An isolated, agrarian society until the mid-20th century, Nepal entered the modern era in 1951 without schools, hospitals, roads, telecommunications, electric power, industry, or civil service. The country has, however, made progress toward sustainable economic growth since the 1950s and is committed to a program of economic liberalization. Nepal is heavily dependent on remittances, which amount to as much as 22-25% of GDP. Agriculture is the mainstay of the economy, providing a livelihood for more than 70% of the population and accounting for a little over one-third of GDP. Industrial activity mainly involves the processing of agricultural products, including pulses, jute, sugarcane, tobacco, and grain. Nepal has considerable scope for exploiting its potential in hydropower, with an estimated 42,000 MW of commercially feasible capacity, but political uncertainty and a difficult business climate have hampered foreign investment. Additional challenges to Nepal's growth include its landlocked geographic location, persistent power shortages, underdeveloped transportation infrastructure, civil strife and labor unrest, and its susceptibility to natural disaster. The lack of political consensus in the past several years has delayed national budgets and prevented much-needed economic reform, although the government passed a full budget in 2013.

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| **Economic Facts** | **Data** |
| GDP (purchasing power parity) | $66.78 billion |
| GDP (official exchange rate) | $19.64 billion |
| GDP - real growth rate | 5.5% |
| GDP - per capita (PPP) | $2,400 |
| Gross national saving | 33.5% of GDP |
| GDP - composition, by end use | Household consumption: 78.1%  Government consumption: 11.2%  Investment in fixed capital: 23.1%  Investment in inventories: 13.9%  Exports of goods and services: 13.9%  Imports of goods and services: -40.3% |
| GDP - composition, by sector of origin | Agriculture: 30.7%  Industry: 13.6%  Services: 55.7% |
| Industrial production growth rate | 2.7% |
| [Labor force](https://www.cia.gov/library/publications/the-world-factbook/docs/notesanddefs.html?fieldkey=2095&term=Labor%20force) | 14.76 million  Note: Severe lack of skilled labor (2012 est.) |
| Labor force - by occupation | Agriculture: 75%  Industry: 7%  Services: 18% (2010 est.) |
| Unemployment rate | 46% (2008 est.) |
| Population below poverty line | 25.2% (2011 est.) |
| Household income or consumption by percentage share | Lowest 10%: 3.2%  Highest 10%: 29.5% (2011) |
| Budget | Revenues: $4.085 billion  Expenditures: $3.834 billion |
| Taxes and other revenues | 20.8% of GDP |
| Budget surplus (+) or deficit (-) | 1.3% of GDP |
| Public debt | 30% of GDP |
| Fiscal year | 16 July - 15 July |
| Inflation rate (consumer prices) | 8.4% |
| Central bank discount rate | 8% |
| Commercial bank prime lending rate | 10.9% |
| Stock of narrow money | $3.808 billion |
| Stock of broad money | $14.5 billion |
| Stock of domestic credit | $$13.35 billion |
| Market value of publicly traded shares | $9.671 billion |
| Current account balance | $908 million |
| Exports | $1.124 billion |
| Imports | $7.282 billion |
| Reserves of foreign exchange and gold | $5.439 billion |
| Debt - external | $3.549 billion |
| Stock of direct foreign investment - at home | $103 million |