

EU-Nepal Trade-Related Assistance: Facilitating Increased Trade and Participation in Coffee and Pashmina Value Chains Project

Boosting Trade Facilitation in Nepal

Trade Facilitation and Policy for Business (TFPB)



Background

High costs of moving goods across border significantly hinder the competitiveness of small and medium-sized enterprises (SMEs) in Nepal to successfully connect to international markets and global value chains (GVCs). Redundant documentary requirements, inefficient customs procedures and lack of transparency on trade information make it hard for SMEs to comply with cross-border procedures connected to export and import operations, but also considerably reduce investment opportunities for governments and businesses alike.

Many of the procedural obstacles faced by Nepalese businesses can be addressed by the full implementation of WTO Trade Facilitation Agreement (TFA), a landmark multilateral agreement that aims to cut red tape at the borders by simplifying, modernizing and making more efficient and transparent export and import procedures. Nepal has ratified the TFA on 24 January 2017 but has notified 26 measures in Category C, thereby linking its capacity to implement these commitments to the reception of financial and capacity-building support.

The trade facilitation component (Output 2) will support Nepal in the implementation of the WTO TFA and in the development of action plans for implementing selected Category C measures. In doing so, this component will strengthen the institutional and technical capacity of the Nepal's National Trade Facilitation Committee (NTFC) to drive trade facilitation reforms in the country. Complementarily, this component will also enhance private sector capacity to participate in trade-related public-private dialogues (PPDs) and advocate for trade facilitation reforms. Furthermore, this component will improve compliance level of coffee and pashmina businesses, especially SMEs, with export procedures by developing step-by-step trade facilitation guides.

Results

The following results can be expected after completion of the activities:

- Strengthened capacity of the NTFC to coordinate and facilitate the implementation of the WTO TFA;
- Enhanced capacity of trade facilitation stakeholders to implement specific Category C commitments of the WTO TFA;
- Increased public and private sectors' awareness of the WTO TFA and enhanced capacity to implement and advocate for trade facilitation reforms in Nepal;
- Improved capacity of coffee and pashmina businesses, especially SMEs, to comply with export procedures.

OUTPUT 2	Trade facilitation and export policies toolbox is developed.
OBJECTIVES:	(i) support the implementation of WTO TFA and develop action plans for implementing selected Category C measures, and (ii) enhance compliance level of coffee and pashmina businesses, especially SMEs, with export procedures.
TIME-FRAME:	3 years
KEY ELEMENTS OF THE EU-NEPAL TIP TRADE FACILITATION COMPONENT:	<ol style="list-style-type: none"> 1. Assessment of the current TFA implementation status, stakeholders consultations and PPDs, identification of trade facilitation priority needs and TFA action planning with partners; 2. Delivery of technical trainings and coaching services to relevant public and private trade facilitation stakeholders to drive implementation of trade facilitation reforms; 3. Identification of bottlenecks to compliance with export procedures for Nepalese businesses, and design of step-by-step trade procedures solutions to increase SMEs' capacity to comply with export requirements.
COUNTRY FOCAL POINT:	Mr. Mahesh Acharya, Joint Secretary of the Ministry of Industry, Commerce and Supplies (MoICS) and contact point for the WTO TFA in Nepal.
COVERED ACTIVITIES	2.1 and 2.2.

EU-Nepal TIP: ITC Trade Facilitation Tools

- Diagnostic assessment of NTFC's current structure, mandate, governance structure and operational model and technical support to improve its set-up and capacity;
- Diagnostic assessment of Nepal's trade facilitation priority needs, as well as of the current TFA implementation status, and technical support to develop implementation and action plans for TFA implementation, with a focus on selected Category C measures;
- Technical trainings, workshops and coaching services for the NTFC, border agencies, private sector trade support institutions (TSIs) and businesses to implement and advocate for the implementation of trade facilitation reforms in Nepal;
- Step-by-step trade procedures methodology and solutions to increase businesses' compliance with export procedures in Nepal, with a focus on the coffee and pashmina sectors.

EU-Nepal TIP: ITC Trade Facilitation Focal Points for Output 2

Dr. Mohammad Saeed

Senior Trade Facilitation Adviser
E-mail: saeed@intracen.org

Ms. Eleonora Salluzzi

Associate Programme Officer
E-mail: esalluzzi@intracen.org



Contact: Marie-Claude Frauenrath
E-mail: frauenrath@intracen.org
Telephone: +41 22 730 02 95
Street address: ITC, 54-56, rue de Montbrillant, 1202 Geneva, Switzerland
Postal address: ITC, Palais des Nations, 1211 Geneva 10, Switzerland
Internet: www.intracen.org