



International
Labour
Organization



The ILO in Nepal

KEY FACTS AND FIGURES



Population
(2018)

29.2 million



GDP growth rate
(2017)

6.9%

GDP per capita
(2017/18)

US\$ 1,004

- Geographical Area: 147,181 Sq. Km
- Governance System: Federal Government, 7 State Governments and 753 local governments (Metropolitan cities, Sub-Metropolitan cities and Rural/Urban Municipalities)

	Total	Male	Female
Gross national saving (% of GDP) (2017/18)	43.1%	-	-
Gross fixed capital formation (% of GDP) (2017/18)	34.1%	-	-
Exports of goods and services (% of GDP) (2017/18)	8.7%	-	-
Imports of goods and services (% of GDP) (2017/18)	45.5%	-	-
Workers' remittances (% of GDP) (2017/18)	24.2%	-	-
Population living below the national poverty line (2013)	23.8%	-	-
Labour force participation rate (above 15 years of age) (2013):	81.1%	87.1%	74.9%
Employment to population ratio (2013)	78.4%	82.8%	74.9%
Unemployment rate (2013)	2.7%	2.7%	2.6%
Labour Force Underutilization rate (2013)	-	32.9%	23.4%

Source: Central Bureau of Statistics, Nepal

During the aftermath of the disastrous earthquake of 2015, economic growth declined from 5.9 per cent in 2013/14 to 2.7 per cent in 2014/15 and 0.6 per cent in 2015/16. In terms of impacts on the labour market, estimates suggest that 5.6 million workers were affected by the earthquake, impacting livelihoods and reducing incomes. Nepal bounced back strongly with an annual GDP growth of 6.9 per cent in 2017 and an expected annual growth rate of more than 6 per cent in 2018. With newly elected governments at the federal, provincial and local levels there is now a growing optimism that the country has begun to move towards political stability, and that the country will bring the economic agenda forward.

With an expanding young population of 30 per cent below 14 years of age and 60 per cent below 30 years of age, Nepal faces severe employment challenges. (Source: CBS Population Projection 2011-2031). A major challenge is how to benefit from this expanding youth population, growing at a higher rate than employment. Due to lack of better employment alternatives in the country, the majority of youths are either forced to engage in the informal sector for work or migrate to foreign countries.

Another important aspect of the Nepalese workforce is the significant presence of child labour. According to the Labour Force Survey, 2008, an estimated 1.6 million children are in the labour market, with 621,000 of them doing hazardous work.

The recently published SDG report envisions Nepal as an enterprise friendly middle income country by 2030.

Source: NPC, 2017, Sustainable Development Goals, Status and Roadmap: 2016-2030

RATIFIED CONVENTIONS

- C.14 Weekly Rest (Industry) Convention, 1921
- C.29 Forced Labour Convention, 1930
- C.98 Right to Organise and Collective Bargaining Convention, 1949
- C.100 Equal Remuneration Convention, 1951
- C.105 Abolition of Forced Labour Convention, 1957
- C.111 Discrimination (Employment and Occupation) Convention, 1958
- C.131 Minimum Wage Fixing Convention, 1970
- C.138 Minimum Age Convention, 1973
- C.144 Tripartite Consultation (International Labour Standards) Convention, 1976
- C.169 Indigenous and Tribal Peoples Convention, 1989
- C.182 Worst Forms of Child Labour Convention, 1999

THE ILO - WHO WE ARE

The International Labour Organization (ILO) is the United Nations agency for the world of work. Devoted to advancing social justice, it promotes a Decent Work Agenda based on four strategic pillars: rights at work, decent employment opportunities, social protection and social dialogue.

It is the only public international organisation which is tripartite, where workers and employers enjoy equal rights with governments in representation and decision making. Together they set labour standards, develop policies and devise programmes upholding decent and productive work, in conditions of freedom, equity, security and dignity for all.

Created in 1919 as part of the Treaty of Versailles that ended World War I, the ILO became the first specialized agency of the UN in 1946. It received the Nobel Peace Prize in 1969 and today is recognized as the world's authority on the world of work, offering over 100 years of knowledge, experience and achievements.

THE ILO IN NEPAL

Nepal became a member of the ILO in 1966, and the ILO Country Office for Nepal was established in 1994. The Decent Work Country Programme for Nepal (2018-22) focuses on promoting employment-centric inclusive growth, improving labour market governance, and promoting fundamental principles and rights at work.

The ILO in Nepal has played an important role in developing a constructive and congenial social partnership between the Government, workers' and employers' organizations. Based on this partnership, the tripartite constituents together have been able to bring about major changes in national policies and legal frameworks. With technical assistance from the ILO, Nepal recently enacted two major legislations, namely the Labour Act 2017 and the Contribution-based Social Security Act 2017 which are expected to go a long way not only in promoting decent jobs but also in protecting the interests of business communities in the country. Social dialogue in Nepal has come a long way, and it has produced tangible results which are highly commended by the tripartite constituents.

Current areas of work

Workers' activities: The ILO's Bureau of Workers' Activities in Nepal enhances the capacity of the trade unions for effective involvement in policy dialogue at all levels. Currently, its focus is to encourage more youth and women to participate in trade union activities through workers' education and campaigns promoting policy formulation and implementation.

Employers' activities: The ILO's Bureau for Employers' Activities in Nepal promotes social dialogue, productivity, competitiveness, industrial growth and decent work. It has significantly contributed in enhancing the training development and delivery capacity of employers' organizations in Nepal.

Advocacy for Rights and Good Corporate Governance (UNNATI-Inclusive Growth Programme in Nepal): The project contributes to promoting improved advocacy for responsible business development, including rights and good corporate governance in selected four value chains; cardamom, ginger, milk and tea in seven districts of the Eastern Development Region of Nepal.

Integrated Programme on Fair Recruitment (FAIR): The project aims to contribute to the promotion of fair recruitment initiatives across a corridor to prevent deceptive and coercive recruitment practices, reduce the vulnerability of migrant workers to labour exploitation and provide workers with decent work opportunities. The project has successfully piloted a fair recruitment corridor between Nepal and Jordan focusing on the garment sector.

From Protocol to Practice: A Bridge to global action on forced labour (The Bridge project): The project aims to strengthen the capacity of the relevant Ministries and stakeholders, to develop, implement and monitor policies and national action plans on forced labour, provide capacity building to improve law enforcement, support for public awareness campaigns to address all forms of forced labour and to support the survivors of forced labour through livelihood opportunities.

Strengthening National Rural Transport Programme (SNRTP): The project assists with rural roads network maintenance (5,500 Km), upgrading and construction including river crossings structures in 36 project districts of the seven provinces of Nepal. As of now, the project has created 4.5 million days of decent jobs for women (70 %) and men (30 %) all from deprived groups. Further, it is expected to enhance capacity of the government departments as well as private contractors, and to foster livelihood development of Road Maintenance Groups (RMG) through linking with cooperatives, national level commercial banks, and providing saving/credit facilities with IT banking services. It ensures healthcare, with accidental insurance and compulsory use of Personal Protective Equipment (PPE), and linkage with local health centres for monthly health check-ups.

Towards fair and sustainable global supply chains: Promoting decent work for invisible workers in South Asia: This project is the second phase of the 'Way Out of Informality: Facilitating Formalization of Informal Economy in Nepal' project and aims to build on past progress to promote decent work at the lower tier of global supply chains. It will support policy implementation, strengthen governance and improve living and working conditions of home based workers and other informal workers.

Work in Freedom (WiF): The project is a ten-year regional programme which aims to reduce vulnerabilities to forced labour and labour trafficking by supporting mobility by choice among women and girls from South Asian countries of origin including Nepal, more accountable recruitment pathways and better jobs with safety and dignity of workers in destination countries (e.g. India, Lebanon, Jordan, Oman, Kuwait) through multi-sectoral policy measures.

Skills for Employment Project (SEP): The projects aims to assist the Government of Nepal in adopting and effectively implementing evidence-based policies that enable the creation of new jobs, increase productive employment and bring about higher development impacts from labour migration.

Migrants Rights and Decent Work (MiRiDeW): The project aims to strengthen the support system of the Government of Nepal (GoN) to better protect the rights of migrant workers along with increasing benefits from labour migration. The project, in collaboration with line ministries, will support in strengthening service delivery capacity of Nepali diplomatic missions in major destination countries. It will also support the GoN to effectively engage with regional and global policy dialogues on labour migration and strengthen bilateral and regional mechanisms to improve Nepali migrant workers' access to better jobs.

Child Labour Elimination Project (CLEP): The project aims to assist the Government of Nepal to implement the second National Master Plan on Child Labour (2018 – 2028) through engagement of social partners namely workers' and employers' organizations and other stakeholders by developing their capacity in drafting and enforcing child labour related laws and policies and building partnerships for achieving SDG Goal 8.7.

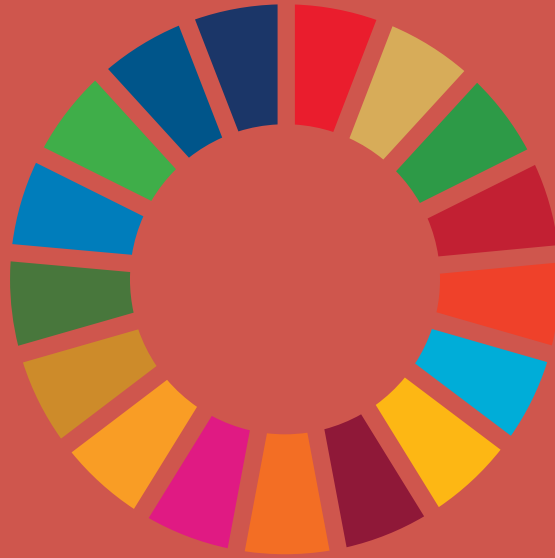
Nepal Labour Force Survey (LFS) -III (2017-2018): The Survey aims to update the employment and unemployment indicators in Nepal. The last LFS was carried out in 2008. The NLFS-III will measure employment and unemployment in line with international standards from the 19th International Conference of Labour Statisticians (19th ICLS) of October 2013. A particular emphasis has been the production of additional measures of labour underutilization to supplement the unemployment rate, and the measurement of activities of production for own-use consumption by households.

The NLFS-III will also aim at producing a broader range of decent work indicators, and issues such as child labour, foreign labour migration and occupational safety and health. More importantly, a survey of forced labour has also been integrated into the labour Force Survey for the first time.

Social Partners

The ILO in Nepal works closely with a number of partners including the Ministry of Labour, Employment, and Social Security, Ministry of Land Reform and Management, Ministry of Federal Affairs and Local Development, National Planning Commission, Central Bureau of Statistics, Member organizations of Joint Trade Union Coordination Centre (JTUCC), and the Federation of Nepalese Chambers of Commerce and Industry (FNCCI). Through its consistent and continuous technical support, the ILO has been successful in positioning itself as a trusted development partner in Nepal.

Decent work: a key to achieving the Sustainable Development Goals



“Decent work is not just a goal – it is a driver of sustainable development”

Guy Ryder, ILO Director General

By embracing the three dimensions of sustainability – economic, social and environmental, the 2030 Agenda for Sustainable Development provides a once-in-a-generation chance to make a change and improve the lives of billions, leaving no one behind.

At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while working to preserve our planet.

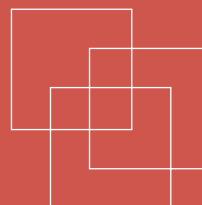
The importance of decent work in achieving sustainable development is highlighted by Goal 8 which aims to “promote inclusive and sustainable economic growth, full and productive employment and decent work for all”.

Putting decent work at the heart of economic policy-making and development plans will not only generate jobs but also lead to more robust, inclusive and poverty-reducing growth. It is a virtuous circle that is as good for the economy as it is for people, and one that drives sustainable development.

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