



International
Labour
Organization

GEFONT Social Welfare Schemes in Nepal

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A profile of GEFONT

The founding year	In 1946
29 industrial federations	<ul style="list-style-type: none"> - Agricultural and plantation sector - Education communication sector - Garment, carpet and allied sector - Health sector - Industrial sector - Non-agricultural informal sector - Urban informal sector - Tourism sector - Transport and allied sector
	
Zonal and district affiliates	<ul style="list-style-type: none"> - 12 zonal offices - 64 district office
Membership	354,242 persons, incl. 64,290 females
	168,000 informal workers of the total members
Alignment with a political party	UML party

GEFONT Health Cooperative



- Established in 2000

- Objectives

- To develop health campaigners [OSH Campaigners who create awareness on safety work environments and occupational accidents prevention]
- To provide primary health care
- To provide referral services from hospitals which are in agreement with GEFONT

- **The management structure**

- The executive committee of the GEFONT Health Cooperative, constituted by the Deputy Secretary General of GEFONT and Secretary of the Social Security Dept, GEFONT, who are directly elected from the annual general meeting of the Health Cooperative

- **Seed Money**

- GEFONT contribution - NRs.50,000
- Another matching fund of NRs 50,000 from 500 individual subscribers [NRs.100 per share per head]

- **Contribution**

- Initially Rs. 30 per beneficiary per month which was collected from the members by health cooperative staff
- GEFONT subsidised it frequently from its membership dues

- **Services**

- Medical check-up at Kathmandu Model Hospital
- Discount in medicine from the GEFONT pharmacy

- The establishment of the Kathmandu Model Hospital as a primary health clinic

- GEFONT Health Cooperative shared NRs.61.666
- Plect Nepal shared NRs.61,666
- Patients paid around 50% of their bill
- NRs.60 to cooperative members
- NRs.70 to GEFONT members
- NRs.75 to general public
- The market rate was in the range of Rs.100-150

- GEFONT pharmacy

- 6-15% of discount in medicine from the GEFONT pharmacy
- Providing services to the dependents of the members
- * GEFONT pharmacy was closed in 2004 when the micro Health insurance scheme was set up.

- **Reasons of forming the GEFONT Health Insurance Scheme**

1. Since 2004, the nature of the scheme has been changed to direct services from the hospitals, which have a medical service agreement with GEFONT at negotiated rates
2. Formed the Micro Health Insurance Scheme after closing the GEFONT pharmacy and disconnecting with the KTU Model Hospital, because
 - 1) Accumulated revenue from the Kathmandu model hospital was insufficient to continue the programme
 - 2) The operation of the pharmacy in the GEFONT HQs proved not to be practical, but it would be better in managing major working family residential areas.
 - 3) The members preferred direct services from the hospitals as they felt inconvenient to visit the clinic at first and then go to referred hospital

2. Agreements with 3 hospitals – the Kathmandu Model Hospital, the Teaching Hospital in Kathmandu” and “Bheri Zonal Hospital outside KTM
3. GEFONT members directly go to the hospitals and get services in negotiated rates
4. Chairman of the GEFONT Health Cooperative negotiates with the hospitals on the discount rates on various items, medicine purchase and services, bed charges, surgical operation based on nature and types of diseases

- **Actual benefits**

- For a 5 year period of 2000-2004, around 2,900 workers and family members used the primary services of the Clinic
- Since 2005, in the second phase of direct hospital service based on the agreement, total 1,578 persons have been benefited [the Teaching Hospital - **105 persons**; the Bheri Zonal hospital - **753 persons**; the KTM Model Hospital - **720 persons** (251 females and 469 males)]

Women Social Assistance Fund



- Established in 2003
- Objective
 - To help women members in difficult cases of maternity, reproductive health problems, surgical cases and reliefs from extreme emergencies
- The fund
 - It is neither contributory nor membership-based. The fund is accumulated by donations by members and non-members and interest rates from the saving at a bank

- Sources of the fund

- A fund of NRs. 50,000 from GEFONT
- A total of NRs 741,602 contributed from the Women Trade Union of Denmark (KAD) for almost 3 years from 17 July 2003 to 25 April 2007
- A donation of NRs. 500,000 from various sources since its inception

- **Management of the fund**
 - Three members of the executive committee, constituted by Central Women Workers Dept, Department of Finance, and Social Security Dept., GEFONT
 - Regulated by a “Women Social Assistance Fund”
 - Saved in a bank with flexible interest rates
- **Conditions of beneficiaries**
 - Members of any of GEFONT affiliates as regular paying members
 - Should be more than one year as a GEFONT member
 - Can apply through the GEFONT Women Committee or recommended by the GEFONT Zonal Committee Chief

- **Selection criteria of the fund**
 - Women health - miscarriage, uterus prolapsed, maternity problems
 - Displaced due to violent conflict
 - Natural disaster victims
 - Accident victim
 - Occupational disease victims
 - Women who lost breadwinners
 - Victims of domestic violence
 - Divorcees if need immediate relief

- **Decision of the application**

- President of the National Women Committee, Secretaries of the Social Security Dept and of the Financial Dept, members of the Fund Executive Committee, GEFONT

- **Total distribution of the fund**

- Up to NRs. 5,000 financial assistance for individuals based on nature of the case
- A fund of NRs. 599,000 contributed 167 women members from 2005 to 2012

The emergency fund



- Developed in 2009 at the 5th National Congress of GEFONT
- Applicable to all male and female members of GEFONT who are in extreme difficulties due to diseases or any other emergencies
- Every member should pay once from a minimum of NRs. 25 and to a maximum whatever s/he can offer
- S/he can contribute it repeatedly if s/he feels to contribute
- A total of NRs.700,000 accumulated from 2009 to 2012
- No relief is released up to now

Lessons learned from the operation of the union social security scheme

- Less administrative work and simple process to access the hospitals
- Need to make more agreements with various hospitals in various parts of the country in order to extend the coverage of beneficiaries nationwide
- Need to advocate the insurance scheme widely to the GEFONT members



Political conflicts during the Maoist insurgence interrupted the operation, management and extension of the first stage of the GEFONT Health Cooperative

- More resource required as the numbers of the needy women increase
- Special fund-raising campaigns need to be launched in conjunction with various union events
- The GEFONT Health Cooperative does not indicate whether it is successful or not, but it is a showcase expressing a potential of developing a particular scheme with a particular working group.



THANK YOU