

**CONTRIBUTION OF REMITTANCE IN RURAL POVERTY REDUCTION
A CASE STUDY OF BHINGRI VDC, PYUTHAN DISTRICT**

**A Thesis Submitted to
Central Department of Rural Development
Tribhuvan University,
in Partial Fulfilment of the Requirements for
The Degree of Master of Arts
In
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Submitted By

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March, 2017

Declaration

I hereby declare that the thesis entitled **CONTRIBUTION OF REMITTANCE IN RURAL POVERTY REDUCTION: A CASE STUDY OF BHINGRI VDC, PYUTHAN DISTRICT** submitted to the Central Department of Rural Development Tribhuvan University, is entirely my original work prepared under the guidance and supervisor. I have made due acknowledgements to all ideas and information borrowed from different sources in the course of preparing this thesis. The results of this thesis have not been presented or submitted anywhere else for the award of any degree or for any others purposes. I assure that no part of the content of this thesis has been published in any from before.

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RECOMMENDATION LETTER

This thesis entitled **CONTRIBUTION OF REMITTANCE IN RURAL POVERTY REDUCTION: A CASE STUDY OF BHINGRI VDC, PYUTHAN DISTRICT** has been prepared by **Ram Chandra Rokaya** under my guidance and supervision. I hereby forward this thesis to the evaluation committee for final evaluation and approval.

.....

Ratna Mani Nepal

Thesis Supervisor

Date: 26 -03-2017

2073-12-13

APPROVAL LETTER

The thesis entitled "**CONTRIBUTION OF REMITTANCE IN RURAL POVERTY REDUCTION : A CASE STUDY OF BHINGRI VDC, PYUTHAN DISTRICT**" submitted by **Ram Chandra Rokaya** in partial fulfillment of the requirements for the Master's Degree (M.A.) in Rural Development has been approved the evaluation committee.

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ABSTRACT

The present thesis entitled "Contribution of remittance in Rural Poverty Reduction: A Case study of Bhingri VDC of Pyuthan District is the partial fulfillment of the requirement for the degree of master of art in Rural Development. The general objective of the study is to examine the contribution of the general poverty scenario. Analyze the nature the extent of remittance income and impact of remittance income in the household in Rural Poverty Reduction.

The present study was conducted in the area of foreign remittance with special emphasis on the Role of remittance on rural economy. For the Propose of the study. The researchers analyzed the Rural Economy of those rural household whose members were living abroad and sending remittance to their families. For the present research, a sample of 63 households was selected by using the Technique of Systematic sampling methods. The tool for data collection was interviews schedule because in rural areas. Mostly people were illiterate and less educated. After data collection the analysis was done manually. For the analysis of the data, tables, frequencies and percentage were used.

The expenditure pattern of sample households indicates that remittance earning is mostly being used for non-productive areas such as in real estate and household consumption. This study revealed that there is no significant impact of remittance in the establishment of businesses and saving in bank by employee households. This trend need immediate amend by bringing appropriate policy measures to encourage remittance recipient households to use their money in productive areas.

. The finding of the study revealed the foreign remittance greatly influences the rural economy of the emigrant's families and improve their living standard and rural economy affairs. It was found that majority of the respondents 57 percent emigrants were married and most of the emigrant's families depended upon remittance. Migration rate was increased during last five years as 36 The main medium to get foreign employment was worker agency with 57.40 percent and they are exploiting because of lack of knowledge. Both government and employee should aware about it.

The source of financing for foreign employment from loan is 68.51 percent, it shows that foreign employee is extremely poor and their access in financial sector is very low. In this situation, government should implement poverty reduction programmer and increase financial access.

Percent people were migrated. Relationship of the emigrants families were changed with their relatives after emigration because of a positive change in rural economy reduction of emigrant's families. If we see social economic impact of remittance than we come to know that emigrant's families totally changed their life style after emigration and they spent remittance on purchased property and business. Results show that migration do not have on impact only on Rural economy of the emigrant's families but also greatly influences the societies decision making regarding important family matters was also found to be in the hands of the management of children education was mainly in the hands of the wives. Most of the families i.e. 85 percent changes in the economic aspect most of their income was being spent on meeting basic need, education and paying off debts etc.

Finally, this case study of remittance in Bhangri VDC, which is the important current issue of nation, is very significant, while the study is conducted in small and may not be sufficient to generalize for the whole national level about labor migration. By study, i m confident that it will be certainly beneficial to the people of Bhangri VDC and country

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ABBREVIATIONS/ACRONYMS

ADB	:	Asian Development Bank
BOP	:	Balance of Payment
CBS	:	Central Bureau of Statistics
CEF	:	Convertible Foreign Exchange
DEID	:	Department for International Development
FDI	:	Foreign Direct Investment
FY	:	Fiscal Year
GDP	:	Gross National Product
GON	:	Government of Nepal
HDR	:	Human Development Report
ILO	:	International Labor Organization
IMF	:	International Monetary Fund
KSA	:	Kingdom of Saudi Arabia
MOF	:	Ministry of Finance
NLSS	:	Nepal Living Standard Survey
NPC	:	Nepal Planning Commission
NRB	:	Nepal Rasta Bank
SAARC	:	South Asian Association for Regional Co-operation
SLC	:	School-Leaving Certificate
UNDP	:	United Nation Development Program
UAE	:	United Arab Emirates
Uk	:	United Kingdom
USA	:	United State of America
Us \$:	United State Dollar
VDC	:	Village Development Committee
WB	:	World Bank
WDR	:	World Development Report

Contribution of Remittance in Rural Poverty Reduction
Central Department of Rural Development
TU, Kirtipur, Nepal

Questionnaire

Date: 2073/ /

1. General Information:-

- a) Name of household head:-.....
- b) Age:- Sex:- Caste:-
- c) Education:- Occupation:-
- d) Name of village:- Word No.:-.....

2. What is the source of Income of your family?

- a) Agriculture b) Business c) Government Job d) Private job
- e) Foreign employment f) others

3. What was the source of family income before going abroad?

.....

4. How was the status of your income before going to abroad?

.....

5. In which class do you belong looking at your economic conduction of family?

- a) Lower b) Medium-low c) Medium d) Higher

6. What are the sectors that you have spent the remittance income during the last 12 months?

Expenditure headings	Amount
Food	
Clothes	
Health treatment	
Education	
Festivals and entertainment	
Investment in agriculture	
Dept repayment	
To purchase land and real-estate	
Saving and investment	
Other	
Total	

7. Type of own land and its area:

Types of land	Unit	Quantity	District	Per unit price
Agricultural land (Khet/Bari)				
Pakho Land				
Housing land (Ghadari)				
Covering by forest				
Other				
Total				

8. What kind of fuel is most often used by your households for cooking?

- Wood/Firewood 1
- Cylinder gas 2
- Bio-gas 3
- Other4

9. If the any member of your household gets ill, where you first go for treatment?

- a) Lama/Dhami/Jhankri
- b) Health post
- c) Govt. hospital
- d) Private clinic
- e) Ayurvedic treatment
- f) Other

10. What is the source of your drinking water?

- a) Piped water supply
- b) Well
- c) Covered well/hand pump
- d) Other sources

11. What type of toilet is used by your household?

- a) Household flush (connected to septic tank)
- b) Household non-flush
- c) Communal latrine
- d) No toilet

12. Which of the following facilities are there in your dwelling?

- a) Telephone/ mobile phone
- b) Electricity

- c) Cable TV
- d) Email/Internet
- e) Refrigerator

13. Household Structures by Age/sex.

Sex/Age	0-14	15-45	46-60	+60
Male				
Female				
Total				

14. Ownership of the house

- a) Self owned
- b) Shelter on other house
- c) Rent from other
- d) without payment

15. Background of the migrated people:

Name	Age	Sex	Quali.	Country	Period of stay	M. earning	whether he is still their or returned back

16. What is the cause of going to abroad for employment by you on the basis of primary factor?

- a) Job not found in the country
- b) To pay family loan
- c) Conflict problems
- d) To increase the family economic status
- e) Internally desire to go to aboard
- f) Due to the friends and relatives
- g) Any other to be mentioned

17. What is the item for pre-departure expenditure?

S.N.	Topic	Amount
1.	Passport expenditure	
2.	Medical expenditure	
3.	Visa expenditure	
4.	Airplane Ticket	
5.	Other expenditure	
Total		

18. What are the items for pre-departure expenditure?

S.N.	Topic	Amount	Insert amount
1.	Form own income		
2.	Having loan from		
	a) Bank		
	b) Merchant		
	c) Relatives		
	d) Public situations		
3.	Friends, Parents		

4.	Selling various thing		
5.	Total		

19. Information while in abroad:-

- a) Time of stay due to agreement:
- b) Actual time of day:
- c) Monthly salary due to agreement:
- d) Actual salary got:
- e) Monthly saving:
- f) What type of job did you do?
- g) Daily work hour due to agreement:
- h) Did you change the job while in abroad?
- i) Did you get any new skills there?
- j) Maximum no, of hours you worked daily?
- k) Did you plan to go to abroad again?
- l) Can it be helpful to you here also?
- m) Were your family happy?

20. What are the sectors that you have inverted money earned from foreign country?

S.N.	Expenditure and Investment	Amount(Rs)
1.	In regular hours expenditure	
2.	For paying lone	
	a) To pay old lone	
	b) To pay recent lone	

c).....

d).....

26. How and which way is appropriate to go to abroad?

a).....

b).....

c).....

d)

27. How can the remittance income be made more productive?

a).....

b).....

c).....

d).....

28. To be specific, what about the changes seen before you went to abroad and after you returned back from abroad?

a) In economic condition

b) In social status

c) In daily life spending

d) In skill development

e) Other to be mentioned

f) No changed before and now

29. Did the remittance income change the living standard of your family?

a) Highly increased

b) Increased

c) Very little increased

d) Not increased at all

30. To be specific, what about the changes seen before you went to abroad and after returned back from abroad?

a) In economic condition

b) In daily life spending

c) In social status

d) In skill development

e) Other to be mentioned

f) No change before and now

31. Why did none of your family visited foreign country:

.....

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