



EIF Nepal Newsletter

Nepal Enhanced Capacities for Trade and Development (NECTRADE)



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PM Nepal Launches NTIS 2010

Rt. Hon'ble Prime Minister Madhav Kumar Nepal launched Nepal Trade Integration Strategy (NTIS) 2010 on June 24, 2010. NTIS is an updated version of Nepal Trade and Competitiveness Study 2004 (Nepal's first Diagnostic Trade Integration Study—DTIS).

goods category; and tourism, labor services, IT and BPO services, health services, education, engineering, and hydro-electricity in services category. Furthermore, five more potential export products/sectors area also pointed out in the report. There are numerous recommendations

ment and reduction in poverty by promoting export-led inclusive growth.

"The implementation of the strategy will demand sizable resources that the Government alone cannot afford. The strategy recommends a collaborative effort by the Government to bring in the private sector, development partners and other stakeholders to achieve the intended common objectives for sustained economic prosperity," he added.

NTIS 2010 aims to strengthen trade negotiations capacity (especially bilateral); strengthen technical capacity of domestic non-tariff barrier and other business environment supportive institutions; the export capacity of "inclusive" export potential goods and services; and the capacity to coordinate and manage TRTA and Aft and to implement NTIS.

The NTIS was prepared with the support of UNDP, the Government of Finland, the Department for International Development (DFID), the International Finance Corporation (IFC), and the International Trade Centre (ITC), Geneva. Private sector organisations and academia were also involved in its preparation.



NTIS has identified 19 key commodities and services with 'export potentials' that could potentially revitalize Nepal's export sector. The identified products are cardamom, ginger, honey, lentils, tea, noodles, and medicinal herbs/essential oils in agro-product category; hand-made paper, silver jewelry, iron and steel, pashmina, and wool products in craft and industrial

for the government to fine-tune and address non tariff barriers (NTB), and to take advantage of Aid for Trade (Aft) and Trade Related Technical Assistance (TRTA) facilities offered by various international agencies.

PM Nepal stated that the implementation of the strategy will provide substantial contribution to the overall national develop-

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Nepal's Tier 1 Project (NECTRADE) Approved by the EIF Board

On March 30, 2010, Ministry of Commerce and Supplies, Government of Nepal (GoN), signed a MoU with UNOPS (EIF Trust Fund Manager) to implement the NECTRADE (Tier 1) Project in Nepal. The project is designed to strengthen national arrangements of the EIF to enhance Nepal's ownership of TRTA and maximize the benefits the country can derive from international trade. To do so, the project will support the GoN to formulate and implement national development strategies, in which trade has been mainstreamed in accordance and adherence with NTIS recommendations and principles of Paris Declaration on Aid Effectiveness. The key objectives of the project are to ensure faster economic growth rate, alleviate poverty through creation of jobs, and enhance sustainability of trade-related development efforts. It will potentially benefit the Nepali people, help Nepal integrate more with the global economy, and achieve some of its development goals. The expected results are: (i) Enhanced capacity of the GoN to formulate, manage, implement and monitor trade related technical assistance (TRTA) in support of Nepal's trade development agenda, (ii) Further mainstreaming trade into national development strategies. (iii) Implementation of NTIS recommendations, and (iv) Coordinated delivery of Aid for Trade in accordance with the identified and prioritized needs.

"The implementation of NTIS 2010 will provide substantial contribution to the overall national development and reduction in poverty by promoting export-led inclusive growth."

Rt. Hon'ble Prime Minister
Madhav Kumar Nepal

Salient Features of NTIS 2010

On June 24, 2010, the Government of Nepal (GoN) launched Nepal Trade Integration Strategy 2010 (NTIS). The NTIS charts a possible course for the development of the country's export sector over the next five years together with possible capacity development actions and selected short-to-medium term priorities that are supportive of "inclusive growth." It is the product of longstanding efforts undertaken by the Ministry of Commerce and Supplies (MoCS), with support from the United Nations Development Programme (UNDP), the Government of Finland, the United Kingdom's Department for International Development (DFID), the International Finance Corporation (IFC), and the International Trade Center (ITC). Various line ministries, business organization and other stakeholders also actively participated in its preparation.

With an aim of diagnosing Nepal's export potential, the NTIS 2010 first identifies the challenges being faced by the country's export business. The four major challenges of Nepalese export business as identified by the study are: (i) *Ensuring proper market access*, which will require Nepalese negotiators to address issues related to Non-Tariff-Barriers (NTBs), and associated regulatory and business environment issues that may affect Nepalese exports in the importing markets; (ii) *Building domestic trade support institutions* that can create a more friendly business environment and help Nepalese exporters address the challenges of NTBs; (iii) *Taking steps to strengthen the supply capacity of exporters especially in selected sector*, where they can exploit competitive advantages, be it in terms of production costs, quality of products, and/or productivity; and (iv) *Mobilizing Overseas Development Assistance (ODA)* to assist in developing trade-related capacities.

To address these challenges, NTIS 2010 outlines four strategic objectives. The four strategic objectives of NTIS are:

I. Strengthen trade negotiations : The NTIS 2010 identifies a list of 19 possible priority export potential sectors (7 agro-based products, 5 industrial and manufacturing products and 7 services sectors) and priority attractive markets for each of them. The study categorically recommends as to what Nepalese trade negotiators need to ensure for proper market access in order to promote them in the respective attractive markets. It suggests that bilateral market access negotiations and negotiations at regional groupings are likely to play an important role. Strengthening of policy research capacity especially in relation to trade negotiations, thus, may ensure targeted space in international market for Nepalese export items.

II. Strengthen the technical capacity of domestic Non-Tariff-Barrier (NTB) and other business supportive institutions: Building a competitive supply capacity of Nepalese products has become increasingly dependent upon the ability of the

country's producers to meet the NTB market entry requirements of importing countries. Such supply capacity building will require a supportive domestic support infrastructure in areas of technical standards, sanitary and phytosanitary standards, trade facilitation, investment environment, intellectual property rights, domestic service regulation and others. Therefore, the second strategic objective of the NTIS focuses on capacity building of supportive institutions.

III. Strengthen the export capacity of "inclusive" export potential goods and services: The NTIS identified 19 priority export sectors for Nepal. The Nepali policymakers have to prioritize these sectors and facilitate their entry in their current or potential attractive destination markets. The NTIS 2010 suggests deepening the individual sector analyses and ensuring that those sectors benefit from proper sector-specific supportive measures. It is also suggested that the government's and private sector's initial focus under Objectives 1 and 2 will also need to target areas of trade negotiations, trade-related policy reform, and NTB institution-building, which are the most pertinent strategies to supporting sectors with export potentials.

IV. Strengthen the capacity of government to coordinate and manage Trade-Related Technical Assistance (TRTA)

and to implement NTIS: Achieving the objectives of NTIS 2010 will require domestic as well as external resources. The NTIS suggest that the MoCS, on behalf of the GoN, needs to put in place a set of "implementation arrangements" that will assist in formulating implementation projects in support

of the NTIS' objectives, in securing TRTA resources, in coordinating and managing those initiatives, and in monitoring results. It is also indicated that the coordination and management of aid in the trade sector are quite complex as they involve not simply coordinating and managing with and among development partners (DPs) but also among various line ministries and agencies directly or indirectly involved in trade development. Aid coordination and management also requires a large amount of capacity-building in the new implementation arrangements, therefore, this need should not be underestimated during the implementation of the NTIS 2010.

An action matrix along with the aforementioned four strategic objectives and additional recommendations for selected 19 priority export sectors are prescribed in NTIS 2010.

However, the success of NTIS will be largely determined by its effective implementation, which will need active involvement of all the stakeholders. Therefore, MoCS as the implementing agency of NTIS and coordinating agency for Aid for Trade should analyze major provisions of NTIS and presents implementation roadmap to achieve the desired outcome of NTIS 2010, i.e. 'trade-led inclusive growth'.

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EIF Regional Workshop in Kathmandu

The Government of Nepal hosted a sub-regional workshop on the Enhanced Integrated Framework (EIF) in Kathmandu, June 21-23, 2010. Representatives from Afghanistan, Bangladesh, Bhutan, Cambodia, Lao PDR, Maldives and Yemen, and from various donor agencies working on trade related issues participated in the workshop. Along with various country-specific and regional issues related to EIF, discussion about how the EIF process can support the greater Aid for Trade agenda and trade policy development were also held. Furthermore, experiences of the process of drafting of Diagnostic Trade Integration Study (DTIS) and implementation of EIF were shared. Following the workshop the Government of Nepal launched NTIS 2010, its updated version of DTIS.



The regional workshop was inaugurated by Hon'ble Vice Chairman of National Planning Commission Dr. Jagadish Chandra Pokhrel. Mr. Chandra Kumar Ghimire, Joint Secretary, Chief NIU and EIF Full Board Member welcomed the participants and highlighted on programme objectives. Opening remarks were delivered by Ms. Anne-Isabelle Degryse-Blateau, Country Director, UNDP Nepal, Ms. Dorothy Tembo, Executive Director, IFES, Mr. Purushottam Ojha, Secretary MoCS and IF Focal Point Nepal, H. E. Dr. Dinesh Bhattarai, Ambassador & Permanent Representative to the WTO, and Mr. Madhav Prasad Ghimire, Chief Secretary, Government of Nepal and Chair of EIF National Steering Committee.

Day 1: On the first day of the workshop, among other participants, Ms. Dorothy Tembo, Executive Director of IFES, highlighted the transition from IF to EIF in several countries; country experience on the implementation of IF was shared by representatives from Cambodia, Lao PDR, Maldives, Yemen, and Nepal; Ms. Lucia Bernal talked about trade mainstreaming and the EIF. Meanwhile, Ms. Christiane Kraus of IFES talked about emerging good practices for DTIS and pre-DTIS project guidelines, and Mr. Shiv Raj Bhatt, EIF Programme Manager at MoCS, shared recent experiences related to NTIS 2010 formulation. Other parallel sessions during the workshop focused on sharing country experiences of trade mainstreaming and coordinating. Mr. Jean-Francois, UNOPS highlighted the role of the Trust Fund Manager. Ms. Masoumeh Sahami, UNCTAD chaired the session on trade mainstreaming and the EIF. Similarly, Ms Maika Oshikawa of the WTO chaired the session on how to ensure ownership and a platform for implementation of EIF, and Ms Lucia Bernal of the

UNDP chaired a session on current experiences on trade mainstreaming and coordination efforts.

Day 2: The issues discussed on the second day of the workshop include Tier 1 and Tier 2 projects, monitoring and evaluation framework (M&E), plans for the diagnostic phase, and EIF



Programme. Various participants talked about guidelines and approval processes and challenges for implementation of Tier 1 projects. Furthermore, participants also discussed about the guidelines, programmatic approach and approval process of Tier 2 projects. Strategies to involve the private sector and challenges of sectoral prioritization were also deliberated. Mr Mani Ratnasabapathy of UNOPS chaired a session on Tier 1 projects while Ms Christiane Kraus gave a presentation on guidelines and approval processes. Similarly, Mr Lalith Goonatilake of UNIDO chaired a session on Tier 2 projects while Ms Krause gave a presentation on guidelines, programmatic approach and approval processes. Dr. RD Singh, Hon'ble Member of National Planning Commission chaired a session on monitoring and evaluation framework while Ms Sheelagh O'Reilly of PARC gave a presentation on the same issue and Mr Adel Alghabiri of Yemen's EIF Focal Point shared experience with implementing the M&E for the Tier 1 project.



Day 3: On the last day, issues such as challenges of trade integration in the Asia region, Aid for Trade (AfT) agenda in Asian LDCs, and the role of EIF agencies were discussed. Mr Purushottam Ojha, Secretary at MoCS, the GoN, chaired a session on challenges of trade integration in Asia, while Ms Maika Oshikawa of the WTO gave a presentation on the challenges of WTO participation and accession for Asian LDCs, Mr Amer Durrani of the World Bank talked about challenges in trade facilitation and Ms Shamika Sirimanne of UNESCAP talked about challenges for regional integration.

EIF Activities in Nepal

Trade Mainstreaming in Development Plans

NECTRADE/MoCS organized an interaction program on 'Trade Mainstreaming in Development Plans and Sector Policies' on August 23, 2010. Mr. Purushottam Ojha, Secretary at MoCS, gave a presentation about the what, why and how of trade mainstreaming in Nepal. Dr. Ram Dev Singh, Honorable Member of NPC, commented on Mr. Ojha's presentation. The session was chaired by Mr. Madhav Prasad Ghimire, Chief Secretary of the Government of Nepal. Meanwhile, Mr. Chandra Kumar Ghimire, Joint Secretary at MoCS, gave a presentation about aid for trade and



implementation in Nepal. Mr. Krishna Hari Baskota, Revenue Secretary at Ministry of Finance, chaired the session and Dr. Pushkar Bajracharya, Honorable Member of NPC, Commented on Mr. Ghimire's presentation. The program was chaired by Dr. Jagadish Chandra Pokharel, Honorable Vice Chairman of NPC. Mr. Shiv Raj Bhat, EIF Programme Manager, delivered a vote of thanks note.

Role of Private Sector in NTIS Implementation

Along with the participation of representatives from key business organization, including commodity associations, bi-lateral chambers, high level government officials, and the media, NECTRADE/MoCS organized a workshop titled 'Role of private sector in NTIS implementation' on August 20, 2010. The objective of workshop was to initiate the process of engaging business community in the implementation of NTIS 2010. Against the backdrop of declining exports and low diversification of export basket, the Government of Nepal (GoN) launched Nepal Trade Integration Strategy (NTIS) 2010. The NTIS charts a possible course for the development of the country's export sector over the next five years together with possible capacity development actions and selected short-to-medium term priorities that are supportive of "inclusive growth". Along with the involvement of other stakeholders, the private sector's role in effectively implementing NTIS 2010 is crucial for its success.



IP & Branding Process and Practices: Role in Export Promotion

Highlighting the need to raise more awareness about the complex issues related to intellectual property rights, branding and trademark of Nepali products in order to successfully market them in the international market, NECTRADE/MoCS, in collaboration with Nepal Pashmina Industries Association (NPIA), organized a workshop on 'IP & Branding Process and Practices: Role in Export Promotion' on October 27, 2010 in Kathmandu.

"The protection of trademarks and efficient branding are vital for the growth of domestic industries and their success in the international market," said Mr. Purushottam Ojha, Secretary at MoCS, who chaired the workshop. He opined that with the existing structure of IP regulations at the global level, MNCs have been the main beneficiary, and that the benefit of IP is unevenly distributed between developed and developing countries.

Informing the participants about the purpose of the workshop, Mr. Shiv Raj Bhatt, EIF Program Manager at NECTRADE/MoCS, said that it is very important to generate awareness about IP and branding issues as this will have bearing on Nepali exports and its success in the international market.

Branding and protection of trademarks are two of the issues that

have negatively affected the Nepali carpet sector. To avert similar fate in the pashmina industry, NPIA has been vigorously working to register its trademark, Chyangra Pashmina, in several destination countries. It has already registered this trademark in 38 countries and is in the process of doing so in eight more countries.



Mr. Govinda Prasad Subedi, Director at Department at Industry, shed light on issues related to IP laws and procedures in Nepal. Since IP and branding are complex and at the same time important for the success of domestic industries, he suggested for the establishment of an autonomous government entity solely dedicated to resolving IP related issues.

Emphasizing various essential introductory issues related to IP in the international front, Ms. Hannah Lawson, an international IP lawyer, presented an overview of the types of trademarks Nepali producers can take advantage of. Furthermore, Ms. Rebecca Ordish, another international IP lawyer and an expert working closely with NPIA, talked about the ways to building and protecting brands. Successful branding strategy involves creating and protecting brand, creating brand awareness, enforcing and protecting brand, and regular brand monitoring and renewals.

EIF Activities in Nepal

GoN and DP's Consultation Meeting on EIF and NTIS Implementation

On November 1, 2010, the Ministry of Commerce and Supplies (MoCS) organised a consultation meeting with development partners (DPs) with an aim to seek donors' assistance in the implementation of recommendations of NTIS 2010. The consultation meeting was chaired by Hon'ble Dr. Jagadish Chandra Pokharel, Vice Chairman of the National Planning Commission (NPC).

Welcoming representatives of local development partners Mr. Purushottam Ojha, Secretary at MoCS and EIF Focal Point in Nepal, expressed gratitude to all DPs. Particularly, while thanking the UNDP for being extremely supportive as EIF Donors Facilitator and for its engagement in trade promotion for almost a decade, he expressed hope

that the UNDP will continue to assist Nepal in the coming days too. Furthermore, he thanked all development partners for their support and engagement in the preparation of Nepal Trade Integration Strategy (NTIS) and requested them to continue their support in its implementation as well.

Mr. Chandra K. Ghimire, Joint Secretary and Chief of EIF National Implementation Unit (NIU), presented a paper "*Why and How Development Partners Should Support Implementation of NTIS*". He requested the DPs to commit to NTIS implementation and for selection of a new Donor Facilitator (DF) to support the process of NTIS implementation. Due to a lack of funding and technical resources for the implementation of NTIS, the UNDP, which has been acting as a DF until now, asked the government to find a new DF.

In response to Mr. Navin Dahal's, from DFID, suggestion that the Government of Germany (GoG) assume the responsibility

of DF in Nepal as it is already working closely with the MoCS on new trade related issues Mr. Udo Weber from the Embassy of Germany stated that the GoG is ready to accept the responsibility of DF and committed to promote trade and the implementation of NTIS for next three to five years. With unanimous consent, the GoG was selected as the new EIF Donor Facilitator in Nepal.

With unanimous consent, the Government of Germany was selected as the new EIF Donor Facilitator (DF) in Nepal.

Ms. Anne-Isabelle Degryse-Blateau, Country Director of UNDP and DF in Nepal thanked the GoN for a decade long partnership with UNDP on various areas, including trade promotion. She expressed hope that the UNDP would be able to engage in trade promotion in the days ahead.

Dr. Pokharel requested DPs to continue supporting enhancing Nepal's trade capacity as it is one of the crucial instruments for poverty alleviation. He hoped that such effort would help coordinated delivery of aid for trade and trade-related technical assistance.

Mr. Hisanobu Shishido from the World Bank, Ms. Albena Melin from IFC, Mr. Navin Dahal from DFID, Mr. Matti Vaananen from Embassy of Finland, Mr. Rik van Keulen from Netherlands Development Organization (SNV), Mr. Yubraj Acharya from ADB, Mr. Udo Weber from Embassy of Germany and Philipp Kruschel from GTZ highlighted trade related programmes of their respective agencies and reiterated that trade and economic development agendas are included in their country assistance programmes. They also expressed solidarity and commitments to support Government of Nepal in various ways for EIF process and NTIS implementation.

Sensitization Workshop for WTO Focal Points

NECTRADE/MoCS organized 'A Sensitization Workshop for WTO Focal Points' on August 6, 2010. The workshop helped to clarify key issues related to trade coordination, promotion and capacity building. Mr. Chandra Kumar Ghimire, Joint Secretary at MoCS, gave a presentation about the WTO and role and responsibilities of WTO Focal Points in line agencies. Mr. Achyut Raj Sharma, Under Secretary at MoCS, gave an overview of trade policy and its reviews in Nepal. Furthermore, Mr. Jib Raj Koirala, Under Secretary at MoCS, gave a brief overview of EIF and Tier 1 Project. The workshop was attended by around 30 government officials from different ministries, departments and agencies.

GoN & GTZ Signed Project Implementation Agreement

Government of Nepal (GoN), Ministry of Commerce and Supplies signed a project implementation agreement with German Agency for International Cooperation (GTZ) on 31 December 2010. The project - **Supporting Nepal's WTO Accession (WTO-SP)** - designed to assist the Government of Nepal in implementation of WTO commitments, value chain development of select priority export sectors and awareness on WTO issues, among others. The overall aim of the project is to improve the capacities of the GoN, the private sector and service providing organizations, to strategically use and implement WTO commitments. In addition, the project will contribute to an enhanced business environment

To be continued on page 7

EIF Activities in Nepal

Nepal has undertaken significant policy initiatives to make its economy competitive in the international market. In an attempt to broaden and diversify its economic and trading structures, Nepal became a member of the World Trade Organization (WTO) and also joined two regional trading arrangements (RTAs), namely South Asian Free Trade Agreement (SAFTA) and Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) Free Trade Area. Nepal has also signed various bilateral trade agreements.

Despite joining multilateral and regional trade blocs, exports have not been satisfactory yet. The dismal performance can be partially attributed to a lack of supply capacities. To overcome this constraint, the global community needs to join hands and support Nepal's initiatives to develop its trade so as to contribute to the national development process, reduce poverty and create sustainable gainful employment opportunities. Effective and efficient utilization of resources, including trade related technical assistance (TRTA) is necessary to build supply capacities. Many development partners (e.g. ADB, DFID, EC, Finland, GTZ, ITC, IFC, UNDP, UNCTAD, UNIDO, UNESCAP, World Bank, etc) are engaged in Nepal's trade related capacity building and private sector development activities. However, effective and well coordinated mobilization of TRTA is still a key challenge for the Government of Nepal (GoN).

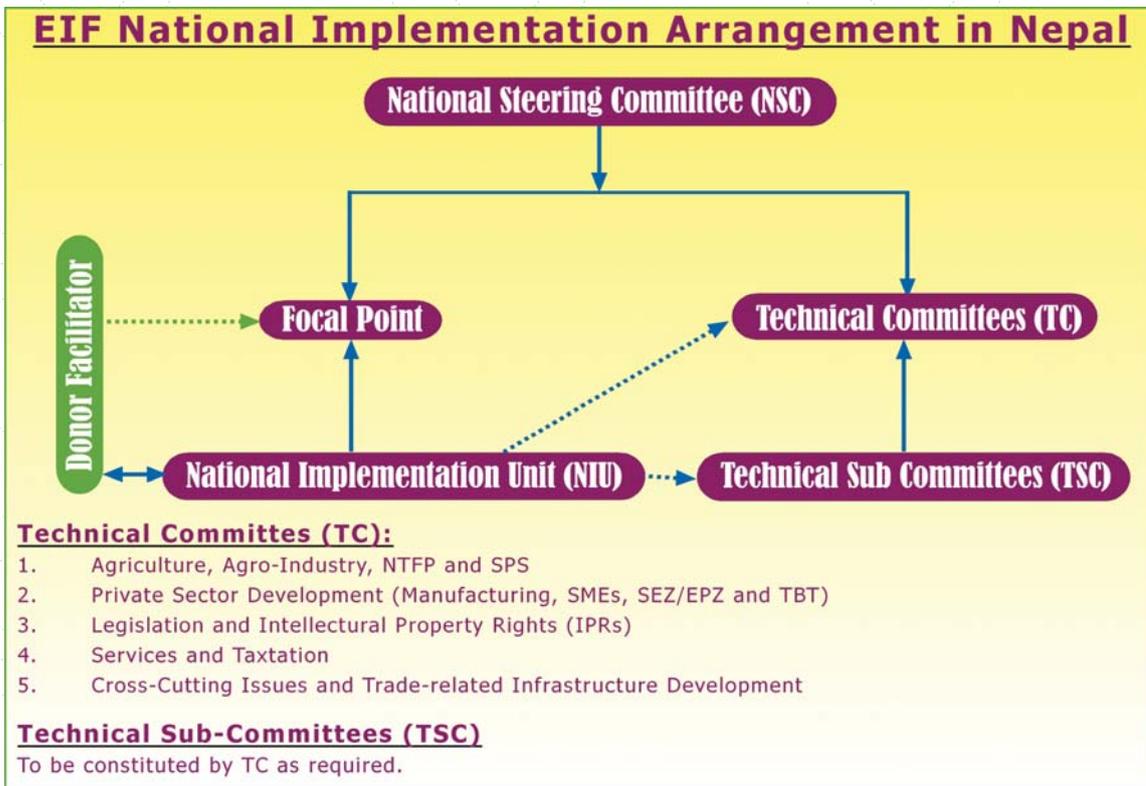
For effective and well coordinated mobilization of TRTA, the GoN prepared Nepal Trade and Competitiveness Study-NTCS (also known as DTIS) in 2003 and owned its recommendations for implementation in close cooperation with the IF Working Group (IFWG). Accordingly, to implement the NTCS recommendations, the GoN created an 'Integrated

Framework Steering Committee' (IFSC) and a Local Project Appraisal Committee (LPAC) to finalize the project proposals approved by the IFSC and forwards them to development partners (DPs) for implementation.

The GoN received assistance from Integrated Framework Trust Fund (IFTF), under Window I and Window II. Window I fund was utilized for training, conference and seminar participation, study tour and knowledge sharing. It was also used for the establishment of National IF Secretariat at MoCS and necessary logistic support for the secretariat. Window II fund was utilized to assist the Government of Nepal for enhancing institutional capacities, improving trade facilitation, strengthening of SPS/TBT/TRIPS enquiry points, and establishing an export financing mechanism. In addition the fund was utilized to conduct pre-feasibility studies for alternative transit routes, explore new areas of Nepal's export potential, private sector development and policy updates, DTIS updating and institutional capacity assessment, among others.

In general, the NTCS implementation status does not show satisfactory progress. Lack of resources, both financial and human, is the main obstruction for the unsatisfactory implementation of NTCS. It was thus realized to update DTIS and establish a implementation mechanism to achieve the objectives/actions of the updated DTIS.

In above background, Nepal Trade Integration Strategy (NTIS) 2010 was prepared by the government of Nepal. The strategy identified 19 products and services with export potentials and suggested appropriate institutional arrangements/mechanism to mobilize resources (human, technical and financial), including trade related technical assistance- TRTA.



Donors' Commitment Sought in WTO Meet

Least Developed Countries (LDCs), including Nepal, under the World Trade Organization (WTO) have urged donor communities to incorporate trade development agenda in their national policies. total of 47 LDCs across the country are associated with WTO - the multilateral trade system.

The third meeting of Enhanced Integrated Framework (EIF) of LDCs held in Geneva also sought cooperation from WTO to pressurize donors in prioritizing the policy of facilitating least developed countries in enhancing their trade.

"WTO officials have assured us that they would direct donors to boost their assistance for building capacity of LDCs," said Chandra Kumar Ghimire, joint secretary at Ministry of Commerce and Supplies (MoCS).

He also informed Republica that the participating LDCs have also expressed commitment to include the policy of enhance trade in their policy.

Under the WTO's EIF, a total of 15 LDCs have been selected for Tier-1 facilities under which the countries get assistance for building capacity in research, training and market analysis to enhance access of their products to international market.

"After EIF Tier 1, we are now entering the Tier 2 framework under which we can get support from donors on infrastructure development to strengthen our capacity to expand trade in international market. So, we are in the process of selecting projects under Tier 2," Ghimire added. (Source: Republica)

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by enabling the government and private sector stakeholders to strategically use and implement WTO rules and commitments and use this improved business environment to put into place product differentiation strategies. It is agreed that the Government of the Federal Republic of Germany shall provide the Euro600,000 (Six Hundred Thousand Euros) for implementation of the project.

The project will focus on the three main areas of support: (i) strengthening capacity of WTO related agencies in Nepal to implement WTO commitments, (ii) fostering effective coordination between public sector and business community and (iii) strengthening capacity of private sector and service providing organisations to upgrade selected value chains by introducing new marketing strategies, such as certification, trademarks or geographical indications. The project will assist the Planning and International Trade Cooperation Division (PITCD) within MoCS to establish a monitoring system to fulfil WTO commitments. Various line ministries/departments and agencies are responsible for implementation of WTO agreements, therefore, project activities will include concerned agencies with the aim to increase understanding on obligations and commitments.

In addition, the project will assist the business community and their main business service providing agencies in understanding the pros and cons of different options for product differentiation (such as labelling, certification, branding and geographical indications). Support measures will comprise stakeholders from specific value chains. Action plans for the implementation of TRIPS/TBT activities as suggested by

WTO Launches New TRTA Database

A new database aimed at sharing information on trade-related technical assistance was launched by the WTO on 18 November 2010 at a ceremony attended by Director-General Pascal Lamy and senior officials of other trade-related agencies.

The Global Trade-Related Technical Assistance Database (GTAD) has been developed to ensure a coordinated approach to the design and implementation of technical assistance programmes among partner agencies, beneficiaries and donors. displaying the future technical assistance activities of partner agencies, the database will help to reduce the duplication of activities and enhance the efficiency of their delivery.

The data base features information from the WTO, the Enhanced Integrated Framework (EIF), the Standards and Trade Development Facility (STDF), the International Trade Centre (ITC), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Industrial Development Organization (UNIDO) and the Organisation Internationale de la Francophonie (OIF). Other agencies have equally expressed an interest to join, e.g. the World Intellectual Property Organization (WIPO).

(Source: WTO)

Nepal Trade Integration Study (NTIS) action matrix will be taken into consideration.

The project will also foster Public-Private Dialogue mechanism. To this end, multi-stakeholder discussions will be organized in order to increase awareness among the stakeholders. The discussion will bring closer all the players in society through the exchange of views among themselves. It also enables stakeholders, including civil society and producer groups, to jointly develop options for concrete follow-up activities and flanking measures to be implemented by the government. All activities will be linked closely to the NTIS 2010.

ITC Mission Visited Nepal

A mission from International Trade Center (ITC), Geneva visited Nepal during November 28 – December 3, 2010. The mission team comprises Mr. Pablo Moro, Mr. Tobias Schiedermaier and Bastian Bijl. The Government of Nepal requested ITC to help Nepal in following areas: (i) Strengthen trade negotiation capacity of the government to ensure/enlarge market access opportunities for Nepal's priority export potential products, (ii) Strengthen the export capacity of select 'inclusive' export potential sectors as identified in NTIS 2010, and (iii) Enhance the capacities of Trade Support Institutions.

The team interacted with various government agencies, including MoCS, Ministry of Agriculture and Cooperatives and TEPC as well as private sector organizations, including FNCCI, Nepal Pashmina Producers' Association and Himalayan Orthodox Tea Producers' Association, among others. The mission team worked closely with EIF National Implementation Unit (NIU) and prepared a draft concept note defining preliminary scope of work and areas to be concentrated by ITC in Nepal in coming days.

Sectors with Export Potentials (NTIS 2010)

Agro-Food

- 1 Cardamom
- 2 Ginger
- 3 Honey
- 4 Lentils
- 5 Tea
- 6 Noodles
- 7 Medicinal & Essential Oils

Craft and Industrial Goods

- 8 Handmade Paper
- 9 Silver Jewelry
- 10 Iron and Steel
- 11 Pashmina
- 12 Wool Products

Services

- 13 Tourism
- 14 Labor Services
- 15 IT & BPO Services
- 16 Health Services
- 17 Education
- 18 Engineering
- 19 Hydro-electricity

Other Export Potential Sectors

- 20 Transit Trade Services
- 21 Sugar
- 22 Cement
- 23 Dairy Products
- 24 Transformers

NTIS 2010 in the Media



Government of Nepal (GoN)
Ministry of Commerce and Supplies (MoCS)
Kathmandu
2010

Nepal Trade Integration Strategy (NTIS) 2010 shows out of 19 export potential products, there are seven commodities under the agro-food sector [...]. The socioeconomic impact of most of these products has been quite high. [...] in addition to the seven agro-food items identified in NTIS, there are other products growing quite fast in Nepal that needs to be supported through technical and financial assistance."

- Professor Bishwambher Pyakuryal, *Republica*, December 29, 2010

"The NTIS, based on results approach, can be taken as "a constitution" for integrating trade into the international and global markets. It demands coordinated efforts to provide the necessary support to make these products and services more competitive in the global market."

-Mina Aryal, *The Kathmandu Post*, June 20, 2010

"NTIS 2010 is probably one of the most clear-cut reports so far that delves into product level analysis to identify promising exportable products and market destinations for them. [...] NTIS 2010 is an important contribution to steer the exports sector in the right direction. However, the job is not done yet. It has just begun."

- Chandan Sapkota, *Republica*, July 3, 2010

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Nepal Enhanced Capacities for Trade and Development (NECTRADE), Supported by Enhanced Integrated Framework (EIF), World Trade Organization (WTO), Geneva.

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