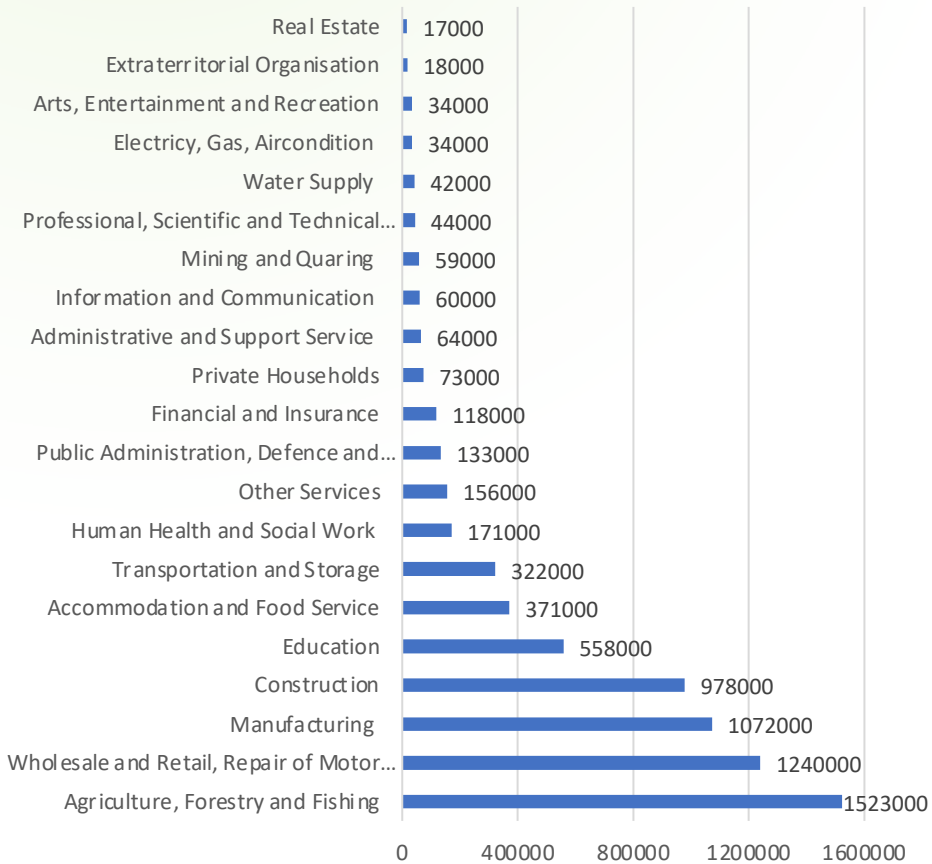
Source: Population Census, 2021





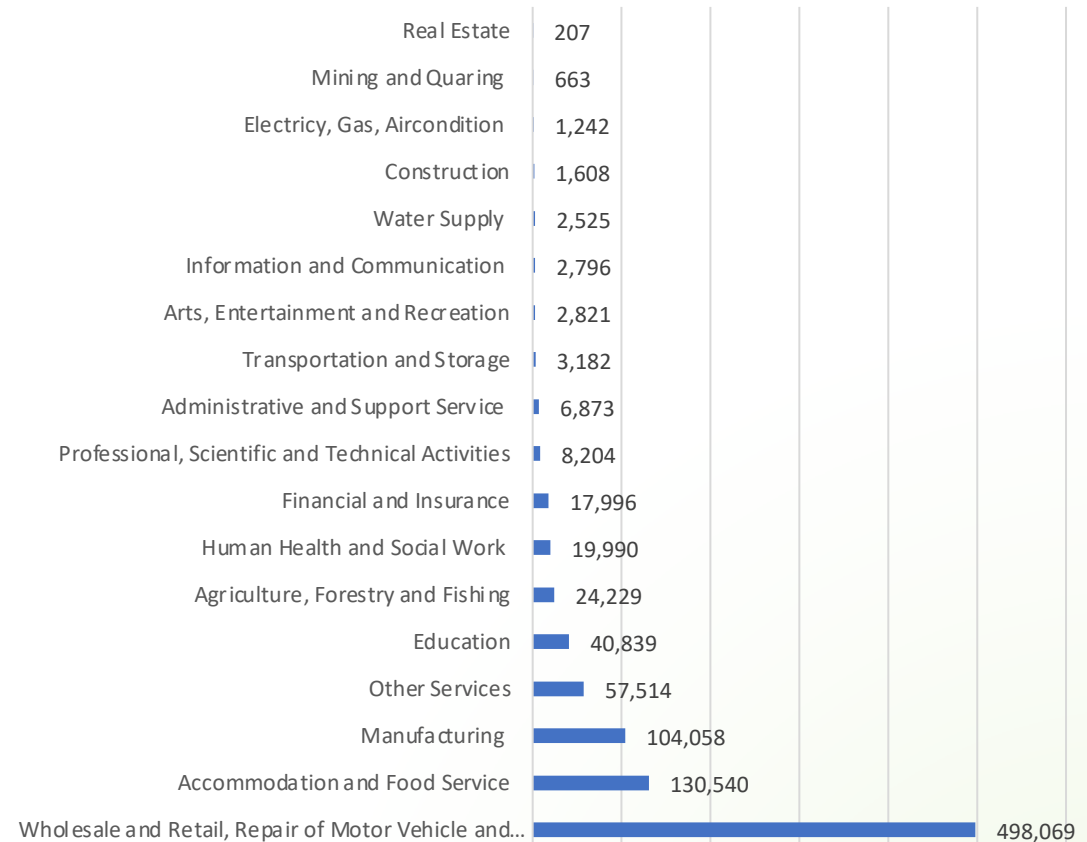
Sector of Employment & Establishment

Employment by Industry (7,086,000)



Source: NLFS, III (2017/18)

Total Establishments 923,356



Source: Economic Census (2018)

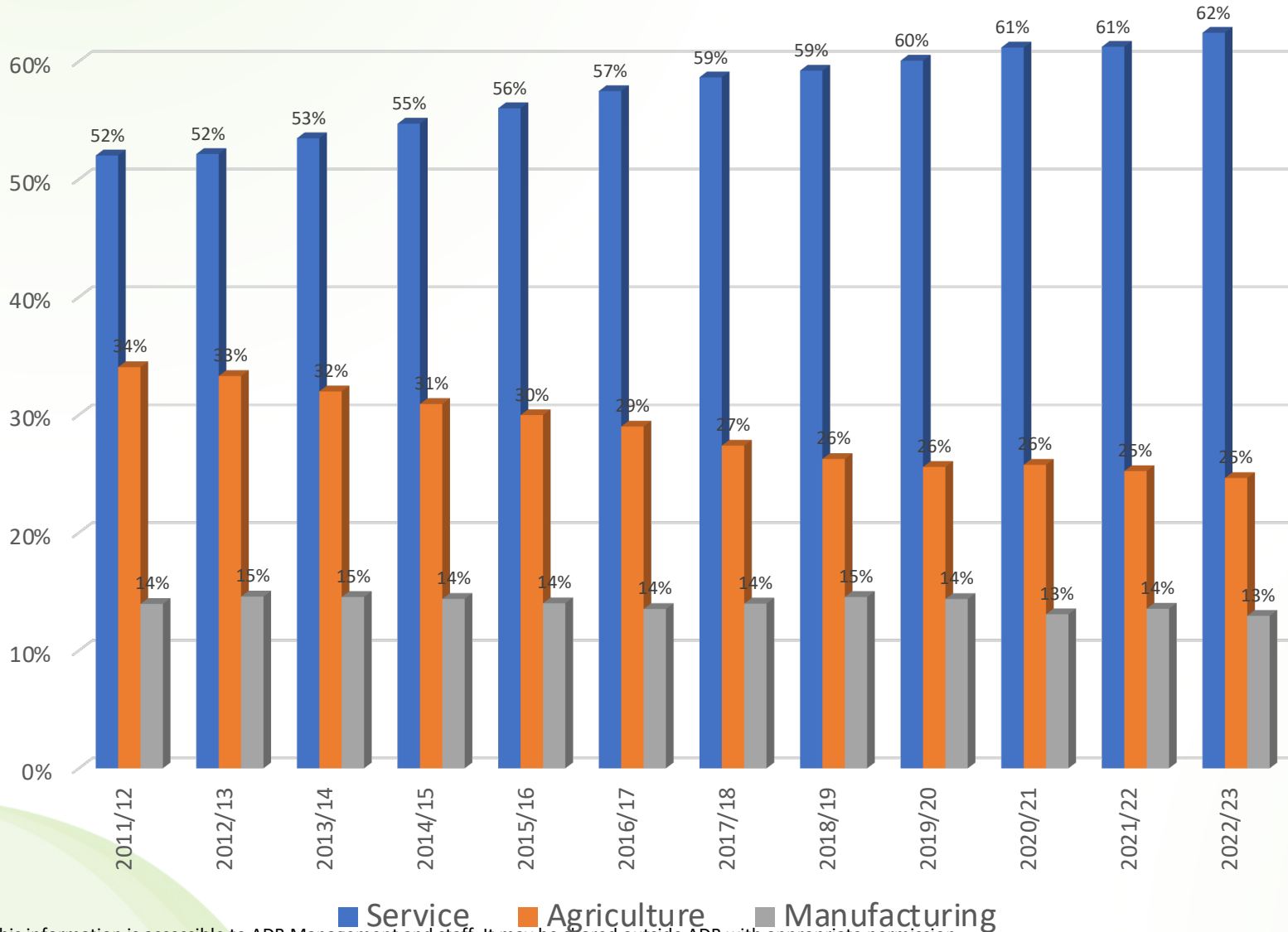
NLSS III (2017/18) shows 7,086,000 employed & 908,000 are unemployed. 61% are outside the labour force.

Inadequate employment.





Sectoral Contribution to the GDP



Unusual shift of human resources to the service sector and foreign employment.



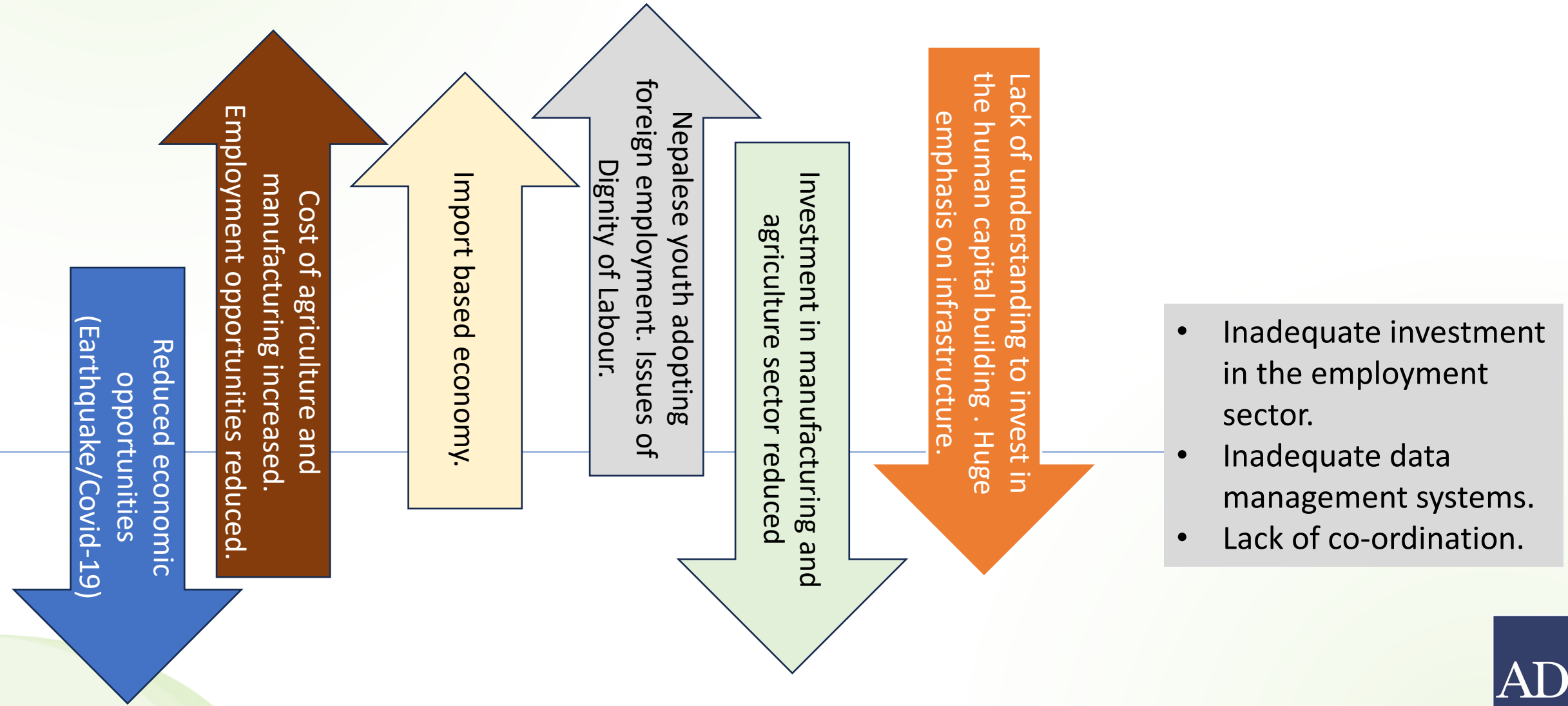
Reduced output in agriculture and manufacturing sector

- Highest underemployment in Agriculture Sector.
- Poor concentration in Rural Areas. Majority of the poor engaged in the agriculture sector.





Challenges in Domestic Employments



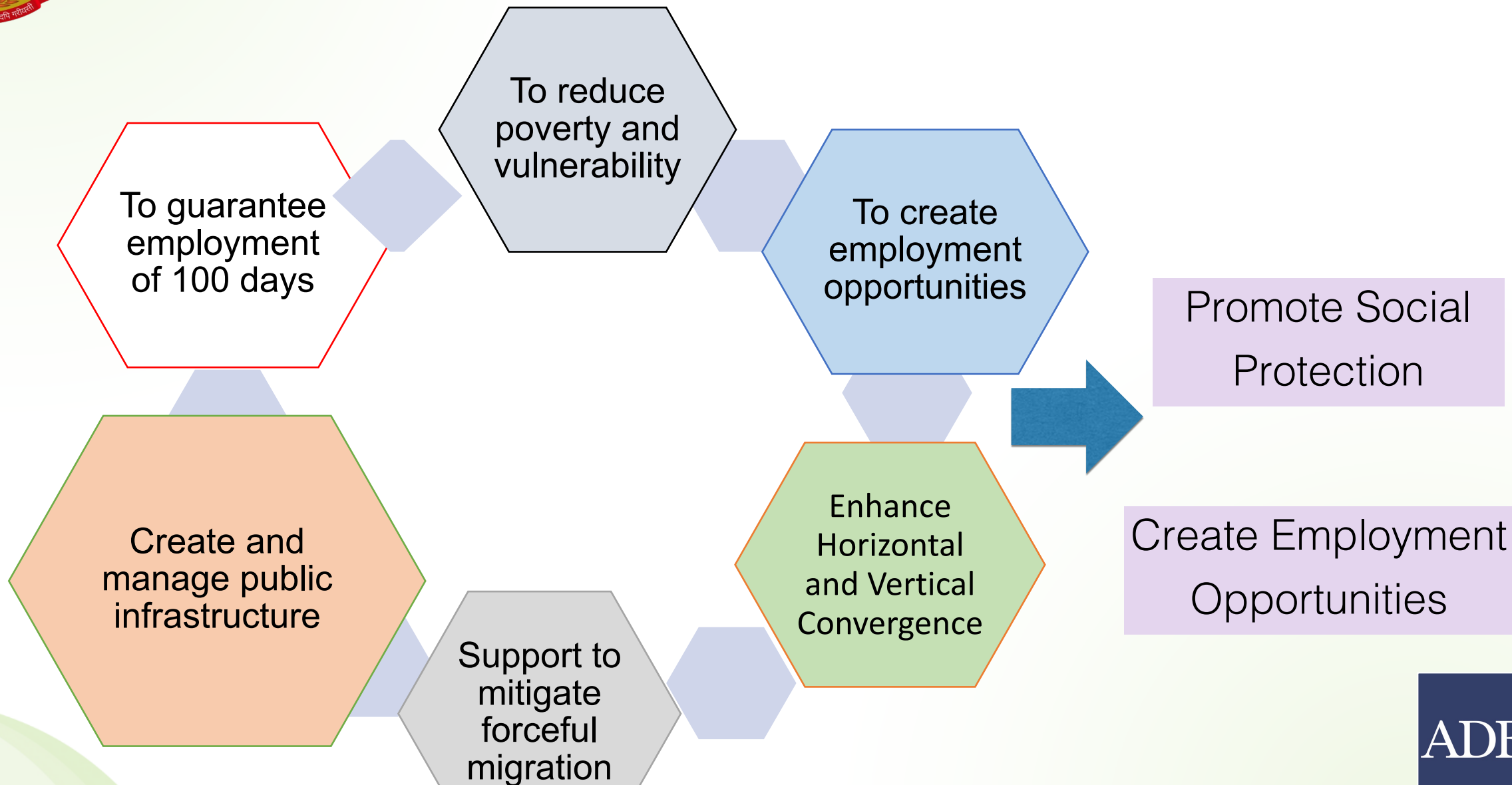


PMEP - Introduction

- **Implementing Statutory Obligation**
 - Article 33 – Right to Employment (The Constitution of Nepal)
 - Right to Employment Act, 2018 (Guaranteeing 100 days of employment)
 - PMEP Implementation Directions, 2019
- **Productive Safety-net**
 - Public Works Programme
 - Targeting Poor and Economically Vulnerable people
 - Targeting to age between 18-59 years
- **National Flagship**
 - Coverage-all over the Country
 - Implemented through all local levels(753)
 - Established institutional setup (Steering Committees on 3 tiers of government)
 - Established Employment Service Centers in all local levels
 - Registered the unemployed people in each year

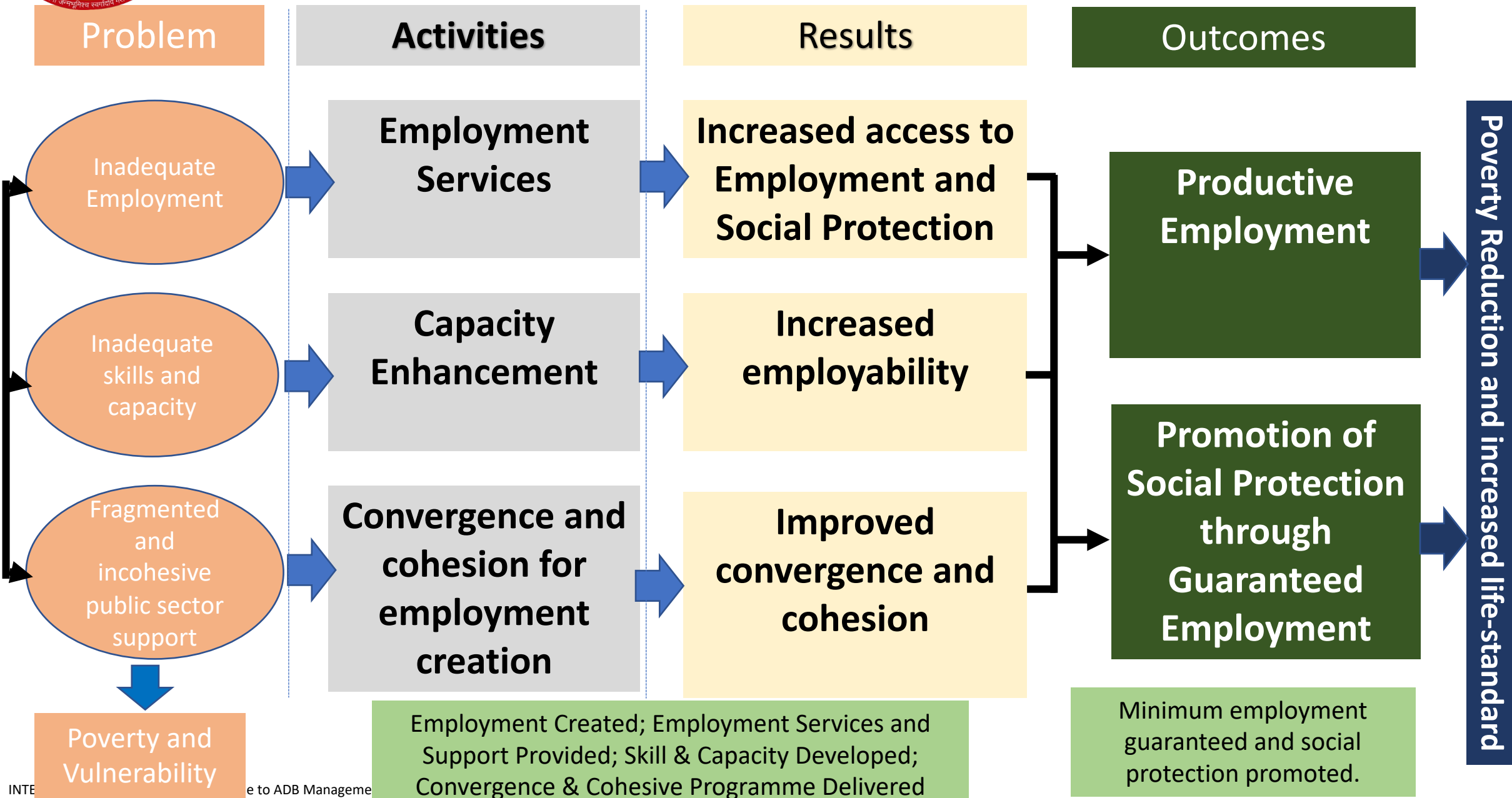


Rational for Prime Minister Employment Programme (PMEP)





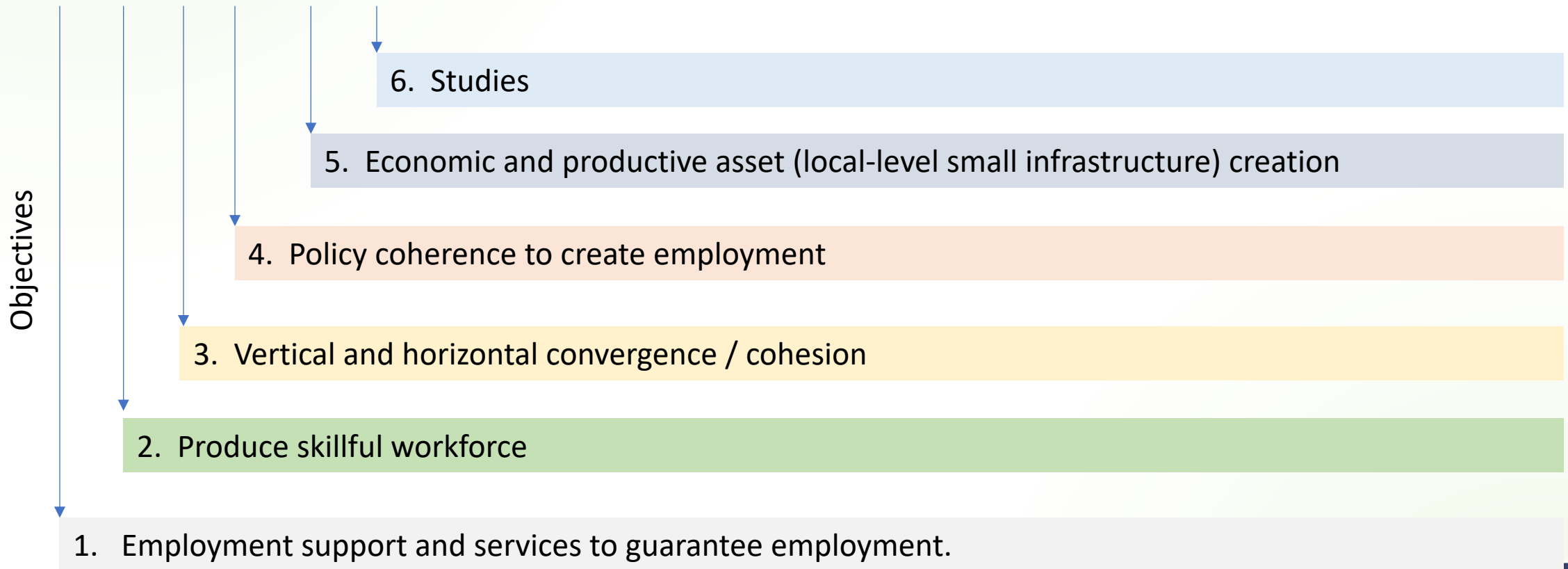
PMEP Theory of Change





Objectives of PMEP

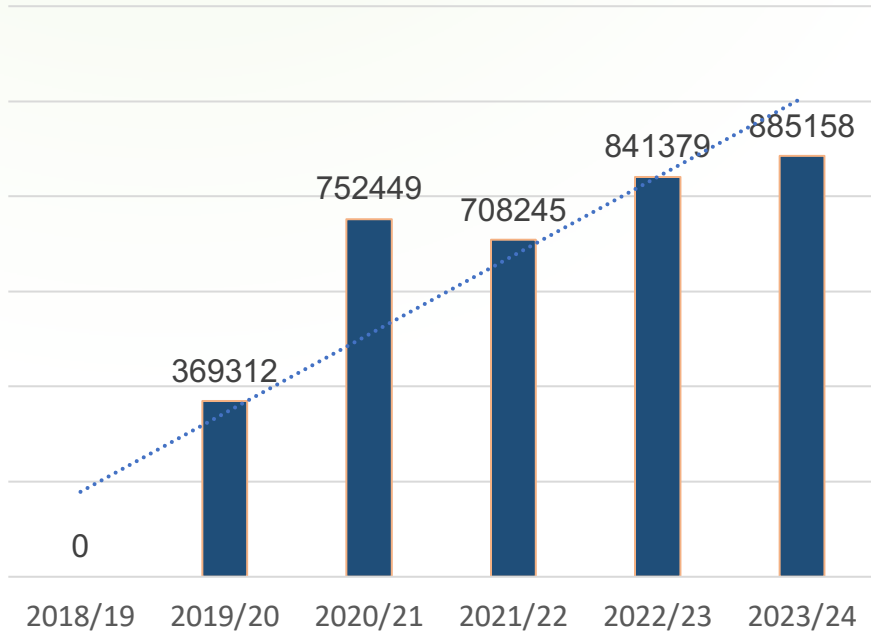
Vision: Guarantee employment to improve living standards. (Slogan: Reduce forceful migration)



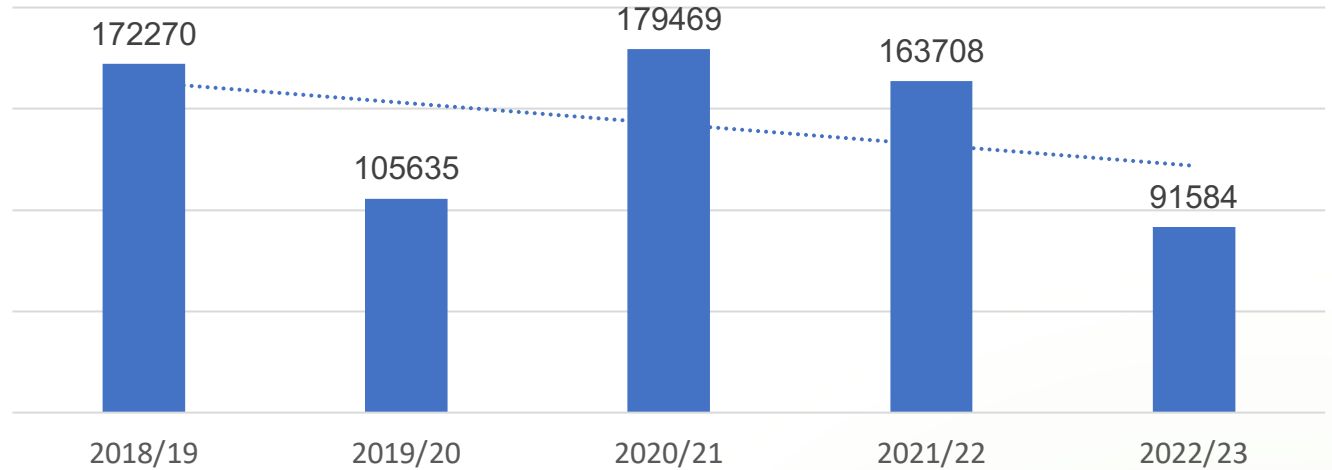


Major Achievements (Employment Creation)

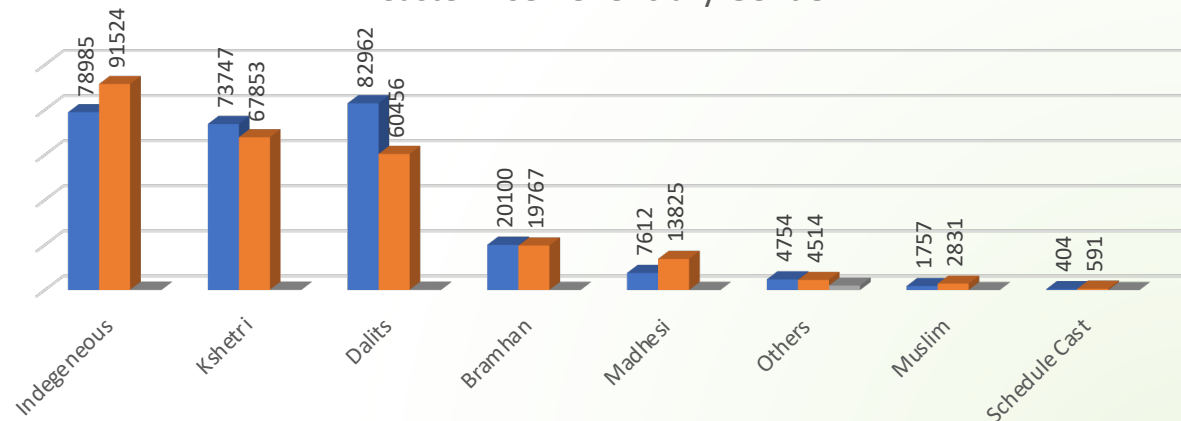
Total Registered Unemployed
35,56,541



Total Employed 7,12,666



Caste-wise Beneficiary Gender



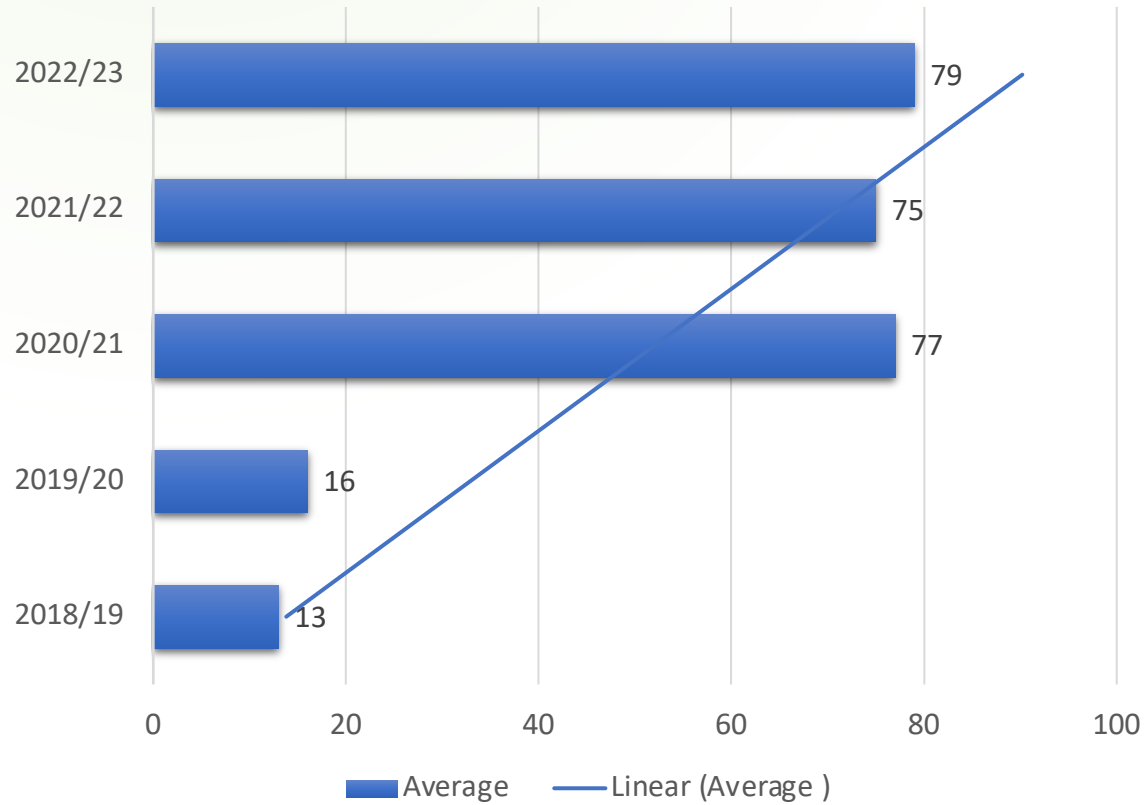
■ Male ■ Female ■ Others



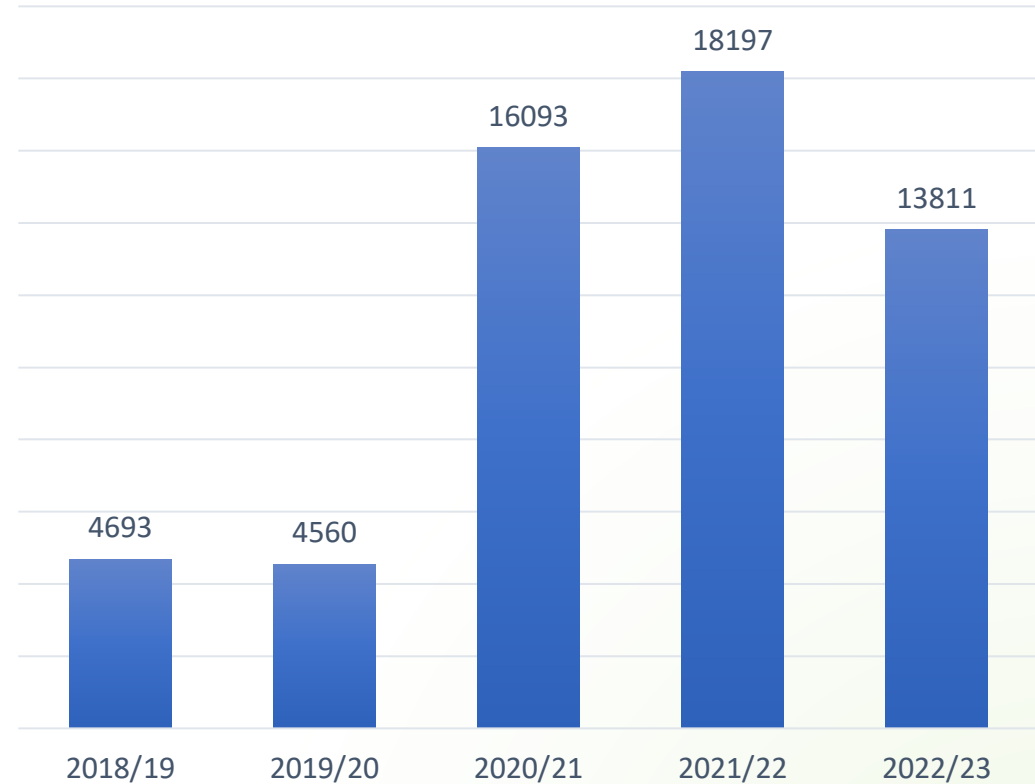


Major Achievements – Average Employment and Project

Average Employment Days



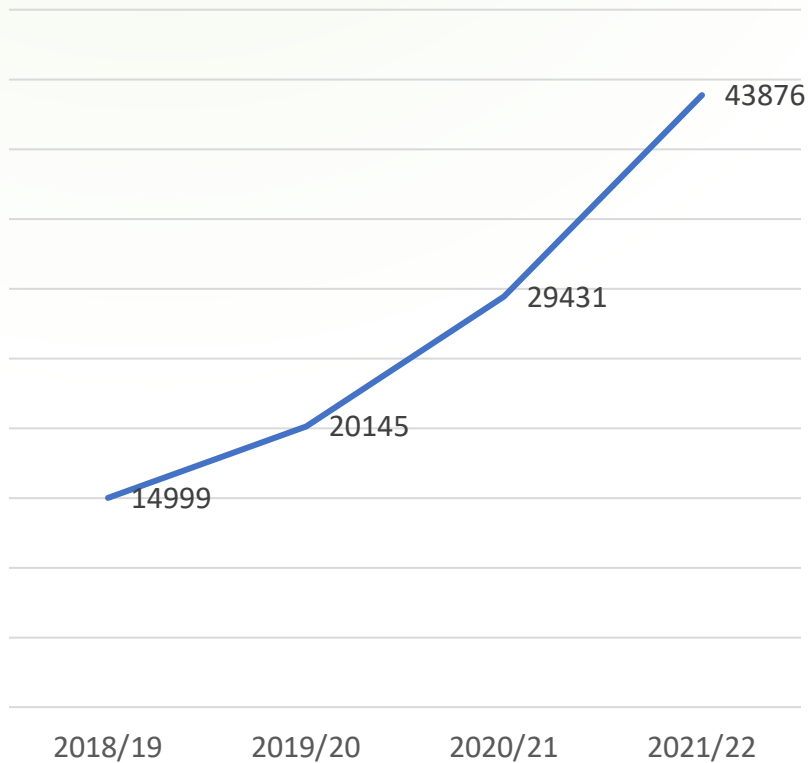
Total Employment Projects 57,354



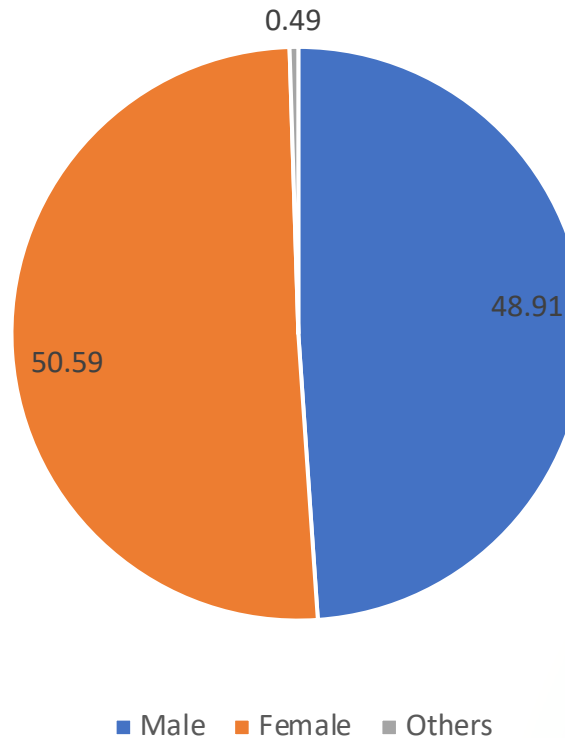


Major Achievements (Midterm Evaluation)

Household Income Increased



Gender-wise Employment



- Only 20% registered unemployed receive employment
- 95.24% perceive this programme targets Female / Dalits / Economically Active Poor.
- 94.5% beneficiaries reported increased income.
- 96.7% beneficiary reported their satisfaction about the temporary employment.
- Productive and durable asset creation is challenged due to the lack of budgets in construction materials.

Source: PMEP Mid-term Evaluation Report (2022)





Key Learning

- Public Works Programme is still effective employment creation instrument for rural area.
- Public Employment Services in the urban and economic zones needs careful adjustment.
- Durable and useful asset creation is key for the success of the public works programme.
Need the careful provision construction materials, safety equipment and hand-tools.
- Partnership in resources is important to enhance the ownership and success of public employment services.
- Payment through banks enhances transparency and financial awareness.
- Social inclusion (gender/marginalised/poor) and self-targeting features (20% lower wage than labour market) is enhance the social protection objective of the programme.

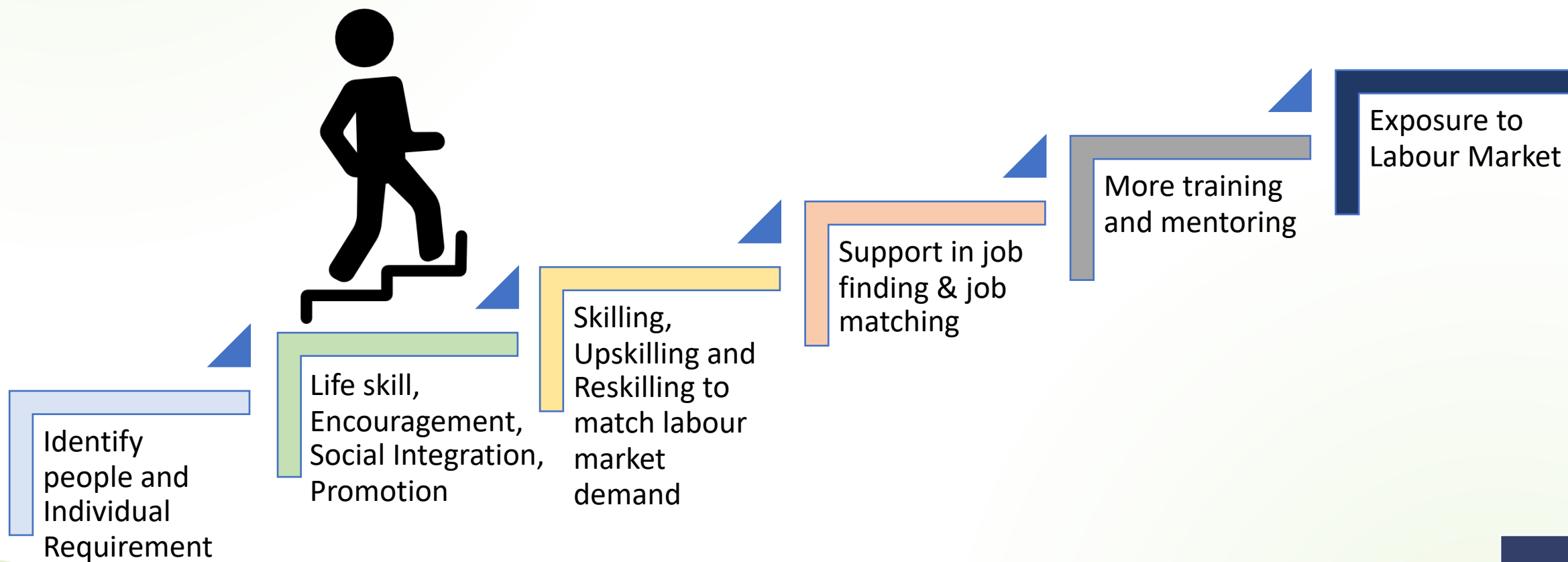


Major Challenges

- Low fiscal space / Budget
- Whom to address- vulnerable poor or unemployed people ?
- Similar socio-economic conditions in rural area. Difficult to benchmark the poor and vulnerable.
- Quality of created assets and maintained the Public infrastructure.
- Partnership (three tire of Governments, Private sector)
- Quality of created assets and maintained the Public infrastructure.
- Adopting suitable modality -> Passive labour market intervention vs. Anticipated Active Labour Market interventions such as skilling, employment exchange etc. for the gainful employment
- Creating productive employment and improving labour market outcomes.
- Blanket approach- Rural and Urban
- Enhancing ownership from the local and Provincial government.



Potential Change in Programme Modality





Potential Change in Programme Modality



JOB SEARCH



VALUE PROPOSITION



RESUME



INTERVIEW



QUALIFICATION



PROFESSION



AGREEMENT



CAREER

Employment Guarantee of 100 days ADD -> Labour Market Interventions model

Policy Coherence,
Expanding PMEP as
Umbrella Program,
Reliable Data and
Information
System

Domestic
Employment
Promotion ,
Integrated Labour
and Employment
Services through
Local Levels

Partnership with
Private Sector for
Productive
Employment
Creation,
Skilling and
reskilling the
people

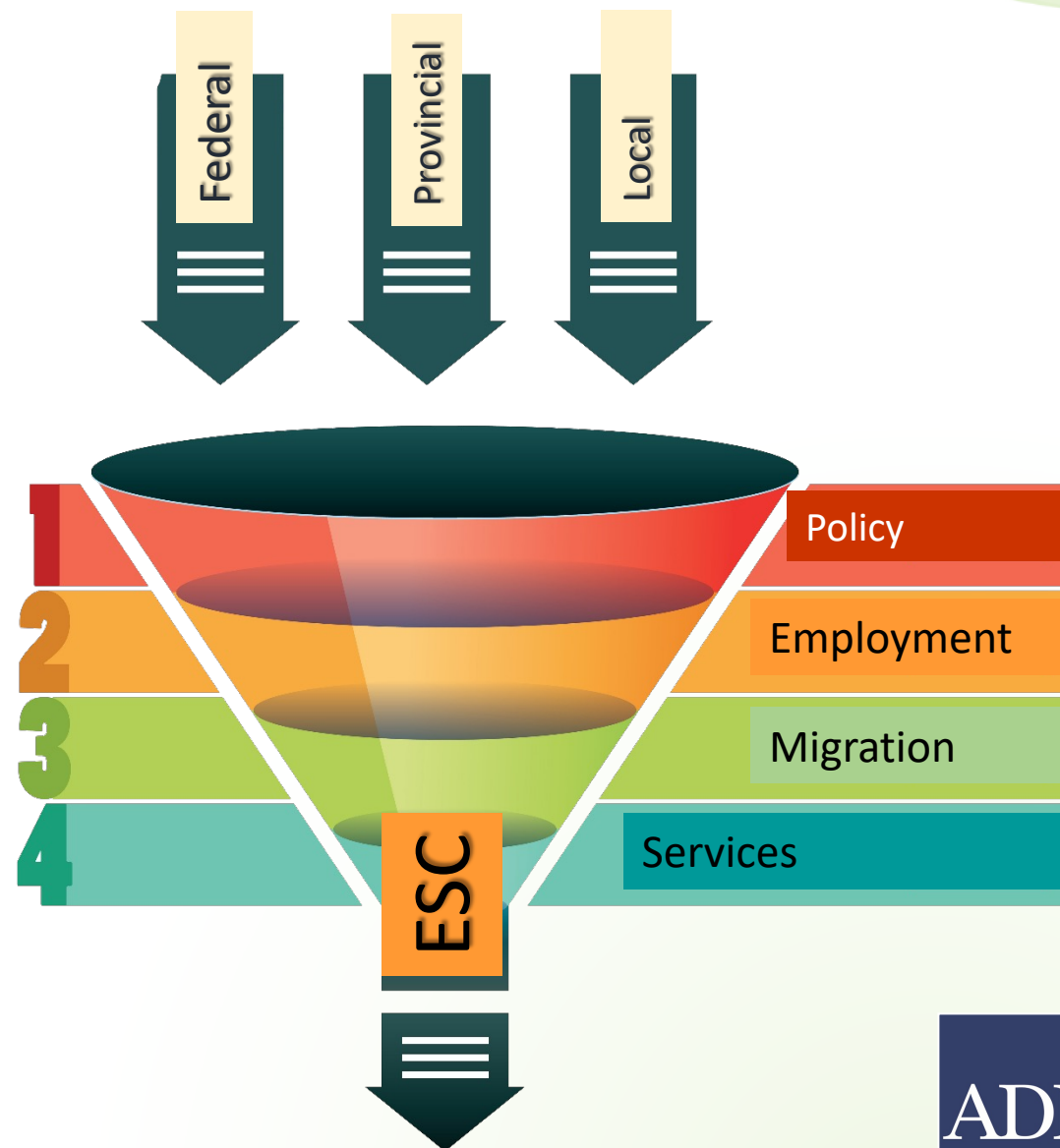
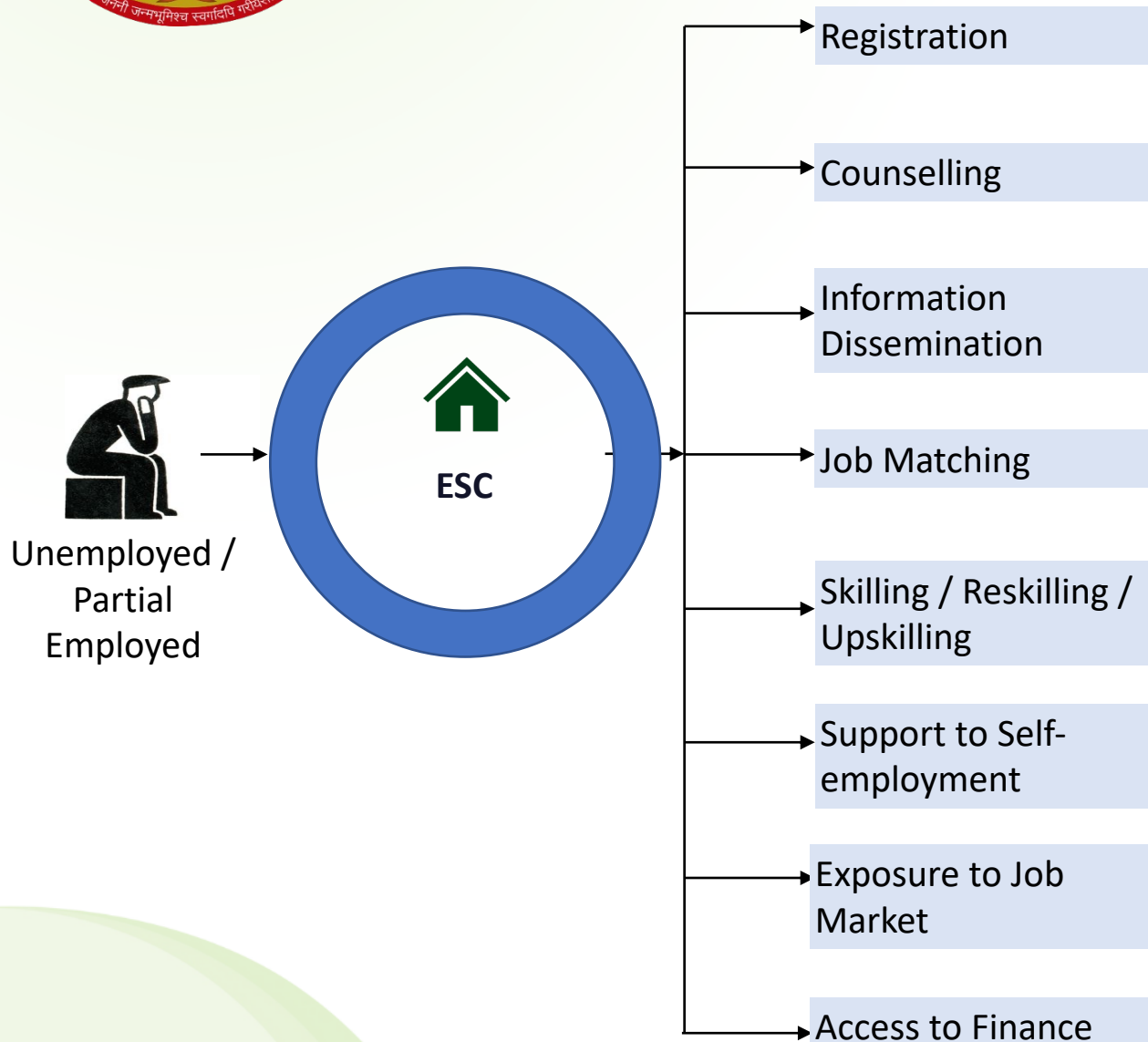
Increased
Coordination,
Partnership
(Cohesion /
Coordination)
with all 3 tiers of
Governments

improve the
labour market
outcomes

ADB



Integrated Labour and Employment Functions at Local Level





Thank You!
Any questions?

