

# GOVERNMENT OF NEPAL National Economic Census 2018

# Analytical Report Informal Sector





National Planning Commission

Central Bureau of Statistics

Kathmandu, Nepal

March 2021



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Address: Ramshahpath, Thapathali, Kathmandu, Nepal.

Phone: +977-1-4100524, 4245947

Fax: +977-1-4227720

P.O. Box No: 11031

E-mail: ecocen@cbs.gov.np;

ecnepal2018@gmail.com

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#### **Government of Nepal National Planning Commission**

#### Vice-Chairman

#### **MESSAGE**

It is my pleasure to state that Central Bureau of Statistics (CBS) has successfully conducted the nationwide first historic National Economic Census (NEC) from April 14 to June 14 2018. The National Planning Commission is happy to share this report based on the results of National Economic Census of Nepal. This report provides various economic, industry and business information in different dimensions for the users in national and sub-national levels. The report contains the statistical information on establishments, persons engaged and other related characteristics. The result of this census will be the framework for further statistical surveys to generate advanced thematic characteristics. The census results play a key role in the development planning, monitoring and evaluation of the programs. Hence, this report will also be instrumental for the Sustainable Development Goals (SDGs) progress monitoring. I hope that this report will be an important source of data for policy makers, planners, business communities, development partners, researchers, civil society, media etc. in formulating policies, undertaking development programs and studies.

On behalf of the National Planning Commission, I would like to extend my sincere thanks to all members of steering committee and technical committee for their valuable guidance throughout the census process. My heartiest thanks go to all the concerned leadership and staffs of CBS for bringing out the series of reports in time. I sincerely acknowledge JICA for technical support in this census. I would also like to thank persons both within and outside the government who contributed the smooth implementation of the census programme and made it a success.

2021





## Government of Nepal National Planning Commission

#### **FOREWORD**

It is my immense pleasure to write few words on the publication of the analytical reports of National Economic Census (NEC) 2018. Being the first economic census, it has great scope and importance providing disaggregated data on Nepalese economy and its sectoral dimensions. The analytical report provides various indicators and data in varied dimensions for the users in national, provincial and local levels. It includes the statistical information on number of establishments, persons engaged and other related characteristics. The result included in this report will serve as the framework for further statistical surveys to generate advanced thematic characteristics. The census results play the key role in the development planning, monitoring and evaluation of development programs carried out by three tiers of the government. Therefore, this report will also be instrumental for the monitoring of Fifteenth periodic plan, provincial and local level plans, Sustainable Development Goals (SDGs) and other development initiatives. I hope that this analytical report will be a leading source of data for planners, policy makers, private sectors, development partners, researchers, civil society, media and the general publica in formulating policies, managing development programs, civic information and studies.

Central Bureau of Statistics (CBS) is thankful for the effort of implementing first Economic Census and carrying out this analytical report. I would like to extend my sincere thanks to Honorable Vice-Chairman Prof. Dr. Puspa Raj Kandel for his appreciable leadership in Census Steering Committee. All the members of steering committee, technical committee and thematic committees are also thankful for their valuable guidance throughout the census process. My heartiest thanks go to all concerned leadership and staffs of CBS for bringing out the series of reports in time. I also want to sincerely acknowledge the Japan International Cooperation Agency (JICA) for the technical support in this census. I would also like to thank all stakeholders in entire government and elsewhere who contributed the smooth implementation of census.

Dr. Ram Kumar Phuyal

2021





## Government of Nepal National Planning Commission

#### PREFACE

Data are the heart of planning and policy formulation. An informed decision-making process is only possible with official statistics that present the accurate picture of the nation's economy. Hence, it becomes a responsibility of the government to make official statistics of all the sectors easily available and accessible to all so that the decisions made by individuals and institutions can be effective and subsequently lead to yield desired results within the targeted period of time. The National Economic Census is the statistical operation covering the establishments of agriculture, forestry and fisheries (formal) and various non-agriculture sectors (formal and informal) of the economy. The census was conducted with the aim to fulfill basic data gaps on economic statistics of the country.

Central Bureau of Statistics has brought a series of reports on National Economic Census 2018, conducted during the period of April to June, 2018. I believe that the different publications on economic census providing variety of key information on the economic characteristics of the economic entities will be useful to a wide range of stakeholders for evidence-based decision making as well as policy formulation for overall development of the country. The census results will also be more useful in formulating policies and programs at three tiers of the government: local, provincial, and federal. Further, it is equally important for monitoring development progress particularly of on Sustainable Development Goals (SDGs).

I would like to extend my sincere thanks to the Director General of CBS and its team for their great effort for successfully completing the Economic Census on time. I would also like to acknowledge and appreciate the support provided by Japan International Cooperation Agency (JICA) for through technical assistance in carrying out first of its kind Economic Census in the country. Finally, I offer our cordial appreciation to our valued people, respondents and the stakeholders who extended their full cooperation for the smooth and successful completion of the census.

2021

Kewal Prasad Bhandari





## Government of Nepal National Planning Commission Central Bureau of Statistics

#### **ACKNOWLEDGEMENT**

It is my pleasure to release <u>Analytical Report on Informal Sector</u> of National Economic Census 2018. Central Bureau of Statistics (CBS) conducted the first National Economic Census 2018 (NEC2018) from April to June 2018, covering the entire territory of Nepal. Its main objective was to know the nature of the economic characteristics on the Nepalese economy. CBS has already released National Report Series 1,2, and 3, Provincial Summary Reports, National Summary Reports in Nepali language, National Profile series 1, 2, and 3, Analytical Report No.1 and No. 2, Ward Profile Series 1 and 2 for the users. This report contains detail analysis on informal business sectors with the focus on number, employment, and financial status based on the results of Economic Census 2018. It is hoped that the analysis on informal sector with diverse characteristics will be beneficial for various users to grasp the economic situation of informal industries.

I would like to thank Dr. Hem Raj Regmi, Deputy Director General, economic statistics division of the Bureau for his valuable contribution and leading role in the census. Mr. Anil Sharma, and Mr. Mahesh Chand Pradhan, Directors of the economic census section deserve special thanks for their lead role in the report and driving the overall census planning, implementation, data processing and data dissemination activities. I also would like to thank Mr. Prakash Pokharel, Mr. Bikash Malla, statistics officers of the Economic Census section for supporting census administration and management.

I would like to thank all members of Economic Census Steering Committee, Technical Committee, Joint Coordinating Committee, Media Campaign Committee, and District Economic Census Coordination Committee, which provided support for the implementation of the NEC2018. I would like to thank all respondents for providing invaluable information during the census enumeration. I heartily appreciate district census officers and their team, all the staff of the Bureau and National Planning Commission who had extended support in this national endeavor.

I gratefully acknowledge technical assistance provided by the Government of Japan via Japan International Cooperation Agency (JICA) in the Project on capacity development for the implementation of Economic Census 2018 in Nepal. Special thank goes to Prof. Nobuo HIROHATA and Prof. Kazuhiro FUKUYO, JICA consultants for support in preparing this report. Our deep thanks are due to Mr. Fumihiko Nishi, Chief Adviser and other experts of the Project, who made all the best efforts in preparation of the reports and in successful implementation of NEC2018.

CBS always welcomes comments and suggestions from users which would be valuable for the improvement of our future publications.

Nebin Lal Shrestha

March 2021



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#### Map of Nepal by District



#### Legend

---- International Boundary

Provincial Boundary
 District Boundary

000 District Code

#### Code of Province / District

1 PR	OVINCE 1	3 BA	GAMATI PROVINCE	5 LUI	MBINI PROVINCE	7 SU	DURPASHCHIM PROVINCE
101	Taplejung	301	Dolakha	501	Rukum East	701	Bajura
102	Sankhuwasabha	302	Sindhupalchok	502	Rolpa	702	Bajhang
103	Solukhumbu	303	Rasuwa	503	Pyuthan	703	Darchula
104	Okhaldhunga	304	Dhading	504	Gulmi	704	Baitadi
105	Khotang	305	Nuwakot	505	Arghakhanchi	705	Dadeldhura
106	Bhojpur	306	Kathmandu	506	Palpa	706	Doti
107	Dhankuta	307	Bhaktapur	507	Nawalparasi West	707	Achham
108	Terhathum	308	Lalitpur	508	Rupandehi	708	Kailali
109	Panchthar	309	Kavrepalanchok	509	Kapilbastu	709	Kanchanpur
110	Ilam	310	Ramechhap	510	Dang		
111	Jhapa	311	Sindhuli	511	Banke		
112	Morang	312	Makawanpur	512	Bardiya		
113	Sunsari	313	Chitawan				
114	Udayapur			6 KA	RNALI PROVINCE		
		4 GAI	NDAKI PROVINCE	601	Dolpa		
2 PR	OVINCE 2	401	Gorkha	602	Mugu		
201	Saptari	402	Manang	603	Humla		
202	Siraha	403	Mustang	604	Jumla		
203	Dhanusa	404	Myagdi	605	Kalikot		
204	Mahottari	405	Kaski	606	Dailekh		
205	Sarlahi	406	Lamjung	607	Jajarkot		
206	Rautahat	407	Tanahu	608	Rukum West		
207	Bara	408	Nawalparasi East	609	Salyan		
208	Parsa	409	Syangja	610	Surkhet		
		410	Parbat				
		411	Baglung				

<sup>\*</sup> Codes and boundaries are as of May 2020.

#### Figures at a Glance

Number of Provinces 1)	7	
Number of Districts 1)	77	
Number of Metropolitan Cities <sup>1)</sup> (maha-nagarpalika)	6	
Number of Sub-metropolitan Cities <sup>1)</sup> (upa-maha nagarpalika)	11	
Number of Municipalities <sup>1)</sup> (nagarpalika)	276	
Number of Rural Municipalities <sup>1)</sup> (gaunpalika)	460	
Number of Wards 1)	6,743	
Number of E stablishments	923,356	
Registered		establishments
Notregistered	50.1 460,422 49.9	establishments
Female manager	273,436 29.6	persons %
Female owner	247,880 29.8	persons % <sup>2)</sup>
Young manager <sup>3)</sup>	498,646 54.0	persons %
Young owner	450,464 54.5	persons % <sup>2)</sup>
Foreign owner	10,265 1.2	persons % <sup>2)</sup>
New establishments 4)	394,219 42.7	establishments %

<sup>1)</sup> The final results are sorted out based on the new administrative areas as of 14 April 2018.

<sup>2)</sup> Excludes "Not applicable", "Not stated", "Unknown", and others from the denominator.

<sup>3)</sup> Young managers (or owners) mean those who are under 40 years old, herein.

<sup>4)</sup> New establishments mean which started business between April 2015 and April 2018.

Number of Establishments (continued)	923,356	
Owned (Building /Room)	400,848 46.7	establishments % <sup>2)</sup>
Rented (Building/Room)	426,380 49.7	establishments % <sup>2)</sup>
Street business	34,101 3.7	establishments %
Home business	386,323 41.8	establishments %
Area of business place (building /room)		
Under 100ft <sup>2</sup> (9.3m <sup>2</sup> )	172,985 20.8	establishments % <sup>2)</sup>
Single unit	898,996 97.4	establishments %
Number of Persons Engaged Number of Persons Engaged per Establishment	3,228,457 3.5	persons
Number of Entities <sup>5)</sup> No accounting record	900,924 472,350 52.4	entities
Number of Persons Engaged in Entities	3,115,112	persons
Annual Sales (S) Annual Expenses Annual Profit and Loss (P)  per Entity  per Persons Engaged in Entities  (P) / (S)*100	2,062,396 853,213 947	million Rs. million Rs. million Rs. 1,000 Rs. 1,000 Rs.
Number of Entities with Paid Employees Number of Paid Employees	219,303 1,709,101	entities persons
Annual Salalies and Wages per Entity per Paid Employee	421,314 1,921 247	million Rs. 1,000 Rs. 1,000 Rs.

<sup>5)</sup> An entity consists of a single unit or a head office only.

#### **Outline of National Economic Census 2018 (NEC2018) of Nepal**

#### 1. Background

A reliable and strong statistical infrastructure like database is the foundation of organized and proper policy formulation, developing plans and programs. Central Bureau of Statistics (CBS), has been contributing the data for various sectors of the economy to meet the requirements of the policy makers and planners. At present days, demand of enormous data requirements exists in various sectors, the collection and update of data for various sectors are a challenge. Fairly reasonable data for the agriculture and non-agriculture sectors is highly desired. Keeping in view the importance of the various sectors of economic activities and non-availability of basic frame for adoption in various sampling methods for collection of data and estimation of various parameters or establishing business directory, it was necessary to conduct an economic census in the country as a benchmark source. With this background, CBS initiated to start the first economic census for preparing frame of establishments which can be used for various thematic surveys for collection of data on detailed characteristics of the economy. The basic purpose of conducting the economic census was to prepare a frame for follow up surveys intended to collect more detailed sector specific information. In view of the rapid changes in the economy, it is necessary to conduct the economic census periodically in order to update the frame.

An economic census is the complete enumeration of all establishments belonging to a given population at a particular time with respect to well defined characteristics located within geographical boundaries of a country. Basically, it is the whole process of collecting, compiling, processing, analyzing, and publishing economic data related to all economic units of the country. A census is a well-structured statistical operation providing timely, reliable, accurate and detailed data on the size and distribution of economic units of different

categories. The first National Economic Census (NEC) of Nepal was conducted from 14 April to 14 June 2018 in all over the country. This will also be a major source of statistics on economic activities in the country. The NEC essentially develops a sample frame for conducting various thematic economic surveys, and develops business registers for large and small scale establishments in different sectors like agriculture, mining and quarrying, manufacturing, wholesale and retail trade, education, health etc. A large number of new economic establishments emerge and diminish over time. It is imperative to conduct an economic census covering all establishments conducting different sectors of economic activities as mentioned in International Standard Industrial Classification of all economic activities (ISIC revision 4) in order to know the real picture of the economy. It was one of the reasons that Government of Nepal decided to conduct the NEC of the country realizing to fulfill the shortfall of economic data in the country and to develop statistical business register in Nepal.

The NEC is a primary source of benchmark economic statistics providing major data about the structure and functioning of the national economy about both the formal and informal sectors. The NEC will play an important role in the improvement of national accounts statistics, production and price indices, and other statistical areas, which are used to measure short-term changes in the economy. The major benefit is that the census results will support in developing the statistical business register of the country which will enable CBS to conduct a large number of economic surveys such as Integrated (Large Scale) Manufacturing Industries Survey, Distributive Trade (Whole Sale, Retail Trade), Accommodation and food service activities Surveys, Services Survey, etc. The NEC data will be the basic economic data up to the local levels.

#### 1.1. Objectives

The main objective of the NEC was to know the nature of the economic structure of the Nepali economy at preset and to provide comprehensive statistical information for policy makers, planners, researchers, business communities, and other users for policy formulation and development planning, research and study. In general, the basic objective is to provide information on number of establishments and number of persons engaged, industry wise, of all the sectors (excluding unregistered agriculture, forestry and fisheries, public administration, defense and compulsory social security, Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use and Activities of extraterritorial organizations and bodies) of the country.

#### Other objectives are:

- a. to provide with the fundamental statistics on the status of the business activities of the establishments and enterprises including the financial aspects;
- b. to provide statistics to central, provincial and local governments for the formulation of plan and policy-making;
- c. to provide statistics to strengthen national accounting system;
- d. to make a base for statistical business register;
- e. to provide statistics of related field to the business owners or experts, researchers and other statistics users to formulate plans and policies for the prosperity of their business; and
- to provide with the directories of establishments and enterprises for the sampling frame of various sample surveys on businesses.

#### 1.2. Reference date of the Census

The census was taken as of 14 April 2018. The confirmation of Enumeration Area, the establishment listing, e-Census, and the enumeration were

simultaneously conducted within a two-month period from 14 April to 14 June 2018.

#### 1.3. Scope

All the establishments engaged in non-agriculture economic activities and (registered) agriculture, forestry and fishery economic activities according to Nepal Standard Industrial Classification (NSIC) 2018, except Section-O (Public administration and defense; compulsory social security), Section-T (Activities of households as employers; undifferentiated goods- and services- producing activities of households for own use) and Section-U (Activities of extraterritorial organizations and bodies), were included in the scope of the NEC. Not registered Agriculture activities of Section A was not covered as such activities have been or under the scope of National Sample Census of Agriculture. Similarly, Section-O was excluded considering the information on the activities are covered from the government sector. As such, Section-T was excluded considering that activities under this section have been conventionally covered partly by the Agriculture Census and partly by the Labor Force Survey. The establishments under Section-U were not covered in the scope of the NEC as the activities under this section are not practically taken into account to the national accounts aggregates globally and kept outside the scope of the NEC. All establishments engaged in the activities under the sectors of NSIC-2018 mentioned above for revenue generation or for serving the community were considered in the scope of the NEC. However, the establishments of mobile nature which keep on moving from one place to another place not having fixed location to operate the activities, illegal activities like smuggling, gambling, beggary, prostitution, etc., and domestic paid helpers, whether they work in one household or in a number of households, drivers, etc. who undertake jobs for others on wages or salaries, and individuals engaged in different types of jobs depending on the availability of work e.g. loading, unloading, helping a mason or a carpenter, doing earthwork for a contractor or individuals working without associated in establishments were kept out of the purview of the NEC.

#### 1.4. Coverage

Geographically, the NEC has covered the entire area, that is, 753 Local levels under 77 districts and seven provinces of the country. All establishments except the mentioned excluded sectors were completely enumerated in the NEC.

#### 1.5. Enumeration units

The enumeration unit in the NEC was considered as "establishment". The establishment was defined as follows, according to UN definition:

The establishment is defined as an economic unit that engages, under a single ownership or control - that is, under a single legal entity - in one, or predominantly one, kind of economic activity at a single physical location – for example, a mine, factory or workshop.

#### 2. Concepts and Definitions of NEC2018

#### 2.1. Economic Activities

All activities related with production, distribution, marketing, and sales of goods or services are referred to as economic activities. That is, the activities which are carried out for profit or own consumption are considered as the economic activities. Such activities will contribute to the value added of the national production.

#### 2.2. Economic Unit

A unit which performs one or more economic activities for profit, own consumption, or indirect benefit to a community is defined as an economic unit. Such economic unit is used to be a single establishment.

#### 2.3. Establishment

An establishment is defined as an economic unit that engages, under a single ownership or control - that is, under a single legal entity - in one, or predominantly one, kind of economic activity at a single physical location – for example, a mine, a shop, a factory or workshop. It is an establishment that is situated in a single location and in which only a single (non-ancillary) productive activity is operated or in which the principal productive activity accounts for most of the value added.

#### 2.4. Broad Industrial Classifications of Economic Activities

Nepal Standard Industrial Classification (NSIC) has been developed on the basis of International Standard Industrial Classification (ISIC), Rev.4 of all economic activities which classify 21 broad sections (United Nations, 2008). The information on economic activities is collected, tabulated on the basis of NSIC. The results of the NEC2018 are based on the NSIC broad classifications. The broad industrial sections included in the NEC2018 are as listed below:

- Section-A: Agriculture, forestry and fishing
   In the National Economic Census 2018, only the agriculture, forestry and fisheries establishments registered at government agencies have been considered as economic activities.
- 2. Section-B: Mining and quarrying
- 3. Section-C: Manufacturing
- 4. Section-D: Electricity, gas, steam and air conditioning supply
- 5. Section-E: Water supply; sewerage, waste management and remediation activities
- 6. Section-F: Construction
- Section-G: Wholesale and retail trade; repair of motor vehicles and motorcycles

- 8. Section-H: Transportation and Storage
- Section-I: Accommodation and food service activities (hotel and restaurant)
- 10. Section-J: Information and communication
- 11. Section-K: Financial and insurance activities
- 12. Section-L: Real estate activities
- 13. Section-M: Professional, scientific and technical activities
- 14. Section-N: Administrative and support service activities
- 15. Section-P: Education
- 16. Section-Q: Human health and social work activities
- 17. Section-R: Arts, entertainment and recreation
- 18. Section-S: Other service activities

#### 2.5. Single Entity

Economic activities are either carried out by single-unit establishment or head offices with plural establishments (branches or sub-branches). The single-unit establishments are those which do not have their head offices or branches under the same management. The head offices are those which controls all their respective branch office(s) under the same management. The economic census also collected some financial information like average monthly revenues or sales, monthly operating expenditures, and average monthly salary or wages from single-unit establishments and head offices only. The financial information was not collected from branch offices or sub-branch offices. The establishment having a status of single-unit or head office are termed as one entity throughout the report, for which tables on financial information are generated.

#### 2.6. Sales, Expenses, and Profit/ Loss

The economic census collected information on average monthly revenues/sales and operating expenses for the fiscal year 2017/18¹ from the single entities. The revenues or sales amount includes all income or revenues gained from operating activities such as selling of good, providing services, etc. In case of a bank, the average revenue is the sum of "total interest income" and "total noninterest income". In case of a life insurance company, the average revenue includes as the following items: premiums; policy and contract fees; net investment income (it removes the expenses associated with generating the investment income). In case of Government office such as Central Bank, Post Office etc., the salary of its officers should be included into its revenues.

Similarly, operating expenses include all expenses being paid for operating activities. Operating cost such as costs of products sold (cost of raw materials, etc.) in production establishment, and costs of goods sold in non-production establishment are included. In addition, other operating costs such as salaries and wages for employees, fuel, gas, electricity, and water expenses, transportation expenses, rental expenses, commissions, tax expenses, and so on are the examples of operating expenses. In case of a bank, the average expenses are the sum of "total interest expense", "total noninterest expense", and "provision for loan and lease losses".

<sup>&</sup>lt;sup>1</sup> The average monthly revenues or sales is multiplied by 12 months to derive average annual revenues or sales for the tabulation. Similarly, the average monthly operating expenses is multiplied by 12 months to derive average annual operating expenses. Here, average annual revenues/sales and average annual operating expenses are simply termed as annual sales and expenses respectively. The profit/ loss has been derived as the difference of annual sales and expenses.

#### **Chapter 1** Informal Sector

#### 1-1 Concept of Informal Sector

#### 1-1-1 Informal Sector

For the first time, ILO (International Labor Organization) took up the issue of the "Informal Sector" after the survey on employment, incomes and equality in Kenya in 1972. The survey report mentioned that widespread informal economic activities are observed in urban areas (ILO, 1972).

At that time, urban employments in the "Formal Sector" could not grow at the same rate as the population growth. The evidence suggests that employments has probably increased a good deal faster in the "Informal Sector" than in the "Formal Sector". Therefore, the "Informal Sector" became the target of the consideration.

The characteristics of the "Formal Sector" are 1) difficult entry, 2) frequent reliance on overseas resources, 3) corporate ownership, 4) large scale of operation, 5) capital-intensive and often imported technology, 6) formally acquired skills, often expatriate, and 7) protected markets (through tariffs, quotas and trade licenses).

On the contrast, the characteristics of the "Informal Sector" are 1) ease of entry, 2) reliance on indigenous resources, 3) family ownership of enterprises, 4) small scale of operation, 5) labor-intensive and adapted technology, 6) skills acquired outside the formal school systems, and 7) unregulated and competitive markets (See Table 1.1).

Some features of the "Informal Sector" are pointed out: 1) informal employment was accounted for 25 to 30 per cent of total urban employment in 1969, 2) incomes of workers were low in comparison to average wage levels in the "Formal sector", and 3) businesses were economically efficient and profitmaking, though small in scale and limited by simple technologies, little capital.

The ILO report argues some policy recommendations from the viewpoint of reducing risk and uncertainty on the part of those employed in the "Informal Sector" and ensuring a dynamic growth of this large segment of the

Kenyan economy: 1) increase purchases by Government from the "Informal Sector" for increasing income earning opportunities from the viewpoint of income equalizing policies, 2) support technical aid and research to develop and encourage the production of producer goods used in the informal sector itself, and 3) introduce the minimum wage and health standards.

Table 1.1 Comparison between "Formal Sector" and "Informal Sector"

	Item	Formal Sector	Informal Sector
1	Entry	Difficult	Easy
2	Resource	Frequent reliance on	Reliance on indigenous
		overseas resources	resources
3	Ownership	Corporate ownership	Family ownership
4	Scale of	Large scale	Small scale
	business		
5	Type of business	Capital-intensive and often	Labor-intensive and adapted
		imported technology	technology
6	Skill	Formally acquired skills,	Outside the formal school
		often expatriate	systems
7	Market	Protected markets	Unregulated and
			competitive markets

(International Labor Organization, 1972, Employment, Incomes and Equality: A Strategy for Increasing Productive Employment in Kenya.)

#### 1-1-2 Dilemma of the Informal Sector

The dilemma of the informal sector was discussed at the 78th Session of the International Labour Conference in 1991.

The dilemma is that the informal sector should be promoted as a provider of employment and incomes or seek to extend regulation and social protection to it and thereby possibly reduce its capacity to provide jobs and incomes for an ever expanding labour force.

The ILO Concluded that "there can be no question of the ILO helping to 'promote' or 'develop' an informal sector as a convenient, low-cost way of creating employment unless there is at the same time an equal determination

to eliminate progressively the worst aspects of exploitation and inhuman working conditions in the sector"<sup>2</sup>.

#### 1-1-3 Definition of the Informal Sector

The definition of the informal sector was discussed at the 15th International Conference of Labour Statisticians (1993). According to the discussion, the informal sector consists of (i) all "own-account enterprises" and (ii) "enterprises of informal employers".

Own-account enterprises are household enterprises owned and operated by own-account workers, either alone or in partnership with members of the same or other households, which do not employ employees on a continuous basis.

Enterprises of informal employers are household enterprises owned and operated by employers, either alone or in partnership with members of the same or other households, which employ one or more employees on a continuous basis (in addition to the unpaid family workers and/or casual employees whom they may also employ) and meet the following criteria: (i) size of the units below a specified level, (ii) no employment of any regular employee. The criterion of size of the units should be defined in terms of employment.

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<sup>&</sup>lt;sup>2</sup> International Labor Organization, 1991, The dilemma of the informal sector, Report of the Director General, International Labour Conference, 78th Session

# 1-2 Concept of Informal Economy

#### 1-2-1 Decent Work

The concept of the "Decent Work" was mentioned at the 87th Session of the International Labour Conference in 1999.

"Decent work is the converging focus of all its four strategic objectives: the promotion of rights at work; employment; social protection; and social dialogue. It is important to find sustainable opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity."

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.

The sustainable development goal No.8 is "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all". The target 8.3 among 169 targets of goals is "Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services".

(United Nations, 2015, Transforming our world: the 2030 Agenda for Sustainable Development, General assembly 70th session)

<sup>&</sup>lt;sup>3</sup> International Labor Organization, 1999, Decent Work, Report of the Director General, International Labour Conference 87th Session.

#### 1-2-2 Informal Employment

The definition of the informal sector was discussed at the 15th International Conference of Labour Statisticians (1993). Informal employment comprises the total number of informal jobs as defined below, whether carried out in formal sector enterprises, informal sector enterprises, or households, during a given reference period (See Figure 1.1).

- (i) Own-account workers employed in their own informal sector enterprises
- (ii) Employers employed in their own informal sector enterprises
- (iii) Contributing family workers, irrespective of whether they work in formal or informal sector enterprises
- (iv) Members of informal producers' cooperatives
- (v) Employees holding informal jobs in formal sector enterprises, informal sector enterprises, or as paid domestic workers employed by households
- (vi) Own-account workers engaged in the production of goods exclusively for own final use by their household
- (vii) Own-account workers, employers, members of producers' cooperatives, contributing family workers
- (viii) Producers' cooperatives are considered informal if they are not formally established as legal entities.
- (ix) Employees are considered to have informal jobs if their employment relationship is, in law or in practice, not subject to national labour legislation, income taxation, social protection or entitlement to certain employment benefits (advance notice of dismissal, severance pay, paid annual or sick leave, etc.)

Production units by type	Jobs by status in employment								
	Own-account workers		Employers		Contributing family workers	Employees		Members of producers' cooperatives	
	Informal	Formal	Informal	Formal	Informal	Informal	Formal	Informal	Formal
Formal sector enterprises					1	2			
Informal sector enterprises (a)	3		4		5	6	7	8	
Households (b)	9					10			

Figure 1.1 Conceptual Framework: Informal Employment

- (a) As defined by the Fifteenth International Conference of Labour Statisticians (excluding households employing paid domestic workers).
- (b) Households producing goods exclusively for their own final use and households employing paid domestic workers.

Note: Cells shaded in dark grey refer to jobs, which, by definition, do not exist in the type of production unit in question. Cells shaded in light grey refer to formal jobs. Un-shaded cells represent the various types of informal jobs.

Informal employment:

Cells 1to 6 and 8 to 10.

Employment in the informal sector:

Cells 3 to 8.

Informal employment outside the informal sector:

Cells 1,2, 9 and 10.

(Source: International Labor Organization<sup>4</sup>)

# 1-2-3 Informal Economy

The concept of the "Informal Economy" was mentioned at the 90th Session of the International Labour Conference in 2002.

The "Informal Economy" is in terms of decent work deficits. Poorquality, unproductive and unremunerative jobs that are not recognized or protected by law, the absence of rights at work, inadequate social protection, and the lack of representation and voice are most pronounced in the informal economy, especially at the bottom end among women and young workers.

"Informal Sector" has been found to be an inadequate, if not misleading, term to reflect these dynamic, heterogeneous and complex aspects of a phenomenon which is not, in fact, a "sector" in the sense of a specific industry group or economic activity. The term "informal economy" has come to be widely used instead to encompass the expanding and increasingly diverse group of workers and enterprises in both rural and urban areas operating

<sup>&</sup>lt;sup>4</sup> International Labor Organization, 2003, 17th International Conference of Labour Statisticians, Guidelines concerning a statistical definition of informal employment

informally. They differ in terms of type of production unit and type of employment status. They include own-account workers in survival-type activities, such as street vendors, shoe shiners, garbage collectors and scrap- and rag-pickers; paid domestic workers employed by households; homeworkers and workers in sweatshops who are disguised wage workers in production chains; and the self-employed in micro-enterprises operating on their own or with contributing family workers or sometimes apprentices/employees. It is important to note the diversity of those working in the informal economy because the problems and needs are different, for example, for those engaged in survival activities, for homeworkers, whose employment relationship with an employer is not recognized or protected, and for the self-employed and employers, who face various barriers and constraints to setting up and operating formal enterprises.

The situation of informal workers and entrepreneurs is in terms of seven essential securities which are often denied them: labour market security (adequate employment opportunities through high levels of employment ensured by macroeconomic policies); employment security (protection against arbitrary dismissal, regulation on hiring and firing, employment stability compatible with economic dynamism); job security (a niche designated as an occupation or "career", the opportunity to develop a sense of occupation through enhancing competences); work security (protection against accidents and illness at work, through safety and health regulations, limits on working time and so on); skill reproduction security (widespread opportunities to gain and retain skills, through innovative means as well as apprenticeships and employment training); income security (provision of adequate incomes); and representation security (protection of collective voice in the labour market through independent trade unions and employers' organizations and social dialogue institutions.<sup>5</sup>

<sup>5</sup> International Labor Organization, 2002, Decent work and the informal economy, Report VI, International Labour Conference 90th Session.

#### 1-2-4 Non-Observed Economy

The System of National Accounts was revised for providing a comprehensive, consistent and flexible set of macroeconomic accounts for policymaking, analysis and research purposes in 2008.

In this system, the concept of "Non-Observed Economy (NOE)" was mentioned. NOE and the informal sector overlap, neither is a complete subset of the other. The importance of complete and exhaustive measurement is pointed out.<sup>6</sup>

# 1-2-5 Transition from the Informal to the Formal Economy

The transition from the informal to the formal economy was recommended at the 104th Session of the International Labour Conference in 2015.

In this recommendation, "Informal economy" refers to all economic activities by workers and economic units that are - in law or in practice - not covered or insufficiently covered by formal arrangements; and does not cover illicit activities, in particular the provision of services or the production, sale, possession or use of goods forbidden by law, including the illicit production and trafficking of drugs, the illicit manufacturing of and trafficking in firearms, trafficking in persons, and money laundering, as defined in the relevant international treaties. "Economic units" in the informal economy include: (a) units that employ hired labour; (b) units that are owned by individuals working on their own account, either alone or with the help of contributing family workers; and (c) cooperatives and social and solidarity economy units. The recommendation applies to all workers and economic units - including enterprises, entrepreneurs and households - in the informal economy, in particular: (a) those in the informal economy who own and operate economic units, including: (i) own-account workers; (ii) employers; and (iii) members of cooperatives and of social and solidarity economy units; (b) contributing family workers, irrespective of whether they work in economic units in the formal or

.

<sup>&</sup>lt;sup>6</sup> European Commission, International Monetary Fund, organization for Economic Co-operation and Development, United Nations and World Bank, 2008, System of National Accounts 2008

informal economy; (c) employees holding informal jobs in or for formal enterprises, or in or for economic units in the informal economy, including but not limited to those in subcontracting and in supply chains, or as paid domestic workers employed by households; and (d) workers in unrecognized or unregulated employment relationships<sup>7</sup>.

<sup>&</sup>lt;sup>7</sup> International Labor Organization, 2015, Recommendation 204, Recommendation Concerning the Transition from the Informal to the Formal Economy, International Labour Conference 104th Session.

# **Chapter 2** Registration

# 2-1 Establishment and persons engaged

# 2-1-1 Number of registered establishments

There are 923,027 establishments in Nepal (except 329 not stated establishments). The number of "Registered establishment" is 462,605, and it accounts for 50.1% of the whole establishments. 460,422 establishments are not registered, and it accounts for 49.9% of the whole establishments (See Figure 2.1 and Annex Table 2.1).



Figure 2.1 Share of number of establishments by registered or not

#### 2-1-2 Number of persons engaged in registered establishment

There are 923,027 establishments and 3,226,284 persons are engaged (except 329 not stated establishments and 2,173 persons). The number of persons engaged in "Registered establishment" is 2,394,097, and it accounts for 74.2% of the whole persons engaged (See Figure 2.2 and Annex Table 2.2).

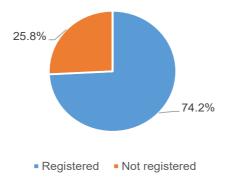


Figure 2.2 Share of number of persons engaged by registered or not

#### 2-2 Scale

# 2-2-1 Number of registered establishments by scale

Among the 462,605 registered establishments, the number of registered micro establishments (1-9 persons are engaged) is 421,996 (the share is 91.2% of the whole registered establishments), the number of registered small establishments (10-49 persons are engaged) is 36,705 (the share is 7.9%), the number of registered medium establishments (50-99 persons are engaged) is 2,165 (the share is 0.5%), and the number of registered large establishments (100 persons are engaged and over) is 1,739 (the share is 0.4%), respectively (See Figure 2.3, 2.4, and Annex Table 2.3).

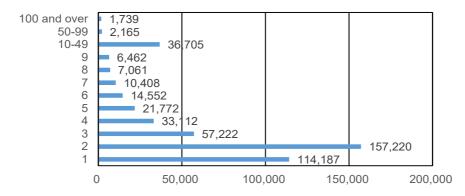


Figure 2.3 Number of registered establishments by size of persons engaged

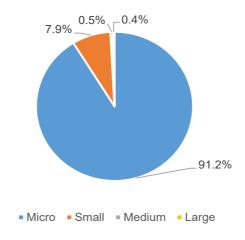


Figure 2.4 Share of registered establishments by scale

# 2-2-2 Number of not registered establishments by scale

Among the 460,422 "not registered" establishments, the number of "not registered" micro establishments (1-9 persons are engaged) is 458,258 (the share is 99.5% of the whole not registered establishments), the number of "not registered" small establishments (10-49 persons are engaged) is 2,032 (the share is 0.4%), the number of "not registered" medium establishments (50-99 persons are engaged) is 88 (the share is 0.02%), and the number of "not registered" large establishments (100 persons are engaged and over) is 44 (the share is 0.01%), respectively (See Figure 2.5, 2.6, and Annex Table 2.3).

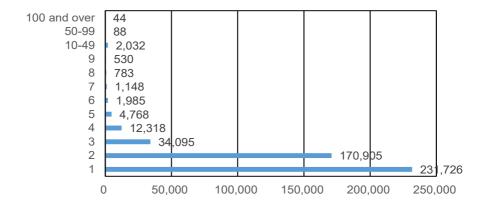


Figure 2.5 Number of not registered establishments by size of persons engaged

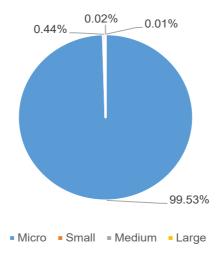


Figure 2.6 Share of not registered establishments by scale

# 2-2-3 Registered or not registered establishments by scale

The correlation is found between the scale of establishment and the registration rate by scale. 97.5% of large establishments (100 persons are engaged and over), 96.1% of medium establishments (50-99 persons are engaged), and 94.8% of small establishments (10-49 persons are engaged) are registered. On the other hand, 47.9% of micro establishments (1-9 persons are engaged) are registered. Especially, 67.0% of establishment engaged 1 person, and 52.1% of establishment engaged 2 persons are not registered (See Figure 2.7, and Annex Table 2.4).

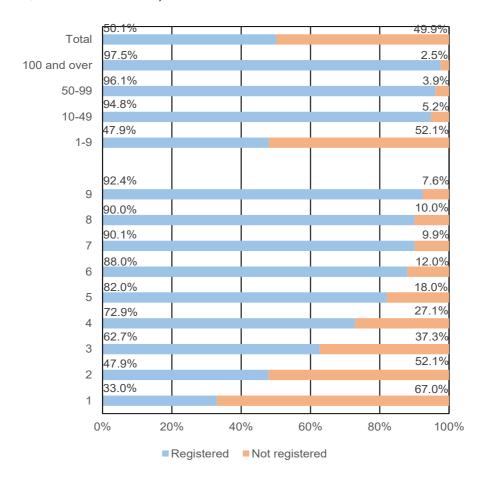


Figure 2.7 Share of number of establishments by registered or not and size of persons engaged

2-2-4 Number of persons engaged in registered establishment by scale

Among the 2,394,097 persons engaged in registered establishments, the number of persons engaged in registered micro establishments (1-9 persons are engaged) is 1,116,415 (the share is 46.6% of the whole persons engaged in registered establishments), the number of persons engaged in registered small establishments (10-49 persons are engaged) is 653,532 (the share is 27.3%), the number of persons engaged in registered medium establishments (50-99 persons are engaged) is 144,137 (the share is 6.0%), and the number of persons engaged in registered large establishments (100 persons are engaged and over) is 480,013 (the share is 20.0%), respectively. (See Figure 2.8, 2.9, and Annex Table 2.5)

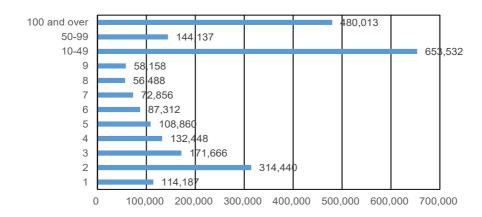


Figure 2.8 Number of persons engaged in registered establishment by size of persons engaged

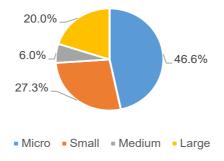


Figure 2.9 Share of persons engaged in registered establishment by scale

2-2-5 Number of persons engaged in not registered establishment by scale

Among the 832,187 persons engaged in not registered establishments, the number of persons engaged in not registered micro establishments (1-9 persons are engaged) is 779,913 (the share is 93.7% of the whole persons engaged in not registered establishments), the number of persons engaged in not registered small establishments (10-49 persons are engaged) is 34,586 (the share is 4.2%), the number of persons engaged in not registered medium establishments (50-99 persons are engaged) is 5,565 (the share is 0.7%), and the number of persons engaged in not registered large establishments (100 persons are engaged and over) is 12,123 (the share is 1.5%), respectively (See Figure 2.10, 2.11, and Annex Table 2.5).

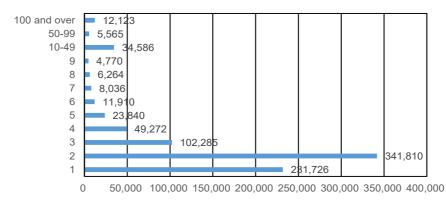


Figure 2.10 Number of persons engaged in not registered establishment by size of persons engaged

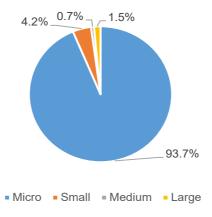


Figure 2.11 Share of persons engaged in not registered establishment by scale

2-2-6 Persons engaged by registered or not registered establishment and by scale

The correlation is found between the number of persons engaged and the registration rate by scale. 97.5% of persons engaged in large establishments (100 persons are engaged and over), 96.3% of persons engaged in medium establishments (50-99 persons are engaged), and 95.0% of persons engaged in small establishments (10-49 persons are engaged) are engaged in registered establishments. On the other hand, 58.9% of persons engaged in micro establishments (1-9 persons are engaged) are engaged in registered establishments (See Figure 2.12, and Annex Table 2.6).

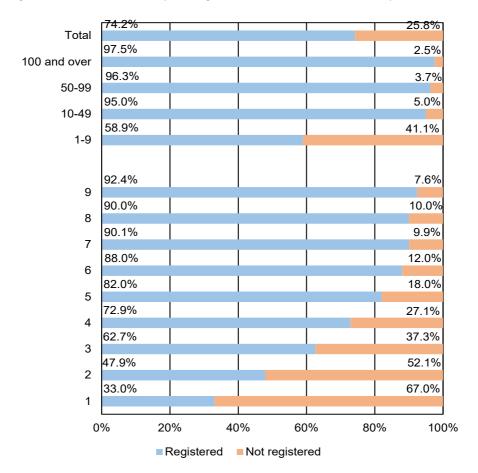


Figure 2.12 Share of number of persons engaged by registered or not and size of persons engaged

#### 2-3 Industry

# 2-3-1 Number of registered establishments by industry

Among the 462,605 registered establishments, 219,253 establishments are registered in "Wholesale and retail trade; repair of motor vehicles and motorcycles" industry (the share of the whole registered establishments is 47.4%), 50,566 establishments are registered in "Manufacturing" industry (the share is 10.9%), 47,931 establishments are registered in "Accommodation and food service activities" industry (the share is 10.4%), and 39,174 establishments are registered in "Education" industry (the share is 8.5%) (See Figures 2.13 and 2.14 and Annex Table 2.7).

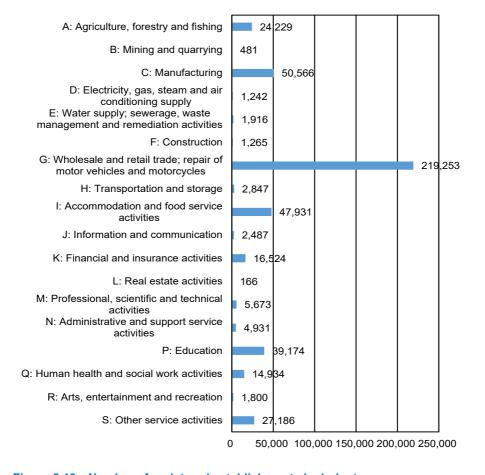
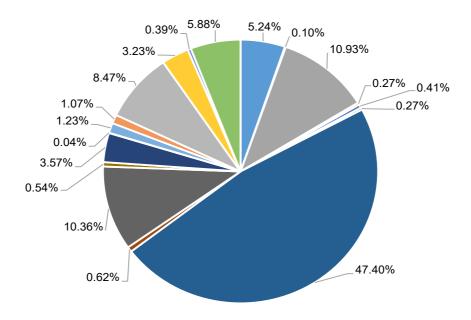


Figure 2.13 Number of registered establishments by industry



- A: Agriculture, forestry and fishing
- B: Mining and quarrying
- C: Manufacturing
- D: Electricity, gas, steam and air conditioning supply
- E: Water supply; sewerage, waste management and remediation activities
- F: Construction
- G: Wholesale and retail trade; repair of motor vehicles and motorcycles
- H: Transportation and storage
- I: Accommodation and food service activities
- J: Information and communication
- K: Financial and insurance activities
- L: Real estate activities
- M: Professional, scientific and technical activities
- N: Administrative and support service activities
- P: Education
- Q: Human health and social work activities
- R: Arts, entertainment and recreation
- S: Other service activities

Figure 2.14 Share of registered establishments by industry

#### 2-3-2 Number of not registered establishments by industry

Among the 460,422 not registered establishments (establishments which did not answer to the question "RI1" are excluded), 278,747 establishments are not registered in "Wholesale and retail trade; repair of motor vehicles and motorcycles" industry (the share of the whole not registered establishments is 60.5%), 82,590 establishments are not registered in "Accommodation and food service activities" industry (the share is 17.9%), 53,458 establishments are not registered in "Manufacturing" industry (the share is 10.9%), and 30,291 establishments are not registered in "Other service activities" industry (the share is 8.5%) (See Figures 2.15 and 2.16 and Annex Table 2.7).

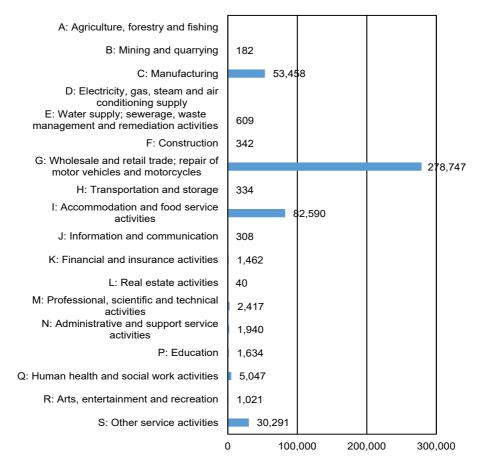
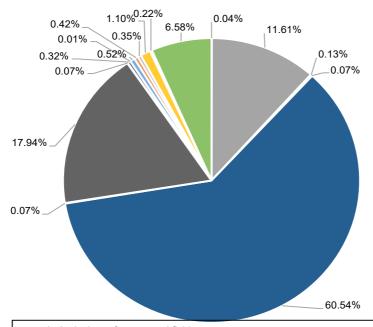


Figure 2.15 Number of not registered establishments by industry



- A: Agriculture, forestry and fishing
- B: Mining and quarrying
- C: Manufacturing
- D: Electricity, gas, steam and air conditioning supply
- E: Water supply; sewerage, waste management and remediation activities
- F: Construction
- G: Wholesale and retail trade; repair of motor vehicles and motorcycles
- H: Transportation and storage
- I: Accommodation and food service activities
- J: Information and communication
- K: Financial and insurance activities
- L: Real estate activities
- M: Professional, scientific and technical activities
- N: Administrative and support service activities
- P: Education
- Q: Human health and social work activities
- R: Arts, entertainment and recreation
- S: Other service activities

Figure 2.16 Share of not registered establishments by industry

#### 2-3-3 Registered or not registered establishment by industry

The share of registered establishment is 50.1% of the whole establishments. Among the 18 industries, all of establishments in "Electricity, gas, steam and air conditioning supply" industry are registered. As to the "Agriculture, forestry and fishing" industry, the share of number of the registered establishments is 100.0% because only the registered establishments in this industry were surveyed. The shares of registered establishment are over 90% in "Education" industry and "Financial and insurance activities" industry. On the other hand, the shares of registered establishment are under 50% in "Wholesale and retail trade; repair of motor vehicles and motorcycles" industry, "Accommodation and food service activities" industry, and "Manufacturing" industry (See Figure 2.17 and Annex Table 2.8).

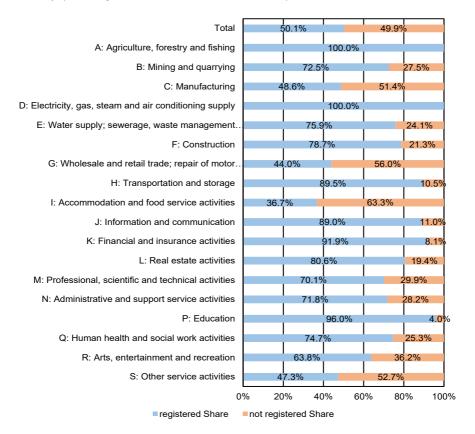


Figure 2.17 Share of number of establishments by registered or not and by industry

2-3-4 Number of persons engaged in registered establishment by industry

Among the 2,394,097 persons engaged in registered establishments, 539,867 persons are engaged in "Wholesale and retail trade; repair of motor vehicles and motorcycles" industry (the share of the whole persons engaged in registered establishments is 22.6%), 500,156 persons are engaged in "Education" industry (the share is 20.9%), and 405,315 persons are engaged in "Manufacturing" industry (the share is 16.9%) (See Figures 2.18 and 2.19 and Annex Table 2.9).

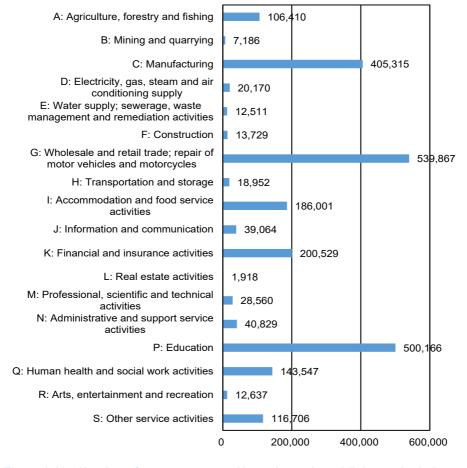
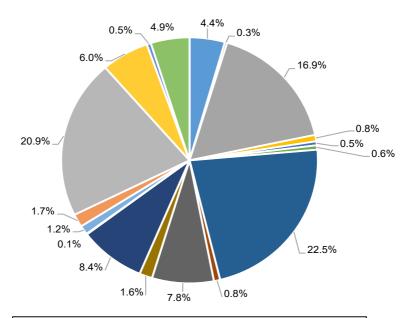


Figure 2.18 Number of persons engaged in registered establishment by industry



- A: Agriculture, forestry and fishing
- B: Mining and quarrying
- C: Manufacturing
- D: Electricity, gas, steam and air conditioning supply
- E: Water supply; sewerage, waste management and remediation activities
- F: Construction
- G: Wholesale and retail trade; repair of motor vehicles and motorcycles
- H: Transportation and storage
- I: Accommodation and food service activities
- J: Information and communication
- K: Financial and insurance activities
- L: Real estate activities
- M: Professional, scientific and technical activities
- N: Administrative and support service activities
- P: Education
- Q: Human health and social work activities
- R: Arts, entertainment and recreation
- S: Other service activities

Figure 2.19 Share of persons engaged in registered establishment by industry

2-3-5 Number of persons engaged in not registered establishment by industry

Among the 832,187 persons engaged in not registered establishments (establishments which did not answer to the question "RI1" are excluded), 448,321 persons are engaged in "Wholesale and retail trade; repair of motor vehicles and motorcycles" industry (the share of the whole persons engaged in not registered establishments is 53.9%), 160,200 persons are engaged in "Accommodation and food service activities" industry (the share is 19.3%), and 104,514 persons are engaged in "Manufacturing" industry (the share is 12.6%) (See Figures 2.20 and 2.21, and Annex Table 2.9).

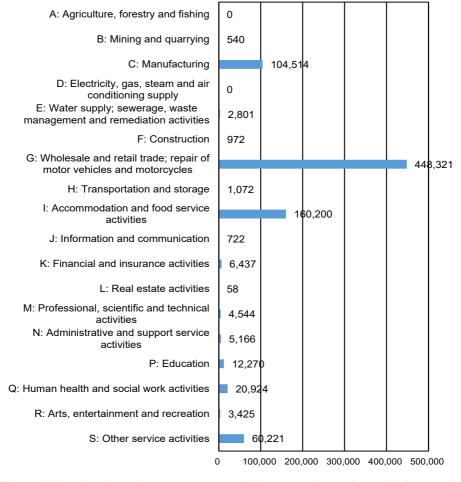
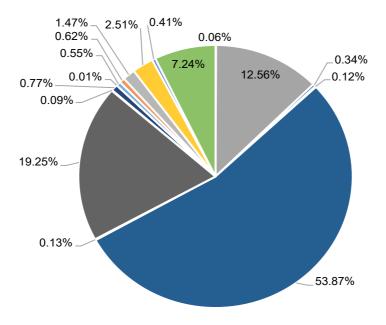


Figure 2.20 Number of persons engaged in not registered establishment by industry



- A: Agriculture, forestry and fishing
- B: Mining and quarrying
- C: Manufacturing
- D: Electricity, gas, steam and air conditioning supply
- E: Water supply; sewerage, waste management and remediation activities
- F: Construction
- G: Wholesale and retail trade; repair of motor vehicles and motorcycles
- H: Transportation and storage
- I: Accommodation and food service activities
- J: Information and communication
- K: Financial and insurance activities
- L: Real estate activities
- M: Professional, scientific and technical activities
- N: Administrative and support service activities
- P: Education
- Q: Human health and social work activities
- R: Arts, entertainment and recreation
- S: Other service activities

Figure 2.21 Share of persons engaged in not registered establishment by industry

2-3-6 Persons engaged by registered or not registered establishment and by industry

The share of persons engaged in registered establishment is 74.2% of the whole establishments. Among the 18 industries, all of persons engaged in the "Electricity, gas, steam and air conditioning supply" industry are engaged in registered establishments. As to the "Agriculture, forestry and fishing" industry, the share of persons engaged by the registered establishments is 100.0% because only the registered establishments in this industry were surveyed. The shares of persons engaged in registered establishment is over 95% in "Information and communication" industry, "Education" industry, "Real estate activities" industry, and "Financial and insurance activities" industry. On the other hand, the shares of persons engaged in registered establishment is under 60% in 'Wholesale and retail trade; repair of motor vehicles and motorcycles" industry, and "Accommodation and food service activities" industry (See Figure 2.22 and Annex Table 2.10).

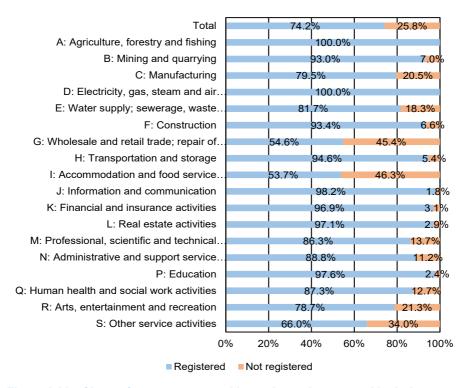


Figure 2.22 Share of persons engaged by registered or not and by Industry

#### 2-4 **Province**

# 2-4-1 Number of registered establishments by province

number of establishments is 923,027 (exclude 329 establishments that are not stated). The number of registered establishments is 462,605. There are 141,949 registered establishments in Bagamati Province (the share of the whole registered establishment is 30.7%), 90,192 registered establishments in Province No.1 (the share is 19.5%), 77,383 registered establishment in Lumbini Province (the share is 16.7%), 55,872 registered establishments in Gandaki province (the share is 12.1%), 41,594 registered establishment in Province No. 2 (the share is 9.0%), 34,732 registered establishment in Sudurpashchim province (the share is 7.5%), and 20,883 registered establishment in Karnali province (the share is 4.5%) (See Figure 2.23, and Annex table 2.11).

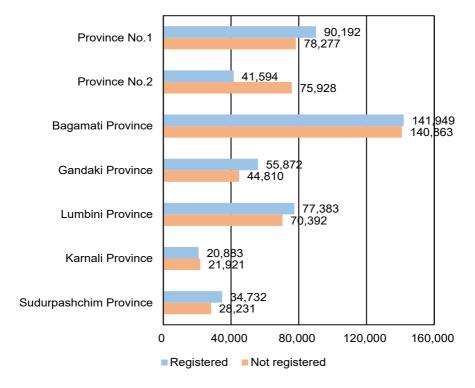


Figure 2.23 Number of establishments by registered or not and province

The number of registered establishment is 462,605, and it accounts for 50.1% of the whole establishments. The shares of registered establishments of the whole establishments are over 50% in Province No.1, Bagamati Province, Gandaki province, Lumbini Province, and Sudurpashchim province. On the other hand, the shares of registered establishments of the whole establishments are under 50% in Province No.2, and Karnali Province (See Figure 2.24 and Annex Table 2.12).

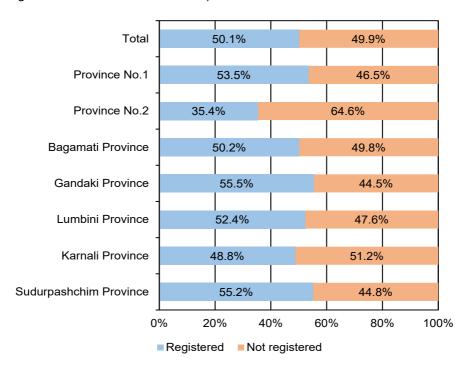


Figure 2.24 Share of number of establishments by registered or not and province

#### 2-4-2 Number of persons engaged in registered establishments by province

The number of persons engaged in total establishment is 3,226,284 (exclude 2,173 persons engaged in establishments that are not stated). The number of persons engaged in registered establishment is 2,394,097. There are 938,377 persons are engaged in registered establishments in Bagamati Province (the share of the whole persons engaged in registered establishment is 39.2%), 407,447 persons are engaged in Province No.1 (the share is 17.0%), 355,635 persons are engaged in Lumbini Province (the share is 14.9%), 252,076 persons are engaged in Gandaki province (the share is 10.5%), 220,827 persons are engaged in Province No. 2 (the share is 9.2%), 139,026 persons are engaged in Sudurpashchim province (the share is 5.8%), and 80,529 persons are engaged in Karnali province (the share is 3.4%) (See Figure 2.25, and Annex table 2.13).

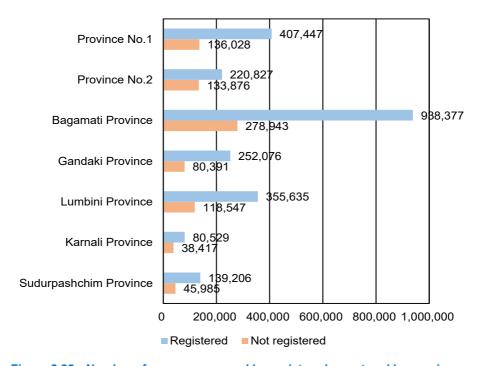


Figure 2.25 Number of persons engaged by registered or not and by province

The number of persons engaged in registered establishment is 2,394,097, and it accounts for 74.2% of the whole establishments. The shares of persons engaged in registered establishments of the whole establishments are over 70% in Province No.1, Bagamati Province, Gandaki province, Lumbini Province, and Sudurpashchim province. On the other hand, the shares of registered establishments of the whole establishments are under 70% in Province No.2, and Karnali Province (See Figure 2.26 and Annex Table 2.14).

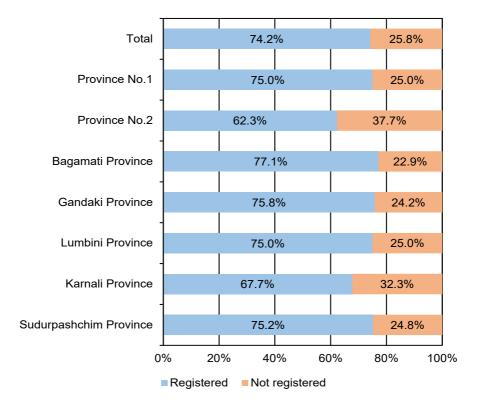


Figure 2.26 Share of persons engaged by registered or not and by province

# **Chapter 3** Street Business

# 3-1 Establishment and persons engaged

#### 3-1-1 Number of establishments in street business

921,768 establishments of the whole (923,356) establishments answered to the question "BP3. Kind of Business Place." The number of "Street business" is 34,101, and it accounts for 3.7% of the establishments which answered to the question "BP3". The number of the rest establishments (Home business, Business in a building, Business in traditional market, Business in modern shopping mall, Business occupying exclusively one block or one building, and the others) is 887,667, and it accounts for 96.3% (See Figure 3.1 and Annex Table 3.1).

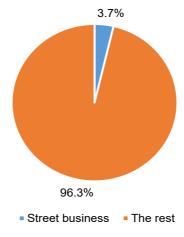


Figure 3.1 Share of establishment in street business

# 3-1-2 Number of persons engaged in street business

The number of persons engaged in street business is 45,330, and it accounts for 1.4% of the persons engaged in the establishments which answered to the question "BP3" (3,228,025 persons are engaged in the rest, which includes the Home business, Business in a building, Business in traditional market, Business in modern shopping mall, Business occupying exclusively one block or one building, and the others) (See Figure 3.2 and Annex Table 3.2).

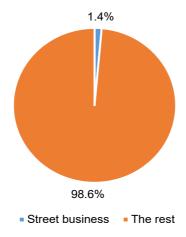


Figure 3.2 Share of persons engaged in street business

#### 3-2 Scale

### 3-2-1 Number of establishments in street business by scale

Among the whole street business in Nepal (34,101 establishments), the number of establishments engaged 1 person is 24,902 (the share is 73.0% of the whole street business), the number of establishments engaged 2 persons is 7,854 (the share is 23.0%), the number of establishments engaged 3 persons is 941 (the share is 2.8%), the number of establishments engaged 4 persons is 273 (the share is 0.8%), and the number of establishments engaged 5 persons and over is 131 (the share is 0.4%), respectively (See Figure 3.3, and Annex Table 3.3).

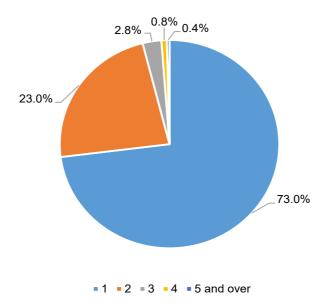


Figure 3.3 Share of establishment in street business by size of persons engaged

3-2-2 Number of persons engaged in street business by scale

Among the whole persons engaged in street business (45,330 persons are engaged), 24,902 persons are engaged in street business engaged 1 person (the share is 54.9% of the whole persons engaged in street business), 15,708 persons are engaged in street business engaged 2 persons (the share is 34.7%), 2,823 persons are engaged in street business engaged 3 persons (the share is 6.2%), 1,092 persons are engaged in street business engaged 4 persons (the share is 2.4%), and 805 persons are engaged in street business engaged 5 persons and over (the share is 1.8%), respectively (See Figure 3.4, and Annex Table 3.4).

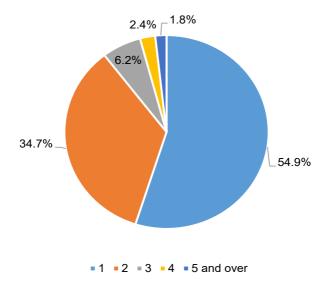
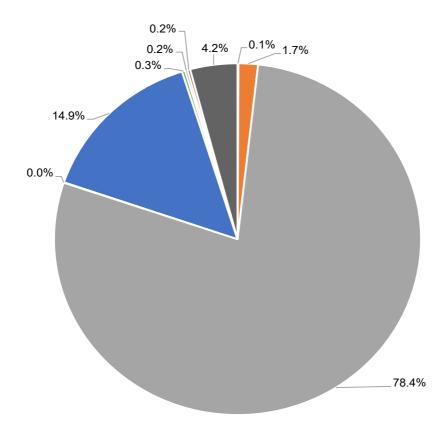


Figure 3.4 Share of persons engaged in street business by size of persons engaged

# 3-3 Industry

3-3-1 Number of establishments in street business by industry Among the 18 industries, there are street business in 9 industries. Among the whole street business (34,101 establishments), "Wholesale and retail trade; repair of motor vehicles and motorcycles" is the main industry. In this industry, there are 26,736 establishments, and it accounts for 78.4% of the whole street business. The second largest industry is "Accommodation and food service activities". In this industry, there are 5,066 establishments, and it accounts for 14.9% of the whole street business (See Figure 3.5, and Annex Table 3.5).



- B: Mining and quarrying
- C: Manufacturing
- G: Wholesale and retail trade; repair of motor vehicles and motorcycles
- H: Transportation and storage
- I: Accommodation and food service activities
- M: Professional, scientific and technical activities
- N: Administrative and support service activities
- Q: Human health and social work activities
- S: Other service activities

Figure 3.5 Share of establishments in street business by industry

The share of street business is 3.7% of the whole establishments (921,768 establishments which answered to the question "BP3. Kind of Business Place") as mentioned above. Among the 9 industries, the share of small business in "Wholesale and retail trade; repair of motor vehicles and motorcycles" industry is 5.4%, the share of small business in "Mining and quarrying" industry is 4.1%, and the share of small business in "Accommodation and food service activities" industry is 3.9% (See Figure 3.6 and Annex Table 3.6).

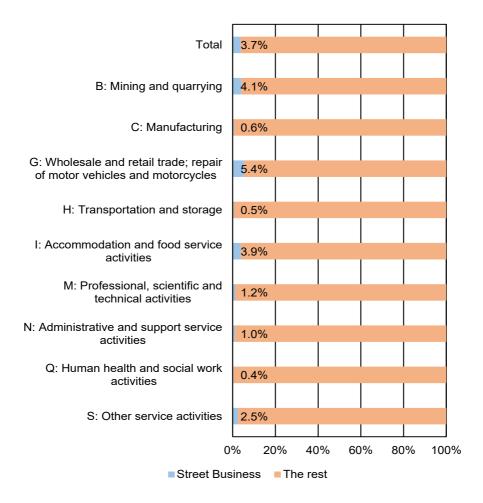
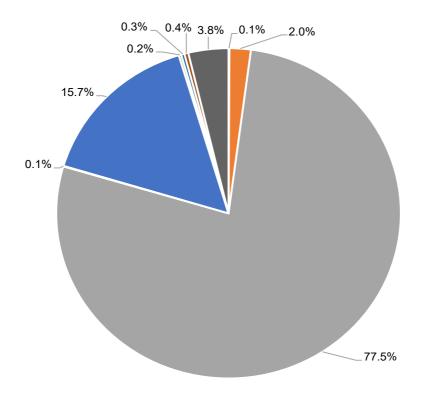


Figure 3.6 Share of establishments in street business in each industry

3-3-2 Number of persons engaged in street business by industry Among the 18 industries, there are street business in 9 industries. Among the whole persons engaged in street business (45,330 persons are engaged), "Wholesale and retail trade; repair of motor vehicles and motorcycles" is the main industry. In this industry, 35,128 persons are engaged, and it accounts for 77.5% of the whole persons engaged in street business. The second largest industry is "Accommodation and food service activities". In this industry, 7,112 persons are engaged, and it accounts for 15.7% of the whole persons engaged in street business (See Figure 3.7 and Annex Table 3.7).



- B: Mining and quarrying
- C: Manufacturing
- G: Wholesale and retail trade; repair of motor vehicles and motorcycles
- H: Transportation and storage
- I: Accommodation and food service activities
- M: Professional, scientific and technical activities
- N: Administrative and support service activities
- Q: Human health and social work activities
- S: Other service activities

Figure 3.7 Share of persons engaged in street business by Industry

The share of persons engaged in street business is 1.4% of the persons engaged in the establishments which answered to the question "BP3" (3,228,025 persons are engaged) as mentioned above. Among the 9 industries, the share of persons engaged in small business of the whole persons engaged in "Wholesale and retail trade; repair of motor vehicles and motorcycles" industry is 3.6%, and the share of persons engaged in small business of the whole persons engaged in "Accommodation and food service activities" industry is 2.1% (See Figure 3.8 and Annex Table 3.8).

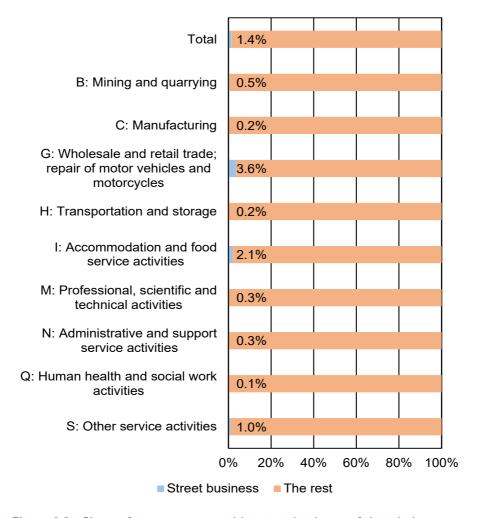


Figure 3.8 Share of persons engaged in street business of the whole persons engaged by Industry

#### **3-4 Province**

## 3-4-1 Number of establishments in street business by province

The number of street business is 34,101. There are 9,376 street businesses (the share of the whole street business is 27.5%) in Lumbini Province, 9,066 street businesses (the share is 26.6%) in Bagamati Province, 7,271 street businesses (the share is 21.3%) in Province No.1, 5,695 street businesses (the share is 16.7%) in Province No.2. On the other hand, only 600 street businesses (the share is 1.8%) in Gandaki province, 855 street businesses (the share is 2.5%) in Sudurpashchim province, and 1,238 street businesses (the share is 3.6%) in Karnali province (See Figure 3.9, and Annex table 3.9).

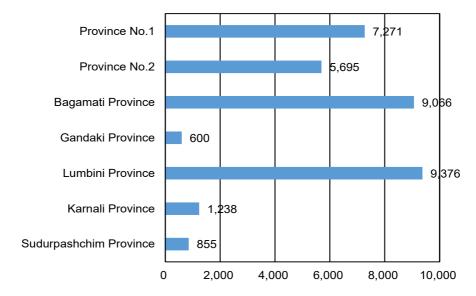


Figure 3.9 Number of establishments in street business by province

The number of street business is 34,101, and it accounts for 3.7% of the whole establishments (921,768 establishments which answered to the question "BP3. Kind of Business Place") as mentioned above. The share of street business of the whole establishments is 6.3% in Lumbini Province, the share is 4.9% in Province No.2, and the share is 4.3% in Province No.1. On the other hand, the share is only 0.6% in Gandaki province, and 1.4% in Sudurpashchim province (See Figure 3.10 and Annex Table 3.10)

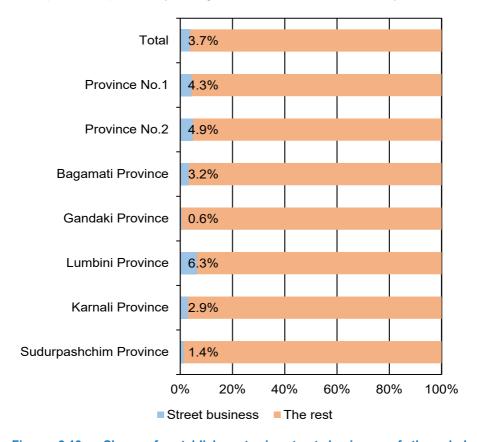


Figure 3.10 Share of establishments in street business of the whole establishment by province

3-4-2 Number of persons engaged in street business by province The number of persons engaged in street business is 45,330. 13,558 persons are engaged (the share of the whole persons engaged in street business is 29.9%) in Lumbini Province, 11,024 persons are engaged (the share is 24.3%) in Bagamati Province, 9,522 persons are engaged (the share is 21.0%) in Province No.1, 7,543 persons are engaged (the share is 16.6%) in Province No.2. On the other hand, only 778 persons are engaged (the share is 1.7%) in Gandaki province, 1,126 persons are engaged (the share is 2.5%) in Sudurpashchim province, and 1.779 persons are engaged (the share is 3.9%) in Karnali province (See Figure 3.11 and Annex table 3.11).

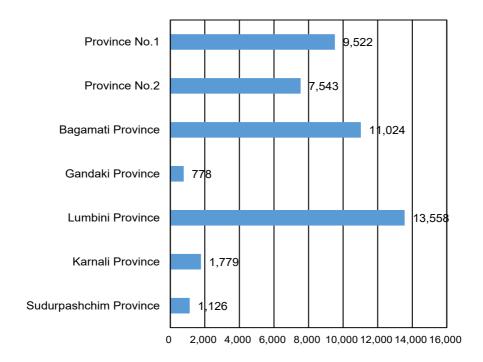


Figure 3.11 Number of persons engaged in street business by province

The number of persons engaged in street business is 45,330, and it accounts for 1.4% of the whole persons engaged in the establishments which answered to the question "BP3" (3,228,025 persons are engaged) as mentioned above. The share of persons engaged in street business of the whole establishments is 2.9% in Lumbini Province, the share is 2.1% in Province No.2, and the share is 1.8% in Province No.1. On the other hand, the share is only 0.2% in Gandaki province, and 0.6% in Sudurpashchim province (See Figure 3.12 and Annex Table 3.12).

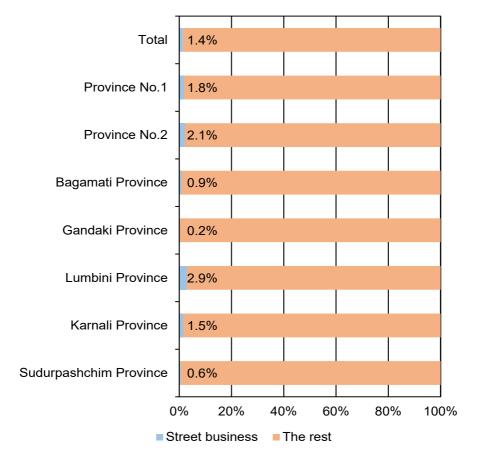


Figure 3.12 Share of persons engaged in street business of the whole establishment by province

# **Chapter 4** Financial status of the Street Business

# 4-1 Preparation of accounting records

Out of the 34,075 entities of the street business, 34,029 entities responded to the question whether accounting record was prepared or not. As shown in Figure 4.1, 6,218 of 34,029 entities (18.3%) answered that they prepared accounting records, while 27,811 entities (81.7%) answered they did not.

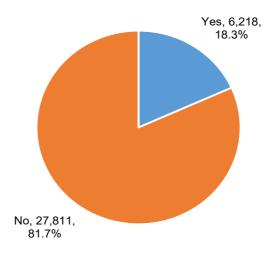


Figure 4.1 Proportion of entities in street business by whether accounting record is prepared

Table 4.1 and Figure 4.2 show the numbers and shares of the street business entities by whether accounting record is prepared and by province. More than 44 percent of the entities in Gandaki Province answered that they prepared accounting records.

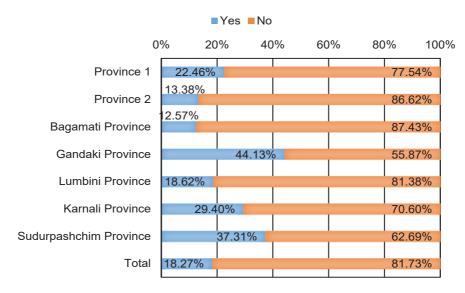


Figure 4.2 Proportion of entities in street business by whether accounting record is prepared and by province

Table 4.1 Number of entities in street business by whether accounting record is

prepared and by province

	Ye	es	No		
Province	Number of entities	Share [%]	Number of entities	Share [%]	
Province 1	1,632	22.46%	5,634	77.54%	
Province 2	761	13.38%	4,925	86.62%	
Bagamati Province	1,133	12.57%	7,880	87.43%	
Gandaki Province	263	44.13%	333	55.87%	
Lumbini Province	1,746	18.62%	7,629	81.38%	
Karnali Province	364	29.40%	874	70.60%	
Sudurpashchim Province	319	37.31%	536	62.69%	
Total	6,218	18.27%	27,811	81.73%	

## 4-2 Annual revenue / sales

Figure 4.3 shows the distribution of the street business entities by the size of annual revenue / sales. All the street business entities responded. The number of entities whose annual revenue / sales are under Rs 100,000 is the biggest among all categories (12,147 entities). 1,292 entities declared that their annual revenue / sales are more than Rs 1,000,000.

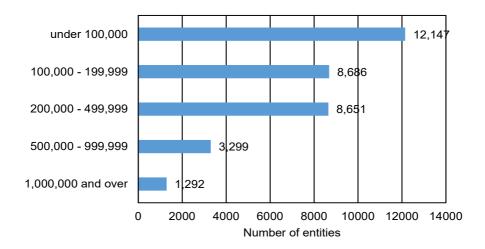


Figure 4.3 Number of entities in street business by size of annual sales

Figure 4.4 shows the average annual revenue/sales per engaged person by province. The average annual revenue/sales per engaged person varies from province to province. It is the higher in Gandaki and Bagamati Provinces and the lowest in Lumbini Province.

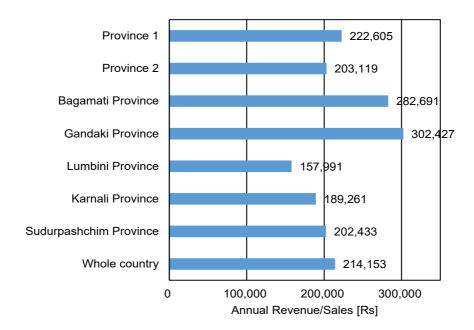


Figure 4.4 Average annual revenue/sales per engaged person among entities in street business by province

# 4-3 Annual profit

Figure 4.5 shows the number of the street business entities by the size of annual profit. 1,494 entities have a deficit. The number of entities whose annual profit are more than Rs 50,000 and less than 99,999 is the biggest among all categories.

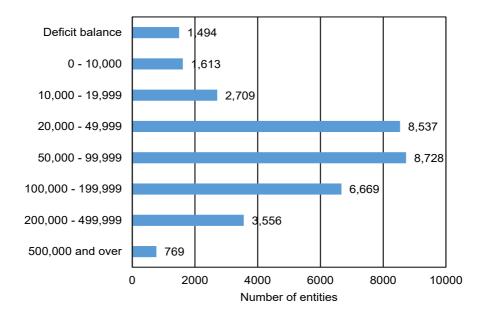


Figure 4.5 Number of entities in street business by size of annual profit

Figure 4.6 shows the average annual profits per engaged person by province. The average annual profits per engaged person varies from province to province. It is the highest in Bagamati Province and the lowest in Lumbini Province.

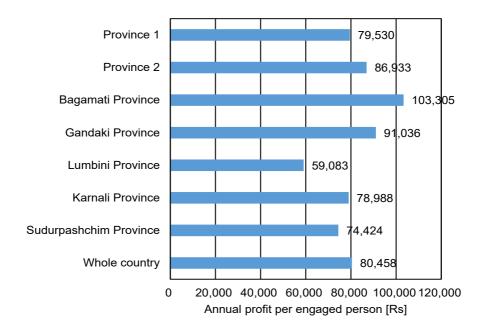


Figure 4.6 Average annual profit per engaged person among entities in street business by province

The profit to sales ratio, which shows the profitability of business, is calculated by diving the amount of profit by sales.

Figure 4.7 shows the distribution of the street business entities according to the size of profit to sales ratio. The number of entities whose profit to sale ratios are larger than 40% and smaller than 60% (40 - 60%) is largest among all categories (14,614 entities).

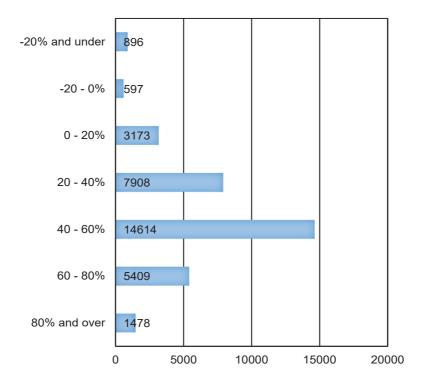


Figure 4.7 Number of entities in street business by profit to sales ratio

The average profit to sales ratio of the street business entities in Nepal was 39.3% and it varies among provinces. The profit to sales ratio in Province 2 was the highest among all provinces (47.6%) while the profit to sales ratios in Province 1 (33.9%) was much lower than the average.

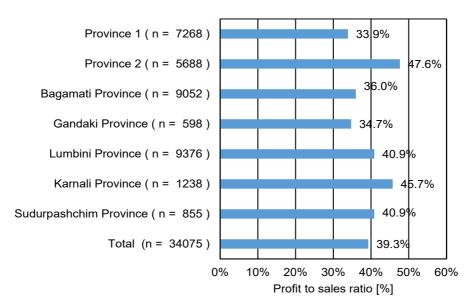


Figure 4.8 Average profit to sales ratio among entities in street business by province

#### 4-4 Access to Credit

Out of the 34,075 entities of the street business,34,067 entities responded to the question whether they have/used to have loans or not. As shown in Figure 4.9, 6,239 entities (18.3%) answered that have received loans, while 27,828 entities (81.7%) answered they did not.

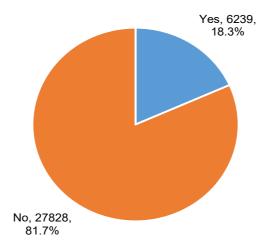


Figure 4.9 Proportion of entities in street business by with or without access to credit

Table 4.2 and Figure 4.10 show the numbers and shares of the street business entities with/without access to credit by province. More than 40 percent of the entities in Karnali Province answered that have/used to have loans.

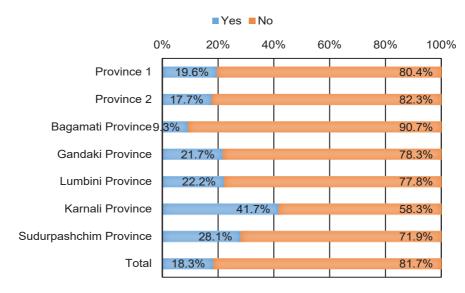


Figure 4.10 Share of entities in street business by with or without access to credit and by province

Table 4.2 Number and share of entities in street business by with or without access to credit and by province

	Ye	es	No		
Province	Number of entities	Share [%]	Number of entities	Share [%]	
Province 1	1,427	19.64%	5,840	80.36%	
Province 2	1009	17.74%	4,679	82.26%	
Bagamati Province	839	9.27%	8,207	90.73%	
Gandaki Province	130	21.74%	468	78.26%	
Lumbini Province	2,078	22.17%	7,297	77.83%	
Karnali Province	516	41.68%	722	58.32%	
Sudurpashchim Province	240	28.07%	615	71.93%	
Total	6,239	18.31%	27,828	81.69%	

## 4-5 Loan providers

Out of 6,239 street business entities which have/used to have loans, 6,232 entities answered the type of the loan provider. Figure 4.11 shows the proportion of the loan providers to the street business entities. The major loan providers are cooperatives (43.2%), followed by personal lenders (15.9%).

Figure 4.12 shows the proportion of the loan providers by province. Cooperatives are the major providers in six provinces except Gandaki Province while the banks are the major providers in Gandaki Province.

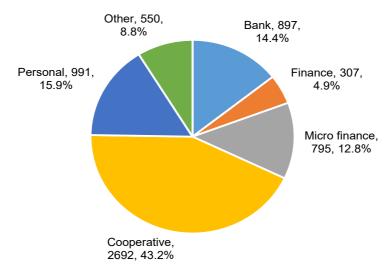


Figure 4.11 Proportion of entities in street business by loan provider

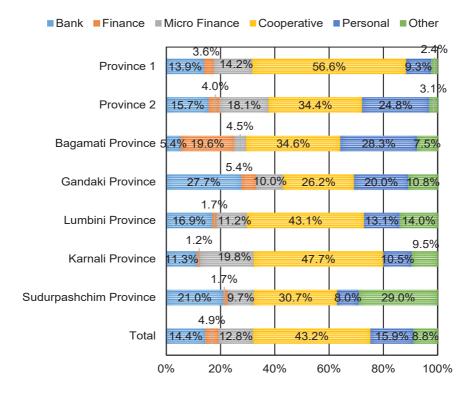


Figure 4.12 Proportion of entities in street business by loan provider and by province

## 4-6 Interest rate

Figure 4.13 shows the average loan interest rate per year by loan provider. The loan interest rate varies among the types of loan providers. The average loan interest rate of banks is relatively low (15.5%) while that of personal lenders is the highest (24.7%)

Figure 4.14 shows the average loan interest rate per year by province. The average loan interest rate in Gandaki Province is the lowest; this is due to that the Banks are the major providers in this province.

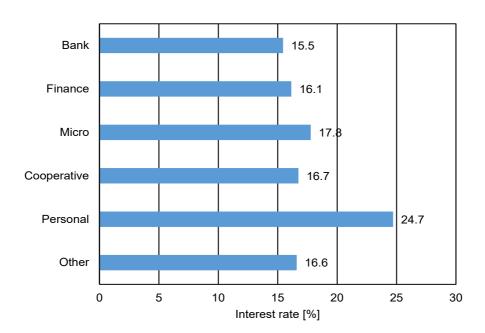


Figure 4.13 Average loan interest rate among entities in street business by type of loan provider

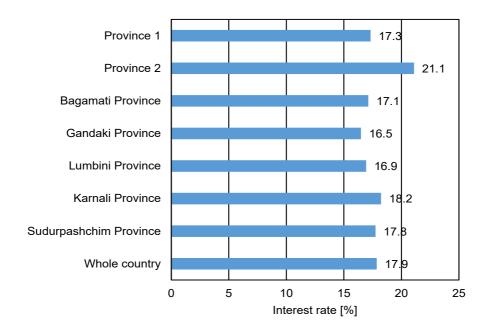


Figure 4.14 Average loan interest rate among entities in street business by province

# **Annex Tables**

Annex Table 2. 1 Number of establishments by registered or not

	Establishment	Share
Registered	462,605	50.1%
Not registered	460,422	49.9%
Subtotal	923,027	100.0%
Not stated	329	-
Total	923,356	-

# Annex Table 2. 2 Number of persons engaged by registered or not

	Persons engaged	Share
Registered	2,394,097	74.2%
Not registered	832,187	25.8%
Subtotal	3,226,284	100.0%
Not stated	2,173	-
Total	3,228,457	-

Annex Table 2. 3 Number of establishments by registered or not and size of persons engaged (1)

Size of persons engaged	Registered	Share*	Not registered	Share**	Subtotal	Not stated	Total
1	114,187	24.7%	231,726	50.3%	345,913	187	346,100
2	157,220	34.0%	170,905	37.1%	328,125	47	328,172
3	57,222	12.4%	34,095	7.4%	91,317	24	91,341
4	33,112	7.2%	12,318	2.7%	45,430	13	45,443
5	21,772	4.7%	4,768	1.0%	26,540	4	26,544
6	14,552	3.1%	1,985	0.4%	16,537	4	16,541
7	10,408	2.2%	1,148	0.2%	11,556	2	11,558
8	7,061	1.5%	783	0.2%	7,844	4	7,848
9	6,462	1.4%	530	0.1%	6,992	3	6,995
10-49	36,705	7.9%	2,032	0.4%	38,737	32	38,769
50-99	2,165	0.5%	88	0.0%	2,253	5	2,258
100 and over	1,739	0.4%	44	0.0%	1,783	4	1,787
Total	462,605	100.0%	460,422	100.0%	923,027	329	923,356
(1-9)	421,996	91.2%	458,258	99.5%	880,254	288	880,542

<sup>\*</sup> Percentage of each category (size of persons engaged) in the total registered establishments

<sup>\*\*</sup> Percentage of each category (size of persons engaged) in the total not-registered establishments

Annex Table 2. 4 Number of establishments by registered or not and size of persons engaged (2)

Size of persons engaged	Registered	Share*	Not registered	Share**	Subtotal	Share
1	114,187	33.0%	231,726	67.0%	345,913	100.0%
2	157,220	47.9%	170,905	52.1%	328,125	100.0%
3	57,222	62.7%	34,095	37.3%	91,317	100.0%
4	33,112	72.9%	12,318	27.1%	45,430	100.0%
5	21,772	82.0%	4,768	18.0%	26,540	100.0%
6	14,552	88.0%	1,985	12.0%	16,537	100.0%
7	10,408	90.1%	1,148	9.9%	11,556	100.0%
8	7,061	90.0%	783	10.0%	7,844	100.0%
9	6,462	92.4%	530	7.6%	6,992	100.0%
10-49	36,705	94.8%	2,032	5.2%	38,737	100.0%
50-99	2,165	96.1%	88	3.9%	2,253	100.0%
100 and over	1,739	97.5%	44	2.5%	1,783	100.0%
Total	462,605	50.1%	460,422	49.9%	923,027	100.0%
(1-9)	421,996	47.9%	458,258	52.1%	880,254	100.0%

<sup>\*</sup> Percentage of registered establishments in each category (size of persons engaged)

<sup>\*\*</sup> Percentage of not-registered establishments in each category (size of persons engaged)

Annex Table 2. 5 Number of persons engaged by registered or not and by size

of persons engaged (1)

Size of persons engaged	Registered	Share*	Not registered	Share**	Subtotal	Not stated	Total
1	114,187	4.8%	231,726	27.8%	345,913	187	346,100
2	314,440	13.1%	341,810	41.1%	656,250	94	656,344
3	171,666	7.2%	102,285	12.3%	273,951	72	274,023
4	132,448	5.5%	49,272	5.9%	181,720	52	181,772
5	108,860	4.5%	23,840	2.9%	132,700	20	132,720
6	87,312	3.6%	11,910	1.4%	99,222	24	99,246
7	72,856	3.0%	8,036	1.0%	80,892	14	80,906
8	56,488	2.4%	6,264	0.8%	62,752	32	62,784
9	58,158	2.4%	4,770	0.6%	62,928	27	62,955
10-49	653,532	27.3%	34,586	4.2%	688,118	771	688,889
50-99	144,137	6.0%	5,565	0.7%	149,702	297	149,999
100 and over	480,013	20.0%	12,123	1.5%	492,136	583	492,719
Total	2,394,097	100.0%	832,187	100.0%	3,226,284	2,173	3,228,457
(1-9)	1,116,415	46.6%	779,913	93.7%	1,896,328	522	1,896,850

<sup>\*</sup> Percentage of number of persons in each category (size of persons engaged) in the total number of persons engaged by registered establishments

<sup>\*\*</sup> Percentage of number of persons in each category (size of persons engaged) in the total number of persons engaged by not-registered establishments

Annex Table 2. 6 Number of persons engaged by registered or not and by size of persons engaged (2)

Size of persons engaged	Registered	Share*	Not registered	Share**	Subtotal	Share
1	114,187	33.0%	231,726	67.0%	345,913	100.0%
2	314,440	47.9%	341,810	52.1%	656,250	100.0%
3	171,666	62.7%	102,285	37.3%	273,951	100.0%
4	132,448	72.9%	49,272	27.1%	181,720	100.0%
5	108,860	82.0%	23,840	18.0%	132,700	100.0%
6	87,312	88.0%	11,910	12.0%	99,222	100.0%
7	72,856	90.1%	8,036	9.9%	80,892	100.0%
8	56,488	90.0%	6,264	10.0%	62,752	100.0%
9	58,158	92.4%	4,770	7.6%	62,928	100.0%
10-49	653,532	95.0%	34,586	5.0%	688,118	100.0%
50-99	144,137	96.3%	5,565	3.7%	149,702	100.0%
100 and over	480,013	97.5%	12,123	2.5%	492,136	100.0%
Total	2,394,097	74.2%	832,187	25.8%	3,226,284	100.0%
(1-9)	421,996	58.9%	779,913	41.1%	1,896,328	100.0%

<sup>\*</sup> Percentage of number of persons engaged by registered establishments in each category (size of persons engaged)

<sup>\*\*</sup> Percentage of number of persons engaged by not-registered establishments in each category (size of persons engaged)

Annex Table 2. 7 Number of establishments by registered or not and by industry

(1)

(1)						
Industry	Registered	Share	Not registered	Share	Subtotal	Share
A: Agriculture, forestry and fishing	24,229	5.24%	-	-	24,229	2.62%
B: Mining and quarrying	481	0.10%	182	0.04%	663	0.07%
C: Manufacturing	50,566	10.93%	53,458	11.61%	104,024	11.27%
D: Electricity, gas, steam and air conditioning supply	1,242	0.27%	-	-	1,242	0.13%
E: Water supply; sewerage, waste management and remediation activities	1,916	0.41%	609	0.13%	2,525	0.27%
F: Construction	1,265	0.27%	342	0.07%	1,607	0.17%
G: Wholesale and retail trade; repair of motor vehicles and motorcycles	219,253	47.40%	278,747	60.54%	498,000	53.95%
H: Transportation and storage	2,847	0.62%	334	0.07%	3,181	0.34%
I: Accommodation and food service activities	47,931	10.36%	82,590	17.94%	130,521	14.14%
J: Information and communication	2,487	0.54%	308	0.07%	2,795	0.30%
K: Financial and insurance activities	16,524	3.57%	1,462	0.32%	17,986	1.95%
L: Real estate activities	166	0.04%	40	0.01%	206	0.02%
M: Professional, scientific and technical activities	5,673	1.23%	2,417	0.52%	8,090	0.88%
N: Administrative and support service activities	4,931	1.07%	1,940	0.42%	6,871	0.74%
P: Education	39,174	8.47%	1,634	0.35%	40,808	4.42%
Q: Human health and social work activities	14,934	3.23%	5,047	1.10%	19,981	2.16%
R: Arts, entertainment and recreation	1,800	0.39%	1,021	0.22%	2,821	0.31%
S: Other service activities	27,186	5.88%	30,291	6.58%	57,477	6.23%
Total	462,605	100.00%	460,422	100.00%	923,027	100.00%

Annex Table 2, 8 Number of establishments by registered or not and by industry

Industry	Registered	Share	Not registered	Share	Subtotal	Share
A: Agriculture, forestry and fishing	24,229	100.0%	-	-	24,229	100.0%
B: Mining and quarrying	481	72.5%	182	27.5%	663	100.0%
C: Manufacturing	50,566	48.6%	53,458	51.4%	104,024	100.0%
D: Electricity, gas, steam and air conditioning supply	1,242	100.0%	-	-	1,242	100.0%
E: Water supply; sewerage, waste management and remediation activities	1,916	75.9%	609	24.1%	2,525	100.0%
F: Construction	1,265	78.7%	342	21.3%	1,607	100.0%
G: Wholesale and retail trade; repair of motor vehicles and motorcycles	219,253	44.0%	278,747	56.0%	498,000	100.0%
H: Transportation and storage	2,847	89.5%	334	10.5%	3,181	100.0%
I: Accommodation and food service activities	47,931	36.7%	82,590	63.3%	130,521	100.0%
J: Information and communication	2,487	89.0%	308	11.0%	2,795	100.0%
K: Financial and insurance activities	16,524	91.9%	1,462	8.1%	17,986	100.0%
L: Real estate activities	166	80.6%	40	19.4%	206	100.0%
M: Professional, scientific and technical activities	5,673	70.1%	2,417	29.9%	8,090	100.0%
N: Administrative and support service activities	4,931	71.8%	1,940	28.2%	6,871	100.0%
P: Education	39,174	96.0%	1,634	4.0%	40,808	100.0%
Q: Human health and social work activities	14,934	74.7%	5,047	25.3%	19,981	100.0%
R: Arts, entertainment and recreation	1,800	63.8%	1,021	36.2%	2,821	100.0%
S: Other service activities	27,186	47.3%	30,291	52.7%	57,477	100.0%
Total	462,605	50.1%	460,422	49.9%	923,027	100.0%

Annex Table 2. 9 Number of persons engaged by registered or not registered establishments by Industry (1)

establishments l	by industry	(1)				
Industry	Registered	Share	Not registered	Share	Subtotal	Share
A: Agriculture, forestry and fishing	106,410	4.44%	-		106,410	3.30%
B: Mining and quarrying	7,186	0.30%	540	0.06%	7,726	0.24%
C: Manufacturing	405,315	16.93%	104,514	12.56%	509,829	15.80%
D: Electricity, gas, steam and air conditioning supply	20,170	0.84%	-		20,170	0.63%
E: Water supply; sewerage, waste management and remediation activities	12,511	0.52%	2,801	0.34%	15,312	0.47%
F: Construction	13,729	0.57%	972	0.12%	14,701	0.46%
G: Wholesale and retail trade; repair of motor vehicles and motorcycles	539,867	22.55%	448,321	53.87%	988,188	30.63%
H: Transportation and storage	18,952	0.79%	1,072	0.13%	20,024	0.62%
I: Accommodation and food service activities	186,001	7.77%	160,200	19.25%	346,201	10.73%
J: Information and communication	39,064	1.63%	722	0.09%	39,786	1.23%
K: Financial and insurance activities	200,529	8.38%	6,437	0.77%	206,966	6.41%
L: Real estate activities	1,918	0.08%	58	0.01%	1,976	0.06%
M: Professional, scientific and technical activities	28,560	1.19%	4,544	0.55%	33,104	1.03%
N: Administrative and support service activities	40,829	1.71%	5,166	0.62%	45,995	1.43%
P: Education	500,166	20.89%	12,270	1.47%	512,436	15.88%
Q: Human health and social work activities	143,547	6.00%	20,924	2.51%	164,471	5.10%
R: Arts, entertainment and recreation	12,637	0.53%	3,425	0.41%	16,062	0.50%
S: Other service activities	116,706	4.87%	60,221	7.24%	176,927	5.48%
Total	2,394,097	100.00%	832,187	100.00%	3,226,284	100.00%

Annex Table 2. 10 Number of persons engaged by registered or not registered establishments by Industry (2)

establishments by	/ industry (2	)	ı			
Industry	Registered	Share	Not registered	Share	Subtotal	Share
A: Agriculture, forestry and fishing	106,410	100.0%	-	-	106,410	100.0%
B: Mining and quarrying	7,186	93.0%	540	7.0%	7,726	100.0%
C: Manufacturing	405,315	79.5%	104,514	20.5%	509,829	100.0%
D: Electricity, gas, steam and air conditioning supply	20,170	100.0%	-	-	20,170	100.0%
E: Water supply; sewerage, waste management and remediation activities	12,511	81.7%	2,801	18.3%	15,312	100.0%
F: Construction	13,729	93.4%	972	6.6%	14,701	100.0%
G: Wholesale and retail trade; repair of motor vehicles and motorcycles	539,867	54.6%	448,321	45.4%	988,188	100.0%
H: Transportation and storage	18,952	94.6%	1,072	5.4%	20,024	100.0%
I: Accommodation and food service activities	186,001	53.7%	160,200	46.3%	346,201	100.0%
J: Information and communication	39,064	98.2%	722	1.8%	39,786	100.0%
K: Financial and insurance activities	200,529	96.9%	6,437	3.1%	206,966	100.0%
L: Real estate activities	1,918	97.1%	58	2.9%	1,976	100.0%
M: Professional, scientific and technical activities	28,560	86.3%	4,544	13.7%	33,104	100.0%
N: Administrative and support service activities	40,829	88.8%	5,166	11.2%	45,995	100.0%
P: Education	500,166	97.6%	12,270	2.4%	512,436	100.0%
Q: Human health and social work activities	143,547	87.3%	20,924	12.7%	164,471	100.0%
R: Arts, entertainment and recreation	12,637	78.7%	3,425	21.3%	16,062	100.0%
S: Other service activities	116,706	66.0%	60,221	34.0%	176,927	100.0%
Total	2,394,097	74.2%	832,187	25.8%	3,226,284	100.0%

Annex Table 2. 11 Number of establishments by registered or not and province (1)

Province	Registered	Share	Not registered	Share	Subtotal	Not stated	Total
Province No.1	90,192	19.5%	78,277	17.0%	168,469	49	168,518
Province No.2	41,594	9.0%	75,928	16.5%	117,522	148	117,670
Bagamati	141,949	30.7%	140,863	30.6%	282,812	108	282,920
Province							
Gandaki	55,872	12.1%	44,810	9.7%	100,682	2	100,684
Province							
Lumbini	77,383	16.7%	70,392	15.3%	147,775	14	147,789
Province							
Karnali Province	20,883	4.5%	21,921	4.8%	42,804	3	42,807
Sudurpashchim	34,732	7.5%	28,231	6.1%	62,963	5	62,968
Province							
Total	462,605	100.0%	460,422	100.0%	923,027	329	923,356

# Annex Table 2. 12 Number of establishments by registered or not and by province (2)

Province	Registered	Share	Not registered	Share	Subtotal	Not stated	Total
Province No.1	90,192	53.5%	78,277	46.5%	168,469	49	168,518
Province No.2	41,594	35.4%	75,928	64.6%	117,522	148	117,670
Bagamati	141,949	50.2%	140,863	49.8%	282,812	108	282,920
Province							
Gandaki	55,872	55.5%	44,810	44.5%	100,682	2	100,684
Province							
Lumbini Province	77,383	52.4%	70,392	47.6%	147,775	14	147,789
Karnali Province	20,883	48.8%	21,921	51.2%	42,804	3	42,807
Sudurpashchim	34,732	55.2%	28,231	44.8%	62,963	5	62,968
Province							
Total	462,605	50.1%	460,422	49.9%	923,027	329	923,356

Annex Table 2. 13 Number of persons engaged by registered or not and by province (1)

Province	Registered	Share	Not registered	Share	Subtotal	Not stated	Total
Province No.1	407,447	17.0%	136,028	16.3%	543,475	604	544,079
Province No.2	220,827	9.2%	133,876	16.1%	354,703	291	354,994
Bagamati	938,377	39.2%	278,943	33.5%	1,217,320	1,177	1,218,497
Province							
Gandaki	252,076	10.5%	80,391	9.7%	332,467	5	332,472
Province							
Lumbini	355,635	14.9%	118,547	14.2%	474,182	82	474,264
Province							
Karnali Province	80,529	3.4%	38,417	4.6%	118,946	5	118,951
Sudurpashchim	139,206	5.8%	45,985	5.5%	185,191	9	185,200
Province							
Total	2,394,097	100.0%	832,187	100.0%	3,226,284	2,173	3,228,457

Annex Table 2. 14 Number of persons engaged by registered or not and by province (2)

Province	Registered	Share	Not registered	Share	Subtotal	Not stated	Total
Province No.1	407,447	75.0%	136,028	25.0%	543,475	604	544,079
Province No.2	220,827	62.3%	133,876	37.7%	354,703	291	354,994
Bagamati	938,377	77.1%	278,943	22.9%	1,217,320	1,177	1,218,497
Province							
Gandaki	252,076	75.8%	80,391	24.2%	332,467	5	332,472
Province							
Lumbini	355,635	75.0%	118,547	25.0%	474,182	82	474,264
Province							
Karnali Province	80,529	67.7%	38,417	32.3%	118,946	5	118,951
Sudurpashchim	139,206	75.2%	45,985	24.8%	185,191	9	185,200
Province							
Total	2,394,097	74.2%	832,187	25.8%	3,226,284	2,173	3,228,457

Annex Table 3. 1 Number of establishments in street business

	Establishment	Share
Street business	34,101	3.7%
Home business	386,323	41.9%
Business in a building	323,621	35.1%
Business in traditional market	67,441	7.3%
Business in modern shopping mall	20,809	2.3%
Business occupying exclusively one	58,344	6.3%
block or one building		
Others	31,129	3.4%
Total	921,768	100.0%

Annex Table 3. 2 Number of persons engaged in street business

	Persons engaged	Share
Street business	45,330	1.4%
Home business	841,224	26.1%
Business in a building	1,044,011	32.4%
Business in traditional market	133,099	4.1%
Business in modern shopping mall	89,398	2.8%
Business occupying exclusively one	905,823	28.1%
block or one building		
Others	160,259	5.0%
Total	3,219,144	100.0%

Annex Table 3. 3 Number of establishments in street business by size of persons engaged

Persons engaged per establishment	Establishment	Share
1	24,902	73.02%
2	7,854	23.03%
3	941	2.76%
4	273	0.80%
5	66	0.19%
6	23	0.07%
7	16	0.05%
8	16	0.05%
9	3	0.01%
10	7	0.02%
Total	34,101	100.0%

Annex Table 3. 4 Number of persons engaged in street business by size of persons engaged

Persons engaged per establishment	Persons engaged	Share
1	24,902	54.93%
2	15,708	34.65%
3	2,823	6.23%
4	1,092	2.41%
5	330	0.73%
6	138	0.30%
7	112	0.25%
8	128	0.28%
9	27	0.06%
10	70	0.15%
Total	45,330	100.00%

Annex Table 3. 5 Share of establishments in street business by industry

Industry	Establishment	Share
A: Agriculture, forestry and fishing	-	-
B: Mining and quarrying	27	0.08%
C: Manufacturing	586	1.72%
D: Electricity, gas, steam and air conditioning	-	-
supply		
E: Water supply; sewerage, waste management and	-	-
remediation activities		
F: Construction	-	-
G: Wholesale and retail trade; repair of motor	26,736	78.40%
vehicles and motorcycles		
H: Transportation and storage	16	0.05%
I: Accommodation and food service activities	5,066	14.86%
J: Information and communication	-	-
K: Financial and insurance activities	-	-
L: Real estate activities	-	-
M: Professional, scientific and technical activities	96	0.28%
N: Administrative and support service activities	71	0.21%
P: Education	-	-
Q: Human health and social work activities	84	0.25%
R: Arts, entertainment and recreation	-	-
S: Other service activities	1,419	4.16%
Total	34,101	100.00%

Annex Table 3. 6 Share of establishments in street business of the whole establishments by Industry

la di atau	Establishme	Street	01
Industry	nt	business	Share
A: Agriculture, forestry and fishing	24,133	-	-
B: Mining and quarrying	652	27	4.1%
C: Manufacturing	103,854	586	0.6%
D: Electricity, gas, steam and air	1,241	-	-
conditioning supply			
E: Water supply; sewerage, waste	2,513	-	-
management and remediation			
activities			
F: Construction	1,600	-	-
G: Wholesale and retail trade; repair of	497,581	26,736	5.4%
motor vehicles and motorcycles			
H: Transportation and storage	3,173	16	0.5%
I: Accommodation and food service	130,386	5,066	3.9%
activities			
J: Information and communication	2,769	-	-
K: Financial and insurance activities	17,938	-	-
L: Real estate activities	205	ı	-
M: Professional, scientific and	8,082	96	1.2%
technical activities			
N: Administrative and support service	6,856	71	1.0%
activities			
P: Education	40,759	-	-
Q: Human health and social work	19,920	84	0.4%
activities			
R: Arts, entertainment and recreation	2,807	-	-
S: Other service activities	57,299	1,419	2.5%
Total	921,768	34,101	3.7%

Annex Table 3. 7 Share of persons engaged in street business by Industry

Industry	Street business	Share
A: Agriculture, forestry and fishing	-	-
B: Mining and quarrying	38	0.08%
C: Manufacturing	908	2.00%
D: Electricity, gas, steam and air conditioning supply	-	-
E: Water supply; sewerage, waste management and	-	-
remediation activities		
F: Construction	-	-
G: Wholesale and retail trade; repair of motor vehicles	35,128	77.49%
and motorcycles		
H: Transportation and storage	30	0.07%
I: Accommodation and food service activities	7,112	15.69%
J: Information and communication	-	-
K: Financial and insurance activities	-	-
L: Real estate activities	-	-
M: Professional, scientific and technical activities	105	0.23%
N: Administrative and support service activities	139	0.31%
P: Education	-	-
Q: Human health and social work activities	167	0.37%
R: Arts, entertainment and recreation	-	-
S: Other service activities	1,703	3.76%
Total	45,330	100.00%

Annex Table 3. 8 Share of persons engaged in street business of the whole establishments by Industry

lo di cata	Persons	Street	Chara
Industry	engaged	business	Share
A: Agriculture, forestry and fishing	105,841	-	-
B: Mining and quarrying	7,677	38	0.5%
C: Manufacturing	508,017	908	0.2%
D: Electricity, gas, steam and air conditioning supply	20,159	-	-
E: Water supply; sewerage, waste management and remediation activities	15,257	•	ı
F: Construction	14,676	-	-
G: Wholesale and retail trade; repair of motor vehicles and motorcycles	987,169	35,128	3.6%
H: Transportation and storage	19,988	30	0.2%
I: Accommodation and food service activities	345,842	7,112	2.1%
J: Information and communication	39,660	-	-
K: Financial and insurance activities	206,774	-	-
L: Real estate activities	1,965		-
M: Professional, scientific and technical activities	33,081	105	0.3%
N: Administrative and support service activities	45,939	139	0.3%
P: Education	511,297	-	-
Q: Human health and social work activities	163,726	167	0.1%
R: Arts, entertainment and recreation	16,017	-	-
S: Other service activities	176,059	1,703	1.0%
Total	3,219,144	45,330	1.4%

Annex Table 3. 9 Number of establishments in street business by province

Province	Establishment	Share
Province No.1	7,271	21.3%
Province No.2	5,695	16.7%
Bagamati Province	9,066	26.6%
Gandaki Province	600	1.8%
Lumbini Province	9,376	27.5%
Karnali Province	1,238	3.6%
Sudurpashchim Province	855	2.5%
Total	34,101	100.0%

Annex Table 3. 10 Share of establishments in street business of the whole establishment by province

Province	Establishment	Street business	Share
Province No.1	168,420	7,271	4.3%
Province No.2	117,359	5,695	4.9%
Bagamati Province	282,027	9,066	3.2%
Gandaki Province	100,484	600	0.6%
Lumbini Province	147,762	9,376	6.3%
Karnali Province	42,766	1,238	2.9%
Sudurpashchim Province	62,950	855	1.4%
Total	921,768	34,101	3.7%

Annex Table 3. 11 Number of persons engaged in street business by province

Province	Province Persons engaged	
Province No.1	9,522	21.0%
Province No.2	7,543	16.6%
Bagamati Province	11,024	24.3%
Gandaki Province	778	1.7%
Lumbini Province	13,558	29.9%
Karnali Province	1,779	3.9%
Sudurpashchim Province	1,126	2.5%
Total	45,330	100.0%

Annex Table 3. 12 Share of persons engaged in street business of the whole establishment by province

Persons Province Street business Share engaged 1.8% Province No.1 543,083 9,522 Province No.2 353,737 7,543 2.1% Bagamati Province 0.9% 1,212,527 11,024 Gandaki Province 331,594 778 0.2% Lumbini Province 474,183 13,558 2.9% Karnali Province 1,779 1.5% 118,863 Sudurpashchim Province 185,157 1,126 0.6% Total 3,219,144 45,330 1.4%

### **Appendices**

Appendix 1: Specimen of Form B of NEC2018

Appendix 2: Coverage of National Economic Census 2018



## Government of Nepal National Planning Commission



#### Central Bureau of Statistics

# National Economic Census 2018 Form B

The information collected with this questionnaire will be kept confidential according to Statistical Act. 1958 of Nepal. No any information of individual business establishment will be published as not to disclose individual identification. The information collected in this census will not be used for taxation purpose. These collected individual data will only be used as statistical aggregates. That is, economic statistics required for formulating of plans and policies are produced by collecting basic information on the current status of the establishment.

Please fill in the following questions as of Baishakh 1, 2075 (14 April 2018 in Western calendar) if no other individual instruction. The questions should be asked to establishment owner, manager, or concerned person of the establishment.

If a response is not applicable, please fill in a bar "-" in the appropriate box.

1- Area Information Al						
Area	Name	Cod	le			
Al1. District						
Al2. Municipality/ Rural Municipality			'			
Al3. Ward						
Al4. Village/ Settlement Name						
Al5. Enumeration Area (EA)						
Al6. Sub Enumeration Area (SEA)		·				

2- Establishment Information						
El1. Establishment Number	El1. Establishment Number					
(Please transcribe from	column 2 of For	m A: Establishment List.)				
<b>EI2.</b> Name of Establishment o	r Business					
El3. Type of Business						
EI4. Address of	El4A. Name	of Road/ Street:	EI4B. House Number:			
Establishment						
	EI4C. Name of	of the Business Complex/ Ma	II/ Building:			
	El4D. Flat Nu	mber/ Floor Number:		EI4E. Shop Number:		
EI5. Information for Contact EI5A. Phone Nur		umber of Establishment:	EI5B. E-mail Address:		EI5C. Website Address	:
EI5D. Name of Contac		Contact Person:	EISE. Designation of Contact Person:		EISF. Phone Number of Contact Person:	

3- Regi	stration at Government Agencies								
RI1. Is th	is establishment registered at any Governr ( if not go to OW1)	nent Agencies?	<b>1</b> - Regist	tered <b>2</b> -	- Not registered	(Go to OW1)			
Register	red or not at the following Government Ag	encies							
RI2. Inla	nd Revenue Office		<b>1-</b> Registered		2- Not re (Go to F	_			
RI	2.1 Permanent Account Number (PAN) , VA	AT No., or TPIN							
	trict Office/ Development Committee of dustries	Cottage and Small	<b>1-</b> Registered	1	2- Not re	egistered		1	
RI4. Offi	ce of Company Registrar		<b>1-</b> Registered		2- Not re	egistered			
RI5. Dep	partment of Industry		<b>1-</b> Registered		2- Not re	egistered			
RI6. Offi	ce of Commerce and Supplies		1- Registered		2- Not re	gistered			
RI7. Dist	rict Administrative Office		<b>1-</b> Registered		2- Not re	gistered			
RI8. Min	istry of Health		<b>1-</b> Registered		2- Not re	egistered			
RI9. Ministry of Education			<b>1-</b> Registered		2- Not registered				
RI10. Office of Cooperative Registrar			1- Registered		2- Not registered				
	trict Development Committee/ District Coc Committee	ordinating	<b>1-</b> Registered		2- Not re	egistered			
RI12. Mu	unicipality/ VDC/ Rural Municipality		<b>1-</b> Registered		<b>2-</b> Not re	egistered			
RI13A.	Other (specify):						СВ	S and SOs us	e only
<b>RI13B.</b> C	other (specify):								]
		·							
4- Lega	Status of Registered Establishment or Bus	siness							
LS1. Leg	al Status of Registered Establishment or Bu	ısiness							
	1- Individual proprietor		6- Government	agency					
2- Partnership			<b>7-</b> State-owned organization (including quasi government and autonomy-owned organization)			ion)			
3- Private limited company			8- NGO (Non-Governmental Organization)						
4- Public limited company			9- Users' Group / Consumer Group						
	5- Cooperative		<b>10-</b> Others (spe	cify):					
LS2. Is th	nis Establishment or Business Multinational C	ompany?							
		<b>1-</b> Yes							
<b>2-</b> No								(Go to MC	D1)

5- Ow	5- Ownership Status of "Not Registered" Establishment or Business					
OW1.	Ownership of "Not Registered" Establish	nent or Business				
	1- Individual proprietor					
	2- Partnership					
	3- Others (specify)					
6- Cha	aracteristics of Manager and Owner (If the	ere are any owners, the most investing ow	ıner sı	hould be filled in.)		
MO1.	Sex of Manager	1- Male 2- Female			Age in comple	
MO2.	Sex of Owner	<ul><li>1- Male</li><li>2- Female</li><li>3- Not applicable (Go to BO1)</li></ul>			Age in comple	•
моз.	Country of Owner	1- Nepal 2- India 3- China 4- Pakistan 5- Bangladesh 6- Sri Lanka 7- Malaysia 8- Thailand	9- 10- 11- 12- 13- 14- 15- 16-	Other ASEAN countries Japan Gulf countries United State of America United Kingdom EU countries		

7- Business Operation Information						
	o'clock	minutes	working hours	Circle either of them		
BO1. Opening Time				<b>1-</b> AM <b>2-</b> PM		
BO2. Closing Time				<b>1-</b> AM <b>2-</b> PM		
BO3. Working Hours						

BO3. Working Hours			
BO4. Business Period	<b>1-</b> Yes		
Is this establishment regularly operating through the year? Circle Yes or No.	2- No (seasonal business) (Go	o to BO6)	
BO5. How many working days did this establishment have for the last one year?		working days (Go to l	BO8)
BO6. When is the season? Choose the opening month and the	Opening month	Closing month	Opening month
closing month.	1 Baishakh	1 Baishakh	
	2 Jestha	2 Jestha	
	3 Ashadh	3 Ashadh	
	4 Shrawan	4 Shrawan	
	5 Bhadra	5 Bhadra	Closing month
	6 Ashwin	6 Ashwin	
	7 Kartik	7 Kartik	
	8 Mangsir	8 Mangsir	
	9 Poush	9 Poush	
	10 Magh	10 Magh	
	11 Phalgun	11 Phalgun	
	12 Chaitra	12 Chaitra	
BO7. How many working days did this establishment have in the sea	ison?		working days
BO8 Year of Starting the Business ( Baishakh 1, 2075 in Nepali calence	dar is April 14, 2018 in western calenda	ar.) yyyy	mm
Fill in the month and year of starting the business in Nepali calenda			

BO7. How many working days did this establishment have in the season?		working days
BO8 Year of Starting the Business (Baishakh 1, 2075 in Nepali calendar is April 14, 2018 in western calendar.)	уууу	mm
Fill in the month and year of starting the business in Nepali calendar.		

8- Tenure, Kind, and Area (square feet: ft²) of Business Place (If using land directly, respond not only building but also land.)						
	1- Owned 2- Rented 3- Lease or contract out 4- Others (Specify:) 5- Not applicable					
BP2. Tenure of Business Place (Land)	1- Owned         2- Rented         3- Lease or contract out         4- Others (Specify:)         5- Not applicable					
BP3. Kind of Business Place 1- Street business						
DD4 Tatal Associate During Dlags (sugar fact #2	<ul> <li>2- Home business (Business place and owner's resider</li> <li>3- Business in a building with sturdy construction for (Business place and owner's residence are separate</li> <li>4- Business in traditional market with flat building or s</li> <li>5- Business in modern shopping mall with signboa (building with more than two stories where a nu operating)</li> <li>6- Business occupying exclusively one block or one sturdy construction (Ex: Factory, Bank, Hospital, Sci.</li> <li>7- Others</li> </ul>					
BP4. Total Area of Business Place (square feet: ft²)						
BP4.1 Building / Room occupied area using for Business (square feet: ft²)	1- Yes 2- Not applicable (Go to BP4.2)	Specify the total area	ft²			
BP4.2 Land occupied area using for Business (square feet: ft²)	1- Yes 2- Not applicable (Go to Part 9)	Specify the total area	ft²			

9- Number of Persons Engaged in this establishment as of the reference date								
(In the	(In the case of "Head office" (OF1=2), all persons engaged in its branch office(s) and subbranch office(s) are excluded.)							
		Persons engaged						
		<b>1</b> - Total	N	lepali	Foreigner			
			2- Male	3- Female	<b>4</b> - Male	5- Female		
(1)	(2)	(3)	(4)	(5)	(6)	(7)		
PE1.1	Working proprietors/ partners							
PE1.2	Unpaid family workers							
PE1.3	Working directors (Managers) (excluding unpaid directors)							
PE1.4	Regular employees (those who are employed on a continuous basis with six month period or longer)							
PE1.5	Temporary employees (other employees than "regular employees")							
PE1.	Total number of persons engaged (Total of "PE1.1" to "PE1.5")							

		Persons engaged or Workers				
		1- Total	<b>1</b> - Total Nepali		Fore	eigner
			2- Male	<b>3</b> - Female	<b>4</b> - Male	5- Female
(1)	(2)	(3)	(4)	(5)	(6)	(7)
PE2.1	Aged 15 and under					
PE2.2	Technical staff					
PE2.3	Disabled staff					
PE2.4	Accepted workers from other institutions (Other than the employees cited in PE1, persons dispatched from separately operated establishments to work at the establishment)					

10- Main Economic Activity					
<ul> <li>▶ Describe a main economic activity that is done in this establishment. For example, selling (to wholesalers or consumers), manufacturing or repairing goods, or providing services.</li> <li>▶ Describe about these goods or services also.</li> </ul>					
▶ In the case of "Head office" (O	F1), all activities of its branch office(s) are excluded.				
EA1. Main Economic Activity		CBS and SOs use only			

11- Single Unit, Head Office or Branch Office	ce							
OF1. Single Unit, Head Office, or Branch Office  1- Single unit (Go to AR1) 2- Head office (Go to HO1) 3- Branch office 4- Subbranch office								
OF2. Name, Address and PAN of Head Offic	e	-						
►In case of "Branch office" or "Subbranch offi	ce".							
▶ In case of "Subbranch office", fill in the nam	e and address of its up	per-level office.						
OF2.1 Name:								
OF2.2 Address:								(Go to CS1 Part
OF2.3 Permanent Account Number	(PAN):							
12- Questions HO1 to HO4 below refer on	ly to establishments	of "Head office".						
HO1. Number of Branch Offices and Subbra	nch Offices that estab	lishment supervises						
HO2. Total number of entire regular emple  The "entire regular employees" include regu (namely, "Head office + Branch office(s) + S	lar employees of head	office, branch office(	s), and subbrand	ch office(s)				
Economic activities of the entire entity that incl (namely, "Head office + Branch office(s) + Sul		this head office but a	lso those of bra	nch office(s) ar	nd subbrai	nch office	(s)	
HO3. Main economic activity								CBS and SOs use only
► State a main economic activity in terms of the largest value added or the largest manpower input.								
HO4. Secondary economic activity if this entity has two or more kinds of economic activities.								

Part 13 to 17 are asked only to establishments of "Single unit" and "Head office".						
13- Accounting Record						
AR1. Does this establishment or this enterprise prepare its accounting record?		<b>1-</b> Yes				
<ul> <li>An accounting record includes an account book, an income statement, etc.</li> <li>An enterprise consists of a head office and its branches.</li> </ul>		<b>2-</b> No				
		2-110				
14- Average monthly revenues/ sales and operating expenses in the fiscal year of 2073/2074 of	or in 2074					
▶ If the average monthly figures are unclear, that of past one month should be filled in.						
▶ In the case of "Head office", average amount of revenues/ sales and operating expenses inc	luding its b	ranch office(s) and	I subbranch offic	es shoul	d be fille	ed in.
▶ These amounts should be filled in with left alignment and a thousand separator, ending with	n a bar "-".					
IE1. Average monthly revenues/sales in fiscal year of 2073/2074 or in 2074						
▶ Include all income gained from operating activities such as selling of goods, providing services,	etc. Rs.	Rs				
(Sales and non-operating revenues)						
IE2. Average monthly expenses in fiscal year of 2073/2074 or in 2074						
▶ Include all expenses for operating activities such as purchase of products for sales, costs for pro	viding Rs.					
services, rent for shops, salaries and wages for managers and workers, tax, etc.						
(Cost of goods sold, operating expenses, non-operating expenses, and tax)						
IE2.1 Average monthly compensation (salaries and wages) for managers and workers in fi						
year of 2073/2074 or in 2074	KS.					
15- Capital and Ratio of Foreign Capital						
CI1. Capital						
▶ Fill in the amount of capital, investment, and funds. (both fixed and current capital)	Rs.					
▶ This amount should be filled in with left alignment and a thousand separator, ending with a	bar.					
CI1.1 Ratio of Foreign Capital						
(Please round off it to the one decimal place.)				•		%
CI1.2 Fixed Capital			<u> </u>		1	1
Land, building, plant, equipment, machineries, etc.	Rs.					

16- Access to Cre	edit									
	ablishment or this enterprise borrowed or paid spurpose within the last three years?	d back financial loan	an 1- Yes					1		
► Circle the co	de.		<b>2-</b> No (G	io to AC4)	1					
AC2. From where loan?	has this establishment or this enterprise born	owed the financial	1- Bank							
			2- Finance	9						7
			3- Micro F	inance						
			<b>4-</b> Cooper	ative						
			5- Person	nal						
			6- Other	Institutio	ns					
AC3. How much is its average interest rate per year?								%	Go to PC1	
(Please round of	f it to the one decimal place.)					•		76	GOTOFCI	
AC4. Has this esta	ablishment or this enterprise had experience t tutional financial loan although it tried to do?	hat it couldn't	<b>1-</b> Yes							
► Circle the code	_		<b>2-</b> No							
17- Parent Comp	any									
PC1. Does this est	tablishment have a parent company?		<b>1-</b> Yes							
Parent company ho	olds a majority of all shares in this company.		<b>2</b> - No (G	io to CS1)						
PC2. Name, Address and PAN of Parent Company										
PC2.1 Name	ρ·									
						***************************************				
PC2.2 Addr										
PC2.3 Perm	nanent Account Number (PAN):									
					<u> </u>					
8- Census Status	(To be filled in by enumerator)									
CS1. Status of Surv	vey	1- Completely er	numerated							1
► Circle the o	ode.	2- Partially comp								
		3- Unable to cor	mplete							,
9- Respondent's	Information									
Respondent's Na	me :									
Designation :										
Date of Interview	<i>'</i> :									
Stamp of Establis	hment :									
Г		<u> </u>					<u> </u>			
	Name			Signatur	e e				Date	
Enumerator										
Supervisor										
	· · · · · · · · · · · · · · · · · · ·									

### Appendix 2

14 April 2018

#### Coverage of National Economic Census 2018

		Kind of Establishment					
	Section of ISIC Rev. 4	Registered / Not registered	Not regist	ered			
		Fixed location	Movable but the same place	Mobile			
Α	Agriculture, forestry and fishing	(Registered only)					
В	Mining and quarrying						
С	Manufacturing						
D	Electricity, gas, steam and air conditioning supply						
E	Water supply; sewerage, waste management and remediation activities						
F	Construction						
G	Wholesale and retail trade; repair of motor vehicles and motorcycles						
Н	Transportation and storage						
I	Accommodation and food service activities						
J	Information and communication						
K	Financial and insurance activities						
L	Real estate activities						
М	Professional, scientific and technical activities						
N	Administrative and support service activities						
0	Public administration and defence; compulsory social security						
Р	Education						
Q	Human health and social work						
-	activities						
R	Arts, entertainment and recreation						
S	Other service activities						
т	Activities of households as employers; undifferentiated goods-and services-producing activities of						
U	households for own use  Activities of extraterritorial organizations and bodies						

shows the coverage of the Economic Census.







