

**REPORT ON THE
HOUSEHOLD CONSUMPTION SURVEY OF RURAL NEPAL
2000/2001**



**Central Bureau of Statistics
National Planning Commission Secretariat
His Majesty's Government
Nepal**

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STATISTICAL REPORT

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PREFACE

After the accomplishment of the Nepal Living Standards Survey, 1995/96, the Central Bureau of Statistics has given importance to the follow up surveys relating to household consumption. Two basic reasons stand behind such a policy. The first is to understand the behavior on consumption, facilitating the assessment of poverty levels. The second reason is to support the estimation of national aggregates of consumption required for the national accounting. It is on that line this consumption survey for rural Nepal has been attempted solely on the Government resources. Sustaining foreign aid supported projects in the long run through capacity building is the aim behind such follow up surveys.

The survey was planned in January 2000 and was launched in the later part of the same year. Hopefully, the survey results will provide some ways of linking the gap likely to emerge from the earlier and the next round of the Nepal Living Standards Survey now in the initial preparatory phase and scheduled for 2002/03. The survey followed the similar methodology as used in the Nepal Labour Force Survey, 1998/99. As a follow up survey, the sample size has been kept at a moderately low level of 1,968 households. The 1991 Population Census of Nepal was used as a frame for sampling. The sampling was done in such a way that the results are valid nationally for the rural areas.

I am grateful to all the households who have supported us by responding to the details of consumption goods and services contained in the questionnaire. I would like to thank to all the field staff that participated in this painstaking work. My thanks also go to the then Director General Mr. Keshav Raj Sharma, the then Deputy Director General Mrs. Savitri Singh and the then Deputy Director and team leader Mr. Keshav Karmacharya who retired from the CBS on February 2002, March 2001 and September 2001 respectively. Other team members comprising Statistical Officers Mr. Ram Hari Gaihre, Mr. Guna Nidhi Sharma, Mr. Anil Sharma, Mr. Kapil Prasad Timalsena, Mr. Ishwori Prasad Bhandari, Mr. Binod Manandhar and Computer Assistant Mr. Mohan Khajum Chongbang deserve thanks for their hard work.

I would like to thank Mr. Tunga Bastola who succeeded Mr. Karmacharya as the Chief of the Household Survey Section for his efforts in accomplishing the remaining task of bringing out this report.

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Section I

INTRODUCTION

It was only in the early nineties that the Central Bureau of Statistics (CBS) established a separate Household Survey Section (HSS) in the Bureau. In a decade long history, the section initiated four small-scale surveys almost without any external assistance. Then Nepal Living Standards Survey (NLSS) was conducted in 1995/96 with the assistance from the World Bank. Subsequently came the Nepal Labour Force Survey (NLFS), the first of its kind conducted in 1998/99 with the assistance received from the United Nations Development Program (UNDP) and the International Labour Organization (ILO). Regarding the accomplishment of each national level survey, its future sustainability is always a matter of concern. In respect of the above two surveys, such concern was logical and relevant from many angles. Firstly, such surveys were essential to be regularized by repeating the operation periodically. Secondly, seeking Government's commitment towards funding the surveys in the future was essential. Simultaneously, dependency on external support on the technical aspect had also to be gradually minimized with the passage of time by developing capability within the Bureau.

After the completion of the above mentioned two national level surveys (NLSS and NLFS), the HSS felt that it was time to go for retrospection by testing the capability acquired through the experiences accumulated during the last five-year period (1995-1999). At this juncture, an indigenous effort in meeting both the technical and the resource requirements was considered a good testing time. Keeping this in mind, the Household Consumption Survey of Rural Nepal (HCSRN) was planned in January 2000 and was launched late in the same year. This survey completely relied on the Government resources and the technical capability available in the Bureau.

The selection of the subject matter and the coverage had to be chosen carefully to see that a worthy attempt was made in an appropriate area. Several discussions within the section led to the conclusion that household consumption was the most appropriate area for the survey. The topic was given priority because of the need to regularize it for supplementing data in the annual estimation of National Accounts aggregates. Further, data generated on household consumption are considered probably the most appropriate information that leads us to know the changes in the level of poverty. Many countries gather information on household consumption on a regular basis to monitor changes in the level of poverty and analyze the well-being of the people and the economy as well.

The NLSS covered both the urban as well as the rural areas of the country. On the other hand, the Household Budget Survey conducted by the Nepal Rastra Bank in the same period (1995/96) was limited to the urban areas of the country. This, among other things, led to the decision in covering only the rural part of the country in the HCSRN. Constraints in the quantum of the budget available dictated the sample size to be trimmed accordingly.

The survey content is similar to that of the NLSS. The questionnaire, however, has a separate section for own account production. Information on own account production of goods and services and some other activities required for the revised System of National Accounts, 1993 (SNA 1993) is also included in this survey.

This report presents the main highlights of the HCSRN. This volume/report contains a description of the survey (section I), as well as methodology of the survey (section II), demographic and other characteristics (Section III) and consumption (Section IV).

The need to have a stream of steady workforce in the section has not been realized. In fact, all household survey works accomplished by the HSS so far have been achieved through a manpower having rarely received any training on official statistics. Since the regular task of the HSS is to conduct household surveys and to publish the results without much time lag, a comprehensive training program to upgrade the capability of the workforce of the section will need to be formulated for the future works. In order to generate data on various socio-economic areas on a regular basis, the section has to be backed by a technically sound workforce. It is imperative to establish linkages with each surveys conducted periodically to analyze the changes occurring over time. The goal of minimizing external dependency particularly in technical matters may be realized only through a well-planned programme by adequately upgrading the skills of the workforce.

Section II

METHODOLOGY

This HCSRN is primarily based on the past two surveys (i.e., the NLSS and the NLFS) mentioned in the earlier section. As a multi-topic survey, the NLSS (1995/96) had collected a "comprehensive set of data on different socio-economic aspects that included consumption, income, housing, employment, education, health, etc". The NLFS (1998/99), on the other hand, was primarily concerned with "employment, unemployment and under employment". The HCSRN is basically limited to the consumption expenditures of households. The sample design of the HCSRN is similar to that adopted in the NLFS. The sample size in this survey, however, has been trimmed to fit the resources available for the survey.

The methodology adopted to "ascribe a rupee value" to consumption aggregates is similar to that adopted in the NLSS. There is a difference, however, in the pricing of the commodities to calculate real per capita consumption. In the NLSS, "the price index ... had taken the rural Eastern Terai as the base case, i.e., all consumption expenditures were adjusted so as to make the purchasing power of one rupee in the respective region comparable to that of one rupee in rural East Terai".¹ In the HCSRN, no such price index was constructed. So different prices of items in different parts of the country are kept as they were found without any standardization.

Objectives

The basic objectives of this survey were

- (i) To determine the pattern of household consumption and expenditure on food, non-food, housing, durable goods and own account production of goods and services for rural Nepal, and
- (ii) To provide information required in the estimation of National Accounts aggregates.

Scope and Coverage

Consistent with the above objectives the scope of the survey was broadly defined as

- (a) General information,
- (b) Housing expenditures,
- (c) Food expenditures (including home production),
- (d) Non-food expenditures and inventory of durable goods,
- (e) Non-food expenditures (own account production of goods and services), and
- (f) Income

¹ Peter Lanjouw, Giovanna Prennushi and Salman Zaidi, "Building Blocks for a Consumption-Based Analysis of Poverty in Nepal", pp 13, World Bank, October, 1996.

The survey covered the whole rural areas of the country and no geographical areas were excluded. All usual residents of rural Nepal were considered eligible for inclusion in the survey but households of diplomatic missions were excluded. As is normal in household surveys, homeless and those people living for six months or more away from the household or in institutions such as school hostels, police barracks, army camps and hospitals were also excluded. The definition is essentially the same as was adopted in the NLFS 1998/99.

Survey Questionnaire

The Household Survey Section of CBS developed an initial questionnaire of HCSRN on the basis of the questionnaires used in the NLSS and the Multi-Purpose Household Budget Survey (conducted by the Nepal Rastra Bank). The draft questionnaire was subsequently modified through experience gained from pre-tests. The pre-test was carried out in the rural areas of 12 districts.

Household Questionnaire

The questionnaire contained six sections. The contents of the questionnaire are as follows:

Section 1. General Information

The main purposes of this section were: (i) to identify the member of household, (ii) to provide basic demographic information such as sex, age and marital status, and (iii) to collect information on literacy.

Section 2. Housing

This section collected information on household's expenditure on housing, utilities and amenities (ownership, rent and expenditure on water, electricity, telephone, cooking fuels, etc.)

Section 3. Food Expenses and Home Production

This section collected information on food expenditure of the household including consumption of food items that the household produced.

Section 4. Non-food Expenditures and Inventory of Durable Goods

This section collected information on expenditure on non-food items (fuels, clothing and personal care, etc.)

Section 5. Non-food Expenditures (Own Account Production of Goods and Services)

This section collected information on own account production of goods and services (which included making of baskets, fetching water and collecting firewood, etc.)

Section 6. Income

This section collected information on income from different sources as well as information on loans and savings.

Season

The survey covered a complete period of 12 months. To capture seasonal variations, the whole period of 12 months was divided into two parts (of six months each). The first part (called wet season for the purpose of the survey) included the rainy season and stretched from the month of Jestha (May-June) to Kartik (October-November). The second part (called dry season in the survey) extended from Marga (November-December) to Baishakh (April-May). The data collection work, however, was accomplished within the first three months in each part of the survey. The division of an entire year into two parts (seasons) was envisaged to capture the usually heavy and lean expenditure and consumption patterns that might occur in different seasons. The consumption behaviours of rural people are very different in these two parts of the year. In the summer season, for example, there are fewer festivals and most of the people are busy in their agricultural activities. The autumn season, on the other hand, includes the festivals like Dashain and Tihar. This season, therefore, is more likely to record higher consumption expenditures both on food and non-food items compared to other seasons of the year.

Concepts and Definitions

The key concepts of the survey are explained and defined in the following. This will be helpful to interpret the findings of the survey. These definitions and concepts are similar to that followed in the earlier two surveys viz., the NLSS and the NLFS.

Reference period

In general, three time references (a one-month period, a 12-month period and the day of enumeration) have been used in the survey. One-month period covered 30 days preceding the day of enumeration and the 12-month period covered 365 days preceding the day of interview. A typical month also covered a 30-day period. The time reference for items related to demographic characteristics is the day of enumeration.

Household

The statistical unit for the HCSRN, for which data items are gathered, is the "private non-institutional household". The definition of the "private non-institutional household" is basically similar to the definition of "household" as used in the NLFS. The following is the definition of household given in the "Report on the Nepal Labour Force Survey 1998/99".

A household is defined as a group of people who normally live and eat their meals together. Here, 'normally' means that the person concerned has lived in the household for at least six of the past 12 months. A member of the household is identified on the basis of his or her 'usual place of residence'. A person living alone and making his or her own meal arrangements is counted as a separate household.

There were, however, some exceptions to the above rules. The following categories of persons, for instance, are treated as household members even though they have lived less than six months in the household during the past 12 months:

- (a) infants who are less than six months old;
- (b) a newly married couple who have been living together for less than six months; and
- (c) persons living together for less than six months but who are expected to live in the household permanently (or for long duration).

Lodgers and other permanent residents who live and take their meals with the household are counted as household members, even though they may have no blood relationship with the household head. Servants and other paid domestic employees are also counted as part of the household if they live with the household.

In contrast, people who have lived in the household for more than six out of the past 12 months but have permanently left the household are not considered members of the household.

Head of the Household

The head of the household is the member (male or female) in the household acknowledged as head by the other members. The head is usually responsible for household affairs. The person in the household who has primary authority and responsibility in managing household affairs and who knows the most about other members of the household is regarded as the head.

Rural Area

This survey covers only the rural areas of the country. The distinction between urban and rural areas is based on the official classifications made by the Government. At the time of the 1991 Population Census, there were 33 municipalities. One of them (Kathmandu) was designated as a metropolitan city and three others (Lalitpur, Pokhara and Biratnagar) as sub-metropolitan cities. After the census, three municipalities were designated in 1992, and 22 more in 1997, thus making a total of 58 municipalities in 1998. This survey, therefore, excluded those 58 designated urban areas from its sampling frame. In other words, this survey is limited to 3,913 designated Village Development Committees (VDCs) of the country.

Household Consumption

Goods and services reported in the HCSRN were grouped together into four main components: (i) consumption of food items, (ii) consumption of housing, (ii) consumption of non-food items, and (iv) consumption of own account production. These four components when aggregated together provide a measure of total annual household consumption².

² The specific items included in each component as well as the methodology used to ascribe a rupee value to consumption of these items is explained in Section IV. The definition and concept of the first three components is essentially the same as used in the NLSS (See, Nepal Living Standards Survey Report, 1996, Main Findings: Volume One).

Consumption of Food Items

For each of the food items that the household reported having consumed during the past 12 months, the values of purchased food, home-produced food and food received in-kind were added together to obtain a measure of the value of consumption of that food in the past 12 months.

Consumption of Housing

The estimate of the annual value of consumption of housing services was based on data on the rental values of dwellings. In cases of owner occupied dwellings, consumption of housing was taken to be the annual rent that they would have had to pay for their dwelling. In cases where the households were unable to provide the rental values for their home, an imputed rental value was used based on regression³.

Consumption of Non-food Items

Expenses incurred on direct taxes, gift and contributions, insurance premium, remittances sent and expenditure on social ceremonies (like birth, wedding, etc.) and litigation expenses were classified in non-consumption expenditure. The value of other non-food items purchased or received in-kind by the household over the past 12-month period in Section 4 of the questionnaire was included in this component.

Own Account Production

The United Nations System of National Accounts, 1993 (SNA 1993) has greatly widened the production boundary of works. Under the SNA 1993, activities such as tailoring, making mats for the household, or collecting water or firewood are now counted as "work" and hence fall within the production boundary. In other words, this system now includes "all production of goods for own use within its production boundary, as goods can be switched between market and non-market use even after they have been produced, but it excludes all production of services for own final consumption within households". Hence, values of the production of these goods and services are included in this component for total consumption.

Per Capita Consumption

The four components of consumption: (i) food items, (ii) housing, (iii) non-food items, and (iv) own account production of goods and services, were grouped together to obtain a measure of total annual household consumption. Per capita consumption estimates were then calculated by dividing this measure by the total number of individuals in each household.

³ The method of imputation is outlined in Section IV.

Sample Design

The aim of the HCSRN is to determine the consumption pattern of rural households of the country. This is not a baseline survey but is among the first in attempting to set the trend in consumption pattern of rural households with respect to time. It is envisaged that this type of small surveys are done in between the big surveys conducted specifically to measure the level of poverty in the country.

A two-stage sample selection procedure was adopted in the survey. The Primary Sampling Unit (PSU) consisted of a ward or in some cases a sub-ward or an amalgamation of small wards⁴. PSUs were selected with Probability Proportional to Size (PPS) sampling, with the number of households available from the 1991 Population Census as a measure of size. Within the selected PSU, all households were listed in the field and 12 households were selected by systematic sampling with random start. Using PPS sampling at the first stage, 165 PSUs were selected and in the second stage, using systematic sampling 12 households were selected from each PSU. In the process, a total of 1980 households were selected from the rural areas of the country.

Sampling Frame

The 1991 Population Census of Nepal provided a base for building a sampling frame for the survey. The frame consisted of the list of wards along with the census count of the number of households in each ward. Because of the increase in the number of urban areas (municipalities) and the decrease of rural wards after the 1991 Population Census, the frame required certain modifications. The 33 municipalities at the time of census had been increased to a total of 58 municipalities. All rural wards converted into urban areas had to be removed from the earlier frame. In a number of cases new municipalities were created by combining together a large number of what were formerly wards in rural VDCs. Hence, the rural areas had a number of wards reduced from their earlier list. Fortunately, an exercise in modifying the rural frame had been already done for the purpose the last Nepal Labour Force Survey, 1998/99. Therefore, the same modified sampling frame of the NLFS was found most appropriate to be used for this survey as well.

Sample Size

The sample size was determined on the basis of experiences gained from the previous surveys notably the NLSS and NLFS and the resources available for the survey. The survey obviously had to fix its sample size according to what the available resource could afford to accomplish. The sample size was fixed at 1,980 households.

As a prior step to deciding a convenient sample stratification, it is noteworthy to observe how a purely proportion sample of 1,980 households would look like. According to the sample frame, the distribution of the rural households by development region and ecological belt is reported in Table 2.1.

⁴ In cases of large wards containing more than 300 households, sub-wards of comparable size were created. On the other hand, a ward containing less than 20 households were combined with another ward within the same VDC.

Table 2.1: Distribution of total rural households and sample households by development region and ecological belt

| Region | Belt | | | |
|---------------------------------|----------|-----------|-----------|-----------|
| | Mountain | Hill | Terai | Total |
| Total rural households in 1991* | | | | |
| Eastern | 63,735 | 249,174 | 416,853 | 729,762 |
| Central | 90,271 | 336,285 | 488,983 | 915,539 |
| Western | 4,481 | 417,482 | 197,739 | 619,702 |
| Mid western | 47,553 | 214,133 | 123,830 | 385,516 |
| Far western | 60,249 | 115,458 | 80,065 | 255,772 |
| Total | 266,289 | 1,332,532 | 1,307,470 | 2,906,291 |
| Sample households | | | | |
| Eastern | 43 | 169 | 284 | 497 |
| Central | 61 | 231 | 333 | 625 |
| Western | 4 | 260 | 159 | 422 |
| Mid western | 32 | 146 | 84 | 262 |
| Far western | 42 | 78 | 54 | 174 |
| Total | 182 | 884 | 914 | 1980 |

* Modified sampling frame

Since the final "take" was to be 12 households per PSU, it was essential that a selected PSU contained a multiple of 12 households. After minor adjustments, the distribution of the PSUs was as follows.

Table 2.2: Distribution of PSUs and sample households by development region and ecological belt

| Region | Belt | | | Total |
|-------------------|----------|------|-------|-------|
| | Mountain | Hill | Terai | |
| PSUs | | | | |
| Eastern | 4 | 15 | 23 | 42 |
| Central | 6 | 18 | 28 | 52 |
| Western | 1 | 21 | 13 | 35 |
| Mid western | 3 | 12 | 7 | 22 |
| Far western | 3 | 6 | 5 | 14 |
| Total | 17 | 72 | 76 | 165 |
| Sample households | | | | |
| Eastern | 48 | 180 | 276 | 504 |
| Central | 72 | 216 | 336 | 624 |
| Western | 12 | 252 | 156 | 420 |
| Mid western | 36 | 144 | 84 | 264 |
| Far western | 36 | 72 | 60 | 168 |
| Total | 204 | 864 | 912 | 1980 |

In one of the PSUs selected for the survey, enumeration work could not be carried due to unavoidable reasons. The total number of households successfully interviewed was, thus, reduced to 1,968. The following table gives actual figure of the households successfully interviewed.

Table 2.3: Distribution of population and households in sample PSU successfully interviewed by development region and ecological belt

| | Male | Female | Total | Households | PSUs |
|---------------|-------------|-------------|--------------|-------------|------------|
| Region | | | | | |
| Eastern | 1403 | 1379 | 2782 | 504 | 42 |
| Central | 1756 | 1787 | 3543 | 624 | 52 |
| Western | 1096 | 1221 | 2317 | 420 | 35 |
| Mid western | 781 | 774 | 1555 | 252 | 21 |
| Far western | 495 | 535 | 1030 | 168 | 14 |
| Belt | | | | | |
| Mountain | 558 | 573 | 1131 | 204 | 17 |
| Hill | 2255 | 2460 | 4715 | 852 | 71 |
| Terai | 2718 | 2663 | 5381 | 912 | 76 |
| Total | 5531 | 5696 | 11227 | 1968 | 164 |

Organization of Fieldwork

The entire field staff required for the survey was drawn from the Branch Statistical Offices (BSOs) as well as from the CBS. A total of 73 field staff comprising of 19 BSO officers, 15 supervisors and 39 interviewers was deployed for the fieldwork. Training of supervisors and interviewers was conducted for a period of 7 days at three different places (viz., Sunsari, Makwanpur and Surkhet). In each team of trainers, there were three statistical officers of whom two came from the household survey section and one from the BSO belonging to the respective training centre. Altogether, 12 teams comprising of one supervisor and three interviewers were formed for the fieldwork (Annex B). Each team was assigned separate tasks with all the details illustrating the time table to be followed. The assignment given in terms of area covered a certain number of districts.

To conduct supervision at the district level, 19 officers from different BSOs were trained for 4 days at the centre and they were responsible for supervision in their respective districts. Central supervision was done by the members of the core team. Members of the core team consisting of one Deputy Director General, one Deputy Director and six Statistical Officers made surprise visits in the field.

The allocation of the 165 PSUs among the twelve teams was distributed with fairly equal workload. However, the time for travelling required for each team did vary slightly. The allocation of the PSUs for each team is summarized below.

Box No. 01: Allocation of PSUs by team

| Team 1 Panchthar | | Team 2 Sunsari | | Team 3 Dhanusha | | Team 4 Mahottari | |
|---------------------|------------|-----------------------|------------|---------------------|------------|-----------------------|------------|
| <u>District</u> | <u>PSU</u> | <u>District</u> | <u>PSU</u> | <u>District</u> | <u>PSU</u> | <u>District</u> | <u>PSU</u> |
| Morang | 3 | Morang | 3 | Dhanusa | 5 | Mahottari | 4 |
| Taplejung | 2 | Sunsari | 3 | Siraha | 5 | Udayapur | 2 |
| Panchthar | 1 | Saptari | 4 | Sindhuli | 2 | Khotang | 2 |
| Ilam | 3 | Dhankuta | 2 | Ramechhap | 2 | Okhaldhunga | 2 |
| Jhapa | 5 | Terhathum | 1 | | | Solukhumbu | 1 |
| | | Sankhuwasabha | 1 | | | Sarlahi | 5 |
| | | Bhojpur | 2 | | | | |
| Total | 14 | Total | 16 | Total | 14 | Total | 16 |
| Team 5 Kathmandu | | Team 6 Kaski | | Team 7 Makwanpur | | Team 8 Syangja | |
| <u>District</u> | <u>PSU</u> | <u>District</u> | <u>PSU</u> | <u>District</u> | <u>PSU</u> | <u>District</u> | <u>PSU</u> |
| Kabhre | 2 | Kaski | 2 | Parsa | 3 | Palpa | 2 |
| Dolakha | 2 | Tanahun | 3 | Chitwan | 3 | Gulmi | 3 |
| Sindhupalchok | 3 | Lamjung | 2 | Bara | 4 | Syanga | 2 |
| Bhaktapur | 1 | Gorkha | 2 | Rautahat | 4 | Baglung | 3 |
| Kathmandu | 2 | Dhading | 3 | Makwanpur | 2 | Parbat | 1 |
| Lalitpur | 2 | Mustang | 1 | | | | |
| Nuwakot | 2 | Myagdi | 1 | | | | |
| Rasuwa | 1 | | | | | | |
| Total | 15 | Total | 14 | Total | 16 | Total | 11 |
| Team 9 Banke | | Team 10 Kapilbastu | | Team 11 Dang | | Team 12 Kanchanpur | |
| <u>District</u> | <u>PSU</u> | <u>District</u> | <u>PSU</u> | <u>District</u> | <u>PSU</u> | <u>District</u> | <u>PSU</u> |
| Surkhet | 2 | Kapilbastu | 3 | Pyuthan | 2 | Bajura | 1 |
| Jajarkot | 1 | Rupandehi | 4 | Rolpa | 2 | Bajhang | 1 |
| Dailekh | 2 | Arghakhanchi | 2 | Rukum | 2 | Achham | 3 |
| Banke | 2 | Nawalparasi | 4 | Salyan | 1 | Baitadi | 1 |
| Bardiya | 2 | | | Dang | 3 | Kanchanpur | 2 |
| Kalikot | 1 | | | | | Kailali | 3 |
| Mugu | 1 | | | | | Doti | 1 |
| Jumla | 1 | | | | | Dandeldhura | 1 |
| | | | | | | Darchula | 1 |
| Total | 12 | Total | 13 | Total | 10 | Total | 14 |

* Fieldwork could not be completed in one PSU.

Data Processing

Completed questionnaires from the field were brought to the central office (Kathmandu) for data entry and processing. Decentralized system of data entry and processing could not be applied due to lack of resources (equipment like portable computers and data entry operators, etc).

A data entry program in Power Basic was developed in the Household Survey Section, CBS. After data entry and data editing, output tables were produced using STATA 5.0 (a statistical data analysis software). The data set of HCSRN has been kept in ASCII fixed format. It is also readable in other database and statistical packages like STATA, SPSS, dBase, FoxPro, etc.

The data entry work began from Bhadra 2057 (August-September, 2000) and was finished in Chaitra 2057 (March-April, 2001). Two data entry operators were involved regularly from the very beginning for the data entry work. For quality control, range and consistency checks as well as scrutiny were performed during the data entry period.

Section III

DEMOGRAPHIC CHARACTERISTICS

This section focuses on some of the key demographic characteristics of rural population in the country and includes the distribution of household members by age and sex.

Household Distribution

The HCSRN has estimated that there are 3.3 million households in rural Nepal. Of the total rural households, it is estimated that around 0.31 million (9 percent) households are in the Mountain, 1.43 million (43 percent) are in the Hill, and 1.61 million (48 percent) are in the Terai. Amongst development regions, the largest number of households is in the Central region (32 percent of the total households) while the smallest number is in the Far western region (9 percent).

Table 3.1: Distribution of rural households by development region and ecological belt

| Region | Belt | | | Total |
|--------------|-------------|--------------|--------------|-------------------------|
| | Mountain | Hill | Terai | |
| | | | | <i>(in thousands)</i> |
| Eastern | 68 | 291 | 444 | 803 |
| Central | 114 | 360 | 606 | 1080 |
| Western | 18 | 398 | 274 | 690 |
| Mid western | 51 | 261 | 174 | 486 |
| Far western | 62 | 117 | 111 | 290 |
| Total | 313 | 1427 | 1610 | 3349 |
| | | | | <i>(in percentages)</i> |
| Eastern | 2.03 | 8.70 | 13.26 | 23.98 |
| Central | 3.41 | 10.74 | 18.09 | 32.25 |
| Western | 0.53 | 11.89 | 8.19 | 20.62 |
| Mid western | 1.52 | 7.78 | 5.20 | 14.50 |
| Far western | 1.85 | 3.48 | 3.32 | 8.65 |
| Total | 9.33 | 42.60 | 48.07 | 100.00 |

Population Distribution

There are 19.2 million people in 3.3 million rural households (Table 3.2). There are 1.75 million (9 percent) persons in the Mountain, 7.96 million (41 percent) persons in the Hill and 9.47 million (49 percent) persons in the Terai. The distribution of the population (Table 3.2) is almost similar to the households (Table 3.1) within ecological belt.

Table 3.2: Distribution of rural population of by development region and ecological belt

| Region | Belt | | | Total |
|--------------|-------------|--------------|--------------|-------------------------|
| | Mountain | Hill | Terai | |
| | | | | <i>(in thousands)</i> |
| Eastern | 388 | 1555 | 2493 | 4436 |
| Central | 596 | 2083 | 3419 | 6098 |
| Western | 114 | 2062 | 1651 | 3827 |
| Mid western | 295 | 1560 | 1168 | 3023 |
| Far western | 361 | 697 | 736 | 1794 |
| Total | 1753 | 7957 | 9468 | 19177 |
| | | | | <i>(in percentages)</i> |
| Eastern | 2.02 | 8.11 | 13.00 | 23.13 |
| Central | 3.11 | 10.86 | 17.83 | 31.80 |
| Western | 0.59 | 10.75 | 8.61 | 19.95 |
| Mid western | 1.54 | 8.14 | 6.09 | 15.76 |
| Far western | 1.88 | 3.63 | 3.84 | 9.35 |
| Total | 9.14 | 41.49 | 49.37 | 100 |

Household Size

Average household size in rural Nepal is 5.7 persons (Table 3.3). Amongst development regions, the household size varies between 5.5 (Eastern region) to 6.2 (Mid western region). More than one-third of the total rural households have a size ranging between 5 to 6 persons and around one-fourth of the households have a size ranging between 3 to 4 persons.

In 1996, the NLSS reported an average household size of 5.7 persons in rural Nepal and among the development regions, the Far western topped with an average household size of 6.3 persons.

Table 3.3: Average household size and percentage distribution of household size group by development region and ecological belt

| | HH size | Household size groups (in percentages) | | | | | Total |
|-------------|---------|--|-------|-------|-------|-------|--------|
| | | 1-2 | 3-4 | 5-6 | 7-8 | 9+ | |
| Region | | | | | | | |
| Eastern | 5.52 | 6.31 | 31.22 | 32.44 | 18.80 | 11.23 | 100.00 |
| Central | 5.64 | 9.48 | 21.78 | 36.63 | 21.74 | 10.37 | 100.00 |
| Western | 5.54 | 10.77 | 23.65 | 37.26 | 17.84 | 10.48 | 100.00 |
| Mid western | 6.22 | 3.43 | 28.02 | 35.44 | 15.07 | 18.03 | 100.00 |
| Far western | 6.19 | 10.75 | 17.67 | 31.38 | 21.35 | 18.84 | 100.00 |
| Belt | | | | | | | |
| Mountain | 5.61 | 11.47 | 21.92 | 33.76 | 23.33 | 9.52 | 100.00 |
| Hill | 5.58 | 7.89 | 26.02 | 37.22 | 18.14 | 10.73 | 100.00 |
| Terai | 5.88 | 7.88 | 24.66 | 33.54 | 19.40 | 14.52 | 100.00 |
| Total | 5.73 | 8.22 | 24.98 | 35.13 | 19.23 | 12.44 | 100.00 |

Age Distribution

The distribution of the population for rural Nepal by five-year age group, sex and development region is presented in Table 3.4. The proportion of population in the age group 0-4 is lower than the proportion of the population in the age group 5-9. This trend can be observed in all development regions except in the Far western region, which is just the reverse recorded elsewhere. The proportion of population in the lower age group (0-4) is higher than in the subsequent higher age group (5-9) in the Far western region. A similar trend is also found in the results of the 1991 Population Census and in the NLSS.

The distribution of the population for rural Nepal by five-year age group, sex and ecological belt is presented in Table 3.5. The proportion of population in the age group 0-4 is lower than the proportion of population in the age group 5-9 in the Mountain and in the Terai while the proportion is almost equal to these groups in the Hill.

Table 3.4: Percentage distribution of population by sex, age group and development region

| Region | Age Group | | | | | | | | | | | | | Total |
|-------------|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|--------|
| | 00-04 | 05-09 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40-44 | 45-49 | 50-54 | 55-59 | 60 + | |
| Eastern | 12.68 | 13.54 | 12.85 | 11.02 | 8.18 | 7.45 | 6.46 | 5.87 | 4.51 | 4.57 | 3.01 | 2.91 | 6.96 | 100.00 |
| Male | 6.45 | 7.02 | 6.49 | 5.42 | 3.74 | 3.45 | 3.26 | 2.76 | 2.23 | 2.36 | 1.56 | 1.61 | 3.87 | 50.25 |
| Female | 6.23 | 6.52 | 6.35 | 5.60 | 4.44 | 4.00 | 3.19 | 3.11 | 2.28 | 2.21 | 1.45 | 1.30 | 3.08 | 49.75 |
| Central | 13.51 | 14.13 | 12.93 | 11.04 | 8.89 | 6.79 | 4.86 | 5.72 | 5.21 | 3.99 | 3.70 | 2.58 | 6.67 | 100.00 |
| Male | 6.34 | 6.72 | 6.96 | 5.53 | 3.93 | 3.43 | 2.30 | 2.80 | 2.69 | 1.77 | 1.87 | 1.54 | 3.58 | 49.48 |
| Female | 7.17 | 7.42 | 5.97 | 5.51 | 4.95 | 3.35 | 2.56 | 2.91 | 2.52 | 2.21 | 1.83 | 1.03 | 3.08 | 50.52 |
| Western | 13.03 | 14.98 | 13.57 | 11.27 | 6.49 | 6.32 | 5.65 | 5.36 | 4.87 | 3.58 | 3.39 | 3.20 | 8.29 | 100.00 |
| Male | 6.32 | 7.22 | 7.35 | 5.31 | 2.54 | 2.67 | 2.20 | 2.18 | 2.73 | 1.44 | 1.65 | 1.44 | 4.30 | 47.36 |
| Female | 6.71 | 7.77 | 6.22 | 5.95 | 3.95 | 3.65 | 3.45 | 3.18 | 2.14 | 2.14 | 1.73 | 1.76 | 3.99 | 52.64 |
| Mid western | 14.15 | 15.63 | 13.79 | 10.74 | 8.52 | 7.44 | 6.82 | 5.94 | 4.18 | 3.04 | 2.63 | 2.38 | 4.74 | 100.00 |
| Male | 7.32 | 7.73 | 6.86 | 5.50 | 3.63 | 4.14 | 2.83 | 3.36 | 2.25 | 1.36 | 1.38 | 1.35 | 2.37 | 50.08 |
| Female | 6.83 | 7.89 | 6.93 | 5.24 | 4.89 | 3.30 | 3.99 | 2.59 | 1.94 | 1.68 | 1.25 | 1.03 | 2.37 | 49.92 |
| Far western | 15.35 | 13.04 | 12.79 | 11.15 | 10.57 | 7.00 | 6.25 | 3.56 | 4.00 | 4.31 | 3.91 | 2.03 | 6.05 | 100.00 |
| Male | 7.29 | 6.60 | 5.75 | 4.95 | 5.04 | 3.23 | 3.52 | 1.52 | 2.12 | 1.78 | 2.04 | 1.05 | 3.12 | 48.00 |
| Female | 8.06 | 6.43 | 7.04 | 6.20 | 5.54 | 3.77 | 2.73 | 2.04 | 1.88 | 2.53 | 1.87 | 0.98 | 2.93 | 52.00 |
| Total | 13.49 | 14.30 | 13.16 | 11.04 | 8.34 | 6.97 | 5.82 | 5.51 | 4.71 | 3.92 | 3.33 | 2.70 | 6.70 | 100.00 |
| Male | 6.60 | 7.04 | 6.80 | 5.40 | 3.67 | 3.38 | 2.70 | 2.64 | 2.47 | 1.78 | 1.69 | 1.46 | 3.56 | 49.19 |
| Female | 6.89 | 7.26 | 6.36 | 5.64 | 4.68 | 3.59 | 3.12 | 2.88 | 2.24 | 2.14 | 1.63 | 1.23 | 3.14 | 50.81 |

Table 3.5: Percentage distribution of population by sex, age group and ecological belt

| Belt | Age Group | | | | | | | | | | | | Total | |
|----------|-----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|
| | 00-04 | 05-09 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40-44 | 45-49 | 50-54 | 55-59 | | 60 + |
| Mountain | 13.31 | 14.13 | 12.58 | 10.94 | 8.05 | 7.28 | 5.29 | 5.12 | 5.71 | 3.92 | 4.34 | 2.73 | 6.59 | 100.00 |
| Male | 6.17 | 6.57 | 6.80 | 5.91 | 3.87 | 3.40 | 2.77 | 2.47 | 2.60 | 2.19 | 1.49 | 1.39 | 3.58 | 49.21 |
| Female | 7.13 | 7.56 | 5.78 | 5.03 | 4.18 | 3.88 | 2.52 | 2.65 | 3.11 | 1.73 | 2.86 | 1.34 | 3.01 | 50.79 |
| Hill | 13.84 | 13.65 | 13.51 | 10.63 | 8.52 | 6.82 | 5.49 | 4.99 | 4.68 | 3.93 | 3.15 | 2.92 | 7.88 | 100.00 |
| Male | 6.82 | 6.55 | 6.66 | 5.03 | 3.33 | 3.23 | 2.54 | 2.11 | 2.40 | 1.72 | 1.45 | 1.53 | 4.34 | 47.72 |
| Female | 7.02 | 7.10 | 6.85 | 5.60 | 5.19 | 3.59 | 2.94 | 2.88 | 2.28 | 2.21 | 1.71 | 1.39 | 3.53 | 52.28 |
| Terali | 13.24 | 14.87 | 12.97 | 11.41 | 8.25 | 7.03 | 6.21 | 6.02 | 4.54 | 3.92 | 3.29 | 2.51 | 5.73 | 100.00 |
| Male | 6.50 | 7.53 | 6.92 | 5.62 | 3.91 | 3.49 | 2.82 | 3.11 | 2.50 | 1.76 | 1.94 | 1.42 | 2.89 | 50.43 |
| Female | 6.74 | 7.34 | 6.06 | 5.79 | 4.34 | 3.54 | 3.39 | 2.91 | 2.04 | 2.16 | 1.35 | 1.09 | 2.83 | 49.57 |
| Total | 13.49 | 14.30 | 13.16 | 11.04 | 8.34 | 6.97 | 5.82 | 5.51 | 4.71 | 3.92 | 3.33 | 2.70 | 6.70 | 100.00 |
| Male | 6.60 | 7.04 | 6.80 | 5.40 | 3.67 | 3.38 | 2.70 | 2.64 | 2.47 | 1.78 | 1.69 | 1.46 | 3.56 | 49.19 |
| Female | 6.89 | 7.26 | 6.36 | 5.64 | 4.68 | 3.59 | 3.12 | 2.88 | 2.24 | 2.14 | 1.63 | 1.23 | 3.14 | 50.81 |

Gender Distribution

The survey shows that the proportion of males in the total population of rural Nepal is 49.19 and that of females is 50.81, whereas the comparable figures for rural Nepal (reported in preliminary results of 2001 Population Census) are 49.6 and 50.4 respectively. The composition varied slightly within the development regions as well as ecological belts. However, in the Western region (Table 3.4) as well as in the entire Hill (Table 3.5), the variation in the composition is observed to be much larger.

Dependency Ratio

Dependency ratio is defined as the ratio of persons in the "dependent" ages (population under 15 years and above 59 years) to those in the "economically productive" ages (15-59 years). This survey shows that about 41 percent of the population is under 15 years of age, 7 percent is above 59 years of age and 52 percent of the population is in the productive age group (15-59). Table 3.6 presents the dependency ratio and the gender distribution of economically productive population by development region and ecology belt.

Table 3.6: Dependency ratio and percentage population distribution by broad age group by development region and ecological belt

| | Dependency Ratio | Population distribution by Age Group (in percentages) | | | |
|---------------|------------------|---|--------------|--------------|-------------|
| | | 00-14 | 15-59 | | 60 + |
| | | | Male | Female | |
| Region | | | | | |
| Eastern | 0.85 | 39.07 | 26.41 | 27.56 | 6.96 |
| Central | 0.90 | 40.57 | 25.88 | 26.88 | 6.67 |
| Western | 1.00 | 41.58 | 22.17 | 27.96 | 8.29 |
| Mid western | 0.93 | 43.57 | 25.80 | 25.90 | 4.74 |
| Far western | 0.90 | 41.18 | 25.24 | 27.53 | 6.05 |
| Belt | | | | | |
| Mountain | 0.87 | 40.02 | 26.09 | 27.30 | 6.59 |
| Hill | 0.96 | 41.00 | 23.34 | 27.78 | 7.88 |
| Terai | 0.88 | 41.09 | 26.58 | 26.61 | 5.73 |
| Total | 0.91 | 40.95 | 25.19 | 27.16 | 6.70 |

The dependency ratio of rural Nepal is 0.91. This ratio varies within the ecological belts i.e., the dependency ratio is higher (0.96) in the Hill compared to the Mountain and the Terai. Similarly, the ratio varies within the development regions. The dependency ratio is the highest (1.00) in the Western region whereas it is the lowest (0.85) in the Eastern region.

Distribution of Age and Sex of Household Head

Table 3.7 reports the percentage of female-headed households and age of the household head by development region and ecological belt. Of the total households, about 10 percent are to be female-headed. The Western region has significantly highest proportion (19 percent) of female-headed households whereas Mid western region has the lowest proportion (3 percent) of female-headed households. Amongst the ecological belts, the Mountain contains the highest proportion of the female-headed households. The household heads below 20 years are significant in the Far western region and in the Mountain.

Table 3.7: Percentage of female headed households and distribution of age of household head by development region and ecological belt

| | Female headed households | Age of household head | | | | | |
|---------------|--------------------------|-----------------------|--------------|--------------|--------------|--------------|--------------|
| | | <= 19 | 20-29 | 30-39 | 40-49 | 50-59 | 60 + |
| Region | | | | | | | |
| Eastern | 7.66 | 0.72 | 10.94 | 27.13 | 25.59 | 18.40 | 17.23 |
| Central | 8.03 | 1.09 | 14.07 | 23.77 | 25.22 | 18.79 | 17.06 |
| Western | 19.39 | 1.22 | 10.97 | 23.00 | 25.06 | 18.32 | 21.43 |
| Mid western | 3.33 | 2.73 | 17.77 | 29.81 | 21.58 | 16.85 | 11.27 |
| Far western | 7.40 | 4.43 | 16.80 | 25.36 | 23.46 | 17.65 | 12.32 |
| Belt | | | | | | | |
| Mountain | 11.62 | 3.42 | 10.47 | 22.75 | 28.52 | 17.08 | 17.77 |
| Hill | 10.87 | 1.84 | 13.48 | 23.44 | 23.77 | 17.06 | 20.41 |
| Terai | 7.97 | 0.94 | 14.00 | 27.71 | 24.57 | 19.47 | 13.31 |
| Total | 9.55 | 1.55 | 13.45 | 25.43 | 24.60 | 18.22 | 16.75 |

Literacy

This survey asked only one question on literacy. All household members aged 5 and over were asked if they could read and write. This survey shows that about 55 percent of the population aged 6 and over to be literate. Likewise, among 49 percent literate people aged 15 and over, 35 percent literate people comprised of females. The survey also reports that the literacy rate of population aged 6 and over is higher in the Western region (61 percent) and is the lowest in the Central region (50 percent). Literacy seen under stratification of the ecological belts reveals that the Hill to have the highest rate (60 percent) and the Terai to have the lowest rate (51 percent).

Table 3.8: Literacy rate by age group and sex by development region and ecological belt

| | 6 years and above | | | 15 years and above | | |
|---------------|-------------------|--------------|--------------|--------------------|--------------|--------------|
| | Male | Female | Total | Male | Female | Total |
| Region | | | | | | |
| Eastern | 70.63 | 48.40 | 59.50 | 69.26 | 41.90 | 55.50 |
| Central | 61.81 | 37.28 | 49.55 | 59.06 | 30.54 | 44.68 |
| Western | 72.13 | 50.29 | 60.59 | 66.16 | 40.22 | 51.98 |
| Mid western | 69.18 | 36.59 | 52.85 | 66.13 | 26.93 | 46.50 |
| Far western | 70.07 | 38.09 | 53.23 | 67.67 | 28.63 | 47.45 |
| Belt | | | | | | |
| Mountain | 68.23 | 39.83 | 53.76 | 66.52 | 29.52 | 47.82 |
| Hill | 74.40 | 46.95 | 59.96 | 70.80 | 37.90 | 53.33 |
| Terai | 62.50 | 39.09 | 50.95 | 59.62 | 32.46 | 46.05 |
| Total | 67.79 | 42.53 | 54.95 | 64.74 | 34.52 | 49.23 |

The literacy rate according to the age group by male and female is shown in Table 3.9. This table shows that the highest literacy rate among the male is observed in the age group 20-24 (86 percent). Such rate among the females is observed highest to be in the age group 10-14 (71 percent). The lowest literacy rate can be observed in the 60+ age group and is true for both sexes.

Table 3.9: Literacy rate by age group and sex of rural Nepal

| Age Group | 6 years and above | | | 15 years and above | | |
|--------------|-------------------|--------------|--------------|--------------------|--------------|--------------|
| | Male | Female | Total | Male | Female | Total |
| 06-09 | 61.02 | 53.45 | 57.13 | - | - | - |
| 10-14 | 86.10 | 70.85 | 78.73 | - | - | - |
| 15-19 | 83.59 | 68.21 | 75.73 | 83.59 | 68.21 | 75.73 |
| 20-24 | 86.15 | 55.21 | 68.81 | 86.15 | 55.21 | 68.81 |
| 25-29 | 80.21 | 41.87 | 60.45 | 80.21 | 41.87 | 60.45 |
| 30-34 | 70.23 | 28.51 | 47.85 | 70.23 | 28.51 | 47.85 |
| 35-39 | 60.93 | 21.16 | 40.18 | 60.93 | 21.16 | 40.18 |
| 40-44 | 52.18 | 14.28 | 34.16 | 52.18 | 14.28 | 34.16 |
| 45-49 | 51.16 | 16.26 | 32.10 | 51.16 | 16.26 | 32.10 |
| 50-54 | 52.95 | 9.73 | 31.73 | 52.95 | 9.73 | 31.73 |
| 55-59 | 41.37 | 6.30 | 25.31 | 41.37 | 6.30 | 25.31 |
| 60 + | 28.73 | 3.89 | 17.09 | 28.73 | 3.89 | 17.09 |
| Total | 67.79 | 42.53 | 54.95 | 64.74 | 34.52 | 49.23 |

Table 3.10 reports that the literacy rate of male household heads is 55 percent. Similarly, 25 percent of female household heads is found literate. In total about 53 percent of rural household heads are literate.

Table 3.10: Literacy rate of household head by sex, development region and ecological belt.

| | Sex | | Total |
|---------------|--------------|--------------|--------------|
| | Male | Female | |
| Region | | | |
| Eastern | 60.35 | 18.42 | 57.14 |
| Central | 49.70 | 18.40 | 47.19 |
| Western | 54.27 | 35.45 | 50.62 |
| Mid western | 57.17 | 0.00 | 55.26 |
| Far western | 62.17 | 31.43 | 59.90 |
| Belt | | | |
| Mountain | 57.59 | 26.72 | 54.00 |
| Hill | 60.86 | 26.84 | 57.16 |
| Terai | 50.32 | 23.49 | 48.18 |
| Total | 55.41 | 25.48 | 52.55 |

Section IV

CONSUMPTION

The general methodology adopted for the calculation of consumption in this survey is similar to that of the 1995/96 Nepal Living Standards Survey. Most of the descriptions given hereunder are adapted from the "Nepal Living Standards Survey Report, 1996" published by the Central Bureau of Statistics.

The aggregate consumption data were obtained by adding together the reported quantity of food, non-food and various services consumed. This aggregate also included goods consumed under own account production as well. All items of food, non-food and services consumed by each household (information collected in Sections 2 to 5 of the HCSRN questionnaire) were converted into annual amounts and aggregated together to obtain annual household consumption. As mentioned in the definition, the consumption aggregate includes - (i) consumption of food items, (ii) consumption of non-food items, (iii) consumption of housing, and (iv) consumption of own account production of goods and services. Items included in each consumption group are as follows.

Consumption of Food Items

In Section 3 of the HCSRN questionnaire, consumption of food items by different sources is collected. The sources included food purchased and the home production. Also information on food received free is included. Combining all these components, the total food consumption of each household during a period of past 12 months was derived. The food items included grains and cereals, pulses and lentils, egg and milk products, cooking oil, vegetables, fruits and nuts, fish and meat, spices and condiments, sweets and confectionery. Non-alcoholic beverages, alcoholic beverages and miscellaneous food products that the households reported having consumed in the past 12 months were also collected. These various food items reported to have consumed by each household were then aggregated to obtain total annual food consumption converted into rupees.

Consumption of Non-food Items

Section 4 of the HCSRN questionnaire was assigned to collect non-food consumption. For each of the non-food items, that the household had consumed during the past 12 months were the expenditures included on utilities and amenities, frequent and infrequent non-food expenditure and that of inventory of durable goods, etc. For each household the value of non-food items purchased or received in-kind in the past 12 months was included as non-food consumption. In section 4A, data on frequent non-food items consumed over a month as well as over a year were

collected. The reported figures over a month were used to construct annual non-food consumption because the household's estimate of expenditure in the past month was likely to be more accurate than the annual estimate. For non-food items, on which consumption was not reported for the past month, annual reported values were used.

In section 4B, data on infrequent non-food expenditure were also collected in money value made on durable goods like furniture, sewing machine, television/VCR, washing machine, motorcycle, etc. Also included were values of items received in-kind by each household. However, total expenditure on these durable goods was excluded from our measure of consumption and instead the value of consumption of durable goods owned by each household by estimating the services accruing over the reference period was included. This estimate of consumption of durable goods was based on data collected in section 4C and was calculated as follows:

1. For each durable goods, the price paid to purchase the good was expressed in current price based on information on the number of years ago this item was acquired. In cases, where the household owned more than one item, the purchased value in current price for all such items was assumed to be the same as this value.
2. The difference between the value of the item(s) in current price and the present value of item(s), along with information on the number of years this item had been used, was then applied to calculate depreciation for the items. This depreciation was then averaged over the sample for each type of durable goods to obtain an item specific depreciation rate.
3. The measure of consumption of durable goods was then obtained by applying this rate of depreciation to the original value (in current price) of the item(s) owned by the household to impute an annual flow of services, and then aggregating this flow of services for all durable goods by each household.

We also excluded expenditures on goods and services such as repair and maintenance, and home construction and improvements, on the grounds that items are actually investment outlays. For similar reasons we excluded expenditures on taxes and fines. Finally, we also excluded expenditure on marriages, dowries, funerals, and other social and religious functions.

Expenditure reported in Section 2B on garbage collection, electricity, water supply, cable network, and telephone charges are also included in non-food consumption. Expenditures on tobacco and tobacco products as reported in Section 3 are also included in the consumption of non-food goods.

Consumption of Housing

The estimate of annual value of consumption of housing services was based on data on rental values of dwellings reported in section 2A "Housing expenses". The annual rent paid by households renting their dwelling was taken as consumption of housing. In the cases of those households that owned their dwelling, consumption of housing was taken to be annual rent that they reported they would have to pay for their

dwelling. However, 75 households owning their dwelling were unable to provide estimate of rental value of dwelling.

In such cases, we imputed a rental value to the dwelling by first estimating a hedonic housing regression on the sample of households reporting non zero rents. The dependent variable in this regression was the rental value reported by these households and a set of independent variables include dummy variables and other factors; they are water, garbage, light, phone, cable network and current value of durable assets (Section 4C). This model was then used to predict the rental value for those households in the sample that has zero rents.

Own Account Production

Section 5 of the questionnaire collected information about "own account production of goods and services". The estimate of annual value of consumption of own account production of goods and services was obtained from this section. Such items comprised of products and activities like making mats, weaving baskets and clothes, tailoring, making furniture, making knife, production of bio-gas, minor repair of dwelling etc. and fetching of water and collecting firewood. The output consumed from own account production was converted into values through the prices of similar goods at the local market. Out of 1968 households interviewed, a total of 1864 households were found to have reported consuming goods and services produced from own account.

Per Capita Consumption

The four components obtained from (i) consumption of food (ii) consumption of non-food (iii) consumption of housing and (iv) consumption of own account production of goods and services were then aggregated together to obtain a measure of total annual household consumption. Per-capita consumption estimate was then obtained after dividing total consumption by the household size i. e., the total number of individuals in each household.

The results of the survey show that the average per-capita consumption of rural Nepal is Rs.11, 928 (Table 4.1). Among development regions, the Western region with a per capita consumption of Rs.13, 824 surpasses all the remaining four regions. The Far western among the development regions is found to have the lowest per capita consumption at Rs. 8,115.

Table 4.1: Average per capita consumption by development region, ecological belt and decile

(in rupees)

| | Total | Food | Non-food | Housing | Own account |
|------------------|--------------|-------------|-------------|------------|-------------|
| Region | | | | | |
| Eastern | 12994 | 8483 | 3394 | 603 | 514 |
| Central | 12181 | 7456 | 3435 | 849 | 441 |
| Western | 13824 | 7779 | 4459 | 935 | 651 |
| Mid western | 9719 | 5474 | 2986 | 673 | 586 |
| Far western | 8115 | 5056 | 2236 | 500 | 323 |
| Belt | | | | | |
| Mountain | 12214 | 8089 | 2818 | 710 | 597 |
| Hill | 12868 | 7658 | 3714 | 857 | 639 |
| Teraï | 11085 | 6694 | 3339 | 664 | 388 |
| Decile | | | | | |
| 1 st | 4731 | 3249 | 949 | 258 | 274 |
| 2 nd | 6182 | 4078 | 1331 | 391 | 382 |
| 3 rd | 7258 | 4726 | 1725 | 435 | 372 |
| 4 th | 8344 | 5316 | 2139 | 456 | 433 |
| 5 th | 9485 | 6017 | 2402 | 605 | 462 |
| 6 th | 10781 | 6940 | 2655 | 668 | 518 |
| 7 th | 12358 | 7771 | 3382 | 658 | 547 |
| 8 th | 14459 | 8838 | 3952 | 1026 | 642 |
| 9 th | 17628 | 10538 | 5258 | 1146 | 686 |
| 10 th | 27959 | 14691 | 10637 | 1836 | 795 |
| Total | 11928 | 7221 | 3447 | 749 | 511 |

This is amply illustrated by the per capita figures given according to the deciles (Table 4.1). Per capita consumption in the lowest decile (Rs. 4,731) is approximately one sixth of that in the highest decile (Rs. 27,959). Similarly, per capita consumption on food between the deciles at the top and the bottom vary in the range of one to five. The per capita consumption in goods and services of non-food commodities between the top and bottom deciles varies even more significantly by almost eleven times. Such variation can also be observed in the per capita consumption incurred in housing and goods under own account production.

On an average, of the total goods and services consumed, 60.5 percent was in food, 28.9 percent in non-food, 6.3 percent for housing and the share of consumption on own account production was merely 4.3 percent (Table 4.2). Amongst the decile groups, the populations in the lowest group are found to spend 16 percentage points more as compared to those in the highest group. This points to the fact that people in the lower deciles are compelled to spend a higher share of their expenditure on food items.

Table 4.2: Average percentage per capita consumption by development region, ecological belt and decile

| | Total | Food | Non-food | Housing | Own account |
|------------------|---------------|--------------|-----------------|----------------|--------------------|
| Region | | | | | |
| Eastern | 100.00 | 65.28 | 26.12 | 4.64 | 3.96 |
| Central | 100.00 | 61.21 | 28.20 | 6.97 | 3.62 |
| Western | 100.00 | 56.27 | 32.26 | 6.76 | 4.71 |
| Mid western | 100.00 | 56.32 | 30.72 | 6.92 | 6.03 |
| Far western | 100.00 | 62.30 | 27.55 | 6.16 | 3.98 |
| Belt | | | | | |
| Mountain | 100.00 | 66.23 | 23.07 | 5.81 | 4.89 |
| Hill | 100.00 | 59.51 | 28.86 | 6.66 | 4.97 |
| Teraï | 100.00 | 60.39 | 30.12 | 5.99 | 3.50 |
| Decile | | | | | |
| 1 st | 100.00 | 68.67 | 20.06 | 5.45 | 5.79 |
| 2 nd | 100.00 | 65.97 | 21.53 | 6.32 | 6.18 |
| 3 rd | 100.00 | 65.11 | 23.77 | 5.99 | 5.13 |
| 4 th | 100.00 | 63.71 | 25.64 | 5.47 | 5.19 |
| 5 th | 100.00 | 63.44 | 25.32 | 6.38 | 4.87 |
| 6 th | 100.00 | 64.37 | 24.63 | 6.20 | 4.80 |
| 7 th | 100.00 | 62.88 | 27.37 | 5.32 | 4.43 |
| 8 th | 100.00 | 61.12 | 27.33 | 7.10 | 4.44 |
| 9 th | 100.00 | 59.78 | 29.83 | 6.50 | 3.89 |
| 10 th | 100.00 | 52.54 | 38.04 | 6.57 | 2.84 |
| Total | 100.00 | 60.54 | 28.90 | 6.28 | 4.28 |

Table 4.3 and 4.4 report the average per capita consumption by various food items. Of the total per capita consumption made on food items, the proportion of grains and cereals take the highest share (42 percent). Grains and cereals include the items like fine rice, coarse rice, beaten rice, maize, maize and wheat flour, millet and other grains. Although of a much lesser proportion as compared to grains, per capita consumption on egg/milk and fish/meat emerged the second highest (around 9 percent) indicating them to be the next important food items in rural Nepal. Per capita consumption of alcohol in rural areas of Nepal is not far behind compared to egg/milk and fish/meat. The share of per capita consumption on alcohol is almost at par to those made in items like vegetables, spices and cooking oils (ghee/oil).

Non-alcoholic beverages occupy one of the lowest consumed goods in the rural areas making less than one percent share of total average per capita consumption on food. Likewise, fruits and sweets also take a smaller share of per capita consumption at 2.2 percent. Also notable is per capita consumption on pulses and lentils, which compared to the share of food grains remains significantly low at 4.6 percent.

Table 4.3: Average per capita consumption on various food groups by development region, ecological belt and decile

| | <i>(in rupees)</i> | | | | | | | | | | | | |
|------------------|--------------------|------------|------------|------------|------------|------------|------------|------------|------------|-----------|------------|------------|-------------|
| | Grains | Pulses | Egg/milk | Oils | Vegetables | Fruits | Fish/meat | Spices | Sweets | Non-alc. | Alcohol | Misc. | Total |
| Region | | | | | | | | | | | | | |
| Eastern | 3450 | 360 | 770 | 464 | 581 | 204 | 748 | 600 | 163 | 70 | 788 | 286 | 8483 |
| Central | 2917 | 319 | 693 | 428 | 527 | 175 | 666 | 569 | 180 | 51 | 509 | 422 | 7456 |
| Western | 3322 | 398 | 822 | 685 | 600 | 168 | 675 | 284 | 228 | 87 | 217 | 294 | 7779 |
| Mid western | 2617 | 255 | 341 | 410 | 304 | 100 | 457 | 248 | 98 | 39 | 401 | 202 | 5474 |
| Far western | 2658 | 307 | 387 | 360 | 244 | 79 | 399 | 191 | 88 | 29 | 270 | 46 | 5056 |
| Belt | | | | | | | | | | | | | |
| Mountain | 3550 | 314 | 596 | 474 | 614 | 122 | 656 | 382 | 133 | 47 | 906 | 295 | 8089 |
| Hill | 3207 | 319 | 776 | 540 | 531 | 145 | 666 | 378 | 165 | 67 | 547 | 318 | 7658 |
| Terai | 2824 | 348 | 559 | 428 | 437 | 179 | 593 | 490 | 169 | 53 | 337 | 277 | 6694 |
| Decile | | | | | | | | | | | | | |
| 1 st | 1728 | 145 | 153 | 203 | 203 | 42 | 267 | 203 | 41 | 12 | 190 | 61 | 3249 |
| 2 nd | 2218 | 192 | 204 | 259 | 235 | 59 | 292 | 262 | 62 | 20 | 197 | 77 | 4078 |
| 3 rd | 2399 | 225 | 277 | 303 | 294 | 80 | 400 | 317 | 89 | 26 | 214 | 101 | 4726 |
| 4 th | 2653 | 271 | 333 | 349 | 355 | 95 | 395 | 308 | 105 | 39 | 241 | 171 | 5316 |
| 5 th | 2856 | 317 | 429 | 361 | 394 | 108 | 527 | 403 | 124 | 42 | 275 | 182 | 6017 |
| 6 th | 3197 | 306 | 627 | 438 | 425 | 143 | 591 | 389 | 156 | 53 | 432 | 182 | 6940 |
| 7 th | 3268 | 327 | 637 | 516 | 567 | 171 | 727 | 459 | 192 | 56 | 496 | 353 | 7771 |
| 8 th | 3657 | 397 | 964 | 609 | 578 | 225 | 776 | 540 | 219 | 74 | 448 | 352 | 8838 |
| 9 th | 3863 | 492 | 1292 | 754 | 744 | 260 | 912 | 602 | 274 | 101 | 620 | 625 | 10538 |
| 10 th | 4643 | 654 | 1602 | 987 | 1126 | 411 | 1399 | 846 | 375 | 160 | 1641 | 847 | 14691 |
| Total | 3049 | 333 | 652 | 478 | 492 | 160 | 629 | 433 | 164 | 58 | 476 | 295 | 7221 |

Table 4.4: Average percentage per capita consumption on various food groups by development region, ecological belt and decile

| | Grains | Pulses | Egg/milk | Oils | Vegetables | Fruits | Fish/meat | Spices | Sweets | Non-alc. | Alcohol | Misc. | Total |
|------------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|
| Region | | | | | | | | | | | | | |
| Eastern | 40.67 | 4.24 | 9.08 | 5.47 | 6.85 | 2.40 | 8.82 | 7.07 | 1.92 | 0.83 | 9.29 | 3.37 | 100.00 |
| Central | 39.12 | 4.28 | 9.29 | 5.74 | 7.07 | 2.35 | 8.93 | 7.63 | 2.41 | 0.68 | 6.83 | 5.66 | 100.00 |
| Western | 42.70 | 5.12 | 10.57 | 8.81 | 7.71 | 2.16 | 8.68 | 3.65 | 2.93 | 1.12 | 2.79 | 3.78 | 100.00 |
| Mid western | 47.81 | 4.66 | 6.23 | 7.49 | 5.55 | 1.83 | 8.35 | 4.53 | 1.79 | 0.71 | 7.33 | 3.69 | 100.00 |
| Far western | 52.57 | 6.07 | 7.65 | 7.12 | 4.83 | 1.56 | 7.89 | 3.78 | 1.74 | 0.57 | 5.34 | 0.91 | 100.00 |
| Belt | | | | | | | | | | | | | |
| Mountain | 43.89 | 3.88 | 7.37 | 5.86 | 7.59 | 1.51 | 8.11 | 4.72 | 1.64 | 0.58 | 11.20 | 3.65 | 100.00 |
| Hill | 41.88 | 4.17 | 10.13 | 7.05 | 6.93 | 1.89 | 8.70 | 4.94 | 2.15 | 0.87 | 7.14 | 4.15 | 100.00 |
| Terai | 42.19 | 5.20 | 8.35 | 6.39 | 6.53 | 2.67 | 8.86 | 7.32 | 2.52 | 0.79 | 5.03 | 4.14 | 100.00 |
| Decile | | | | | | | | | | | | | |
| 1 st | 53.19 | 4.46 | 4.71 | 6.25 | 6.25 | 1.29 | 8.22 | 6.25 | 1.26 | 0.37 | 5.85 | 1.88 | 100.00 |
| 2 nd | 54.39 | 4.71 | 5.00 | 6.35 | 5.76 | 1.45 | 7.16 | 6.42 | 1.52 | 0.49 | 4.83 | 1.89 | 100.00 |
| 3 rd | 50.76 | 4.76 | 5.86 | 6.41 | 6.22 | 1.69 | 8.46 | 6.71 | 1.88 | 0.55 | 4.53 | 2.14 | 100.00 |
| 4 th | 49.91 | 5.10 | 6.26 | 6.57 | 6.68 | 1.79 | 7.43 | 5.79 | 1.98 | 0.73 | 4.53 | 3.22 | 100.00 |
| 5 th | 47.47 | 5.27 | 7.13 | 6.00 | 6.55 | 1.79 | 8.76 | 6.70 | 2.06 | 0.70 | 4.57 | 3.02 | 100.00 |
| 6 th | 46.07 | 4.41 | 9.03 | 6.31 | 6.12 | 2.06 | 8.52 | 5.61 | 2.25 | 0.76 | 6.22 | 2.62 | 100.00 |
| 7 th | 42.05 | 4.21 | 8.20 | 6.64 | 7.30 | 2.20 | 9.36 | 5.91 | 2.47 | 0.72 | 6.38 | 4.54 | 100.00 |
| 8 th | 41.38 | 4.49 | 10.91 | 6.89 | 6.54 | 2.55 | 8.78 | 6.11 | 2.48 | 0.84 | 5.07 | 3.98 | 100.00 |
| 9 th | 36.66 | 4.67 | 12.26 | 7.16 | 7.06 | 2.47 | 8.65 | 5.71 | 2.60 | 0.96 | 5.88 | 5.93 | 100.00 |
| 10 th | 31.60 | 4.45 | 10.90 | 6.72 | 7.66 | 2.80 | 9.52 | 5.76 | 2.55 | 1.09 | 11.17 | 5.77 | 100.00 |
| Total | 42.22 | 4.61 | 9.03 | 6.62 | 6.81 | 2.22 | 8.71 | 6.00 | 2.27 | 0.80 | 6.59 | 4.09 | 100.00 |

Another facet of the consumption pattern in the rural areas is the source of supply of the commodities consumed. Results from the survey reveal that of the total share of per capita food consumed (61 percent) in the rural areas, 31 percent comprised of home production, where as purchased share of food comprised 30 percent (Table 4.6). Figures thus indicate that more than half of total food (51 percent) consumed in the rural areas comes from home production and slightly lesser proportion of food consumed is purchased. However, this inference on sources of food items does not hold good for proportion of food consumption among development regions as well as ecological belts (Table 4.5).

Consumption of non-food items shows a different supply pattern in the sources. A large proportion (29 percent) of the total non-food consumption (33 percent) is obtained from purchases. In contrast to the pattern of food consumption, the share of home produced non-food items comprise only a small proportion of 4 percent.

Table 4.5: Average per capita consumption of marketed and non-marketed commodities by development region and ecological belt

| (in rupees) | | | | | | |
|------------------|-----------|----------|---------------|----------|---------|-------|
| | Purchased | | Home produced | | Housing | Total |
| | Food | Non-food | Food | Non-food | | |
| Region | | | | | | |
| Eastern | 4159 | 3394 | 4325 | 514 | 603 | 12994 |
| Central | 4267 | 3435 | 3189 | 441 | 849 | 12181 |
| Western | 3751 | 4459 | 4028 | 651 | 935 | 13824 |
| Mid western | 2213 | 2986 | 3261 | 586 | 673 | 9719 |
| Far western | 1672 | 2236 | 3384 | 323 | 500 | 8115 |
| Belt | | | | | | |
| Mountain | 3093 | 2818 | 4997 | 597 | 710 | 12215 |
| Hill | 3491 | 3714 | 4166 | 639 | 857 | 12867 |
| Terai | 3729 | 3339 | 2965 | 388 | 664 | 11086 |
| Decile | | | | | | |
| 1 st | 1785 | 949 | 1465 | 274 | 258 | 4731 |
| 2 nd | 1927 | 1331 | 2152 | 382 | 391 | 6182 |
| 3 rd | 2494 | 1725 | 2232 | 372 | 435 | 7258 |
| 4 th | 2683 | 2139 | 2633 | 433 | 456 | 8344 |
| 5 th | 3024 | 2402 | 2993 | 462 | 605 | 9485 |
| 6 th | 3352 | 2655 | 3588 | 518 | 668 | 10781 |
| 7 th | 3905 | 3382 | 3866 | 547 | 658 | 12358 |
| 8 th | 4067 | 3952 | 4772 | 642 | 1026 | 14459 |
| 9 th | 5266 | 5258 | 5273 | 686 | 1146 | 17628 |
| 10 th | 7201 | 10637 | 7490 | 795 | 1836 | 27959 |
| Total | 3572 | 3447 | 3649 | 511 | 749 | 11928 |

Table 4.6: Average percentage per capita consumption of marketed and non-marketed commodities by development region and ecological belt

| | Purchased | | Home produced | | Housing | Total |
|------------------|--------------|--------------|---------------|-------------|-------------|---------------|
| | Food | Non-food | Food | Non-food | | |
| Region | | | | | | |
| Eastern | 32.01 | 26.12 | 33.28 | 3.96 | 4.64 | 100.00 |
| Central | 35.03 | 28.20 | 26.18 | 3.62 | 6.97 | 100.00 |
| Western | 27.13 | 32.26 | 29.14 | 4.71 | 6.76 | 100.00 |
| Mid western | 22.77 | 30.72 | 33.55 | 6.03 | 6.92 | 100.00 |
| Far western | 20.60 | 27.55 | 41.70 | 3.98 | 6.16 | 100.00 |
| Belt | | | | | | |
| Mountain | 25.32 | 23.07 | 40.91 | 4.89 | 5.81 | 100.00 |
| Hill | 27.13 | 28.86 | 32.38 | 4.97 | 6.66 | 100.00 |
| Terai | 33.64 | 30.12 | 26.75 | 3.50 | 5.99 | 100.00 |
| Decile | | | | | | |
| 1 st | 37.73 | 20.06 | 30.97 | 5.79 | 5.45 | 100.00 |
| 2 nd | 31.17 | 21.53 | 34.81 | 6.18 | 6.32 | 100.00 |
| 3 rd | 34.36 | 23.77 | 30.75 | 5.13 | 5.99 | 100.00 |
| 4 th | 32.15 | 25.64 | 31.56 | 5.19 | 5.47 | 100.00 |
| 5 th | 31.88 | 25.32 | 31.56 | 4.87 | 6.38 | 100.00 |
| 6 th | 31.09 | 24.63 | 33.28 | 4.80 | 6.20 | 100.00 |
| 7 th | 31.60 | 27.37 | 31.28 | 4.43 | 5.32 | 100.00 |
| 8 th | 28.13 | 27.33 | 33.00 | 4.44 | 7.10 | 100.00 |
| 9 th | 29.87 | 29.83 | 29.91 | 3.89 | 6.50 | 100.00 |
| 10 th | 25.76 | 38.04 | 26.79 | 2.84 | 6.57 | 100.00 |
| Total | 29.95 | 28.90 | 30.59 | 4.28 | 6.28 | 100.00 |

Of the 67 line items covered in the NLSS food consumption section, information on prices was available only for 37 specific food items. These 37 items comprised 85 percent of the total food spending for the reference population. To make HCSRN comparable with NLSS, figures of 37 items representative food basket are reported in table 4.7. Per capita consumption for HCSRN obtained by keeping 37 main food items in a basket that was expected to be nominal food consumed. On this basis, nominal per capita consumption in rural Nepal is Rs. 10,254 where only per capita food consumption is Rs. 5,547.

Table 4.7: Average per capita consumption by development region, ecological belt and decile

| | <i>(in rupees)</i> | | | | |
|------------------|--------------------|--------------|-----------------|----------------|--------------------|
| | Total | Food* | Non-food | Housing | Own account |
| Region | | | | | |
| Eastern | 10734 | 6223 | 3394 | 603 | 514 |
| Central | 10185 | 5460 | 3435 | 849 | 441 |
| Western | 12557 | 6512 | 4459 | 935 | 651 |
| Mid western | 8472 | 4227 | 2986 | 673 | 586 |
| Far western | 7396 | 4338 | 2236 | 500 | 323 |
| Belt | | | | | |
| Mountain | 9959 | 5834 | 2818 | 710 | 597 |
| Hill | 11034 | 5824 | 3714 | 857 | 639 |
| Teraï | 9653 | 5262 | 3339 | 664 | 388 |
| Decile | | | | | |
| 1 st | 4122 | 2641 | 949 | 258 | 274 |
| 2 nd | 5420 | 3316 | 1331 | 391 | 382 |
| 3 rd | 6378 | 3846 | 1725 | 435 | 372 |
| 4 th | 7320 | 4292 | 2139 | 456 | 433 |
| 5 th | 8274 | 4805 | 2402 | 605 | 462 |
| 6 th | 9394 | 5552 | 2655 | 668 | 518 |
| 7 th | 10514 | 5927 | 3382 | 658 | 547 |
| 8 th | 12567 | 6946 | 3952 | 1026 | 642 |
| 9 th | 14973 | 7884 | 5258 | 1146 | 686 |
| 10 th | 23502 | 10235 | 10637 | 1836 | 795 |
| Total | 10254 | 5547 | 3447 | 749 | 511 |

*37 food items only

Table 4.8: Average percentage per capita consumption by development region, ecological belt and decile

| | Total | Food* | Non-food | Housing | Own account |
|------------------|---------------|--------------|-----------------|----------------|--------------------|
| Region | | | | | |
| Eastern | 100.00 | 57.97 | 31.62 | 5.62 | 4.79 |
| Central | 100.00 | 53.61 | 33.73 | 8.34 | 4.33 |
| Western | 100.00 | 51.86 | 35.51 | 7.45 | 5.18 |
| Mid western | 100.00 | 49.89 | 35.25 | 7.94 | 6.92 |
| Far western | 100.00 | 58.65 | 30.23 | 6.76 | 4.37 |
| Belt | | | | | |
| Mountain | 100.00 | 58.58 | 28.30 | 7.13 | 5.99 |
| Hill | 100.00 | 52.78 | 33.66 | 7.77 | 5.79 |
| Teraï | 100.00 | 54.51 | 34.59 | 6.88 | 4.02 |
| Decile | | | | | |
| 1 st | 100.00 | 64.07 | 23.02 | 6.26 | 6.65 |
| 2 nd | 100.00 | 61.18 | 24.56 | 7.21 | 7.05 |
| 3 rd | 100.00 | 60.30 | 27.05 | 6.82 | 5.83 |
| 4 th | 100.00 | 58.63 | 29.22 | 6.23 | 5.92 |
| 5 th | 100.00 | 58.07 | 29.03 | 7.31 | 5.58 |
| 6 th | 100.00 | 59.10 | 28.26 | 7.11 | 5.51 |
| 7 th | 100.00 | 56.37 | 32.17 | 6.26 | 5.20 |
| 8 th | 100.00 | 55.27 | 31.45 | 8.16 | 5.11 |
| 9 th | 100.00 | 52.65 | 35.12 | 7.65 | 4.58 |
| 10 th | 100.00 | 43.55 | 45.26 | 7.81 | 3.38 |
| Total | 100.00 | 54.10 | 33.62 | 7.30 | 4.98 |

*37 food items only

Housing: Utilities and Amenities

All household consumers consume housing services that give shelter and receive protection from elements. The services received from housing have a direct and important bearing on their standards of living.

Under utilities and amenities data are collected on the household's expenditures on drinking water, garbage disposal, lighting, etc. The information on fuel for cooking, source of firewood and access to and expenses on the facilities were gathered.

House Occupancy Status

The majority of the households in the rural Nepal own the living quarter, which they occupy. The proportion of housing units for which the occupant actually pays rent in cash or in kinds and the housing units which are occupied with permission of the owner and without paying any rent to the owner in cash or in kinds is very low. About 98% of the households reside in their houses (Table 4.9).

Table 4.9: Distribution of households according to occupancy status by development region and ecological belt

| | <i>(in percentages)</i> | | | | |
|---------------|-------------------------|-------------|-------------|-------------|---------------|
| | Own home | Renter | Rent-free | Other | Total |
| Region | | | | | |
| Eastern | 97.57 | 0.22 | 2.02 | 0.20 | 100.00 |
| Central | 98.13 | 0.21 | 1.31 | 0.35 | 100.00 |
| Western | 96.54 | 1.65 | 1.54 | 0.27 | 100.00 |
| Mid western | 98.66 | 0.41 | 0.92 | 0.00 | 100.00 |
| Far western | 98.58 | 0.00 | 1.42 | 0.00 | 100.00 |
| Belt | | | | | |
| Mountain | 96.08 | 0.56 | 2.80 | 0.56 | 100.00 |
| Hill | 98.16 | 0.69 | 1.15 | 0.00 | 100.00 |
| Terai | 97.78 | 0.37 | 1.52 | 0.34 | 100.00 |
| Total | 97.78 | 0.52 | 1.48 | 0.22 | 100.00 |

Source for Lighting

The Table 4.10 provides information on the sources of lighting in the households. In the rural areas of the country, only 15 percent households have access to the electricity for lighting. Most of the households (81percent) have used kerosene for lighting. It shows that kerosene is the main source for lighting in rural areas of Nepal.

Table 4.10: Distribution of households according to the source of lighting by development region, ecological belt

| | <i>(in percentages)</i> | | | |
|---------------|-------------------------|--------------|-------------|---------------|
| | Electricity | Kerosene | Other | Total |
| Region | | | | |
| Eastern | 10.55 | 89.02 | 0.42 | 100.00 |
| Central | 23.44 | 75.98 | 0.59 | 100.00 |
| Western | 20.63 | 78.44 | 0.93 | 100.00 |
| Mid western | 2.36 | 84.61 | 13.03 | 100.00 |
| Far western | 1.51 | 81.63 | 16.86 | 100.00 |
| Belt | | | | |
| Mountain | 11.48 | 72.52 | 16.00 | 100.00 |
| Hill | 12.94 | 81.99 | 5.07 | 100.00 |
| Terai | 17.13 | 82.51 | 0.36 | 100.00 |
| Total | 14.82 | 81.36 | 3.83 | 100.00 |

Fuel for Cooking

This survey shows that firewood is a basic source of energy for cooking in most part of the rural area. The second most commonly used fuel is dung. More than 80 percent of the households use firewood and 13 percent of them use dung. Compared to the Terai, the use of firewood is highly prominent in the Mountain and the Hill areas. The percentage of households using Liquefied Petroleum Gas (LPG) in the rural area is negligible; the proportion of which is below one percent. Other including straw, thatches, leaves used as fuel for cooking purpose comprise a small proportion of 3 percent only. Kerosene and biogas are also seen to be marginally used for cooking purpose in the rural areas. Source of energy for cooking in the rural areas do not appear to have undergone significant change. This is evident from the results of NLSS conducted in 1995/96. The main source of energy consumed then by the households in Nepal consisted of the same traditional commodities of firewood, animal dung and litters.

Among the development regions, cent percent households in the Far western region are found to use firewood for cooking purposes. The use of dung as figures show is widely common in the Eastern region of rural Nepal. Use of dung for energy gradually decreases as we move on to the west from the east (Table 4.11).

Table 4.11: Distribution of fuel used by rural households for cooking by development region and ecological belt

| | <i>(in percentages)</i> | | | | | | | |
|---------------|-------------------------|--------------|-------------|-------------|-------------|-------------|-------------|------------|
| | Firewood | Dung | Straw | LPG | Kerosene | Biogas | Other | Total |
| Region | | | | | | | | |
| Eastern | 73.65 | 22.37 | 3.00 | 0.20 | 0.46 | 0.33 | 0.00 | 100 |
| Central | 79.14 | 14.35 | 3.17 | 0.31 | 2.50 | 0.25 | 0.28 | 100 |
| Western | 79.70 | 10.43 | 2.69 | 1.84 | 2.75 | 2.59 | 0.00 | 100 |
| Mid western | 87.09 | 9.36 | 1.97 | 0.00 | 0.00 | 1.59 | 0.00 | 100 |
| Far western | 100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 100 |
| Belt | | | | | | | | |
| Mountain | 94.54 | 4.89 | 0.00 | 0.00 | 0.57 | 0.00 | 0.00 | 100 |
| Hill | 95.08 | 1.07 | 0.21 | 0.76 | 1.40 | 1.47 | 0.00 | 100 |
| Terai | 65.67 | 26.18 | 5.18 | 0.42 | 1.73 | 0.62 | 0.19 | 100 |
| Total | 80.89 | 13.50 | 2.58 | 0.53 | 1.48 | 0.93 | 0.09 | 100 |

Source of Firewood

As the source of firewood, more than two third of the households collect firewood from the forest (Table 4.12). The other form of collection of firewood is the land owned by the households. In rural Nepal, 68 percent of the households reported collecting firewood from the jungle and the community forests whereas 25 percent households reported such collection being done from their own land. Only 5 percent of the households purchase firewood from the market.

Among the ecological belts, the households from the Mountain consume the highest proportion (77 percent) of firewood collected from the jungle. The lowest figure of collecting the firewood from the own land goes to the Terai region. There is a great disparity in the Far Western region for firewood collection from the own land, which is less than 3 percent whereas in the central region, the figure exceeds than 33 percent.

Table 4.12: Source of firewood in rural Nepal by development region and ecological belt

| | Average Bhari* | (in percentages) | | | | |
|---------------|-------------------|------------------|--------------|--------------|-------------|-------------|
| | | Total | Own land | Jungle | Market | Other |
| Region | | | | | | |
| Eastern | 112 | 100.00 | 28.13 | 61.55 | 7.21 | 3.11 |
| Central | 92 | 100.00 | 33.31 | 55.28 | 8.41 | 3.00 |
| Western | 133 | 100.00 | 31.51 | 62.38 | 4.28 | 1.84 |
| Mid western | 140 | 100.00 | 10.94 | 89.06 | 0.00 | 0.00 |
| Far western | 128 | 100.00 | 2.62 | 94.61 | 0.78 | 1.99 |
| Belt | | | | | | |
| Mountain | 135 | 100.00 | 21.42 | 76.87 | 1.71 | 0.00 |
| Hill | 141 | 100.00 | 31.91 | 65.70 | 2.13 | 0.25 |
| Terai | 88 | 100.00 | 17.23 | 67.37 | 10.06 | 5.34 |
| Total | 115 | 100.00 | 25.04 | 67.57 | 5.18 | 2.21 |

* Average Bhari per household per year

Consumption on Own Account Production

The System of National Accounts, 1968 (SNA 1968) has been replaced by SNA 1993. The new system of accounts includes the collection of firewood, fetching water, etc. as economic activities. In this context, HCHRN has collected information on the consumption of own account production for the first time.

The questionnaire on own account production of goods and services consist of the self production of *Dalo* (small basket used for storing grain), *Nanglo* (winnowing tray), *Doko* (the basket carried on the back and shoulders and secured by a strap round the forehead), *Namlo* (rope or band passed round the forehead and supporting a load carried on the back), twine and rope, *Mudha* (bamboo stool), *Mandro* (large mat made of bamboo strips), *Gundri* (mat), *Sukul* (large mat), *Bhakari* (large basket for storing grain), *Ghum* (a covering made of interlaced bamboo strips and leaves carried as a protection against rain or sun), *Chitro* (coarse matting made of split bamboo often used for making sides of huts or grain store), *Kucho* (broom), *Radi* (woolen mattress), *Pakhi* (woolen blanket), *Khandi* (homespun clothes), furniture and allied wooden materials, sickle, *Chulesi* (kitchen knife), biogas, etc. The collection of firewood /dung, tailoring, preparing and mending shoes, fetching water, minor repairing of houses, etc also constitute the consumption on own account production.

Table 4.13: Distribution of household and per capita consumption on own account production by development region and ecological belt

| | Any production on own account ? (in percentage) | | | Per capita consumption (in rupees) |
|---------------|--|--------------|---------------|--|
| | No | Yes | Total | |
| Region | | | | |
| Eastern | 3.21 | 96.79 | 100.00 | 514 |
| Central | 8.18 | 91.82 | 100.00 | 441 |
| Western | 6.88 | 93.12 | 100.00 | 651 |
| Mid western | 0.78 | 99.22 | 100.00 | 586 |
| Far western | 8.02 | 91.98 | 100.00 | 323 |
| Belt | | | | |
| Mountain | 1.93 | 98.07 | 100.00 | 597 |
| Hill | 3.37 | 96.63 | 100.00 | 639 |
| Terai | 8.36 | 91.64 | 100.00 | 388 |
| Total | 5.63 | 94.37 | 100.00 | 511 |

Out of 1968 households interviewed, majority of the households (1864) reported one or more of their own account production of goods and services. The rest 104 households do not have any consumption on own account. The Table 4.13 shows that almost all households (99 percent) in the Mid western region have their own account production for consumption.

A Comparison of Per Capita Consumption between NLSS (Rural) and HCSRN

The sample design of Nepal Living Standards Survey, 1995/96 was stratified two-stage sampling. In that survey, the whole country was stratified into four strata whereas there was no stratification in the Household Consumption Survey of Rural Nepal, 2000/01. The definition of economic activity was followed as defined by SNA, 1968 in the NLSS, so the consumption on own account production which falls on the economic activities with the introduction of SNA, 1993 was missing from the survey and some of them were included on non-food items. But in the HCSRN, with the definition of SNA, 1993 the consumption of non-food items is separated from the items on own account production. Similarly, the sampling procedure adopted in this survey is also different from that of the NLSS 1995/96. Table 4.15 presents the per capita consumption reported in the HCSRN and the NLSS.

Table No. 4.15: Item-wise per capita consumption on NLSS (Rural) and HCSRN by region, belt and decile

| | NLSS | | | | HCSRN | | | | |
|------------------|-------------|-------------|-------------|------------|--------------|-------------|-------------|------------|-------------|
| | Total | Food | Non-food | Housing | Total | Food | Non-food | Housing | Own account |
| Region | | | | | | | | | |
| Eastern | 7106 | 3581 | 2965 | 560 | 10734 | 6223 | 3394 | 603 | 514 |
| Central | 6600 | 3469 | 2463 | 668 | 10185 | 5460 | 3435 | 849 | 441 |
| Western | 6200 | 3471 | 2299 | 430 | 12557 | 6512 | 4459 | 935 | 651 |
| Mid western | 4556 | 2607 | 1542 | 407 | 8472 | 4227 | 2986 | 673 | 586 |
| Far western | 4442 | 2371 | 1458 | 614 | 7396 | 4338 | 2236 | 500 | 323 |
| Belt | | | | | | | | | |
| Mountain | 6262 | 3333 | 2421 | 508 | 9959 | 5834 | 2818 | 710 | 597 |
| Hill | 6861 | 3515 | 2664 | 682 | 11034 | 5824 | 3714 | 857 | 639 |
| Teraï | 5508 | 3051 | 2009 | 448 | 9653 | 5262 | 3339 | 664 | 388 |
| Decile | | | | | | | | | |
| 1 st | 2147 | 1420 | 558 | 169 | 4122 | 2641 | 949 | 258 | 274 |
| 2 nd | 2985 | 1936 | 845 | 203 | 5420 | 3316 | 1331 | 391 | 382 |
| 3 rd | 3610 | 2326 | 1031 | 254 | 6378 | 3846 | 1725 | 435 | 372 |
| 4 th | 4179 | 2676 | 1211 | 291 | 7320 | 4292 | 2139 | 456 | 433 |
| 5 th | 4779 | 2858 | 1605 | 315 | 8274 | 4805 | 2402 | 605 | 462 |
| 6 th | 5502 | 3185 | 1949 | 368 | 9394 | 5552 | 2655 | 668 | 518 |
| 7 th | 6483 | 3666 | 2336 | 480 | 10514 | 5927 | 3382 | 658 | 547 |
| 8 th | 7810 | 4246 | 3039 | 525 | 12567 | 6946 | 3952 | 1026 | 642 |
| 9 th | 10180 | 5055 | 4260 | 864 | 14973 | 7884 | 5258 | 1146 | 686 |
| 10 th | 17494 | 6445 | 8328 | 2721 | 23502 | 10235 | 10637 | 1836 | 795 |
| Total | 6145 | 3272 | 2321 | 552 | 10254 | 5547 | 3447 | 749 | 511 |

The differences observed in per capita consumption between these two surveys might be significant due to the price inflation over the 5-year period. According to the NLSS, per capita consumption of Nepal was Rs. 6145, which has increased to Rs. 10254 in the HCSRN. It is observed that the slight increase in the composition of the food items in HCSRN as compared to NLSS.

But the percentage of the per capita consumption on food items from the total consumption both in the NLSS and in the HCSRN is almost the same. The per capita food consumption of Nepal was 53.3 percentage out of the total consumption in the NLSS and that of in the HCSRN is 54.1 percentage (Table 4.16).

Table No. 4.16: Item-wise percentage per capita consumption on NLSS (Rural) and HCSRN by region, belt and decile

| | NLSS | | | | HCSRN | | | | |
|------------------|---------------|--------------|--------------|-------------|---------------|--------------|--------------|-------------|-------------|
| | Total | Food | Non- food | Housing | Total | Food | Non- food | Housing | Own account |
| Region | | | | | | | | | |
| Eastern | 100.00 | 50.39 | 41.73 | 7.88 | 100.00 | 57.97 | 31.62 | 5.62 | 4.79 |
| Central | 100.00 | 52.56 | 37.32 | 10.12 | 100.00 | 53.61 | 33.73 | 8.34 | 4.33 |
| Western | 100.00 | 55.98 | 37.08 | 6.94 | 100.00 | 51.86 | 35.51 | 7.45 | 5.18 |
| Mid western | 100.00 | 57.22 | 33.85 | 8.93 | 100.00 | 49.89 | 35.25 | 7.94 | 6.92 |
| Far western | 100.00 | 53.38 | 32.82 | 13.82 | 100.00 | 58.65 | 30.23 | 6.76 | 4.37 |
| Belt | | | | | | | | | |
| Mountain | 100.00 | 53.23 | 38.66 | 8.11 | 100.00 | 58.58 | 28.30 | 7.13 | 5.99 |
| Hill | 100.00 | 51.23 | 38.83 | 9.94 | 100.00 | 52.78 | 33.66 | 7.77 | 5.79 |
| Terai | 100.00 | 55.39 | 36.47 | 8.13 | 100.00 | 54.51 | 34.59 | 6.88 | 4.02 |
| Decile | | | | | | | | | |
| 1 st | 100.00 | 66.14 | 25.99 | 7.87 | 100.00 | 64.07 | 23.02 | 6.26 | 6.65 |
| 2 nd | 100.00 | 64.86 | 28.31 | 6.80 | 100.00 | 61.18 | 24.56 | 7.21 | 7.05 |
| 3 rd | 100.00 | 64.43 | 28.56 | 7.04 | 100.00 | 60.30 | 27.05 | 6.82 | 5.83 |
| 4 th | 100.00 | 64.03 | 28.98 | 6.96 | 100.00 | 58.63 | 29.22 | 6.23 | 5.92 |
| 5 th | 100.00 | 59.80 | 33.58 | 6.59 | 100.00 | 58.07 | 29.03 | 7.31 | 5.58 |
| 6 th | 100.00 | 57.89 | 35.42 | 6.69 | 100.00 | 59.10 | 28.26 | 7.11 | 5.51 |
| 7 th | 100.00 | 56.55 | 36.03 | 7.40 | 100.00 | 56.37 | 32.17 | 6.26 | 5.20 |
| 8 th | 100.00 | 54.37 | 38.91 | 6.72 | 100.00 | 55.27 | 31.45 | 8.16 | 5.11 |
| 9 th | 100.00 | 49.66 | 41.85 | 8.49 | 100.00 | 52.65 | 35.12 | 7.65 | 4.58 |
| 10 th | 100.00 | 36.84 | 47.60 | 15.55 | 100.00 | 43.55 | 45.26 | 7.81 | 3.38 |
| Total | 100.00 | 53.25 | 37.77 | 8.98 | 100.00 | 54.10 | 33.62 | 7.30 | 4.98 |

The usual trend of decrease in the percentage of the consumption on food items as the decile decreases can be observed in both the NLSS and in the HCSRN. However, the notable decrease is observed in the consumption of food items in the Mid western region in the HCSRN compared to the NLSS. The Mountain follows the same trend in the consumption of non-food items.

Table 4.17: Average per capita consumption by region, belt, and decile on NLSS (Rural) and HCSRN

| | Total | | | Food | | | Non-food | | | Housing | | | Own account |
|------------------|-------|-------|--------------|-------|------|--------------|----------|------|--------------|---------|------|--------------|----------------|
| | HCSRN | NLSS | Incr. (%) | HCSRN | NLSS | Incr. (%) | HCSRN | NLSS | Incr. (%) | HCSRN | NLSS | Incr. (%) | |
| Region | | | | | | | | | | | | | |
| Eastern | 10734 | 7106 | 51.06 | 6223 | 3581 | 73.78 | 3394 | 2965 | 14.47 | 603 | 560 | 7.68 | 514 |
| Central | 10185 | 6600 | 54.32 | 5460 | 3469 | 57.39 | 3435 | 2463 | 39.46 | 849 | 668 | 27.1 | 441 |
| Western | 12557 | 6200 | 102.53 | 6512 | 3471 | 87.61 | 4459 | 2299 | 93.95 | 935 | 430 | 117.44 | 651 |
| Mid-west | 8472 | 4556 | 85.95 | 4227 | 2607 | 62.14 | 2986 | 1542 | 93.64 | 673 | 407 | 65.36 | 586 |
| Far- west | 7396 | 4442 | 66.5 | 4338 | 2371 | 82.96 | 2236 | 1458 | 53.36 | 500 | 614 | -18.57 | 323 |
| Belt | | | | | | | | | | | | | |
| Mountain | 9959 | 6262 | 59.04 | 5834 | 3333 | 75.04 | 2818 | 2421 | 16.4 | 710 | 508 | 39.76 | 597 |
| Hill | 11034 | 6861 | 60.82 | 5824 | 3515 | 65.69 | 3714 | 2664 | 39.41 | 857 | 682 | 25.66 | 639 |
| Tarai | 9653 | 5508 | 75.25 | 5262 | 3051 | 72.47 | 3339 | 2009 | 66.2 | 664 | 448 | 48.21 | 388 |
| Decile | | | | | | | | | | | | | |
| 1 st | 4122 | 2147 | 91.99 | 2641 | 1420 | 85.99 | 949 | 558 | 70.07 | 258 | 169 | 52.66 | 274 |
| 2 nd | 5420 | 2985 | 81.57 | 3316 | 1936 | 71.28 | 1331 | 845 | 57.51 | 391 | 203 | 92.61 | 382 |
| 3 rd | 6378 | 3610 | 76.68 | 3846 | 2326 | 65.35 | 1725 | 1031 | 67.31 | 435 | 254 | 71.26 | 372 |
| 4 th | 7320 | 4179 | 75.16 | 4292 | 2676 | 60.39 | 2139 | 1211 | 76.63 | 456 | 291 | 56.7 | 433 |
| 5 th | 8274 | 4779 | 73.13 | 4805 | 2858 | 68.12 | 2402 | 1605 | 49.66 | 605 | 315 | 92.06 | 462 |
| 6 th | 9394 | 5502 | 70.74 | 5552 | 3185 | 74.32 | 2655 | 1949 | 36.22 | 668 | 368 | 81.52 | 518 |
| 7 th | 10514 | 6483 | 62.18 | 5927 | 3666 | 61.67 | 3382 | 2336 | 44.78 | 658 | 480 | 37.08 | 547 |
| 8 th | 12567 | 7810 | 60.91 | 6946 | 4246 | 63.59 | 3952 | 3039 | 30.04 | 1026 | 525 | 95.43 | 642 |
| 9 th | 14973 | 10180 | 47.08 | 7884 | 5055 | 55.96 | 5258 | 4260 | 23.43 | 1146 | 864 | 32.64 | 686 |
| 10 th | 23502 | 17494 | 34.34 | 10235 | 6445 | 58.81 | 10637 | 8328 | 27.73 | 1836 | 2721 | -32.52 | 795 |
| Total | 10254 | 6145 | 66.87 | 5547 | 3272 | 69.53 | 3447 | 2321 | 48.51 | 749 | 552 | 35.69 | 511 |

The significant deflection observed in the consumption of housing in the HCSRN may be due to the imputation of rental value where the sample households of rural Nepal owning their dwelling were unable to provide the credible estimate of a rental value for their home.

ANNEX A

ESTIMATION PROCEDURE

Weighting of Sample Data

The weighting procedure described hereunder has been adopted from the "Report on the Nepal Labour Force Survey 1998/99". This is due to the fact that the sample selection procedure adopted in the HCSRN was similar to the Nepal Labour Force Survey, 1998/99.

To obtain estimates for the population as a whole, we need to consider the selection probabilities at each stage of selection.

First stage: Probability of selecting a particular ward $i = 165 \frac{N_i}{\sum_i N_i}$

where N_i is the number of households in ward i in the 1991 Population Census and $\sum N_i$ is the total number of households in the rural sampling frame

When cartographic work is done in the selected ward i , a number of sub-wards are created with size K_{i1}, K_{i2}, K_{i3} , etc., where the total size of the ward $\sum K_{ij}$ is unlikely to be equal to the original size of the ward N_i . One of these sub-wards is then selected with PPS for inclusion in the survey.

Intermediate stage: Probability of selecting the j^{th} sub-ward $= \frac{K_{ij}}{\sum_j K_{ij}}$

where K_{ij} is the number of households counted in the j^{th} sub-ward of ward i in the cartographic survey
and $\sum_j K_{ij}$ is the total number of households counted in the i^{th} ward in the cartographic survey

The interviewer then visits the j^{th} sub-ward during the HCSRN, lists all the households, and attempts to interview 12 selected households (no substitutes are allowed).

Final stage Probability of selection of a household $= \frac{N_{ij}}{K_{ij}^*}$

where N_{ij} is the number of households successfully interviewed
and K_{ij}^* is the number of households counted at the listing stage

The overall probability of selection for an individual household is the multiplication of the selection probabilities at the three stages.

$$\text{Overall selection probability} = 165 \frac{N_i}{\sum N_i} \frac{K_{ij}}{\sum_j K_{ij}} \frac{N_{ij}}{K_{ij}^*}$$

The grossing up factor is the inverse of this probability, and the formula can be rewritten as follows:

$$\text{Grossing up factor} = \frac{\sum N_i}{1980} \frac{\sum_j K_{ij}}{N_i} \frac{K_{ij}^*}{K_{ij}} \frac{12}{N_{ij}}$$

(1) (2) (3) (4)

Each of the numbered ratios in the above formula has been elaborated below:

- (1) is the simple grossing up factor required to go from the original rural sample size of 1980 households to the total number of rural households in the original sampling frame;
- (2) reflects the change in the number of households found in the i^{th} ward during the cartographic work, as compared with the corresponding figure in the original frame;
- (3) reflects the change in the number of households found in the j^{th} sub-ward of the i^{th} ward during the listing work, as compared with the corresponding figure during the cartographic work;
- (4) is the adjustment factor required to make allowance for any non-response, which occurs during the fieldwork in a particular sub-ward.

In order to calculate grossing up rates, the following sizes of measures for each PSU was maintained: (i) census ward, (ii) cartographic ward, (iii) cartographic sub-ward, (iv) listing ward or sub-ward, and (v) households subsequently interviewed.

Evaluation of the achieved sample

Only three small districts (Manang, Dolpa, and Humla) did not feature in the sample at all. On the other hand, several other small districts such as Mustang, Rasuwa and Mugu were represented.

Sampling Error

Two types of errors that occur in a sample survey are sampling error and non-sampling error. Sampling errors arise through selecting only part of the target

population. Sampling errors reflect the difference between an estimate derived from a survey and the 'true value' that would be obtained if the whole target population were included. Non sampling errors may occur at any stage of the survey. It is more difficult to measure non-sampling errors mathematically whereas sampling errors can be measured mathematically.

The sampling error of key aggregates measured in this survey is given in the tables below. These sampling errors are calculated by means of the STATA 5.0 package that were used for processing this survey result. Sample design and sample size are the main factors that influence the size of the sampling error. The tables show approximate sampling error for some key aggregates. In the case of total per capita consumption in rural Nepal, which is Rs.11, 928, the 95 percent lower and upper bounds for the estimate, are Rs.11, 605 and Rs.12, 251 respectively. This means that we are 95 percent confident that the average per capita consumption of rural part of Nepal lies within this range.

Table A1: Approximate sampling error for per capita total consumption

(in rupees)

| | Estimate of 95% confidence interval | | |
|--------------|-------------------------------------|--------------|--------------|
| | Mean | Lower | Upper |
| Total | 11928 | 11605 | 12251 |
| Mountain | 12214 | 11169 | 13259 |
| Hill | 12868 | 12338 | 13399 |
| Terai | 11085 | 10653 | 11517 |

Table A2: Approximate sampling error for per capita consumption on food

(in rupees)

| | Estimate of 95% confidence interval | | |
|--------------|-------------------------------------|-------------|-------------|
| | Mean | Lower | Upper |
| Total | 7221 | 7042 | 7401 |
| Mountain | 8089 | 7388 | 8791 |
| Hill | 7658 | 7360 | 7955 |
| Terai | 6694 | 6468 | 6919 |

Table A3: Approximate sampling error for per capita consumption on non-food

(in rupees)

| | Estimate of 95% confidence interval | | |
|--------------|-------------------------------------|-------------|-------------|
| | Mean | Lower | Upper |
| Total | 3447 | 3272 | 3622 |
| Mountain | 2818 | 2287 | 3349 |
| Hill | 3714 | 3424 | 4003 |
| Terai | 3339 | 3102 | 3576 |

Table A4: Approximate sampling error for per capita consumption on housing

(in rupees)

| | Estimate of 95% confidence interval | | |
|--------------|-------------------------------------|------------|------------|
| | Mean | Lower | Upper |
| Total | 511 | 490 | 533 |
| Mountain | 597 | 526 | 667 |
| Hill | 639 | 603 | 676 |
| Terai | 388 | 362 | 414 |

Table A5: Approximate sampling error for per capita consumption on own account production

(in rupees)

| | Estimate of 95% confidence interval | | |
|--------------|-------------------------------------|------------|------------|
| | Mean | Lower | Upper |
| Total | 749 | 700 | 798 |
| Mountain | 710 | 605 | 814 |
| Hill | 857 | 790 | 925 |
| Terai | 664 | 586 | 743 |

ANNEX B

FIELD STAFF

BSO Officers

| | | | |
|----|-------------------------------|----|------------------------------|
| 01 | Mr. Ganesh Prasad Acharya | 11 | Mr. Bhoj Raj Paudel |
| 02 | Mr. Rajesh Dhital | 12 | Mr. Shiva Raj Neupane |
| 03 | Mr. Shiva Nandan Prasad Shah | 13 | Mr. Hem Raj Regmi |
| 04 | Mr. Naresh Prasad Khatiwada | 14 | Mr. Jaya Kumar Sharma |
| 05 | Mr. Pawan Kumar Ghimire | 15 | Mr. Chandra Mani Pathak |
| 06 | Mr. Shailendra Prasad Ghimire | 16 | Mr. Dharma Ratna Bajracharya |
| 07 | Mr. Dhundi Raj Lamichhane | 17 | Mr. Mukti Nath Khanal |
| 08 | Mr. Lila Prasad Mishra | 18 | Mr. Ashok Bhattarai |
| 09 | Mr. Krishna Tuladhar | 19 | Mr. Mahesh Prasad Subedi |
| 10 | Mr. Satya Acharya | | |

Supervisors

| | | | |
|----|----------------------------|----|-------------------------|
| 01 | Mr. Sunil Kumar Shrestha | 09 | Mr. Pramod Kumar Karn |
| 02 | Mr. Mohan Prasad Aryal | 10 | Mr. Shankar Bhatta |
| 03 | Mr. Tirtha Raj Baral | 11 | Mr. Kanta Lal Chaudhari |
| 04 | Mr. Mahesh Prasad Dhungana | 12 | Mr. Pramod Kumar Sharma |
| 05 | Mr. Ganesh Prasad Phunyal | 13 | Mr. Na Raj Tiwari |
| 06 | Mr. Bimal Yadav | 14 | Mr. Liladhar Bhatta |
| 07 | Mr. Ram Jivan Yadav | 15 | Mr. Mohan Dev Bhatta |
| 08 | Mr. Radheshyam Yadav | | |

Enumerators

| | | | |
|----|-----------------------------|----|-------------------------------|
| 01 | Mr. Devi Prasad Humagain | 21 | Mr. Rishi Ram Paudel |
| 02 | Mr. Khadga Bahadur Bohara | 22 | Mr. Ram Chandra Gautam |
| 03 | Mr. Satya Narayan Singh | 23 | Mr. Mohan Pokharel |
| 04 | Mr. Kamal Kumar Lamichhane | 24 | Mr. Narayan Prasad Sharma |
| 05 | Mr. Achyut Chalise | 25 | Mr. Saroj Pokhrel |
| 06 | Mr. Punya Prasad Dhungana | 26 | Mr. Dhan Bahadur B.C. |
| 07 | Mr. Kashi Mandal | 27 | Mr. Ram Bahadur Thapa |
| 08 | Mr. Mohamad Isakh Raain | 28 | Mr. Raja Ram Gupta |
| 09 | Mr. Shuka Dev Yadav | 29 | Mr. Jit Bahadur Chaudhari |
| 10 | Mr. Upendra Prasad Pokharel | 30 | Mr. Badri Bilash Chaudhari |
| 11 | Mr. Durga Prasad Kaphle | 31 | Mr. Madan Gautam |
| 12 | Mr. Narayan Prasad Neupane | 32 | Mr. Madhav Paudel |
| 13 | Mr. Mohan Krishna Shrestha | 33 | Mr. Prem Kumar Sharma |
| 14 | Mr. Bala Ram Dulal | 34 | Mr. Ram Bahadur Khadka |
| 15 | Mr. Bhubaneshower Paudel | 35 | Mr. Ganesh Bahadur Bada |
| 16 | Mr. Tilak Prasad Acharya | 36 | Mr. Chhetra Bahadur Chaudhari |
| 17 | Mr. Dina Nath Lamsal | 37 | Mr. Ramesh Shrestha |
| 18 | Mr. Shri Krishna Paudel | 38 | Mr. Tek Bahadur Bohara |
| 19 | Mr. Nil Raj Paudel | 39 | Mr. Krishna Bahadur Basnet |
| 20 | Mr. Jyoti Kumar Bhattarai | | |

Data Entry Operators

| | | | |
|---|---------------------|---|---------------------|
| 1 | Mrs. Samjhana Bista | 2 | Ms. Shanti Tuladhar |
|---|---------------------|---|---------------------|

ANNEX C

QUESTIONNAIRE

His Majesty's Government
National Planning Commission Secretariat
Central Bureau of Statistics

Household Consumption Survey of Rural Nepal 2000/2001

All personal information asked that within this questionnaire will be kept confidential according to Statistical Act, 2015. This information will be used only for statistical purpose.

| | | | | |
|------------------------------------|--|---|-----------------------------------|---|
| PSU Code | PSU No. | HH ID | Season: | |
| | <input type="text"/> <input type="text"/> <input type="text"/> | <input type="text"/> <input type="text"/> | | <input type="text"/> |
| Region/Belt: |/..... | <input type="text"/> <input type="text"/> | | |
| District: | | <input type="text"/> <input type="text"/> | | |
| VDC: | | | | |
| Ward/Sub-ward: | <input type="text"/> <input type="text"/> | <input type="text"/> <input type="text"/> | Date of interview: | DD MM YY <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> |
| Village/Locality: |/..... | | Interviewer's Name: | Code <input type="text"/> <input type="text"/> <input type="text"/> |
| Name of household head: | | | Signature: | DD MM YY <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> |
| Total HH Member (Usual Residents): | <input type="text"/> <input type="text"/> | | Date of supervision: | <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> |
| | | | Supervisor's Name: | Code <input type="text"/> <input type="text"/> <input type="text"/> |
| | | | Signature: | |
| | | | Data Entry Operator's Name: | |

SECTION 1. GENERAL HOUSEHOLD INFORMATION

First of all, I would like to collect some general information about the members of your household.

| ID Code | List of all persons residing in the household | What is the sex of [Name]? Male.....1 Female...2 | What is the age of [Name]? [Complete year] | What is the relation of [Name] to the household head? Head.....01 Husband/Wife.....02 Son/Daughter.....03 Grandchild.....04 Father/Mother.....05 Brother/Sister.....06 Father/Mother-in-law..07 Brother/Sister-in-law..08 Sister-in-law (Pat.)09 Nephew/Niece.....10 Bonded servant.....11 Other servant.....12 Other (Specify).....13 | What is the marital status of [Name]? [Only to 10 years and above] Never married....1 Married.....2 Widow/widower..3 Separated.....4 Divorced.....5 | During the last 12 months, how many months did [Name] live here? [Write 12 if always present or away less than 1 month.] | According to the criteria, is [Name] a member of the household? Yes.....1 No.....2→End | What is the highest level [Name] has completed? [Don't ask this question to the household members below 5 years of age.] Illiterate01 Literate02 Pre-Primary.....03 Primary.....04 Lower Secondary..05 Secondary.....06 Intermediate.....07 Bachelors.....08 Masters.....09 Ph.D.....10 Other (Specify)....11 |
|---------|---|--|---|--|---|---|--|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 01 | | | | | | | | |
| 02 | | | | | | | | |
| 03 | | | | | | | | |
| 04 | | | | | | | | |
| 05 | | | | | | | | |
| 06 | | | | | | | | |
| 07 | | | | | | | | |
| 08 | | | | | | | | |
| 09 | | | | | | | | |
| 10 | | | | | | | | |
| 11 | | | | | | | | |
| 12 | | | | | | | | |
| 13 | | | | | | | | |
| 14 | | | | | | | | |
| 15 | | | | | | | | |

SECTION 2. HOUSING PART A: HOUSING EXPENSES

1. Is this dwelling yours?

Yes.....1

No.....2 (→3)

2. If someone wanted to rent this dwelling,
how much money would they have to pay each month?

Rs.

→ PART B

3. What is your present occupancy status?

Renter 1 (→5)

Provided free of charge by

Landlord/Relatives/Employer2

Squatting 3

Other (Specify).....4

4. If someone wanted to rent this dwelling (only the apartment used by the family),
how much money would they have to pay each month?

Rs.

→ PART B

5. What is the rent per month?

[Include cash and value of in-kind payment.]

Rs.

6. Does the rent include the charges of the following?

Yes.....1

No.....2

Electricity

Water

Telephone

SECTION 2. HOUSING **PART B: UTILITIES AND AMENITIES**

1. How much did you pay for water (excluding irrigation) over the last 12 months?

[If nothing, write zero.]

Rs.

2. How much do you pay for garbage disposal over the last 12 months?

[If nothing, write zero.]

Rs.

3. What is the main source of lighting for your dwelling?

- Electricity.....1
 Gas/Oil/Kerosene.....2 (→5)
 Generator.....3 (→5)
 Biogas.....4 (→5)
 Other (Specify).....5 (→5)

4. How much did you spend on electricity over the past 12 months?

[If nothing, write zero.]

Rs.

5. Do you have a telephone in your dwelling?

- Yes.....1
 No.....2 (→7)

6. How much did you pay for your telephone over the last 12 months?

Rs.

7. What kind of fuel does your household for cooking most often use?

- Wood/Firewood.....1
 Dung.....2 (→10)
 Leaves/Rubbish/Straw/Thatch.....3 (→10)
 Coal/Charcoal.....4 (→10)
 Cylinder gas.....5 (→10)
 Electricity.....6 (→10)
 Kerosene.....7 (→10)
 Biogas.....8 (→10)
 Other (Specify).....9 (→10)

Main fuel

Secondary fuel

8. If the main fuel is wood/firewood, where did you collect it?

- Own land.....1
 Forest/Community forest.....2
 Local market.....3
 Other (Specify).....4

9. On average, how many Bhari/ kgs. of firewood do you purchase each week?

Bhari/kg.

10. Do you have cable TV network in your dwelling?

- Yes.....1
 No.....2 (→SECTION 3)

11. How much did you pay for the cable TV during the past 12 months?

Rs.

SECTION 3. FOOD EXPENSES AND HOME PRODUCTION

| | | | | | | | | | | | | |
|--|--|---|--|--|---|---|---------|--------|----------|------|--------|--------|
| <p>1. Have you purchased, produced yourself or received in-kind [Food] during the past 12 months? [Put a check (✓) in the appropriate box for each food item and ask questions 2 to 8 if the answer is affirmative.]</p> | HOME PRODUCTION | | | FOOD PURCHASES | | | IN-KIND | | | | | |
| <p>2. How many months in the past 12 months did you consume [Food] that you grew or produced yourself? [If none, write zero and →5.]</p> | <p>3. In a typical month during which you ate [Food], how much did your household consume of [Food]?</p> | <p>4. How much would your household have to spend in the market to buy this quantity of [Food], i. e. the amount consumed in a typical month?</p> | <p>5. How many months in the past 12 months did you purchase [Food]? [If none, write zero and →8.]</p> | <p>6. In a typical month during which you purchased [food], how much did you purchase?</p> | <p>7. How much would you normally have to spend in total to buy the quantity reported in Q.6?</p> | <p>8. What is the total value of the [Food] consumed that you received in-kind over the past 12 months (wages for work, etc.)? [If none, write zero.]</p> | | | | | | |
| <table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 30px;">No</td> <td style="width: 30px;">Yes</td> <td style="width: 30px;">Code</td> </tr> </table> | No | Yes | Code | Months | Quantity | Unit | Rupees | Months | Quantity | Unit | Rupees | Rupees |
| No | Yes | Code | | | | | | | | | | |
| 1. Grains and Cereals | | | | | | | | | | | | |
| Fine rice | | | | | | | | | | | | |
| Coarse rice | | | | | | | | | | | | |
| Beaten, flattened rice | | | | | | | | | | | | |
| Maize | | | | | | | | | | | | |
| Maize flour | | | | | | | | | | | | |
| Wheat flour | | | | | | | | | | | | |
| Millet | | | | | | | | | | | | |
| Other Grains (Barley, Buckwheat, Junelo, etc.) | | | | | | | | | | | | |
| 2. Pulses and Lentils | | | | | | | | | | | | |
| Black pulse | | | | | | | | | | | | |
| Lentil | | | | | | | | | | | | |
| Rahar | | | | | | | | | | | | |
| Gram | | | | | | | | | | | | |
| Other Pulses (Mung, Bean, Gahat, Khesari, etc.) | | | | | | | | | | | | |
| Other Beans (Soybean, Pea, etc.) | | | | | | | | | | | | |

SECTION 3. FOOD EXPENSES AND HOME PRODUCTION (CONTD.)

1. Have you purchased, produced yourself or received in-kind [Food] during the past 12 months?
[Put a check (✓) in the appropriate box for each food item and ask questions 2 to 8 if the answer is affirmative.]

| No | Yes | Code |
|----|-----|------|
|----|-----|------|

| HOME PRODUCTION | | |
|--|--|--|
| 2. How many months in the past 12 months did you consume [Food] that you grew or produced yourself? [If none, write zero and →5.] | 3. In a typical month during which you ate [Food], how much did your household consume of [Food]? | 4. How much would your household have to spend in the market to buy this quantity of [Food] i. e. the amount consumed in a typical month? |
| Months | Quantity | Unit |
| | | Rupees |

| FOOD PURCHASES | | | |
|---|--|---|---------------|
| 5. How many months in the past 12 months did you purchase [Food]? [If none, write zero and→8.] | 6. In a typical month during which you purchased [food], how much did you purchase? | 7. How much would you normally have to spend in total to buy the quantity reported in Q.6? | |
| Months | Quantity | Unit | Rupees |

| |
|---|
| IN-KIND |
| <p>8. What is the total value of the [Food] consumed that you received in-kind over the past 12 months (wages for work, etc.)?</p> <p>[If none, write zero.]</p> |
| Rupees |

| | | | |
|---|--|--|-----|
| 3. Egg and Milk Products | | | 030 |
| Eggs | | | 031 |
| Milk | | | 032 |
| Condensed milk | | | 033 |
| Baby milk/Powder milk | | | 034 |
| Curd/Whey | | | 035 |
| Other milk products (Cheese, Panir, etc.) | | | 036 |
| 4.Cooking oils | | | 040 |
| Ghee | | | 041 |
| Vegetable ghee/oil | | | 042 |
| Mustard oil | | | 043 |
| Other oils (Soyabean, Sunflower, Maize, etc.) | | | 044 |
| 5. Vegetables | | | 050 |
| Potato | | | 051 |
| Onion | | | 052 |
| Cauliflower/Cabbage | | | 053 |
| Tomato | | | 054 |
| Green leafy vegetables | | | 055 |
| Other Vegetables (Brinjal, Parwar, Bittergourd, etc.) | | | 056 |

[illegible][illegible][illegible]

SECTION 3. FOOD EXPENSES AND HOME PRODUCTION (CONTD.)

| | | | | | | | | | | | | |
|--|--|---|------|--|--|---|---|--------|----------|------|--------|--------|
| <p>1. Have you purchased, produced yourself or received in-kind [Food] during the past 12 months? [Put a check (✓) in the appropriate box for each food item and ask questions 2 to 8 if the answer is affirmative.]</p> | HOME PRODUCTION | | | | FOOD PURCHASES | | | | IN-KIND | | | |
| <p>2. How many months in the past 12 months did you consume [Food] that you grew or produced yourself? [If none, write zero and →5.]</p> | <p>3. In a typical month during which you ate [Food], how much did your household consume of [Food]?</p> | <p>4. How much would your household have to spend in the market to buy this quantity of [Food] i. e., the amount consumed in a typical month?</p> | | <p>5. How many months in the past 12 months did you purchase [Food]? [If none, write zero and →8.]</p> | <p>6. In a typical month during which you purchased [food], how much did you purchase?</p> | <p>7. How much would you normally have to spend in total to buy the quantity reported in Q.6?</p> | <p>8. What is the total value of the [Food] consumed that you received in-kind over the past 12 months (wages for work, etc.)? [If none, write zero.]</p> | | | | | |
| <table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 30px;">No</td> <td style="width: 30px;">Yes</td> <td style="width: 30px;">Code</td> </tr> </table> | No | Yes | Code | Months | Quantity | Unit | Rupees | Months | Quantity | Unit | Rupees | Rupees |
| No | Yes | Code | | | | | | | | | | |
| 6. Fruits and Nuts | | | | 060 | | | | | | | | |
| Banana | | | | 061 | | | | | | | | |
| Citrus fruits (Orange, Lemon, etc.) | | | | 062 | | | | | | | | |
| Mango | | | | 063 | | | | | | | | |
| Apple | | | | 064 | | | | | | | | |
| Pineapple | | | | 065 | | | | | | | | |
| Papaya | | | | 066 | | | | | | | | |
| Other fruits (Grapes, Lichi, Guava, etc.) | | | | 067 | | | | | | | | |
| Dried fruits (Walnut, Coconut, etc.) | | | | 068 | | | | | | | | |
| 7. Fish and Meat | | | | 070 | | | | | | | | |
| Fish | | | | 071 | | | | | | | | |
| Mutton | | | | 072 | | | | | | | | |
| Buff | | | | 073 | | | | | | | | |
| Chicken | | | | 074 | | | | | | | | |
| Other meats (Pork, Duck, etc.) | | | | 075 | | | | | | | | |

SECTION 3. FOOD EXPENSES AND HOME PRODUCTION (CONTD.)

1. Have you purchased, produced yourself or received in-kind [Food] during the past 12 months?

[Put a check (✓) in the appropriate box for each food item and ask questions 2 to 8 if the answer is affirmative.]

| No | Yes | Code |
|----|-----|------|
|----|-----|------|

| HOME PRODUCTION | | | |
|--|--|---|---------------|
| 2. How many months in the past 12 months did you consume [Food] that you grew or produced yourself? [If none, write zero and →5.] | 3. In a typical month during which you ate [Food], how much did your household consume of [Food]? | 4. How much would your household have to spend in the market to buy this quantity of [Food] i. e., the amount consumed in a typical month? | |
| Months | Quantity | Unit | Rupees |

| FOOD PURCHASES | | | |
|---|--|---|---------------|
| 5. How many months in the past 12 months did you purchase [Food]? [If none, write zero and→8.] | 6. In a typical month during which you purchased [food], how much did you purchase? | 7. How much would you normally have to spend in total to buy the quantity reported in Q.6? | |
| Months | Quantity | Unit | Rupees |

| IN-KIND |
|--|
| <p>8. What is the total value of the [Food] consumed that you received in-kind over the past 12 months (wages for work, etc.)? [If none, write zero.]</p> |
| Rupees |

| | | | |
|--|--|--|-----|
| 8. Spices and Condiments | | | 080 |
| Salt | | | 081 |
| Cumin seed/Black pepper | | | 082 |
| Turmeric | | | 083 |
| Ginger/Garlic | | | 084 |
| Chilies | | | 085 |
| Other spices (Coriander, Nutmeg, etc.) | | | 086 |
| 9. Sweets and Confectionery | | | 090 |
| Sugar | | | 091 |
| Gud | | | 092 |
| Sweets | | | 093 |
| Other sweets (Sugar candy, Chocolate, etc.) | | | 094 |
| 10. Non-alcoholic Beverages | | | 100 |
| Tea (dried leaves) | | | 101 |
| Coffee (ground) | | | 102 |
| Fruit juices/Carbonated drinks (Coke, Fanta, etc.) | | | 103 |
| Other non-alcoholic drinks | | | 104 |

[illegible][illegible][illegible]

SECTION 3. FOOD EXPENSES AND HOME PRODUCTION (CONTD.)

1. Have you purchased, produced yourself or received in-kind [Food] during the past 12 months?

[Put a check (✓) in the appropriate box for each food item and ask questions 2 to 8 if the answer is affirmative.]

| No | Yes | Code |
|----|-----|------|
|----|-----|------|

| HOME PRODUCTION | | |
|--|--|---|
| 2. How many months in the past 12 months did you consume [Food] that you grew or produced yourself? [If none, write zero and →5.] | 3. In a typical month during which you ate [Food], how much did your household consume of [Food]? | 4. How much would your household have to spend in the market to buy this quantity of [Food] i. e., the amount consumed in a typical month? |
| Months | Quantity | Unit |
| | | Rupees |

| FOOD PURCHASES | | | |
|---|--|---|---------------|
| 5. How many months in the past 12 months did you purchase [Food]? [If none, write zero and → 8.] | 6. In a typical month during which you purchased [food], how much did you purchase? | 7. How much would you normally have to spend in total to buy the quantity reported in Q.6? | |
| Months | Quantity | Unit | Rupees |

| |
|---|
| IN-KIND |
| <p>8. What is the total value of the [Food] consumed that you received in-kind over the past 12 months (wages for work, etc.)?</p> <p>[If none, write zero.]</p> |
| Rupees |

| | | | |
|---|--|--|-----|
| 11. Alcoholic Beverages | | | 110 |
| Wine | | | 111 |
| Gin/Whiskey | | | 112 |
| Beer/Jand | | | 113 |
| Other alcoholic drinks (Tadi, etc.) | | | 114 |
| 12. Tobacco and Tobacco products | | | 120 |
| Cigarette | | | 121 |
| Bindi | | | 122 |
| Tobacco | | | 123 |
| Other (Jarda, Khaini, Beetle nut, etc.) | | | 124 |
| 13. Miscellaneous Food Items | | | 130 |
| Meals/Snacks taken outside home | | | 131 |
| Miscellaneous other food expenditures | | | 132 |

[illegible][illegible][illegible]

Ask respondent to estimate average monthly expenditure on food, value of home produced food and food received in-kind.

140

| | |
|--|--|
| | |
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|--|

SECTION 4. NON-FOOD EXPENDITURES AND INVENTORY OF DURABLE GOODS **PART A: FREQUENT NON-FOOD EXPENDITURES**

| | | | | | |
|---|----|-----|------|---|-----------|
| 1. Were any of the following items purchased or received in-kind in your household over the past 12 months? [Put a check (✓) in the appropriate box for all items. If the answer is yes, ask Q.2 and Q.3.] | | | | 2. What is the monetary value of the amount purchased or received in-kind by your household during the past 12 months? | |
| | | | | Amount in Rupees | |
| | No | Yes | Code | 30 Days | 12 Months |
| 21. Fuel | | | 210 | | |
| Firewood (Bundledwood, Logwood, Sawdust) | | | 211 | | |
| Kerosene oil | | | 212 | | |
| Coal, Charcoal | | | 213 | | |
| Cylinder gas | | | 214 | | |
| Matches, Candle, Lighter, Lantern, etc. | | | 215 | | |
| 22. Apparel and personal care items | | | 220 | | |
| Ready-made clothing and apparel | | | 221 | | |
| Cloth, Wool, Yarn, and Thread for making clothes and sweaters | | | 222 | | |
| Tailoring expenses | | | 223 | | |
| Footwear (Shoes, Slippers, Sandals, etc.) | | | 224 | | |
| Toilet soap | | | 225 | | |
| Toothpaste, Toothpowder, Toothbrush, etc. | | | 226 | | |
| Other personal care items (Shampoo, Comb, Cosmetics, etc.) | | | 227 | | |
| Dry cleaning and washing expenses | | | 228 | | |
| Personal services (Haircut, Shaving, Shoeshine, etc.) | | | 229 | | |

| | | | | | |
|---|----|-----|------|---|-----------|
| 1. Were any of the following items purchased or received in-kind over the past 12 months? [Put a check (✓) in the appropriate box for all items. If the answer is yes, ask Q.2 and Q.3.] | | | | 2. What is the monetary value of the amount purchased or received in-kind by your household during the past 12 months? | |
| | | | | Amount in Rupees | |
| | No | Yes | Code | 30 Days | 12 Months |
| 23. Other Frequent Expenses | | | 230 | | |
| Public transportation (Buses, Taxis, Rickshaws, Train tickets) | | | 231 | | |
| Petrol, Diesel, Motor oil (for personal vehicle only) | | | 232 | | |
| Entertainment (Cinema, Radio tax, Cassette rentals, etc.) | | | 233 | | |
| Newspapers, Books, Stationery supplies | | | 234 | | |
| Pocket money to children | | | 235 | | |
| Educational and professional services | | | 236 | | |
| Modern medicines and health services (Doctor fees, Hospital charge, etc.) | | | 237 | | |
| Traditional medicines and health services | | | 238 | | |
| Wages paid to servants, gardeners, gatekeepers, etc. | | | 239 | | |
| Light bulbs, Batteries, etc. | | | 241 | | |
| Household cleaning articles (Washing soap, powder, etc.) | | | 242 | | |

TOTAL: (210 + 220 + 230)

250

Ask respondent to estimate average monthly and annual expenditure on frequently purchased non-food items.

260

SECTION 4. NON-FOOD EXPENDITURES AND INVENTORY OF DURABLE GOODS

PART B: INFREQUENT NON-FOOD EXPENDITURES

| | | | | |
|--|-----------|------------|--|------------------|
| 1. Were any of the following items purchased or received in-kind over the past 12 months? Put a check (✓) in the appropriate box for all items. If the answer is yes, ask Q. 2. | | | 2. What is the money value of the amount purchased or received in-kind by your household during the past 12 months? | |
| | | | Amount in Rupees | |
| | No | Yes | Code | 12 Months |
| 31. Infrequent expenses | | | 310 | |
| Legal expenses and Insurance (Life insurance, Car insurance, etc.) | | | 311 | |
| Income taxes, land taxes, housing and property taxes, etc. | | | 312 | |
| Repair and other expenses for personal vehicle (Registration, Fines, etc.) | | | 313 | |
| Postal expenses, Telegrams, Fax, Telephone | | | 314 | |
| Excursion, Holiday, (including travel and lodging) | | | 315 | |
| Toys, Sports goods | | | 316 | |
| Repair and maintenance of the house | | | 317 | |
| Repair and servicing of household effects | | | 318 | |
| 32. Miscellaneous expenses | | | 320 | |
| Births, Bratabandha, Marriages and other ceremonies | | | 321 | |
| Dowry and bride price given | | | 322 | |
| Dowry and bride price received | | | 323 | |
| Funeral and death related expenses | | | 324 | |
| Expenses on religious ceremonies | | | 325 | |
| Charity, donations etc. | | | 326 | |
| Gifts and transfers | | | 327 | |

| | | | | |
|--|-----------|------------|---|------------------|
| 1. Were any of the following items purchased or received in-kind over the past 12 months? Put a check (✓) in the appropriate box for all items. If the answer is yes, ask Q. 2. | | | 2. What is the monetary value of the amount purchased or received in-kind by your household during the past 12 months? | |
| | | | Amount in Rupees | |
| | No | Yes | Code | 12 Months |
| 41. Durable goods | | | 410 | |
| Crockery, cutlery and kitchen utensils (household use) | | | 411 | |
| Kitchen appliances (refrigerator, cooking range, blenders, cylinder, etc.) | | | 412 | |
| Pillow, mattresses, blankets, etc. | | | 413 | |
| Jewelry purchased and received | | | 414 | |
| Furniture purchased and received | | | 415 | |
| Electric fan purchased and received | | | 416 | |
| Heater (electric, gas, kerosene) | | | 417 | |
| Sewing machine | | | 418 | |
| Iron (electric or other) | | | 419 | |
| Television /Deck | | | 421 | |
| Washing machine | | | 422 | |
| Cassette player, radio, etc. | | | 423 | |
| Camera | | | 424 | |
| Bicycle | | | 425 | |
| Motorcycle | | | 426 | |
| Motor car or other such vehicles | | | 427 | |
| Other durable goods | | | 428 | |

| SECTION 4. NON-FOOD EXPENDITURES AND INVENTORY OF DURABLE GOODS | | PART C: INVENTORY OF DURABLE GOODS |
|---|--|------------------------------------|
|---|--|------------------------------------|

1. Does your household own any of the following items?

[Put a check (✓) in the appropriate box for all items. If the answer is yes, ask Q. 2-6.]

| Item | No | Yes | Code |
|-----------------------------|----|-----|------|
| Radio/Cassette player | | | 501 |
| Camera | | | 502 |
| Bicycle | | | 503 |
| Motorcycle/Scooter | | | 504 |
| Motor, car, etc. | | | 505 |
| Refrigerator | | | 506 |
| Washing machine | | | 507 |
| Fan | | | 508 |
| Heater | | | 509 |
| Television/Deck | | | 510 |
| Mantle | | | 511 |
| Telephone set/Cordless | | | 512 |
| Sewing machine | | | 513 |
| Furniture | | | 514 |
| Kitchen utensils | | | 515 |
| Jewelry (including watches) | | | 516 |

[illegible]

SECTION 5. NON-FOOD EXPENDITURES OWN ACCOUNT PRODUCTION AND SERVICES

| <p>1. Were any of the following items produced and consumed by your household over the past 12 months? [Put a check (✓) in the appropriate box for all items. If the answer is yes, ask Q. 2.]</p> | <p>2. What is the monetary value in the local market of the items produced and consumed yourself during the past 12 months?</p> | | | | |
|---|---|-----|------|------|--|
| | Amount in Rupees | | | | |
| | 12 Months | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 35%;"></th> <th style="width: 10%; text-align: center;">No</th> <th style="width: 10%; text-align: center;">Yes</th> <th style="width: 10%; text-align: center;">Code</th> </tr> </table> | | No | Yes | Code | |
| | No | Yes | Code | | |
| 61. Expenditures on self produced and consumed items | 610 | | | | |
| <i>Dalo, Nanglo, Doko, Namlo, Rope, Twine, Mudha, etc.</i> | 611 | | | | |
| <i>Mandro, Mat, Sukul, Bhakari, Ghum, Chitro, Broom, etc.</i> | 612 | | | | |
| <i>Radi, Pakhi, Homespun clothes, etc.</i> | 613 | | | | |
| Firewood/Dung collection | 614 | | | | |
| Furniture and allied wooden materials | 615 | | | | |
| Sickle, Knife, <i>Chulesi</i> , etc. | 616 | | | | |
| Tailoring | 617 | | | | |
| Shoe making/repairing | 618 | | | | |
| Water fetching | 619 | | | | |
| Minor house repairing | 620 | | | | |
| Biogas | 621 | | | | |
| Other (Specify) | 622 | | | | |

SECTION 6. INCOME

| S. No. | 1a. Did your household make any income from the following sources during the past 12 months? | Code | Yes 1 No 2 → 2 | 1b. How much did you earn during the past 12 months? | 1c. How much did you spend on household consumption during the past 12 months? | |
|--------|--|------|---------------------------------------|--|--|---------|
| | | | | Rupees | Cash | In-kind |
| 01 | Salary/Wages | 701 | | | | |
| 02 | Agriculture | 702 | | | | |
| | a. Agronomy | 703 | | | | |
| | b. Livestock | 704 | | | | |
| | c. Horticulture | 705 | | | | |
| | d. Fishery | 706 | | | | |
| 03 | House rent/Land lease | 707 | | | | |
| 04 | Income from land | 708 | | | | |
| 05 | Trade and other business | 709 | | | | |
| 06 | Interest and Bonus | 710 | | | | |
| 07 | Pension | 711 | | | | |
| | a. Internal (within the country) | 712 | | | | |
| | b. External (outside the country) | 713 | | | | |
| 08 | Borrowing from Provident fund/Citizen Investment Fund | 714 | | | | |
| 09 | Remittances | 715 | | | | |
| 10 | Commission, Royalty, etc. | 716 | | | | |
| 11 | Renting bullock carts, tractor, pump, etc. | 717 | | | | |
| 12 | Received from donation, charity, etc. | 718 | | | | |
| 13 | Other income (Scholarship, child care, compensation, lottery, etc. | 719 | | | | |
| 14 | Total | 777 | | | | |

2. Have you taken any loans (including cash and in-kind) for the household consumption during the past 12 months?

Yes 1

No 2 → End

3. What is the amount of loan taken by you for the household consumption?

Rs.

4. Have you spent on the household consumption from the saving during the past 12 months?

Yes 1

No 2 → End

5. What is the amount of the expenses from the saving for the household consumption?

Rs.

CODE LIST

01. Code of Development Region

| | |
|------------------|---|
| Eastern..... | 1 |
| Central..... | 2 |
| Western..... | 3 |
| Mid western..... | 4 |
| Far western..... | 5 |

02. Code of Ecological Belt

| | |
|---------------|---|
| Mountain..... | 1 |
| Hill..... | 2 |
| Terai..... | 3 |

03. Code of Season

| | |
|-------------|---|
| First..... | 1 |
| Second..... | 2 |

04. Code of Quantity

| | |
|----------------|----|
| Kilogram | 01 |
| Gram | 02 |
| Man | 03 |
| Litre | 04 |
| Muri | 05 |
| Pathi | 06 |
| Mana | 07 |
| Kuruwa | 08 |
| Number | 09 |
| Dozen | 10 |

5. District Code

| Code | District Name | Code | District Name | Code | District Name | Code | District Name | Code | District Name |
|------|---------------|------|---------------|------|---------------|------|---------------|------|---------------|
| 01 | TAPLEJUNG | 16 | SIRAHA | 31 | MAKWANPUR | 46 | GULMI | 61 | JAJARKOT |
| 02 | PANCHTHAR | 17 | DHANUSA | 32 | RAUTAHAT | 47 | PALPA | 62 | DOLPA |
| 03 | ILAM | 18 | MAHOTTARI | 33 | BARA | 48 | NAWALPARASI | 63 | JUMLA |
| 04 | JHAPA | 19 | SARLAHI | 34 | PARSA | 49 | RUPANDEHI | 64 | KALIKOT |
| 05 | MORANG | 20 | SINDHULI | 35 | CHITWAN | 50 | KAPILBASTU | 65 | MUGU |
| 06 | SUNSARI | 21 | RAMECHHAP | 36 | GORKHA | 51 | ARGHAKHANCHI | 66 | HUMLA |
| 07 | DHANKUTA | 22 | DOLAKHA | 37 | LAMJUNG | 52 | PYUTHAN | 67 | BAJURA |
| 08 | TEHRATHUM | 23 | SINDHUPALCHOK | 38 | TANAHUN | 53 | ROLPA | 68 | BAJHANG |
| 09 | SANKHUWASABHA | 24 | KAVRE | 39 | SYANGJA | 54 | RUKUM | 69 | ACHHAM |
| 10 | BHOJPUR | 25 | LALITPUR | 40 | KASKI | 55 | SALYAN | 70 | DOTI |
| 11 | SOLUKHUMBU | 26 | BHAKTAPUR | 41 | MANANG | 56 | DANG | 71 | KAILALI |
| 12 | OKHALDHUNGA | 27 | KATHMANDU | 42 | MUSTANG | 57 | BANKE | 72 | KANCHANPUR |
| 13 | KHOTANG | 28 | NUWAKOT | 43 | MYAGDI | 58 | BARDIYA | 73 | DANDEL DHURA |
| 14 | UDAYAPUR | 29 | RASUWA | 44 | PARBAT | 59 | SURKHET | 74 | BAITADI |
| 15 | SAPTARI | 30 | DHADING | 45 | BAGLUNG | 60 | DAILEKH | 75 | DARCHULA |

Annex D

DISSEMINATION OF HCSRN DATA

All potential users of the HCSRN data set are required to adhere to the following conditions:

1. HCSRN data is given to all users subject to the provision that (i) they duly acknowledge that the data used has been provided to them by CBS, and that (ii) CBS be provided with one copy of all publications in which HCSRN data is used.
2. They provide an undertaking that they will not pass copies of the data received to other individuals or organizations without first obtaining written permission from CBS allowing them to do so.
3. A fee will be levied on all users to cover the cost of preparation of the following materials. In the interests of encouraging as many users as possible to use the HCSRN data, this fee will be levied at a different rate on users according to the following criteria:

Materials:

| | |
|------------------|------------------|
| 1. HCSRN report | Approx. 64 pages |
| 2. Data Diskette | Approx. 1 CD |

Fee:

| Category | Rate |
|--|------------|
| 1. Academic or student in Nepal | NRs. 1,000 |
| 2. HMG departments, agencies, NGOs, etc. | NRs. 3,000 |
| 3. Other users (INGOs, international agencies, etc.) | US\$ 100 |