

Nepal

Commitment to Human Capital - Scorecard

This scorecard presents a snapshot of the country's commitment to the human capital agenda and presents information on how the World Bank Group is supporting the government in the social sectors.

In Nepal the productivity as a future worker of a child born today is **49 percent** as much as it could be. The HCI has three components: survival to age 5, health, and education. For more information on human capital outcomes and the HCI, please see the country two-pager on www.worldbank.org/humancapitalproject

KEY OUTCOME AND OUTPUT INDICATORS TO MONITOR

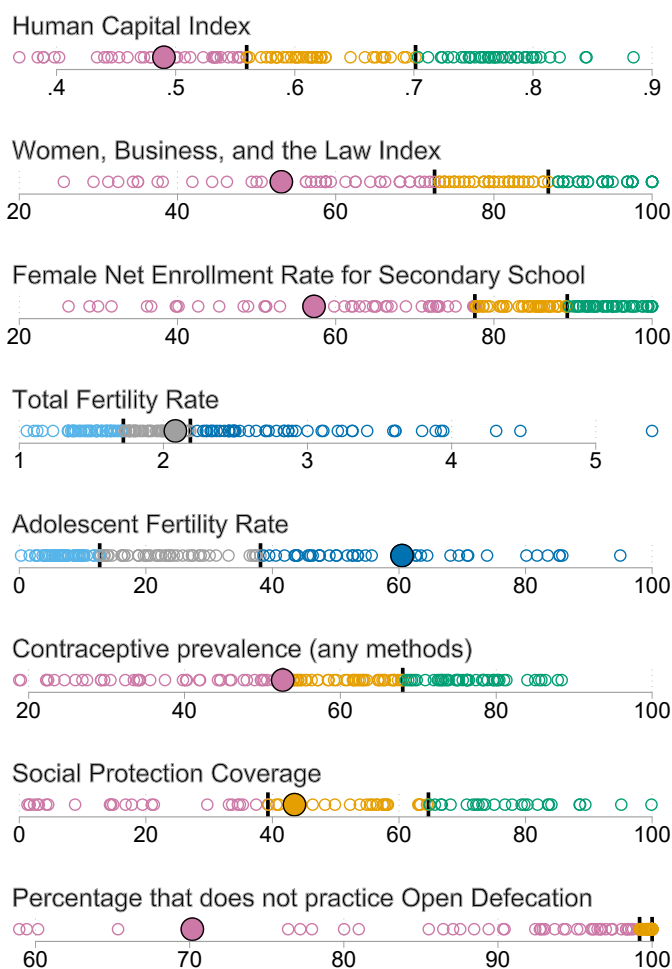
- **Women, Business and the Law Index.** This index measures gender inequality in the law and identifies barriers to women's economic participation, and a larger value shows higher gender equity. In Nepal, the value is **53** out of 100. This is lower than both the average for its region (58) and the average for its income group (68).
- **Net Enrolment Rate in Secondary School.** In Nepal, **57 percent** of girls of secondary-school age are enrolled in secondary school. This is lower than the average for its region (59) but higher than the average for its income group (29).
- **Total Fertility Rate.** In Nepal, the total fertility rate is **2.1**. This is lower than both the average for its region (2.6) and the average for its income group (4.7).
- **Adolescent Fertility Rate.** In Nepal, there are **60 births** per 1,000 women ages 15-19. This is higher than the average for its region (39) but lower than the average for its income group (94).
- **Contraceptive Prevalence.** In Nepal, **53 percent** of women ages 15-49 uses some form of contraceptive method. This is higher than both the average for its region (46) and the average for its income group (28).
- **Social Protection Coverage** In Nepal, **43 percent** of the population is covered by social safety net programs. This is higher than both the average for its region (21) and the average for its income group (17).
- **Open Defecation.** In Nepal, **30 percent** of the population practices open defecation. This is higher than both the average for its region (12) and the average for its income group (27).

DOMESTIC RESOURCE USE AND MOBILIZATION

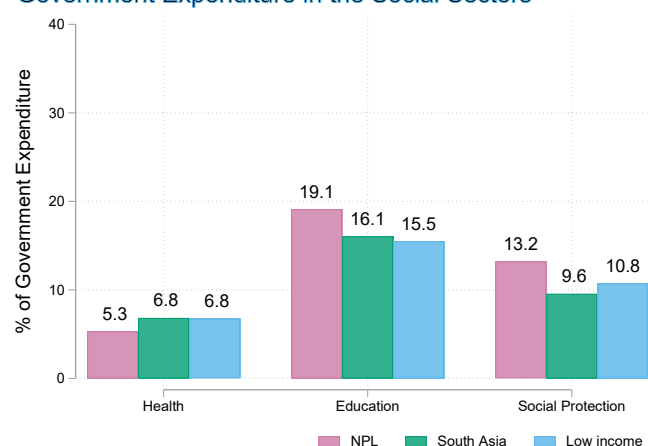
Nepal is part of a network of countries committed to the Human Capital agenda.

- **Health Spending.** Nepal spends **5.3 percent** of its government budget on health. This is lower than both the regional average (6.8) and the average for its income group (6.8).
- **Education Spending.** Nepal spends **19.1 percent** of its government budget on education. This is higher than both the regional average (16.1) and the average for its income group (15.5).
- **Social Protection Spending.** Nepal spends **13.2 percent** of its government budget on social protection. This is higher than both the regional average (9.6) and the average for its income group (10.8).

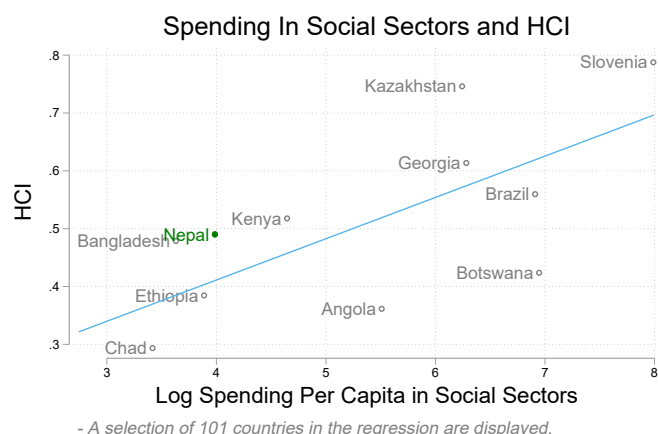
Key Indicators on Human Capital



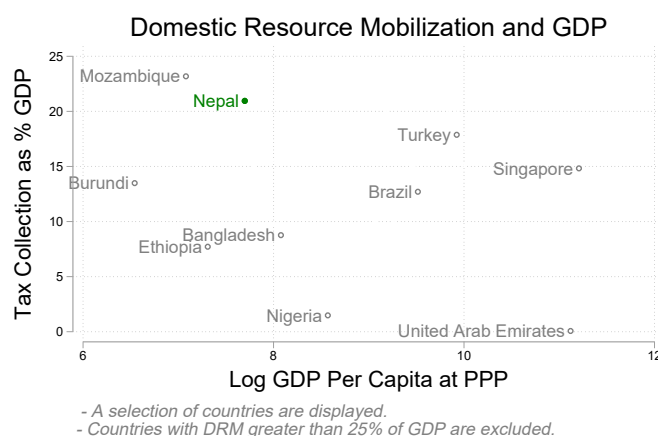
Government Expenditure in the Social Sectors



- **Efficiency of Spending.** The HCI in Nepal is **higher** than what would be predicted for its level of per capita spending on the social sectors.



- **Domestic Resource Mobilization.** The tax revenue in Nepal is **21** percent of GDP. This is higher than both the regional average (13.2) and the average for its income group (14.3).



OTHER RELEVANT INDICATORS

- **Building Human Capital.** The Country Policy and Institutional Assessment rating for building human resources in Nepal is **4.5** (1 is low and 6 is high). This is higher than both the regional average (4.1) and the average for its income group (3.5). This indicator assesses the national policies and public and private sector service delivery that affect access to and quality of health and education services.
- **Identification** In Nepal, **26.5 percent** of the population does not have proof of identity. This is higher than the average for its region (22.4) but lower than the average for its income group (34.6).
- **Statistical Data on Human Capital** In Nepal, the latest available data on stunting rates is from 2016. Similarly, the last available data point on Harmonized Learning Outcomes is from 2014.

HOW IS THE WORLD BANK SUPPORTING THE EFFORT?

The following table summarizes the World Bank's investments in Human Development for Ethiopia, including measures of volume, performance, and other relevant indicators.

World Bank Investments in HD				
Indicator	HD	Edu	HNP	SPJ
HD Portfolio				
USD (million)	831	531	150	150
Percentage of total	33	21	6	6
Diff. with perc. for regional average	+13	+9	+2	+3
Diff. with perc. for income group avg	+5	+13	-5	-3
HD FY 20 Lending Program				
USD (million)	144	24	0	120
Percentage of total	28	5	0	23
Diff. with perc. for regional average	+14	-2	-1	+16
Diff. with perc. for income group avg	-8	-4	-11	+7
HD Performance				
Average Development Outcome (DO)	4	4	4	3
Difference with DO for region	+0.46	+0.78	+0.29	-0.13
Difference with DO for income group	+0.29	+0.66	+0.42	-0.57
Perc. Satisfactory DO	100	100	100	100
Average Implementation Progress (IP)	3	3	3	2
Difference with IP for region	-0.18	+0.14	-0.52	-0.73
Difference with IP for income group	-0.48	-0.23	-0.40	-1.36
Perc. Satisfactory IP	83	0	100	100
Disbursement ratio (DR)	14	19	.	5
Difference with DR for region	-7	-7	.	-8
Difference with DR for income group	-30	-11	.	-55
Other indicators				
Average project size (PS) (USD mill.)	138	133	150	150
Difference with PS for region	+2	+4	-15	+39
Difference with PS for income group	+53	+75	+78	+56
Perc. of portfolio that is co-TTLd (CTT)	43	11	100	100
Diff. with CTT for region (perc. points)	+4	-26	+59	+60
Diff. with CTT income group (perc. points)	+13	-10	+65	+64

Note: a) **Pink** indicates that the value is within the first tercile of the distribution for all the countries. **Orange** indicates that the value is within the second tercile. **Green** indicates that it is within the third tercile. b) FY20 lending program includes only projects rated A, B and unrated. c) DO and IP are on a scale of 1 to 5 where 1 is Unsatisfactory and 5 is Highly Satisfactory. d) Data as of July 15, 2019.

This scorecard is intended to be a conversation starter on where a country is on various aspects of human capital development and the state of the World Bank's support in the social sectors. The choice of indicators is, to a large extent, driven by what is most relevant for the two Regions with the lowest HCI scores (Africa and South Asia). As such, not all the indicators included here are relevant for each country. The scorecard should be complemented with other more context specific indicators.

The sources of data for the different indicators include: the Human Capital Project, the World Development Indicators, and the World Bank's internal system to monitor investments.

For more information, please contact the Human Capital Project team: HCP_Team@worldbank.org