

# The Poverty Status of Female-headed Households in Nepal

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The importance of gender-disaggregated data has been recognised by many organisations throughout the world for several years. The Beijing Platform for Action (1995) strongly advocated its implementation. However, although many governments have committed to establishing the mechanisms for producing such data, very few have succeeded.

Gender disaggregated data are necessary for governments and other public and private institutions to plan adequate services for the overall population which address the different needs of women and men and help bridge the inequality gaps. They also help governments, development workers, and others to understand how socioeconomic changes affect women and men differently, and how they can cope with new realities. In general, gender inequalities affect women's access to education, health care services, and financial resources, and constrain their participation in decision-making. This in turn limits their capacity to seize new opportunities and to cope with economic stresses. Knowing this leads to the assumption, for example, that households headed by women will be poorer, an assumption that can only be tested if gender disaggregated data are available.

ICIMOD carried out a small statistical analysis of poverty in Nepal using data from the 1995/96 and 2003/04 National Livelihood Standards Surveys (NLSS), which looked among others at the difference in poverty level of households headed by women and by men<sup>1</sup>. Use of this gender disaggregated data showed that contrary to the prevailing assumption, women-headed households in Nepal were on average less likely to be living in poverty than their male-headed counterparts. In 1995/96, 42% of both male and female-headed households in the country were living below the poverty line, but by 2003/04, only 24% of female-headed households were living below the poverty line compared to 32% of male-headed households, reductions of 18% and 10%

respectively. The difference was equally marked in the mountain/hill, plains, and Kathmandu valley areas, where the proportions of female and male-headed households living below the poverty line were 32% and 42%, 19% and 29%, and 2% and 4% respectively.

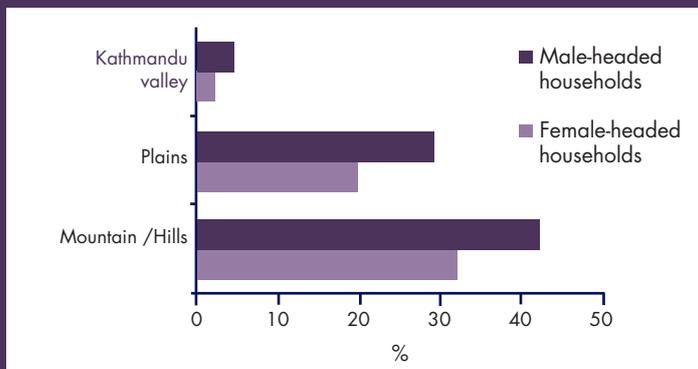
The Central Bureau of Statistics, in their interpretation of the 2003/04 NLSS data, note that "If a household's head changes from being a male to being a female (for example, by a husband departing to work elsewhere) the probability of being in poverty is reduced by 48 percent in urban areas and by 19 percent in rural areas." (CBS 2005)

Paimarang, Chitwan, Nepal



<sup>1</sup> Head of household is defined by the NLSS as the person who i) manages the income earned and expenses incurred, ii) is the most knowledgeable about other members of the household, and iii) was present in the household for at least 6 of the 12 months preceding the interview.

**Figure 1: households under the poverty line (%) 2003/04**

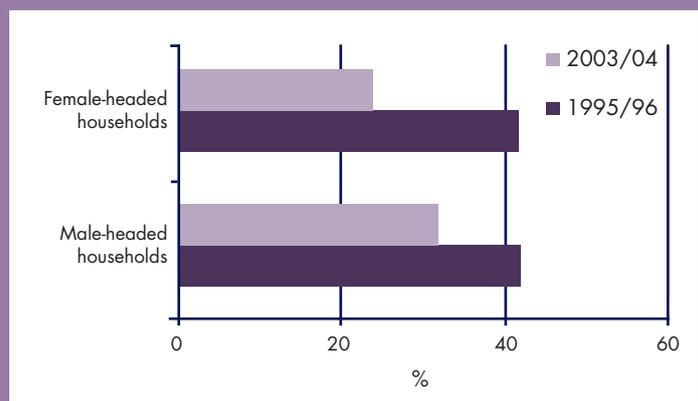


There are various possible explanations for this finding, all of which must, however, remain speculative until further research is carried out. One possible reason is that on average female-headed households receive more remittances; the statistics did not differentiate between households where the male head was contributing through migration, and those in which there was no male head (e.g., as a result of death, disappearance, or incapacity). However, additional data indicate that in 2003/04, 65% of the female-headed households received remittances, in contrast to only 24% of male-headed households (CBS 2005).



Dhulikhel, Nepal

**Figure 2: Households under the poverty line 1995/96, 2003/04**



Another possibility is that female-headed households are less poor as a result of development efforts that specifically target them. For example, the UNDP’s Microenterprise Development Programme (MEDEP) was set up in 1998 as a poverty reduction initiative to support Nepal’s poverty reduction efforts. In 2009, 68% of the 44,195 micro-entrepreneurs in the project were women, and 43% of the women had access to financial services, compared to only 18% of the men (Lakshman 2010).

**References**

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