In 2012, Nepal made a minimal advancement in efforts to eliminate the worst forms of child labor. The Government conducted a raid on embroidery factories employing child laborers and rescued 124 children from exploitative labor. In addition, the National Children’s Policy, which protects children from physical, mental, and sexual abuse as well as exploitation, was approved during the reporting period. However, the lack of compulsory education and legal protections for children ages 16 and 17 still leaves children vulnerable to the worst forms of child labor. Resources for enforcement are insufficient and data on enforcement are lacking. Children continue to engage in the worst forms of child labor in dangerous forms of agriculture and commercial sexual exploitation.

**Statistics on Working Children and Education**

<table>
<thead>
<tr>
<th>Children</th>
<th>Age</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working</td>
<td>5-14 yrs.</td>
<td>Unavailable</td>
</tr>
<tr>
<td>Attending School</td>
<td>5-14 yrs.</td>
<td>Unavailable</td>
</tr>
<tr>
<td>Combining Work and School</td>
<td>7-14 yrs.</td>
<td>Unavailable</td>
</tr>
<tr>
<td>Primary Completion Rate</td>
<td></td>
<td>Unavailable</td>
</tr>
</tbody>
</table>

Sources:
- **Primary completion rate**: UNESCO Institute for Statistics, 2013.(1)
- **All other data**: Understanding Children's Work Project’s analysis, 2013.(2)

**Prevalence and Sectoral Distribution of the Worst Forms of Child Labor**

Children in Nepal are engaged in the worst forms of child labor. More than three-quarters of child laborers work in agriculture, which may expose them to occupational safety risks including dangerous machinery and tools, heavy loads, and harmful pesticides.(3-7) More girls than boys are subjected to exploitative labor, including commercial sexual exploitation, and many children work under informal work arrangements.(3, 8, 9)

Children also work in the production of bricks, spending long hours in dust-filled environments. They carry loads of bricks on their heads and suffer from back injuries.(10-12) Children are also found working in mining and stone breaking, which exposes them to dangers such as falling off steep hillsides, working in unstable tunnels at risk of collapse, and injuring their eyes and hands while breaking rocks.(11, 13, 14) In the construction sector, children operate heavy machinery and may face many dangers due to a lack of proper safety precautions.(11, 15, 16) Child rag pickers and recyclers in Nepal are exposed to sharp glass, metal objects, and dangerous chemicals. They work long hours in the early morning and late evening collecting items to recycle.(4, 17) Boys working on the street are sometimes subjected to sexual exploitation.(9)

Children endure unsafe conditions in the carpet sector, often inhaling harmful dust, using hazardous chemicals, and working in cramped spaces. Their duties can include wool spinning, thread rolling, wool dyeing, carpet weaving, edge trimming, and carpet washing.(18) With the global economic crisis, demand for Nepali carpets has decreased, and carpet factories have returned to using indentured child labor rather than adult labor to save money.(19) Children as young as 7 years old are also subject to working long hours in poor lighting and cramped working conditions in embroidered textile production.(11, 20, 21) Child porters carry heavy loads for long hours and are vulnerable to injuries.(12, 22) Children also work long hours in domestic service where they perform physically demanding tasks that can have harmful effects on their physical, mental, and social development and in shops and restaurants where they often work in small, unhygienic, and poorly ventilated workspaces. Other children work in the transportation industry where they face mental and physical abuse or the entertainment industry where they are sexually exploited.(11, 12, 16, 23-26)

Bonded labor exists in Nepal. Some children, called Kamaiyas, are born into a family legacy of bonded labor, while other bonded child laborers come from large, landless families.(20, 27) As bonded laborers, children work in carpet weaving, domestic service, rock breaking, brick manufacturing, and embroidery of textiles.(14, 15, 20, 27) Limited evidence also indicates that bonded child laborers are exploited as commercial sex workers.(27) Girls who are forced to work as household servants are sometimes sexually abused.(25, 28-30)

Nepali children are also vulnerable to being trafficked.(31) They are trafficked to India to work in various industries.
including the embroidery, leather, and garment industries. Some also work in domestic service or are forced to beg. Limited evidence suggests that some children are also trafficked to India to work in circuses—although reports suggest that in recent years the number of children working in circuses has declined significantly. Nepal is also a source country for children trafficked to India and the Middle East for commercial sexual exploitation. Internal trafficking occurs for commercial sexual exploitation and indentured work as domestic servants or factory workers. Some children are trafficked for forced begging.

Children continue to perform illegal tasks for criminal organizations.

Research indicates that not all children have access to education, which increases the risk of children engaging in the worst forms of child labor. Some rural villages do not have secondary schools, leaving children to walk for hours to attend classes. The costs of teacher fees, books, and uniforms are prohibitive for many families. Some children, often girls, are not sent to school. In addition, children with disabilities face barriers to education, in some cases including denial of school admission. A lack of sanitation facilities in schools also deters some girls from attending.

**Laws and Regulations on the Worst Forms of Child Labor**

The Child Labor (Prohibition and Regulation) Act of 2000 establishes the minimum age for work at 14 and the minimum age for hazardous work at 16. However, the Act does not cover nontraditional establishments in which many child laborers are found, including home-based enterprises and unregistered establishments in the informal and agricultural sectors. The Act also establishes a list of occupations prohibited for children including tourism-related occupations such as working in hotels, restaurants, and bars. However, the minimum age for hazardous work is not consistent with international standards and fails to protect children ages 16 and 17 from work that could jeopardize their health and safety.

Nepali law also prohibits forced or compulsory labor. The Kamaiya Labor (Prohibition) Act of 2002 forbids keeping or employing any person as a bonded laborer and cancels any unpaid loans or bonds between creditors and Kamaiya laborers. The Child Labor Prohibition Act of 2000 and the Children’s Act of 1991 also prohibit forced labor and practices similar to slavery. The voluntary military recruitment age in Nepal is 18. In addition, the Interim Constitution prohibits the use of children in armed conflict.

The Government of Nepal has laws against trafficking and against sexually exploiting children and involving children in illicit activities. The Human Trafficking and Transportation Control Act prohibits many, but not all, forms of trafficking in persons and prostitution and prescribes imprisonment for violations. The Children’s Act punishes persons who use children younger than age 16 in immoral activities, including taking pornographic pictures. This law also protects children younger than age 16 from involvement in “immoral professions” and in the sale, distribution, or trafficking of alcohol and drugs. However, children ages 16 and 17 are not covered. These children may face criminal penalties if found participating in activities such as prostitution and the sale of drugs. Further, there is no prohibition against taking pornographic photographs of children ages 16 and 17.

Education is free for children between the ages of 6 and 12, but it is not compulsory.

**Institutional Mechanisms for Coordination and Enforcement**

The National Steering Committee and a high-level inter-ministerial committee coordinate child labor eradication efforts. The National Steering Committee is headed by the Ministry of Labor and Employment (MoLE) and comprises other government departments, NGOs, employers, trade unions, and donors. According to MoLE officials, the
Committee did not meet during the reporting period; however, in the absence of the National Steering Committee, an informal network of child labor stakeholders met regularly to provide feedback on activities under an IPEC project charged with supporting the implementation of the country’s National Master Plan on the Elimination of Child Labor. (48, 53)

The National Human Rights Commission’s Office of the National Rapporteur on Trafficking in Women and Children is responsible for monitoring the Government’s response to trafficking and the effectiveness of its anti-trafficking policies. (4, 5)

MoLE is the primary national agency responsible for enforcing child labor laws. (4, 5) In fiscal year 2012-2013, MoLE’s Department of Labor operated on a budget of approximately $235,300. (48) MoLE, which includes the labor inspectorate, budgeted for 10 inspector positions; however, not all positions are filled. MoLE officials report that this number of inspectors is inadequate. (48) Inspectors are tasked with handling all labor code violations. (5) Labor inspectors received basic training for enforcement in the formal sector, but they had insufficient guidance or protocols to effectively address child labor issues. (4, 5) MoLE does not maintain records on the number or types of labor inspections it conducts or the sanctions imposed. Therefore it is unclear whether child labor violations were found or any perpetrators were punished through the labor inspection process. (48)

At the local level, District Child Welfare Boards (DCWBs) have limited legal authority to enforce child labor laws and may issue civil fines. (15) These DCWBs are the entities that receive complaints of forced child labor violations. However, the Government of Nepal maintains no data on the number of cases reported. (15) MoLE reports that there is no official referral system for children removed from child labor, and coordination between agencies and NGOs providing rehabilitation services remains weak. (48)

In July 2012, the Bhaktapur District Administration Office, along with the police and NGOs, rescued 124 child laborers from embroidery factories in the Bhaktapur District. Police referred 39 factory owners to the labor office for employing children under age 14. (21) The Chief District Officer, the Women Development Officer, hundreds of police, and officials of the Ministry of Women, Children, and Social Welfare (MWCSW) collaborated with NGOs to accomplish this rescue. (54)

The Ministry of Land Reform and Management is responsible for enforcing laws that prohibit bonded labor in agriculture. (15) The Office of the Attorney General and the Ministry of Home Affairs are responsible for anti-trafficking enforcement. (5) The Nepali Police Force’s Women and Children’s Service Centers (WCSC) investigate crimes against women and children, including trafficking, at the district level. (4) There are 110 WCSCs throughout Nepal’s 75 districts and 477 investigators. (48, 55) From July 2011 through July 2012, at least 118 trafficking cases were registered with police and 189 people were convicted for trafficking, although it is unclear how many of the victims may have been children. (34) However, MoLE officials indicate that the number of investigations and convictions for child trafficking is inadequate relative to the scope of the problem. (48)

The National Rapporteur on Trafficking and the Central Child Welfare Board are tasked with monitoring the enforcement of laws related to the commercial sexual exploitation of children at the national level. (4, 5) At the district level, Chief District Officers and Women Development Officers are responsible for enforcement. (5) Additionally, district-level monitoring and action committees investigate reports of commercial sexual exploitation, including the exploitation of children. (11) Limited evidence suggests the Nepal Police lack sufficient resources to investigate all possible trafficking cases. (56)

**Government Policies on the Worst Forms of Child Labor**

MoLE’s National Master Plan on Child Labor 2004-2014 calls for eliminating the worst forms of child labor by 2009 and all forms of child labor by 2014. (57) The Plan identifies bonded child labor, rag-picking, portering, child domestic service, mining, carpet weaving, and child trafficking as the worst forms of child labor to be addressed. (58) The Government has been in the process of revising this Plan since 2009; it expects to unveil a new plan with a revised timetable (2011-2020) in 2013. Under this draft plan the goal is to eliminate the worst forms of child labor by 2016 and eliminate all forms of child labor by 2020. (4, 48, 53)

Over the reporting period, the ILO-IPEC continued to work with the Government to improve the policy and legal framework for child labor through the implementation of the National Master Plan. (53, 59)

In 2012, the Government approved the National Children’s Policy 2012. This policy includes provisions for protecting children from exploitation and physical, mental, and sexual abuse. (54)

The Government’s School Sector Reform Plan aims to expand access to education and to provide alternative schooling and
nonformal education to vulnerable populations. (4) Out-of-school children (which include child laborers) are the primary beneficiaries identified in the plan. (60) In 2012, the Ministry of Education continued to mainstream 189,000 out-of-school children into school. (61) Research indicates that overall financial resources for education are still inadequate. (62)

The MWCSW sets standards for registering brick kilns. Each kiln must have a certified school for children of kiln workers to attend, distribute nutritious food, and provide decent living conditions. (63)

At the local level, Village Development Committees (VDC) and District Development Committees (DDC) have taken action on child labor. The DDC in Kavre committed funding to support livelihood opportunities for families of vulnerable children. (61) The municipality of Lalitpur also has a 5-year strategic work plan to protect child rights and reduce child labor, including a plan to implement a child labor monitoring system. (61)

The Government of Nepal has a National Plan of Action to Combat Trafficking. (64) NGOs received limited funding to provide rehabilitation services, medical care, and legal services to trafficking victims. (4) In 2012, the MWCSW completed a review of this Plan and revisions were approved by the Council of Ministers. (65)

**Social Programs to Eliminate or Prevent the Worst Forms of Child Labor**

The Government of Nepal relies largely on donor funding for programs to address the worst forms of child labor. The USDOL-funded, 3-year, $4.75 million New Path New Steps Project runs through April 2013. (66) This Project provides new learning and employment opportunities for exploited and at-risk children and aims to withdraw 8,000 children and prevent 7,000 children from commercial sexual exploitation, domestic service, brick factories, mining, portering, and the embroidered textile sectors. (11) During 2012, the Project was instrumental in the embroidery factory raid that resulted in over 100 children being rescued. (54) The Project also conducted a 2-week long proposal and report writing training workshop for 20 partner NGOs, thereby facilitating sustainability of project efforts through building the capacity of local organizations. As a result of this training, participants have reported success in obtaining funding for future child labor elimination efforts. (54)

In 2012, the Government continued to participate in a $375,000, one-and-a-half year, Danish-funded ILO-IPEC project to support the implementation of the National Master Plan on the Elimination of Child Labor. The project worked with the Federation of Nepalese Chambers of Commerce and Industries to produce and air radio spots, and hold consultations, workshops, and focus group discussions targeting employer’s organizations and the general public on the worst forms of child labor and the National Master Plan on the Elimination of Child Labor. (53)

The Government participates in a UN Interagency Rehabilitation Program to provide rehabilitation assistance to children formerly associated with the Maoist rebel forces. Each former child soldier can access rehabilitation and reintegration services. (37)

MoLE also supports several programs to reduce child labor. In addition to its annual funding, MoLE manages a Child Labor Elimination Fund, currently funded at $23,530; however, the fund is inactive because the Child Labor Elimination Commission has yet to be formulated. (48) The Ministry also manages the Child Labor and Rehabilitation Fund, currently budgeted at $117,650, which provided support to five daycare centers for children at risk of entering child labor in Kathmandu. (48) During the reporting period MoLE implemented two 1-year projects to provide educational opportunities to children at risk of child labor. One of these programs operated in Biratnagar and the other in Timi Municipality. (48) Together, these two small projects were funded by MoLE at approximately $27,000. (48) According to MoLE officials, these programs and the annual budget for implementing them were not sufficient compared to the size of the problem. (48, 67, 68)

The Government of Nepal continued to rescue and rehabilitate Kamaiya bonded laborers, some of whom are children, and provide them with land, home construction materials, and livelihood training. (28) The Government also participates in the Kamalari Abolition Project in which social workers work with former child bonded laborers to help others escape bonded labor and return to their families. Through this Project, girls are provided with shelter and vocational training. (25)

The Government supports several education programs that may increase access to education for vulnerable children. The Education Guarantee Scheme identifies out-of-school children, including child laborers, and financially supports the VDCs’ plans to enroll them in schools. (69) This Scheme is budgeted for $1.2 million annually. (4) The Government also collaborated with the World Bank to implement a cash transfer program and a school feeding program in several districts that target
out-of-school youth.(4) One local district education office operates a dormitory for Chepang children, a disadvantaged indigenous group. The school provides free food and lodging for 40 children per year.(38)

The MWCSW supports 15 emergency shelters for victims of abuse, including child victims of trafficking and 8 NGO-run homes for female trafficking victims and victims of domestic violence and sexual assault.(31) However, there is a lack of standard guidelines for the care and support of child victims in these centers, and funding is limited.(68) Border police at 10 of the 26 Nepal-India border crossings work with a local NGO to intercept girls being trafficked out of Nepal. On average, police report 20 suspected trafficking victims are identified each day.(56)

In 2012, the release of budgeted government funds for all programs was delayed due to the lack of a parliament after May 2012.(52) This jeopardizes the sustainability of ongoing programs and may also negatively affect child labor programs.(70)

Based on the reporting above, the following actions would advance the elimination of the worst forms of child labor in Nepal:

<table>
<thead>
<tr>
<th>Area</th>
<th>Suggested Actions</th>
<th>Year(s) Action Recommended</th>
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</thead>
<tbody>
<tr>
<td>Laws and Regulations</td>
<td>Amend laws so that they are in line with ILO Convention 182 by • Extending protections in the Child Labor Act to include children working in home-based enterprises and nonregistered establishments in the informal and agricultural sectors. • Raising the minimum age for entry into hazardous work from 16 to 18. • Defining a child as any person younger than age 18 and ensuring that all children are equally protected under laws that prohibit the worst forms of child labor.</td>
<td>2011, 2012</td>
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<tr>
<td></td>
<td>Make primary education compulsory to ensure children are attending school and are therefore less vulnerable to the worst forms of child labor.</td>
<td>2012</td>
</tr>
<tr>
<td>Coordination and Enforcement</td>
<td>Increase the number of labor inspectors and devote more resources to enforcing child labor laws.</td>
<td>2010, 2011, 2012</td>
</tr>
<tr>
<td></td>
<td>Provide inspectors with adequate guidelines and protocols to effectively inspect establishments for child labor violations.</td>
<td>2011, 2012</td>
</tr>
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<td></td>
<td>Enhance data collection and ensure data available on the worst forms of child labor include • Complaints/reports on child labor made to the DCWBs aggregated at a national level. • Records on type of labor inspections the MoLE conducts and sanctions imposed on violators. • Data collected identifying the number of child trafficking victims.</td>
<td>2009, 2010, 2011, 2012</td>
</tr>
<tr>
<td></td>
<td>Institute a referral system to ensure coordination between enforcement agencies and NGOs providing rehabilitation services to children removed from child labor.</td>
<td>2012</td>
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<td></td>
<td>Provide additional resources for the Nepal Police so that they are able to pursue those engaged in child trafficking.</td>
<td>2011, 2012</td>
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<tr>
<td></td>
<td>Increase financial resources committed to implementing the School Sector Reform Plan.</td>
<td>2011, 2012</td>
</tr>
</tbody>
</table>
### References

1. UNESCO Institute for Statistics. *Gross intake ratio to the last grade of primary school*. Total; accessed February 4, 2013; [http://www.uis.unesco.org/Pages/default.aspx?SPSLanguage=EN](http://www.uis.unesco.org/Pages/default.aspx?SPSLanguage=EN). Data provided is the gross intake ratio to the last grade of primary school. This measure is a proxy measure for primary completion. For more information, please see the “Children’s Work and Education Statistics: Sources and Definitions” section of this report.

2. UCW. *Analyzing Child Economic Activity and School Attendance Statistics from National Household or Child Labor Surveys*. February 5, 2013. Reliable statistical data on the worst forms of child labor are especially difficult to collect given the often hidden or illegal nature of the worst forms. As a result, statistics on children’s work in general are reported in this chart, which may or may not include the worst forms of child labor. For more information on sources used, the definition of working children and other indicators used in this report, please see the “Children’s Work and Education Statistics: Sources and Definitions” section of this report.


### Area | Suggested Actions | Year(s) Action Recommended
--- | --- | ---
Social Programs | Put in place the Child Labor Elimination Commission to manage programs under the Child Labor Elimination Fund. Increase financial resources for and ensure a timely release of funds budgeted to child labor reduction programs. | 2012, 2011

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