

# Nepal

## Human Capital Index 2020

This brief provides an update to the Human Capital Index (HCI). First launched in 2018, the HCI measures the amount of human capital that a child born today can expect to attain by age 18. It conveys the productivity of the next generation of workers compared to a benchmark of complete education and full health. Worldwide a child born in 2020 can expect, on average, to be 56 percent as productive as she could be when she grows up. All data represent the status of countries pre-COVID-19.

### THE HUMAN CAPITAL INDEX

**Human Capital Index.** A child born in Nepal today will be **50 percent** as productive when she grows up as she could be if she enjoyed complete education and full health. This is higher than the average for South Asia region and Lower middle income countries.

- **Probability of Survival to Age 5.** 97 out of 100 children born in Nepal survive to age 5.
- **Expected Years of School.** In Nepal, a child who starts school at age 4 can expect to complete **12.3 years** of school by her 18th birthday.
- **Harmonized Test Scores.** Students in Nepal score **369** on a scale where 625 represents advanced attainment and 300 represents minimum attainment.
- **Learning-adjusted Years of School.** Factoring in what children actually learn, expected years of school is only **7.2 years**.
- **Adult Survival Rate.** Across Nepal, **86 percent** of 15-year olds will survive until age 60. This statistic is a proxy for the range of health risks that a child born today would experience as an adult under current conditions.
- **Healthy Growth (Not Stunted Rate).** **64** out of 100 children are **not** stunted. **36** out of 100 children are stunted, and so are at risk of cognitive and physical limitations that can last a lifetime.

### DIFFERENCES IN HCI ACROSS GENDER AND SOCIO-ECONOMIC GROUPS

In Nepal, lack of data prevents comparison of HCI by gender. Table 1 shows gender disaggregation for each of the HCI components, where available.

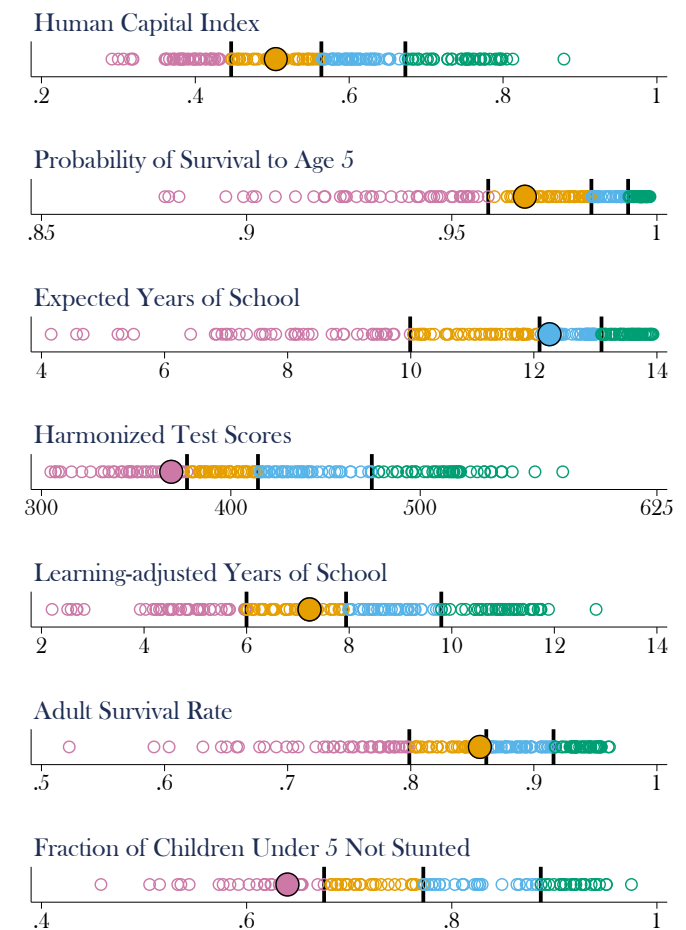
In Nepal, there are not sufficient data to disaggregate HCI by socio-economic groups.

**Table 1. HCI by Gender and Socio-economic Group**

Component	Boys	Girls	Overall
HCI	-	-	0.50
Survival to Age 5	0.97	0.97	0.97
Expected Years of School	12.3	12.2	12.3
Harmonized Test Scores	-	-	369
Learning-adjusted Years of School	-	-	7.2
Adult Survival Rate	0.84	0.87	0.86
Not Stunted Rate	0.64	0.64	0.64
HCI Ratio (richest / poorest 20 percent)	-	-	-

For more on socioeconomic disaggregated HCI, please visit <https://www.worldbank.org/en/publication/human-capital/brief/insights-from-disaggregating-the-human-capital-index>

**Figure 1. HCI and Components**



Note:

- Large circle represents Nepal
- Small circles represent other countries
- Lines and color of circles indicate quartiles of the distribution