

Brief Analysis of Preliminary Results

1. Total number of establishments was 922,445 in Nepal. (Refer to Table 1 and Map 1.)

The preliminary results of the National Economic Census 2018 (NEC2018) provide the current situation of establishments in Nepal in the recovery process after the huge earthquakes which occurred in April and May 2015. The figures were aggregated from the enumerator's control forms (summary sheets) which were filled in by enumerators and checked by supervisors. Therefore, the preliminary results might slightly be different from the final results which are based on Form B and will be released around June 2019.

There were 922,445 establishments in Nepal as of 14 April 2018 as the preliminary results of the NEC2018 implemented by the Central Bureau of Statistics (CBS). The NEC2018 covered all areas in the country without exception and all establishments excluding the following establishments: non-registered establishments which belong to "Agriculture, forestry, and fishery" (Section A) of International Standard Industrial Classification (ISIC) Rev. 4; and all those establishments which belong to "Public administration and defense; compulsory social security" (Section O), "Activities of household as employers" (Section T), and "Activities of extraterritorial organizations and bodies" (Section U) of ISIC. In addition, Mobile establishments were also excluded. These exclusions are in accordance with international common practices in economic censuses. (Refer to Outline and Appendix 2.)

Nepal has 922,445 establishments and the number of establishments per 1,000 persons is 31.6 establishments. As compared with other countries, Japan has 5.8 millions and 45.4; Indonesia 26.7 millions and 104.6; Sri Lanka 1.0 million and 50.3; and Cambodia 0.5 million and 34.6; respectively. Among these five countries, Nepal has relatively fewer establishments for its population size. This is probably due to geographical disadvantage such as upcountry and mountainous. ¹⁾

1) *The data sources are the 2014 Population Estimates and the 2014 Economic Census for Japan, the 2015 Population Estimates and the 2016 Economic Census for Indonesia, the 2011 Population Census and the 2013 Economic Census for Sri Lanka, and the 2011 Population Estimates and the 2011 Economic Census for Cambodia. There are some slight differences in the definition of the establishment among five countries.*

The biggest district in terms of the number of establishments was Kathmandu with 123,994 establishments or 13.4% to the total number of Nepal, followed by Jhapa (38,741 or 4.2%), Rupandehi (38,415 or 4.2%), Morang (35,237 or 3.8%), and Sunsari (31,486 or 3.4%). These five districts are located in the Kathmandu valley or in plain areas, occupying nearly 30% of the total number of establishments in Nepal.

The Kathmandu valley is made up of Kathmandu District with 123,994 establishments, Lalitpur District (27,009), and Bhaktapur District (19,629). In total, there are 170,632 establishments, occupying 18.5% of the total number of establishments in Nepal. On the other hand, the population in the Kathmandu valley was about three millions, occupying about 10% only of the total population in Nepal. It means that establishments are more concentrated in the Kathmandu valley than population.

Kathmandu district is the capital of Nepal, and is located in the Kathmandu Valley where is positioned almost in the center of Nepal. Kathmandu has a gigantic size of the number of establishments. This can be said due to the population of Kathmandu with more than two millions as of 2018 and its recent rapid population increase. In addition, its functions as the capital of Nepal are also included, that is, ministries and agencies, universities, institutes, international organizations, embassies, head offices of many enterprises, medias, an international airport, bus terminals, hotels, shopping malls, entertainments, etc.

Jhapa district is the easternmost district of Nepal, where lies in the fertile Terai plains, and is the east end of Mahendra Highway which runs across the entire width of the country. The population of Jhapa is about 876 thousands, and is the fifth place in 77 districts. The district headquarters is Bhadrapur where can easily access from Kathmandu by air. Major market centers are Damak, Gauradaha, Bhadrapur-Chandragadhi, Birtamod, Surunga, Arjundhara, Mechinagar etc. Major industries in Jhapa are tea, cement, plywood, and retail trade.

Rupandehi district is located on a flat plain. Bhairahawa, Butwal, Murgiya, Manigram, Lumbini, Mangalapur, and Shankar nagar are some of the major market centers of the district. The main industries in Rupandehi are banking, microfinance, pharmaceutical, and tourism. Especially, Lumbini is a center of tourism because there is the birthplace of Lord Buddha, and is granted World

Heritage status by UNESCO in 1997. Since there are a number of temples including the Mayadevi Temple, thousands of Buddhist monks, pilgrims and tourists visit Lumbini annually and there are a lot of hotels, guesthouses, restaurants, drink shops, and so on.

Morang district is located in the eastern part of Nepal, and lies in the fertile Terai plains. Since Morang is one of the most industrial areas in Nepal, there are huge numbers of industries and factories such as plastic product, plywood, and others. Especially, jute mill is an old industry here. Morang has the second largest population in Nepal. The district headquarters is Biratnagar where can easily access from Kathmandu by air.

Sunsari district is also located in the eastern part of Nepal, and lies in the fertile Terai plains. Since Sunsari is also one of the most industrial areas in Nepal, there are huge numbers of industries and factories commencing with Dharan Industrial Estate and Sunsari Morang Industrial Corridor. Its major products are sugar, fiber, cable, valves, fittings, pharmaceuticals, biscuits, confectionaries, and others.

Meanwhile, the smallest district was Manang with 487 establishments or 0.1% to the national total perhaps reflecting the fact that its area is mountainous and is sparsely inhabited, followed by Mustang (775 or 0.1%), Dolpa (861 or 0.1%), Rukum East (1,020 or 0.1%), and Rasuwa (1,375 or 0.1%). These five districts are located in the north side of the country, namely, in the Himalayan mountain range except Rukum East where lies in the mid-western hilly region of Province 5.

2. Establishment density was 6.3 establishments per km² in Nepal. (Refer to Table 2 and Map 2.)

The establishment density of Nepal is 6.3 establishments per km². As compared with other countries, Japan was 15.3; Indonesia 13.9; Sri Lanka 15.5; and Cambodia 2.8; respectively. Among these five countries, the establishment density of Nepal is relatively lower for its area size. This is probably due to geographical disadvantage such as upcountry and mountainous. ¹⁾

The highest district in terms of the establishment density was Kathmandu with 313.9 establishments per km², followed by Bhaktapur (164.9), Lalitpur (70.2), Rupandehi (28.2), and Sunsari (25.0). The first three districts are located in the Kathmandu Valley and the remaining last two districts lies in the southern plain

areas of the country.

Bhaktapur district is located in the east corner of the Kathmandu Valley and there are three major industries: tourism, brickmaking, and pottery production. Especially, Bhaktapur city is listed as a World Heritage Site by UNESCO with a central focus on Bhaktapur Durbar Square surrounded by a lot of hotels, guesthouses, restaurants, drink shops, and so on.

Lalitpur district is located in the south corner of the Kathmandu Valley. The district headquarters is Lalitpur city where is the third largest city of Nepal. Especially, Patan Durbar Square is listed as a World Heritage Site by UNESCO and is surrounded by a lot of hotels, guesthouses, restaurants, drink shops, and so on. In addition, there are many small-scale cottage industries and traditional handicrafts which have produced renowned artists and finest craftsmen.

Meanwhile, the lowest district was Dolpa with 0.1 establishments per km² corresponding to the fact that it has the lowest population density in all districts. Dolpa was followed by Manang (0.2), Mustang (0.2), Humla (0.4), and Mugu (0.5). These five districts are located in the north side of the country, that is, in the Himalayan mountain range.

3-1. Number of establishments per 1,000 persons was 31.6 establishments in Nepal. (Refer to Table 3-1 and Map 3-1.)

The highest district in terms of the number of establishments per 1,000 persons was Manang with 76.2 establishments, followed by Mustang (64.7), Kathmandu (58.3), Bhaktapur (55.3), and Kaski (54.4). With regard to Kathmandu, Bhaktapur, these two districts are located in the central part in Province 3 of the country, while Kaski lies in western part in Gandaki Province being more competitive areas for business. Although both Manang and Mustang are showing very high values, this is due to a small population size.

Kaski district is located in the Gandaki Province of Nepal. The district headquarters is Pokhara where is a major tourist destination, for example, the base for the famous Annapurna Circuit trek and panoramic views of mountains and lakes. As a result, service-sector industries have increasingly contributed to the local economy.

Meanwhile, the lowest district was Achham with 15.2 establishments per 1,000 persons, followed by Bara (15.6), Rautahat (15.8), Baitadi (16.7), and Doti

(17.2). It means that there is room to have more establishments in these five districts as compared with their population. Among these five districts, Bara and Rautahat are the districts of Province No. 2 while the remaining three districts are located in Province No. 7.

3-2. Population per establishment was 31.7 persons in Nepal. (Refer to Table 3-2 and Map 3-2.)

The highest district was Achham with 65.7 persons per establishment, followed by Bara (64.0), Rautahat (63.2), Baitadi (59.8), and Doti (58.3). They have relatively more population per establishment and room to have more establishments.

Meanwhile, the lowest district in terms of the population per establishment was Manang with 13.1 persons, followed by Mustang (15.5), Kathmandu (17.1), Bhaktapur (18.1), and Kaski (18.4). Although both Manang and Mustang are showing very low values, this is due to a small population size.

4. Number of persons engaged was 3,408,746 persons in Nepal. (Refer to Table 4 and Map 4.)

The biggest district in terms of the number of persons engaged was Kathmandu with 575,003 persons or 16.9% to the total number of Nepal, followed by Rupandehi (163,045 or 4.8%), Morang (143,386 or 4.2%), Lalitpur (139,686 or 4.1%), and Jhapa (129,180 or 3.8%). These five districts occupies more than one third of the total number of persons engaged in Nepal.

Meanwhile, the smallest district was Manang with 2,375 persons engaged or 0.1% to the national total perhaps reflecting the fact that its area is mountainous and is sparsely inhabited, followed by Rukum East (2,753 or 0.1%), Mustang (3,105 or 0.1%), Dolpa (3,109 or 0.1%), and Rasuwa (4,851 or 0.1%). These five districts are located in the north side of the country, namely, in the Himalayan mountain range except Rukum East in hill of Province No. 5.

5-1. Sex Ratio of persons engaged is 150.0 in Nepal. (Refer to Table 5 and Map 5-1.)

The sex ratio in Nepal is 150.0. This means that about 150 males are engaged in the establishments for every 100 engaged females. As compared with other countries, Japan is 125.7; Indonesia 183.9 ²⁾; Sri Lanka 154.0 ³⁾; and Cambodia

63.4; respectively. Among these five countries, although the sex ratio in Nepal seems average, it is not always fair in respect to gender equality. ¹⁾

2) *The data sources are the 2010 Population Census for Indonesia.*

3) *Formal establishments with 24 or fewer persons engaged are not included for Sri Lanka.*

The highest district in terms of the sex ratio (male/female*100) of persons engaged was Bara with 301.9, followed by Rautahat (300.5), Parsa (281.5), Kapilbastu (268.5), and Mahottari (264.4). These five districts are located in the south side of the country where is in plain areas. The higher ratios may be due to the fact that large proportion of female are involved in agricultural occupation in these districts.

Meanwhile, the lowest district was Mugu with 90.2, followed by Gulmi (97.2), Baglung (102.6), Myagdi (103.0), and Sindhupalchok (103.9). These five districts are located in mountain and hill areas.

5-2. Number of persons engaged per establishment is 3.7 persons in Nepal. (Refer to Table 5 and Map 5-2.)

Nepal has 3,408,746 persons engaged and the number of persons engaged per establishment is 3.7 persons. As compared with other countries, Japan has 57.4 millions and 9.9; Indonesia 70.3 millions and 2.6; Sri Lanka 2.8 millions and 2.8; and Cambodia 1.7 millions and 3.3; respectively. Among these five countries, Nepal has relatively more persons engaged per establishment. This is probably due to fewer street businesses in Nepal. ¹⁾

The districts with higher in terms of the number of persons engaged per establishment was Lalitpur with 5.2, followed by Manang (4.9), Kathmandu (4.6), Lamjung (4.6), and Sarlahi (4.6).

Meanwhile, the least district was Arghakhanchi with 2.3, followed by Dailekh (2.3), Udayapur (2.5), Panchthar (2.5), and Doti (2.6). These five districts are located in hill areas.