



To what extent are countries prepared to minimise the impacts of Covid-19 on the poorest and to prevent impoverishment?¹

Human Development



MPI = 0.15

Social protection coverage



Minimum measures

Economic growth



Some pro-poor support

Progressive social change



Minimum measures

- Inadequate policy preparedness
- Satisfactory policy preparedness
- Strong policy preparedness

Areas of concern for the poorest and potential impoverishment

\$ Economic

Partial recovery: Most respondents report partial economic recovery since lockdown lifted, but all report continued partial livelihood loss. Some who lost employment due to lockdown in the first bulletin have returned to work. Small business owners report being able to operate again but have seen a reduction in their income. Those producing food for local markets have been able to sell their goods again, though many interviewed report receiving lower prices. Continued challenges in accessing farm inputs is a widely cited challenge in rural areas. Farmers who faced losses earlier in the year report having used savings and taken loans. Lack of access to fertiliser may impact the next harvest, threatening farmers' recovery in the short term.

“[Last time] we talked there was no fertiliser. We got it now, but it wasn't timely, we didn't get it when it was necessary - all our crops were spoiled.” Male respondent, Nuwakot

“Because of the lockdown, farmers don't get a fair price for their produce. Closure of the market and restrictions on supplying goods outside the village has compelled the farmers to accept whatever price they receive from the middlemen.” Male respondent, Banke

Higher costs of staple goods: Many respondents continue to report higher prices for staple goods, particularly food. A [VSO survey](#) found food shortage to be the most commonly cited challenge, with many borrowing money and food from friends and relatives or relying on government support.

“There is a price hike in everything. It is hard to buy food and pay rent.” Older female respondent, Kathmandu

“I have already crossed 60, so I am like the security guard of my house, I just take care of my sons and watch the house for them. My sons in Nepal have lost their jobs, but my son in foreign employment is still at work.”

Older female respondent, Kathmandu

89,263 Number of reported cases²

554 Number of reported deaths²

Groups at risk of impoverishment due to Covid-19



Girls and women

Exposed to higher rates of violence, child marriage and school dropout.



People with disabilities

Exposed to higher rates of violence and inaccessible education.



Landless households

Threats to food security, eviction, and debt due to underemployment.

Areas of concern for the poorest and potential impoverishment



Education

Partial reopening: The government has recently allowed local authorities to decide when to reopen schools. Schools in some regions have resumed partial services, while others remain closed. In Banke, it was reported that some teachers refused to hold classes in areas where schools were to be opened. Children that have not been able to return to school are reported to be facing protection risks, idleness and some are reported to have run away from home.

“Our child got lost and we had to find him and bring him home. He went with his friends. Children running away from home and getting lost has been common here, mostly among 12-16-year-olds. I found this when I went to the police station to report about my child.” Female respondent, Kathmandu

Groups missing out: Children in areas where schools have not reopened, teachers are not holding classes, or where remote learning has not been provided are still missing out on education. Those without access to a mobile phone or television are unable to access remote learning. A recent World Bank survey also found that only half of schools were providing remote learning support to children with disabilities. A survey of girls enrolled a girls’ education programme found that 49% were at risk of dropping out due to the pandemic. A VSO survey found that 89% of girls reported increased pressure to do housework or agricultural labour in place of schoolwork.



Protection

Increased violence against women and people with disabilities: An increase in gender-based violence (GBV) has been reported by key informants and supported by other sources. A survey by VSO found that 21% of respondents reported an increase in GBV in their communities. The study also found increases in violence to be highest towards people with disabilities, particularly those with multiple disabilities: 5.6% of total respondents reported facing violence compared to 21.7% of people with a single disability and 41.7% with multiple disabilities.

Child marriage: An increase of child marriage was reported by a key informant in Dailekh and this trend has been identified by other sources. A study in four rural districts identified 11 child marriages over the early lockdown period, deemed to be an increase on the normal three-month period.

Coping strategies being employed by poor and non-poor households

Taking loans and drawing on savings: Multiple respondents report taking out loans or drawing on limited savings to pay for daily costs, such as food and rent. Some reported that informal savings groups have not resumed after lockdown restrictions were lifted. The importance of local saving groups as a main support system was highlighted by many respondents.

Pensions: Older respondents continue to cite pensions and social protection allowances as their primary livelihood sources and are using this to cope with lost household income from other household members and increasing costs.

Remittances: Nepal has one of the highest rates of remittances in the world, making up 26.9% of GDP in 2019. Several respondents report that they are still receiving remittances from family members working abroad.

Government containment measures



Lockdown measures lifted in most areas



Partial border reopening



Partial school reopening in some areas

Spotlight on older voices

“I am involved in an organisation where we collect money every month and provide loans, but we have stopped doing so due to lockdown. Even after the lockdown is lifted, things are still not fully on track. It is the same situation of unemployment and fear.”

Older male respondent, Kathmandu

“It is hard to manage my necessities and I have reduced my food intake, but we don’t have to sleep empty stomached. We have to buy everything. We don’t have a place of our own, we live in slums.”

Older female respondent, Nuwakot

Farming: Agricultural households, specifically those with land, report relying on their production to maintain food security. Some respondents without land have identified food security impacts.

Increased migration: The continued economic downturn in Nepal is reportedly leading to increased migration in search of work. This includes internal migration and international migration, particularly to India. At the beginning of the pandemic ACAPS reported between 400,000-750,000 people returned to Nepal from India, “and many more are now choosing to return to India in search on income-generating opportunities due to lack of support at home”.

“Due to Covid-19, people who didn’t go to India before are going there now. Many people had business or hotels here, but due to Covid-19, everything was closed so they didn’t have any work and money to pay their rent. They are going to India as they don’t have any other choice. There is no proper daily wage work here, otherwise, they would have worked here”. Community worker, Dailekh

Programmes in place to mitigate impoverishment due to Covid-19

Relief for farmers: At the beginning of the pandemic the Government of Nepal announced an emergency relief package for farmers, with cash and farm input support based on land entitlement and size. Several respondents expressed concern with the lack of transparency and poor targeting of support, as well as delays in receiving support that led to crop losses; this finding is supported by other studies.³

Youth Employment Transformation Initiative: This four-year programme aims to promote domestic employment and enable poor and vulnerable youth to gain access to employment, skills development and capacity building. Funded by the World Bank, it was agreed in late 2019, but will now be frontloaded as part of the Bank’s Covid-19 response.

Case Study: Oma

Oma is a farmer who lives with his family in Banke. His sons help him with the farm, and the family relies primarily on farming for their livelihoods. Before Covid-19 he was working with a local agricultural association to install kitchen gardens, but they have struggled to access farm inputs such as seeds and fertiliser when lockdown measures and market disruptions due to Covid-19 took effect.

Since we spoke to Oma in September the situation has partially improved. The easing of lockdown has allowed local markets to reopen, meaning farmers like Oma can sell their produce again. Seeds and fertiliser are available, but at higher prices than normal. Due to the delay in accessing fertiliser at the beginning of the season, Oma is growing maize for the first time (he normally grows wheat) which is a lower-earning crop.

Income losses due to these market disruptions have resulted in Oma’s household drawing from their savings. They have not received government support. Oma has been to the local government office to inquire about access to fertiliser, but he stated that otherwise he has not been approached by any other organisation offering support. Because Oma’s household grow their own food they are not facing food insecurity, but their income and savings losses have left Oma anxious about his family’s welfare in the medium term.



Methodology

CPAN country bulletins are compiled using a combination of original qualitative data collected from a small number of affected people in each country, interviews with local leaders and community development actors, and secondary data from a range of available published sources. Interviews for this bulletin were conducted in Banke, Nukawot and Kathmandu between November 23rd and December 1st 2020. More information on our methodology can be found on [our website](#).

Footnotes

1. [Read more on CPAN’s Poverty Eradication Policy Preparedness Index.](#)
2. [Johns Hopkins \(2020\). Coronavirus Resource Center. Data as of October 16th 2020.](#)
3. [Human Rights Watch \(2020\) Don’t Let Nepal’s Covid-19 Relief be Squandered.; Southasia Institute of Advanced Studies \(2020\) COVID-19, gender and small-scale farming in Nepal.; Atlantic Council \(2020\) Nepal in the face of intersectional crises: A history of mismanagement.](#)

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Find out more at www.chronicpoverty.org/covid-19