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EUROPEAN ECONOMIC CHAMBER OF TRADE, COMMERCE AND INDUSTRY (EEC) - NEPAL

युरोपियन आर्थिक, ब्यापार, बाणिज्य तथा उद्योग संघ नेपाल



Ditya Mani Rajbhandari

From the desk of **EEC-N President**

The time has come for us to embark upon economic revolution of the country to meet the aspirations of our people who for years have been economically subdued and yearning for a decent life to lead. In order to break the poverty cycle there is a requirement to change politico-economic structure by focusing more on overall economic, human and social enrichment.

European Union is one of our largest trading blocks, donors for development, suppliers of technology and trade facilitators for development of our beloved country. As I always say **“BELIEVE IN TRADE than in AID”**...we would be better off if we can increase our trade and foreign direct investment with the EU by many folds as we have so much to offer in terms of our tourism, hydropower, infrastructure, communication, industrial products so on and so forth. These are only possible if we, the Nepalese are, honest and sincere to work towards the development of the country.

Till 1950 Nepal due to autocratic rule, Nepal was isolated without adequate education, health, and infrastructure. Between 1951 till 1990 socio-economic development was very sluggish. The country has, however, made progress towards sustainable economic growth since then especially after 1990 with its policy on economic liberalization but has been overshadowed by politico-economic crisis due to internal conflict and growth was not able to sustain for much.

However, in order to raise the economic standard of the people, I believe that inspite of instability in politics, we all in Nepal, in cooperation of the European Union should give priority to following sectors with immediate effect:

1. Energy
2. Industrial infrastructure / Investment
3. Technology development
4. Tourism
5. Human resource development
6. Trade facilitation and capacity building

If concentrated efforts are made on above mentioned sectors, there is tremendous potential that Nepal will prosper in short span of time. EU's effort to encourage European Development Bank to invest in development activities in Nepal would be welcome gesture as we will be able to meet the UN's Millennium Development Goals (MDG) by 2015.

In order to strengthen socio-economic ties between Nepal and the European Union, it was inevitable to establish this chamber in 2005. The Chamber endeavors to be a facilitator for all those who are involved in economic activities and private sector development of Nepal and Member States of the European Union & other European countries.

Our strength as an organization mirror our endeavors in bringing together diverse skills, experiences, culture, and perspectives in pursuit of a greater goal. We are optimistic in providing realistic solutions and information on various resources to support sustainable development and economic growth in the context of national priorities, making our visions of a better tomorrow come alive.

We have tried our best to give through this publication as much information as possible to our Nepalese colleagues on the workings and formation of the European Union. Besides, we have also mind boggling articles from the experts as to what the Europeans would gain by investing in Nepal. I am optimistic this publication will facilitate Nepal Investment Year 2012 where the government is trying to sell Nepal as a perfect country for foreign direct investment.

My sincere gratitude to all those who have supported the chamber over the years, article contributors, sponsors, the secretariat and our Advisor, Pravakar Bickram Rana for making this annual publication possible and we hope to give the necessary continuation in years ahead.

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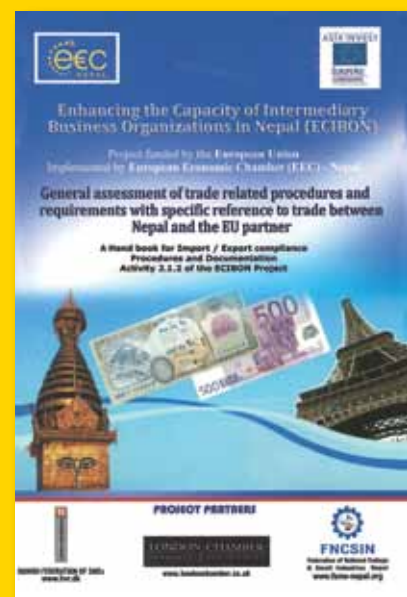
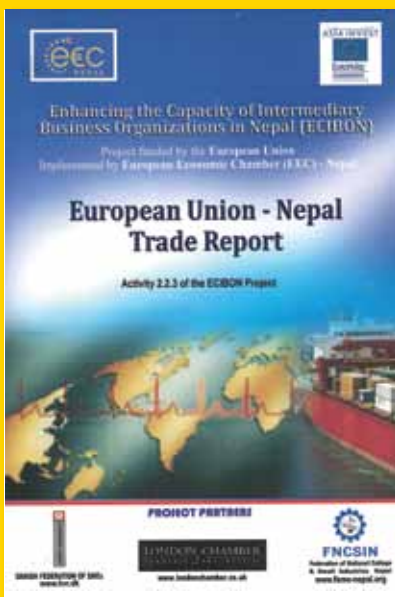
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युरोपियन आर्थिक, ब्यापार, बाणिज्य तथा उद्योग संघ नेपाल



Binayak Shah

Acknowledgement **EEC-N Secretary General**

It seems like yesterday but we have walked many miles since our establishment in 2005 to enhance and facilitate EU – Nepal socio-economic ties. The objective of publishing this annual publication is to highlight what Nepal can offer to the member States of the European Union in terms of economic and commercial interaction in general and foreign direct investment in particular. EU being our one of the largest trading blocks is in a unique position to help promote in mutual beneficial manner various economic sectors such as energy, tourism and other industrial activities in Nepal. It is true that the EU has invested a lot in development activities of Nepal, now; it is pertinent that efforts are to be made for the development of people centric and social oriented economic activities.

The small and medium enterprises (SMEs) dominate the Nepalese economy since they represent majority of the country's trade, industries, supply chains, retailing outlets, transport and farming. Therefore, the SMEs play a lead role in the overall economic development of least developed countries like Nepal. Its impact on the economy has been substantial as it creates employment even at low investments, leads to increased participation of indigenous people in the economy, uses local resources, promotes the creation and use of local skills and craftsmanship, generates technological innovations, achieves product value addition and commercialization, transfers marketing knowledge and provides skills and training at low cost to the society.

Apart from SMEs role in increasing production, employment and income opportunities, they play a significant role in diversifying and expanding the country's exports and contribute to foreign currency earnings. They provide a productive outlet for the entrepreneurial spirit of individuals and assist in the dispersion of business activity throughout the economy. The SMEs play a decisive role in transforming the economy from subsistence level to a modern and prosperous one. We, therefore, request the EU to support the Nepalese SMEs.

Through this publication we have tried to give as much information as possible on all member states of the EU, the formation of EU, comprehensive trade statistics between Nepal and the EU and pros & cons of trading with EU which I believe will come as a handy reference to our valued readers. On the other hand we have highlighted several areas where the Europeans would be interested to invest and do business in Nepal.

My appreciation goes to all the article contributors, sponsors, EEC-Nepal Secretariat and our advisor Mr. Pravakar Bickram Rana for their tireless effort in bringing out this annual publication which will certainly have a positive impact on the development of Nepal - EU economic and commercial interactions.



H.E. Dr. Alexander Spachis
Ambassador
Delegation of the European Union to Nepal

“More Resources, More Manpower and More Attention for Nepal”



His Excellency Dr. Alexander Spachis, Ambassador, Delegation of the European Union to Nepal has highlighted various aspects of EU-Nepal relationship.

On EU-Nepal relations in general.

EU-Nepal relations have come a long way since the bilateral cooperation started in 1977 with a modest funding of € 2.6 million for a livestock project. The EU has been working closely with the Government of Nepal and other stakeholders for many years now and continues to strive to become a trusted partner in key areas of development cooperation.

Today, the annual development cooperation support stands at around € 40 million. The EU as a whole – including the EU Delegation and the EU Member States – is the most generous donor of development aid to Nepal. Over the last four decades of EU Nepal cooperation there has been a significant increase in the volume of aid. The gradual increase in the amount of development cooperation funds to Nepal reflects the high priority that the EU has assigned to Least Development Countries (LDCs), such as Nepal.

For the period 2007-2013, the EU Delegation has chosen to focus its activities on three focal areas: Education; Stability and Peace Building; and, Trade Facilitation and Economic Capacity Building. In addition, the Delegation supports cooperation activities in non-focal areas such as poverty reduction, integrated rural development, human rights, and preservation of the culture of indigenous communities, environmental conservation and sustainable development, basic and primary

education, urban development, food security, economic capacity and migration amongst others.

The relations between the two partners are extremely good. They are being further consolidated through high level visits that are organized periodically. The EU has always stood as a trusted partner of Nepal and wishes to see that it succeeds in its efforts to move ahead for political and economic stability in the years ahead.

Ambassador Dr. Spachis provided his assessment and opinion on EU-Nepal relation in general and economic ties, Nepal’s peace process in particular.

On prospects and challenges in Nepal-EU economic ties.

Nepal-EU economic ties have been developed through a very cooperative framework, which started in the late seventies. More recently, the EU was an active supporter in helping Nepal to become the first LDC to become a member of the WTO in 2004. Today, the EU works to help Nepal fully integrate into the world economy by helping bring Nepal’s regulatory framework and exports in line with international norms and standards, especially with the EU. The country needs huge investments in order to build the New Nepal, and therefore some basic principles, such as political stability, good governance, accountability, transparency, etc., should become central drivers of the national strategy for inclusive economic growth.

As an LDC, Nepal is a beneficiary of the EU trade facility known as “Everything But Arms”, which means that all Nepalese products, except arms, can be exported to the EU duty free. Furthermore, since 2012 Nepal is able to access important amounts of concessional loans from the European Investment Bank, which will provide much needed capital to develop the country’s infrastructure. Social dimensions of the economic growth path, to which Nepal should pay critical attention, include the issues of gender balance, child labor and protection of the environment. Women and disadvantaged communities should be not only involved in the process of economic growth, but also full beneficiaries of the growth dividend. Children should be sent to school and not be working in workshops and factories. And production and consumption should be carried out with full respect of the environment.

On new assistance/ projects in the pipeline.

Currently, the EU Delegation is preparing a number of large programmes in the areas of education, elections, public finance management and trade and private sector development. The EU Delegation in cooperation with the Government of Nepal will also be engaging soon in a dialogue to prepare the next cycle of assistance 2014-2020. In addition to these initiatives, the EU Delegation is continuing to implement its annual programme of call for proposals targeting themes of strategic importance to Nepal.

On EU's assistance in Nepal's peace process.

The successful completion of Nepal's peace process is a necessary condition for the country's political, social, and economic development; that is why the EU has been, is, and will always be committed to helping the people of Nepal achieve durable peace.

Nepal is a part of the group of the world's Least Developed Countries (LDCs), which makes it a key target country for EU assistance. This is ever more true, as the EU gradually reduces its presence in certain (middle-income, stable) countries in order to focus on those with greater needs. Concretely, this means **more resources, more manpower, and more attention for Nepal.**

Nevertheless, I must underline that the EU's mission in the country

does not include actions directed to the peace process. At the core of the EU support lies the belief that it should **accompany** what must remain a **home-grown process**, it is for Nepalese to do it.

For the years 2012-2013, the EU Delegation to Nepal has devoted NPR 1.5-2.2 billion (€ 15-21 million) to its "**Stability, Peace Building and Governance**" focal area, making it its second largest after Education.

In addition to support given to the Election Commission, this also includes support to the **Ministry of Peace and Reconstruction** and the Peace Fund Secretariat in order to implement peace related projects and programmes, as well as to build capacity in the Government of Nepal's ministries that are important actors in the peace process.

Today, as the separate but intertwined peace and constitution drafting processes move forward, the EU is a major contributor to the Nepal Peace Trust Fund. As new challenges emerge in the future, the EU will once again work with **domestic and international partners** to help Nepal meet these challenges in a fair and balanced manner. Indeed, one of the EU's greatest assets in Nepal is its lack of distinctive interests, making it a measured partner.

The EU has begun outlining its plans for the post-2013 period. High up on the list one can find the promotion of democracy, the defence and respect of human rights, the promotion of good governance and the rule of law, all of which the EU sees as crucial vectors of stability and consequently as conditions for the successful completion of the peace process.

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- Tetsuko Kuronyang (UNICEF Goodwill Ambassador)



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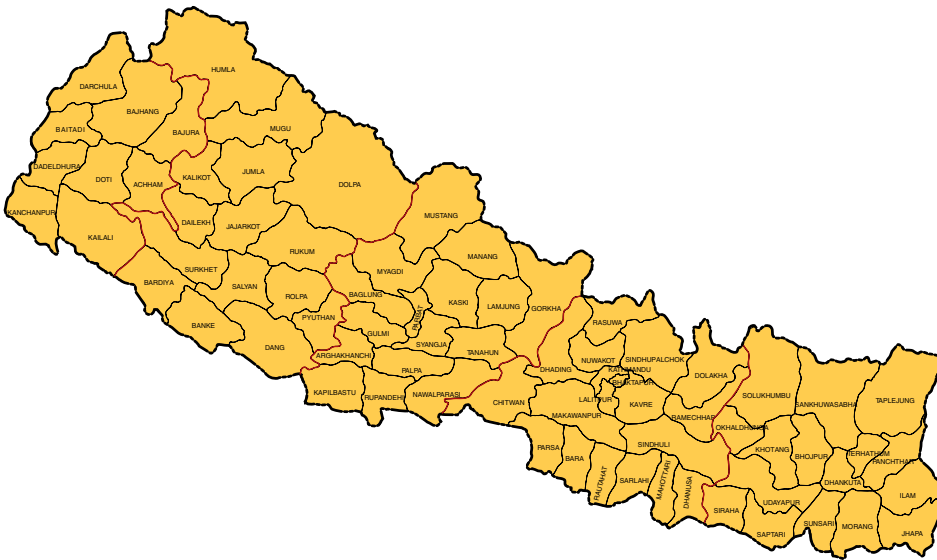
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Nepal at a glance



Federal Democratic Republic of Nepal is a landlocked Sovereign State. It is bordered to the north by the People's Republic of China and to the South, East, West by the Republic of India. Nepal is divided into 14 Zones and 75 Districts grouped into Five Development Regions.

Nepal became a member of United Nations in 1955 and has Diplomatic Relations with 133 foreign countries so far. Nepal has traditionally maintained a non-aligned policy and its foreign policy is to be guided by the principals of the United Nations Charter.

Nepal is also member of WTO, BIMST EC, SAFTA. & SAARC

Historic election in April 2008 led to abolition of centuries- old

monarchy. Maoist emerged as the largest parliamentary party after the election in April 2008. President is Head of State and Prime Minister is Head of Government.

Foreign aid is vital to the Nepalese economy. The principal source of foreign exchange is remittances & tourisms. The 80% population is engaged in the agricultural sectors.

Nepal has a rich geography with extraordinary natural resources & assets. Water & hydropower are Nepal's most important natural resources. There are about 45000 Km of rivers & streams & estimated power potential 83000 mega watts of which 50% are economically viable. Nepal has eight of the world's ten tallest mountains including the highest point on earth Sagarmatha (Mt. Everest 8848 m}.

Area: 147181 Sq.km. stretching 800 Km. from east to West and from 90 to 230 km. North to South.

Capital: Kathmandu. (Kathmandu Metropolitan city population 1006656 (2011))

Population: 266,20,809 (2011) (Male 12927431, Female 13693378)

Population growth: 2.25% per annum.

Urban Population: 17 % of the total population.

Economically active population: 42.76%

Population below poverty line: 40%

Life expectancy: 68 years (Men) 70 years (Women) (UN)

Literacy rate: 54.1%

GDP US \$: 15.1 billion (2011 IME)

GDP per head US \$: 536 (2011 IME)

Inflation: 10.5% estimate (2011 IME)

Natural resources: Water, Hydropower, Timber, Scenic Beauty

Agricultural Product: Rice, Corn, Wheat, Sugarcane, Root crops

Major Industries: Tourism, Carpet, Textile, Hamdicraft, Jute, Sugar, Cigarette, Cement, Brick production

Major Trading Partners: India 64%, EU 27 11%, US 7%, Bangladesh 7% China 3 % (WTO)

Religion: Secular state. (App. 80% Hindus and the rest is Buddhist, Muslim, Christian and others.)

Language: Nepali (Official language)

Currency: Nepali Rupee (EURO 1= Nepali Rupees 110.79

(May 1.2012)

International Domain: Np

International Dialing Code: + 977

Time-Local time: UTC + 5.45 hrs.

Nepal is the home of famous Lord Shiva Temple-the Pashupatinath Temple, where Hindus from all over the world come for pilgrimage. Likewise, in Kapilbastu district of Nepal, Lumbini where Siddhartha Gautama Buddha was born is also a Buddhist pilgrimage recognized by UNESCO as world heritage site.

Source: Central Bureau of Statistics & others.

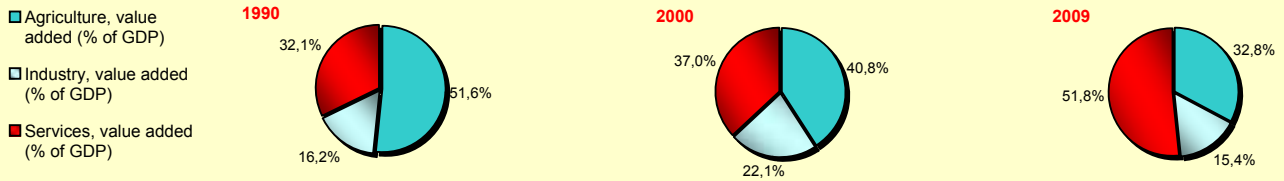
Nepal - Main Economic Indicators

Surface Area: 147,2 1000 sq km **
 Population: 28,2 Millions of inhabitants - 2010 (estimates after 2005) *
 Current GDP: 11,9 Billions of euros - 2010 (estimates after 2009) *
 GDP per capita: 420,4 Euros - 2010 (estimates after 2005) *

* : IMF (World Economic Outlook) *** : IMF (DoTS & WEO)
 ** : World Bank (World Development Indicators)
 **** : Trade-to-GDP ratio = (Exports + Imports) / GDP

		2007	2008	2009	2010	
Exports-to-GDP ratio:	5,0 % (2010) ***	Real GDP growth (% , estimates after 2009) *	3,4	6,1	4,4	4,6
Imports-to-GDP ratio:	23,4 % (2010) ***	Inflation rate (% , estimates after 2010) *	6,2	6,7	12,6	9,6
Trade-to-GDP ratio:	28,4 % (2010) ****	Current account balance (% of GDP, estimates after 2009) *	-0,1	2,7	4,2	-2,4

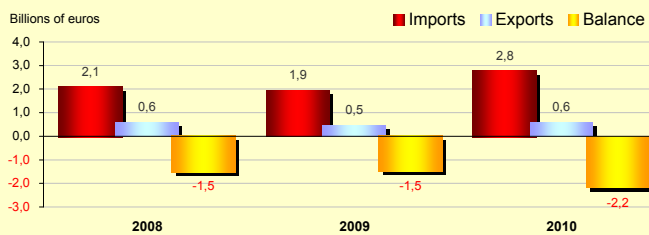
GDP BY SECTOR



Source: World Bank (World Development Indicators)

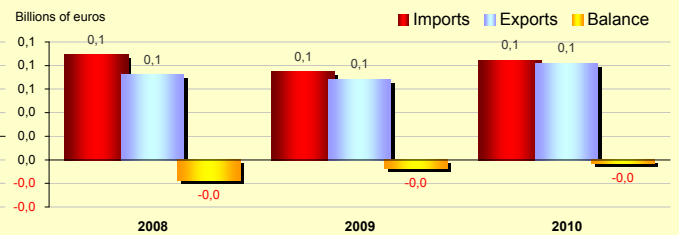
TRADE IN GOODS

NEPAL WITH THE WORLD



Source: IMF (Direction of Trade Statistics - DoTS)

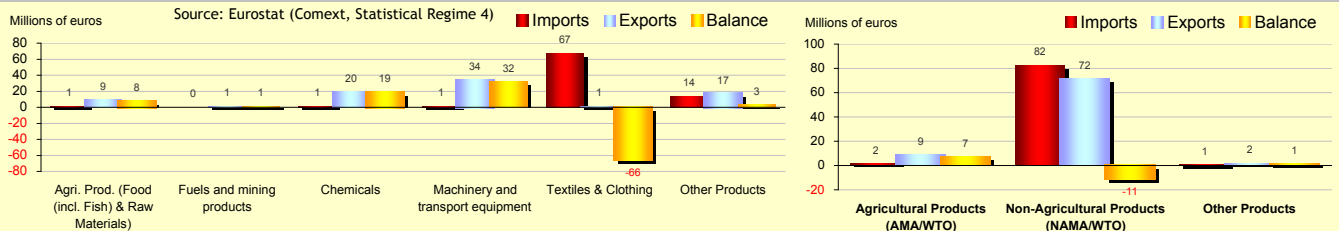
EU27 WITH NEPAL



Source: Eurostat (Comext, Statistical Regime 4)

% OF THE WORLD (excluding Intra-EU Trade)				% OF TOTAL EXTRA-EU27			
	2008	2009	2010		2008	2009	2010
Imports	0,0%	0,0%	0,0%	Imports	0,0%	0,0%	0,0%
Exports	0,0%	0,0%	0,0%	Exports	0,0%	0,0%	0,0%

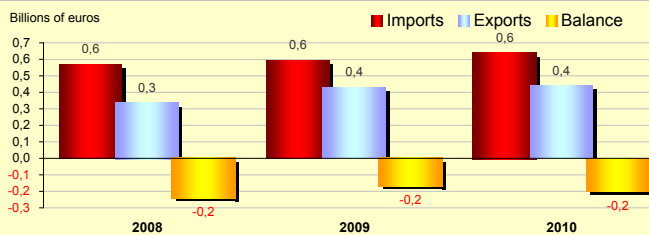
EU27 MERCHANDISE TRADE WITH NEPAL BY PRODUCT (2010) - SITC* (UN, WTO/ITS) & AMA/NAMA (WTO) BREAKDOWNS



* SITC Rev. 3: Agri. Prod. (Food incl. Fish) & Raw Materials): 0, 1, 2, 4, excl. 27, excl. 28; Fuels and mining products: 3, 27, 28, 68; Chemicals: 5; Machinery and transport equipment: 7; Textiles & Clothing: 65, 84

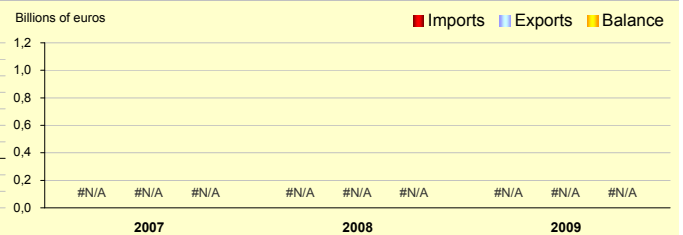
TRADE IN COMMERCIAL SERVICES (SERVICES EXCLUDING "GOVERNMENT SERVICES")

NEPAL WITH THE WORLD



Source: World Trade Organisation

EU27 WITH NEPAL

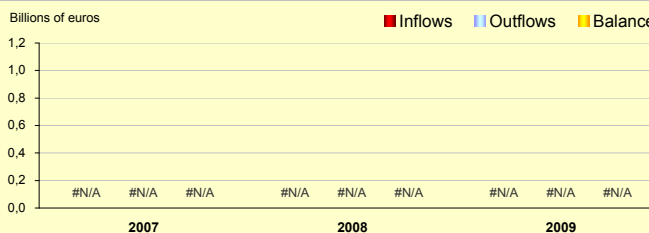


Source: Eurostat (NewCronos)

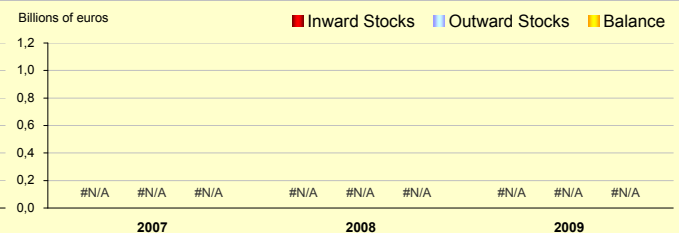
% OF THE WORLD (excluding Intra-EU Trade)				% OF TOTAL EXTRA-EU27			
	2008	2009	2010		2007	2008	2009
Imports	0,0%	0,0%	0,0%	Imports	-	-	-
Exports	0,0%	0,0%	0,0%	Exports	-	-	-

FOREIGN DIRECT INVESTMENT

EU27 FDI WITH NEPAL



EU27 STOCKS OF FDI WITH NEPAL



Source : Eurostat (New Cronos)



NEPAL'S ORIGINAL TASTE

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About European Economic Chamber (EEC)-Nepal

European Economic Chamber of Trade, Commerce and Industry – Nepal (EEC-Nepal) established in Kathmandu, Nepal was formally registered with the Government of Nepal, Central District Office, Kathmandu on 7 March 2005 (2061/11/24), registration number 455/061/062.

EEC-Nepal's strength as an organization mirrors the endeavors in bringing together diverse skills, experiences, culture, and perspectives in pursuit of a greater goal.

The chamber has also been registered with Social Welfare Council to give due status of NGO to support social activities in the country.

Objectives

To strengthen socio-economic ties between Nepal and the member states of the European Union.

The Chamber endeavors to be a mediator between partners in the Internal Market and the Member States of the European Union and other European countries to enhance the business and social interactions between Nepal and European countries.

Goal

EEC-Nepal is optimistic in providing realistic solutions and information to develop human, natural and cultural resources to support health care provisions, safe environment, sustainable development and economic growth in the context of national priorities, making our visions of a better tomorrow come alive.

Mission Statement

Be Nepal's key business forum for information

- Contact with the European Union.
- Networking between European and Nepalese business and people.

Vision Statement

To become the most widely recognized organization between EU and Nepal

- For the promotion of commercial activities between Nepal and the European Union.

Services

- Organizing workshops
- Export / Import matchmaking
- Arranging visits of delegations of Nepalese companies to EU
- Inviting and hosting delegations of companies from the EU
- Coordinating information exchange between companies for technology transfers
- Providing statistical data on Nepal - European Union trade
- Conducting training programs
- Disseminating information on EU legislations such as anti - dumping, safety requirements, and other compliances
- Organising and / or helping Nepalese companies participate in International exhibitions

Role of EEC-Nepal

- Working as a business information pull for Nepalese and European SMEs.
- Arrange matchmaking event Between Nepalese and European SMEs
- Encourage and motivate Nepalese SMEs to participate in European Trade fair and Business conference.
- Promote Nepalese SMEs and their product in EU market.
- EEC-N recognizes and appreciates the concept of fair trade.
- Promote joint Investment. (In comparative advantages sector for joint investment)

Our Strength

Writing grant application for EU and other donor agency funded projects for the benefit of Small and medium enterprises and implementing them to the satisfaction of all the stake holders. EEC-Nepal has completed two projects funded by the European Union under Asia Invest program of the European Commission mainly Enhancing the Capacity of Business Organizations in Nepal (ECIBON) and European-Asian Integration in Sustainable Tourism Management (ASIAN-TOUR). Both projects were related to capacity Building of the Nepalese Intermediary Business organizations (IBOs) & Small and Medium Enterprises (SMEs) in all 75 districts of Nepal.

Strategic partners:

1. The Danish Federation of Small and Medium-Sized Enterprises (DFSME), Denmark London Chamber of Commerce and Industry (LCCI), Great Britain
2. Consorzio MIB School of Management, Italy
3. INFORMEST – Service and Documentation Centre for International Economic Cooperation, Italy
4. University of Primorska, Science and Research Centre of Koper, Slovenia
5. Mongolian Association for the Conservation of Nature and Environment, Mongolia
6. Mongolian National Chamber of Commerce and Industry, Mongolia
7. Trade & Tourism Promotion Center of Thai Nguyen Province, Vietnam
8. Federation of National Cottage and Small Industries Nepal (FNCSIN)
9. Baglung Chamber of Commerce and Industry
10. Nepalgunj Chamber of Commerce and Industry
11. Itahari Chamber of Commerce and Industry
12. Nuwakot Chamber of Commerce and Industry
13. Darchula Chamber of Commerce and Industry
14. Nepal Carpet Exporters Association
15. Nepal Coffee Producers Association
16. Floriculture Association Nepal
17. Rupandehi Industry Association
18. Lalitpur Handicraft Association

Networking:

EEC-Nepal has excellent relationship with well over 70 European / Asian Intermediary Business organizations (IBOs) and well over 102 Nepalese IBOs who are more than willing to partner with EEC-Nepal in any EU funded projects in the future.

Executive Committee Members of EEC-Nepal (2009-2012)



Mr. Dibya Mani Rajbhandari
President



Mr. B.K. Shrestha
Vice President



Mr. Bholu Thapa
Vice President



Mr. Binayak Shah
Secretary General



Mr. Upendra Poudyal
Treasurer

Executive Members



Ms. Laxmi Sharma



Ms. Urmila Shrestha



Mr. Rajan Sharma



Mr. Sramanendra B.
Shrestha (Subu)



Mr. C.P. Khetan



Mr. Bikrum Pandey

Profile of EEC-Nepal Member Organizations



Across The Himalayas Treks Pvt. Ltd.

Thamel, Kaldhara, Kathmandu, Nepal
P.O.Box: 3060

Tel: +977-1-4360650/ 4385508 ;

Fax: 4358448

E-mail: wangchhu@mail.com.np ;

acrosshimalayas@mail.com.np

www.mountkailashtour.com, www.

acrossthehimalayas.com

Major Business Activities:

Tours & Treks Organizer/Operator

Business Relation with EU:

Foreign Collaborations:

China, Tibet, Nepal, Sikkim, Bhutan, Ladakh and India

Represented by: Mr. Wangchhu Sherpa, Director



Beesants Trading Pvt. Ltd.

JDA Complex 2nd Floor, Baghdubar, Sundhara, Kathmandu, Nepal

P.O.Box: 1624

Tel: +977-1-4247880/ 4221416 ;

Fax: 4233659

E-mail: Krishna.kayestha@beesants.com info@beesants.com

Major Business Activities:

Trading of Printing machine and their spare parts

Business Relation with EU:

Foreign Collaborations: Heidelberg Germany, Heidelberg India

Represented by: Mr. Krishna Kayestha, Chairman of Board



Airport Hotel

Sinamangal, Kathmandu

P.O.Box: 1095

Tel: +977-1-4112636/ 37/ 38/ 39

Fax: 4462975

E-mail: binayak.shah@airporthotel.com.np

Major Business Activities:

Hotel

Business Relation with EU:

Hotel

Foreign Collaborations:

Represented by: Mr. Binayak Shah, Managing Director



Business Advantage Pvt. Ltd.

Narayanchour, Naxal, Kathmandu, Nepal

P.O.Box: 3765

Tel: +977-1-4434587/ 4432940/ 4433058

Fax: 4433058/ 4432940

E-mail: mail@advantage.com.np ;

subu@advantage.com.np

Major Business Activities: All Marketing Communications related 'Above The Line' and 'Below The Line' activities in Nepal. Won the 'Agency of the Year 2012' of Nepal.

Business Relation with EU:

Foreign Collaborations: JV in BTL with Windmill Advertising, Bangladesh

Represented by: Mr. Sramanendra B. Shrestha, Director



Alliance Insurance Co. Ltd.

Tinkune, Kathmandu

P.O.Box: 10811

Tel: +977-1-4499220/4499226/ 4499655

Fax: 4499647

E-mail: info@allianceinsurance.com.np

aic@wlink.com.np

Major Business Activities:

Various non-life insurance business viz Fire, Motor, Marine & Miscellaneous

Business Relation with EU:

Foreign Collaborations: Reinsurance treaty arrangement with reinsurers in U.K, India, Africa, Kuwait, Thailand & Mauritius

Represented by: Mr. Yugesh B. Shrestha, Chief Executive Officer



Delta Core Pvt. Ltd.

Baneshwore, Kathmandu, Nepal

P.O.Box: 4212

Tel: +977-1-4488622 ; Fax: 4490366

E-mail: deltacoresid@gmail.com

Major Business Activities: Trading, Core Competence: under taking Government Contract through competitive bidding, Value Addition Representative Business and Liason.

Business Relation with EU:

Energy, Transmission/Distribution, Security Printing, Telecommunication, Defense, Law Enforcement.

Foreign Collaborations:

Represented by: Mr. Siddhartha Raj Pandey, Executive Director



Bank of Kathmandu

Kamalpokhari, Kathmandu, Nepal

P.O.Box: 9044

Tel: +977-1-4414541/ 4418068/ 4421552

Fax: 4418990

E-mail: ajay.shrestha@bok.com.np

Major Business Activities:

Corporate Banking, Retail Banking, Business Banking, Deposit, Transaction Banking

Business Relation with EU:

Foreign Collaborations:

Represented by: Mr. Ajay Shrestha, Chief Executive Officer



Dharma Adventures Pvt. Ltd.

205 Tangal Marg, Kathmandu, Nepal

P.O.Box: 5385

Tel: +977-1-4430499 ; Fax: 4421053

E-mail: pawan@dharma.com.np

info@dharma.com.np

Major Business Activities:

Trekking & Tours

Business Relation with EU:

Austria & German

Foreign Collaborations: China & India

Represented by: Mr. Pawan Tuladhar, President

**Fujiyama Treks & Expedition Pvt. Ltd.**

Likeside, Pokhara-6, Kaski, Nepal
P.O.Box: 348
Tel: +977-61-463060 ;
Fax: +977-61-462934
E-mail: sapkotatr@yahoo.com

Major Business Activities:

Trekking & Tour operation in Nepal, Tibet, India & Bhutan

Business Relation with EU: Business connection with some Travel Companies
Foreign Collaborations:

Represented by: Mr. Tikaram Sapkota, Managing Director

**Gomang Carpet Manex Pvt. Ltd.**

Chundevasthan, Kathmandu, Nepal
P.O.Box: 4929
Tel: +977-1-5092386/ 5092395/ 5092330
Fax: 5092328

E-mail: gomang@gcm.wlink.com.np
 www.gomangcarpet.com.np

Major Business Activities: Manufacturer and Exporter of woolen, Silk, Hemp, Nettle carpets.

Business Relation with EU: Since establishment
Foreign Collaborations:

Represented by: Mr. Lobsang Lama, Chairman

**Global Assistance Nepal Pvt. Ltd.**

Pratik Bhawan, Sitapaila, Kathmandu
P.O.Box: 1331
Tel: +977-1-4272264/ 4273740 ;
Fax: 4272164
E-mail: globasst@mos.com.np ;
 pushpa@globasst.com

Major Business Activities:

Rescue Operation, Funeral Services, Repatriation, Travel Medical Insurance, Air Assistance, Transport Assistance, Hospital Assistance, Hotel Assistance, Vehicle Services, Private Ambulance, Insurance Claim Services and Valuation Services

Business Relation with EU: All over the world
Foreign Collaborations:

Represented by: Mr. Pushpa Das Shrestha, Managing Director

**Gorkha Brewery Pvt. Ltd. part of the Carlsberg group**

Hattisar, Kathmandu, Nepal
P.O.Box: 4041
Tel: +977-1-4444445/ 4446400 ;
Fax: 4444443/4444366

E-mail: info@gorkhabrewery.com

Major Business Activities: Currently producing and marketing Carlsberg, Tuborg, San Miguel, Tuborg Strong and Gorkha in the beer category

Business Relation with EU: Carlsberg Group acquisition.

Foreign Collaborations: NA

Represented by: Mrs. Helle M. Petersen, Chief Executive Officer

**Global Bank**

Panipokhari, Kathmandu, Nepal
P.O.Box: 19327
Tel: +977-1-4002507/08, **Fax:** 4002518
E-mail: ratnaraj.bajracharya@globalbank.com.np

Major Business Activities:

Commercial Banking, Deposit, Loans and advances, Trade Finance, Remittance, SWIFT transfers etc.

Business Relation with EU: Correspondent Banking
Foreign Collaborations:

Represented by: Mr. Ratna Raj Bajracharya, Chief Executive Officer

**Grand Bank Nepal Limited**

Kathmandu Plaza, Kathmandu, Nepal
P.O.Box: 7716
Tel: +977-1-4168607/ 4168605/ 4168606
Fax: 4168609

E-mail: info@gbnl.com.np ;
 sudhir.khatri@gbnl.com.np

Major Business Activities: Commercial Banking business
Business Relation with EU:
Foreign Collaborations: No

Represented by: Mr. Sudhir Khatri, President / Chief Executive Officer

**Global Education Services Pvt. Ltd.**

Kamaladi, Kathmandu, Nepal
P.O.Box: 1958
Tel: +977-1-4444081/ 4433968
E-mail: narayan@globalreachonline.com
 bajajnarayan@yahoo.co.in

Major Business Activities:

Student Recruitment for Educational Institutions in USA, UK, Australia, New Zealand, Canada, Sweden, Denmark, Switzerland, Ireland, Cyprus, Singapore etc.

Business Relation with EU: Representing Educational Institutions from Switzerland, Denmark, Sweden, UK, Ireland, Cyprus
Foreign Collaborations: Global Reach, India (www.globalreach.in)

Represented by: Mr. Narayan Bajaj, Head of Nepal Operations

**Heritage Fashion**

Imadol-4, Balkumari, Lalitpur
Tel: +977-1-5201840/ 5200918
Fax: 5202966

E-mail: fashion@mos.com.np

Major Business Activities: Apparel manufacturing and export
Business Relation with EU: Supplying apparel to customers in EU

Foreign Collaborations: Working in tandem with US and European apparels buyer

Represented by: Mr. Sanjay Agrawal, Proprietor



Highlander Trekking & Expeditions

Thamel, Kathmandu, Nepal
G.P.O.Box: 10987
Tel: +977-1-4700563/ 4700066
Fax: 4701889
E-mail: info@highlandernepal.com
Major Business Activities:
Adventure Tourism
Business Relation with EU:
Foreign Collaborations:

Represented by: Mr. Hari Dharel,
Managing Director



IEG Nepal

Pulchowk, Lalitpur, Kathmandu
P.O.Box: 1059
Tel: +977-1-5537283 ; **Fax:** 5536794
E-mail: shakya.amrit@gmail.com
Major Business Activities: Expo
Business Relation with EU: Expo
Foreign Collaborations:

Represented by: Mr. Amrit Shakya,
Managing Director



Himalayan Distillery Ltd.

Satdhobato, Lalitpur
P.O.Box: 423
Tel: +977-1-5522010/ 5536050
Fax: 5538236
E-mail: rajbshah@hotmail.com
hd@ecomail.com.np
Major Business Activities:
Liquor Manufacturing
Business Relation with EU:
Scotch Importer
Foreign Collaborations:
Pernod Ricard International

Represented by: Mr. Raj Shah,
Managing Director



Jagdamba Synthetics Private Limited

7st Floor, Jagdamba Tower, Tinkune,
Kathmandu
P.O.Box: 2513
Tel: +977-1-4111822/3/4/5 ;
Fax: 4111847/ 4111894
E-mail: sulav@mos.com.np
Major Business Activities:
Manufacturing of Polypropylene woven
and non-woven fabric.
Business Relation with EU: Associated
with Star linger and Co. GmbH, Austria
who is our major machine supplier.
Foreign Collaborations: Represents
major global companies like Reliance
Industries Ltd., India; Bombay Dyeing,
India; TATA, India; SHARP Corporation,
Japan, Mahindra 2 Wheelers, India

Represented by: Mr. Sulav Agrawal,
Executive Director



Honey Enterprises

Naxal, Kathmandu, Nepal
P.O.Box: 12487
Tel: +977-1-4415907/ 4415005 ;
Fax: 4425968
E-mail: dbshrestha@wlink.com.np
Major Business Activities:
Business Relation with EU:
Foreign Collaborations:

Represented by: Mr. Dinesh Shrestha,
Managing Director



Jolly Gems

Hotel Soltee, Crown Plaza, Tahachal,
Kathmandu
P.O.Box: 194
Tel: +977-1-4272242/ 4274494 ;
Fax: 4271110
E-mail: jollygem@gmail.com
Major Business Activities: Fine Gold
and Silver Jewellery, Traditional Jewellery
@ Artifacts, Statues and Pashmina
Business Relation with EU:
Foreign Collaborations:

Represented by: Mr. Prem Lashkery,
President



Hulas Steel Industries

Teen Dhara Sadak, Kamaladi, Kathmandu
P.O.Box: 4129
Tel: +977-1-4445732/ 4445734
Fax: 4445441
E-mail: ckgolchha@gmail.com
hulasktm@gmail.com
Major Business Activities: GCI, GPI
Steel Sheet, Light & GI Pipes
Business Relation with EU:
Foreign Collaborations: Joint venture
company

Represented by: Mr. C.K. Golchha,
Managing Director



Jurist & Company Pvt. Ltd.

Gyaneshwor, Kathmandu
P.O.Box: 2023
Tel: +977-4443004/5/6 ; **Fax:** 4415476
E-mail: jurist@csl.com.np
jurist_1@hotmail.com
Major Business Activities: Legal Service
Business Relation with EU:
Foreign Collaborations:

Represented by: Mr. Sushil Kumar Pant,
Advocate/ Executive Director

**Kumari Bank Ltd.**

Durbar Marg, Kathmandu, Nepal
P.O.Box: 21128
Tel: +977-1-4221311/ 4221332 ;
Fax: 4226644
E-mail: info@kbl.com.np

Major Business Activities: Banking Services (Deposits, Loans, Remittance, Foreign Trade, L/C, Bank Guarantee, E-banking, SMS banking, Mobile Cash transactions, Visa electron debit cards, Internet banking, Utility bill payment, ATMs)

Business Relation with EU:

Correspondent Banking: Australia, Denmark, Germany, Dubai, London, India, Japan, USA, etc.

Foreign Collaborations:

Represented by: Mr. Udaya Krishna Upadhyay, Acting Chief Executive Officer

**Laxmi Wood Craft Udyog**

108/15 Budhanilkantha Marg, Bansbari, Ring Road-3, Kathmandu
Tel: +977-1-4371440 ; **Fax:** 4442557
E-mail: lwcu@wlink.com.np ; laxmiwoodcraft@gmail.com

Major Business Activities: Manufacturing and Exporting Natural Clothing Buttons and Handicraft Items Made of Buffalo's Horn & Bone, Wood, Pashmina Goods

Business Relation with EU:

Since Long Time

Foreign Collaborations:

Represented by: Ms. Laxmi Sharma, Proprietor

**M.A.W Enterprises Pvt. Ltd.**

Tripureshwor, Kathmandu
P.O.Box: 1452
Tel: +977-1-4261160/ 4261847
Fax: +977-1-4258935
E-mail: info@mawnepal.com

Major Business Activities: Distributors of Yamaha Motorcycles, Skoda Cars, JCB Heavy Equipments, etc.

Business Relation with EU: Distributors for Skoda Cars, JCB Heavy Equipments.

Foreign Collaborations: None

Represented by: Mr. Vishnu Kumar Agarwal, Managing Director

**Nabil Bank Limited**

Kamaladi, Kathmandu, Nepal
P.O.Box: 3729
Tel: +977-1-4221718/ 4227181 ;
Fax: 4226905
E-mail: info@nabilbank.com

Major Business Activities: Commercial Banking

Business Relation with EU: Depository

Foreign Collaborations:

Represented by: Mr. Anil Gyawali, Chief Executive Officer

**Nanglo International Pvt. Ltd.**

Sanepa, Lalitpur, Nepal
P.O.Box: 4384
Tel: +977-1-5544263 ; **Fax:** 5529708
E-mail: shyamkakashapati@hotmail.com
 mail@nanglo.com.np

Major Business Activities: Tourism

Business Relation with EU:

Foreign Collaborations:

Represented by: Mr. Shyam S.L. Kakshapati, Chairman

**Natraj Tour & Travels Private Limited**

Heritage Plaza 1, Kamaladi, Kathmandu
P.O.Box: 495
Tel: +977-1-4169001/ 4169004/ 4169006
Fax: 4169009

E-mail: shikher.prasai@natrajtours.com.np ; info@natrajtours.com.np

Major Business Activities: Tour Operation

Business Relation with EU:

Foreign Collaborations:

Represented by: Mr. Shikher Prasai, Managing Director

**Navyo Nepal Discover Asia (Travel & Trekking Agency)**

J.P. Road, Chetrapati, Kathmandu, Nepal
GPO.Box: 8974
Tel: +977-1-4250827/4239436 / 016916359

E-mail: info@navyonepal.com

Major Business Activities: Tourism and media

Business Relation with EU: Italy, Germany, Austria

Foreign Collaborations: USA, China

Represented by: Ms. Manju Kumari Baral, Managing Director

**Nepal Construction & Engineering Corporation Pvt. Ltd.**

Battispatali, Ram Mandir Marg
P.O.Box: 156, Kathmandu
Tel: +977-1-4472898/ 4474898/ 4469898
Fax: 4475898

E-mail: dibya@ncec.com.np
 office@ncec.com.np

Major Business Activities: Representation and Liaison

Business Relation with EU:

Foreign Collaborations:

Represented by: Mr. Dibya Mani Rajbhandari, Managing Director



Nepal Kangri Carpet Industry Pvt. Ltd.

98/14 Ka Baburam Acharya Road,
Sinamangal, Kathmandu
P.O.Box: 8730
Tel: +977-1-4494952/ 4497846/ 4472670
Fax: 4472670
E-mail: kangri@wlink.com.np
Major Business Activities: Manufacture and Export, Handknotted Woolen Carpets, Pashmina, Handicraft Products etc.
Business Relation with EU: Tapijten Demuynck, Belgium, Teppich Kibek Germany, USA
Foreign Collaborations:

Represented by: Mr. Anup B. Malla,
Chairman



P.K. Impex

Kha 1/498, Second Floor, Pako, New Road, Kathmandu
P.O.Box: 2817
Tel: +977-1-4220297/ 4230391
Fax: 4223211
E-mail: pkimpex@wlink.com.np
Major Business Activities: Cosmetic and Perfume, Wine
Business Relation with EU:
Foreign Collaborations:

Represented by: Mr. Pawan Kumar Agrawal, Managing Director



Nepal Overseas Marketing Company Pvt. Ltd.

Valley Shopping Plaza, Khichapokhari, Kathmandu, Nepal
P.O.Box: 7864
Tel: +977-1-4240694/ 4240689 ;
Fax: 4226632
E-mail: admin@nepaloverseas.com.np
Major Business Activities: Import and Distribution
Business Relation with EU: Imports from PZ, Cussons UK, Burnus GmbH, Wella Intercosmetics etc.
Foreign Collaborations:

Represented by: Mr. Pawan Kumar Agrawal, Managing Director



President Travels & Tours Pvt. Ltd.

Durbar Marg, Kathmandu
P.O.Box: 1307
Tel: +977-1-4220245 ; Fax: 4221180
E-mail: bthapa@president.com.np
Major Business Activities: Travel
Trade:- Country Represented: GSA (Gulf Air, Qantas Airways, Kenya Airways, Rail Europe, Qantas Holidays, United Airlines, Indigo Airlines, Air Mauritius) PSA (Hahn Airways), Country Partner/ Representative: Carlson Wagonlit Travel, Cox & Kings, Ground Handling Supervisor: ARKE Fly
Business Relation with EU: Consulate of The Republic of Bulgaria
Foreign Collaborations: Airlines

Represented by: Mr. Bhola Thapa,
Managing Director



Nepali Paper Product Pvt. Ltd.

Kathmandu, Nepal
P.O.Box: 6750
Tel: +977-1-4034812/ 4034706/
4034759 **Fax:** 4034812
E-mail: nepalipp@wlink.com.np
reshu@wlink.com.np
Major Business Activities: Manufacturer & Exporter of Nepali Handmade Paper & Paper Products & Felt Products
Business Relation with EU: More than 15 Countries
Foreign Collaborations:

Represented by: Mr. B.P. Shrestha,
Chairman & Managing Director



Prime International

Baluwatar, Kathmandu, Nepal
P.O.Box: 8907
Tel: +977-1-4437020; **Fax:** 4437844
E-mail: prime@mos.com.np
Major Business Activities: International liaison, civil construction, supply of electrical and mechanical equipment
Business Relation with EU: Local representation of various EU companies
Foreign Collaborations: Prime International China; Prime International India

Represented by: Mr. Sulochan Raj Rajbhandary, Managing Director



NMB Bank

Babarmahal, Kathmandu, Nepal
P.O.Box: 11543
Tel: +977-1-4246160/ 4222872
Fax: 4246156
E-mail: upendra.poudyal@nmb.com.np
info@nmb.com.np
Major Business Activities: Commercial Bank
Business Relation with EU: Banking transactions
Foreign Collaborations: Yong Lian Realty, Malaysia

Represented by: Mr. Upendra Poudyal,
Chief Executive Officer



Quality Freight Service Private Limited

Gyaneshwore, Kathmandu, Nepal
P.O.Box: 20025
Tel: +977-1-4430817/ 4414746 ;
Fax: 4416492
E-mail: qfs@mail.com.np
Major Business Activities: Freight Forwarder
Business Relation with EU: Working for EU carpet buyer, Import of cleaning and sanitize, chemical from Europe, Export of Handicraft product like singing bowls, Pashmina etc.
Foreign Collaborations: Representing althers, logistic Belgium and Ecolab Germany

Represented by: Mr. Rajan Sharma,
Chief Executive Officer



Radisson Hotel Kathmandu
Lazimpat, Kathmandu, Nepal
P.O.Box: 2269
Tel: +977-1-4411818 ; **Fax:** 4422330
E-mail: bks@radkat.com.np
Major Business Activities: Travel and Trade, Hotel
Business Relation with EU:
Foreign Collaborations:

Represented by: Mr. B.K. Shrestha,
Managing Director



Salt Trading Corporation Ltd.
Kalimati, Kathmandu, Nepal
P.O.Box: 483
Tel: +977-1-4271014 ; **Fax:** 4271704
E-mail: admin@stcnepal.com
Major Business Activities: Salt, Sugar, Rice, Aata, Suji, Tyre, STC Gas, Paper
Business Relation with EU: No
Foreign Collaborations: No

Represented by: Ms. Urmila Shrestha,
General Manager



Regal Business Link Pvt. Ltd.
Lazimpat, Kathmandu, Nepal
P.O.Box: 3943
Tel: +977-1-4371204; **Fax:** 4415529
E-mail: prema@enet.com.np
dit@enet.com.np
Major Business Activities:
Import & Export
Business Relation with EU:
Foreign Collaborations:

Represented by: Mrs. Deepti R.L.
Singh, Managing Director



Senon Carpet Industries Pvt. Ltd.
Ekantakuna, Jawalakhel, Lalitpur
P.O.Box: 6535
Tel: +977-1-5522665/ 5532533
Fax: 5524029
E-mail: senon@wlink.com.np
Major Business Activities: Manufacture and exporter of hand knotted carpets and Hospitality, recreation and sports center.
Business Relation with EU: Export of woolen carpets to Europe.
Foreign Collaborations:

Represented by: Mr. Senon D. Lama
Chairman & Managing Director



Rishi Trade Center
Bagmati Chamber, First Floor, Teku, Kathmandu, Nepal
P.O.Box: 677
Tel: +977-1-4227237; **Fax:** 4230360
E-mail: reliancecc@wlink.com.np ;
rcpl@wlink.com.np
Major Business Activities: Cement, Steel, Paper
Business Relation with EU:
Foreign Collaborations:

Represented by: Mr. Rishi Agrawal,
Proprietor



Shangri~La Hotel & Resort Nepal
Lazimpat, Kathmandu, Nepal
P.O.Box: 655
Tel: +977-1-4412999 ; **Fax:** 4439461
E-mail: prabin@hotelshangrila.com
Major Business Activities: Tourism and Hospitality
Business Relation with EU: Tourism and Telecommunication
Foreign Collaborations: Alcatel France

Represented by: Mr. Prabin Panday,
Executive Director



Rolpa Carpet Industries
Ramhiti, Bouddha-6, Kathmandu
P.O.Box: 5722
Tel: +977-1-4820053 ; **Fax:** 4821086
E-mail: rolpa@wlink.com.np ;
rolpasbthapa@gmail.com
Major Business Activities: Handknotted Nepalese Wooleen Carpets manufacture & exporter
Business Relation with EU:
Nepalese Carpets
Foreign Collaborations:

Represented by: Mr. Shambhu Bikram
Thapa, Proprietor



Shikhar Insurance Company Limited
Shikhar Biz Centre, Fifth to seventh Floor, Thapathali, Kathmandu
P.O.Box: 10692
Tel: +977-1-4246101 / 4246102 ;
Fax: 4246103
E-mail: dip@mos.com.np ;
info@shikharinsurance.com
Major Business Activities: Insurance
Business Relation with EU:
Foreign Collaborations:

Represented by: Mr. Dip Prakash
Panday, Chief Executive Officer



Sagarmatha Insurance Company
Naxal, Kathmandu
P.O.Box: 12211
Tel: +977-1-4412367/ 4413683 ;
Fax: 4412378
E-mail: sagarmatha@insurance.wlink.com.np
Major Business Activities: General Insurance
Business Relation with EU: Ordinary Member
Foreign Collaborations: A Joint Venture with CEYLINCO INSURANCE PLC, Sri Lanka.

Represented by: Mr. Krishna Bahadur
Basnet, Executive Director



Tara Oriental
Lazimpath, Kathmandu
P.O.Box: 8975, EPC 4060
Tel: +977-1-4436315 ; **Fax:** 5250472
E-mail: anin@taraoriental.com ;
md@taraoriental.com
Major Business Activities: Finest Quality Cashmere Scarves, Knitware and Cashmere accessories exporter
Business Relation with EU: Exporter of cashmere products to EU
Foreign Collaborations: Non

Represented by: Mr. Anin Rajbhandari,
Managing Director



The Oriental Wood Carving Industries

Khumaltar, Dholahiti, Lalitpur
P.O.Box: 21307
Tel: +977-1-5572179/ 5546236 ;
Fax: 5538372
E-mail: owci@ccsl.com.np
Major Business Activities: Woodcarving and Wooden Handicraft goods
Business Relation with EU:
Foreign Collaborations:

Represented by: Mr. Dharma Raj Rajkarnikar, Proprietor



The Shanker Hotel

Lazimpat, Kathmandu, Nepal
P.O.Box: 350
Tel: +977-1-4410151/ 4410152/ 4414694
Fax: 4412691
E-mail: shanker@mos.com.np
sales@shankerhotel.com.np
Major Business Activities: Tourism and Hospitality
Business Relation with EU:
Foreign Collaborations:

Represented by: Mr. Prabhu Shanker Shrestha, Executive Manager



Tourism NEPAL

Nuwakott GHAR, Sanepa Chowk, Lalitpur-2, Nepal
P.O.Box: 105
Tel: +977-1-5539900/ 5545900/ 5544999
Fax: 5549682
E-mail: office@tourism-nepal.com
Major Business Activities: Travel Tourism
Business Relation with EU: Excellent
Foreign Collaborations: Working with Travel Tourism Operators

Represented by: Mr. Bikrum Pandey, Managing Director



Tushar International

Bagmati Chamber, Teku, Kathmandu
P.O.Box: 8918
Tel: +977-1-4245829/ 4232047
Fax: 4230360
E-mail: tushar@mail.com.np
Major Business Activities: Import of Cement
Business Relation with EU:
Foreign Collaborations:

Represented by: Mr. Narayan Todi, Proprietor



Vishal Group

Khichapokhari, Kathmandu, Nepal
P.O.Box: 3127
Tel: +977-1-4220434/ 4241572/ 4221312
Fax: 4226013/ 4248688
E-mail: mail@vishalgroup.com
global@wlink.com.np
Major Business Activities: Iron and Steel, International Trade, Insurance, Agro Sector, Consumer Goods, Banking & Finance, Education
Business Relation with EU: UK, USA, China, etc
Foreign Collaborations:

Represented by: Mr. Trilok Agrawal, Vice-Chairman



Yak & Yeti Enterprises Pvt. Ltd.

Lazimpat, Kathmandu, Nepal
P.O.Box: 3548
Tel: +977-1-4413552/ 4413760
Fax: 4416124
E-mail: yysilver@mos.com.np yyexport@mos.com.np

Major Business Activities: Variety of Nepalese Handicrafts including Silver Jewelry, Pashmina Goods, Hand Painted Silk Garments & Shawls, Woolen Felt accessories, Singing Bowls, Metal accessories, Incense, Textile Accessories, Hand Made Paper Products etc.

Business Relation with EU: We cover major EU countries.

Foreign Collaborations: We are open for Foreign Collaborations.

Represented by: Mr. Swoyambhu Ratna Tuladhar, Managing Director



Yeti Airlines

Tilganga, Kathmandu, Nepal
P.O.Box: 20011
Tel: +977-1-4465888/ 4464878
Fax: 4464877

E-mail: marketing@yetiairlines.com md@yetiairlines.com

Major Business Activities: Tourism and Aviation

Business Relation with EU: NA

Foreign Collaborations: NA

Represented by: Mr. Ang Tshering Sherpa, Managing Director



Yeti Travels Pvt. Ltd.

Durbar Marg, Kathmandu, Nepal
P.O.Box: 76
Tel: +977-1-4221234/ 4224740
Fax: 4226152

E-mail: mrana@yetitravels.com.np yeti@yetitravels.com.np

Major Business Activities: Inbound tourism, Outbound tourism, Incentive Tours, Conference, International and Domestic Ticketing, Sightseeing and Excursion, Trekking, Expedition, Adventure-Bungy jumping, Canoeing, Paragliding, Skydiving, River Rafting, Golf tourism, MICE, Adventure Tourism, Charter arrangement and Travel related services.

Business Relation with EU: Our business related with Europe is excellent.

Foreign Collaborations: We are doing business with UK, Germany, France, Italy, Belgium and Spain.

Represented by: Mr. Manohar SJB Rana, Chief Executive Officer

Mt. Kailash



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DURBAR MARG, KATHMANDU, NEPAL

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HE

Honey Enterprises P.Ltd.

G.P.O. Box: 12487

Laxmi Niwas, 639 Thirbum Sadak

Naxal, Bhagwati Road

Kathmandu,

Nepal.

Tel: 977-1-4415005, 4415907

Fax: +977-1-4425968



EU-Nepal Political and **Economic Relations**

The European Union's political and economic relations with Nepal were established in 1973 and are guided by its fundamental principles to achieve peace, stability, democracy, human rights and prosperity.

With the ratification of the Lisbon Treaty in 2009 by all 27 Member States of the European Union and the creation of the European External Action Service in December 2010, the European Union is ushering in a new era of cooperation and the strengthening of European institutions. With these changes comes a change of name and responsibility; the Delegation, which formerly represented the European Commission to Nepal, is now a fully -fledged diplomatic mission and has become the Delegation of the European Union to Nepal, with its first accredited resident Ambassador-Head of Delegation.

Political relations between EU and Nepal have also progressed over the past decades, to become an increasingly relevant partnership focusing on mutual respect. Bi-annual Joint Commissions are the most visible feature of an ongoing dialogue following the entry into force of an EU-Nepal Co-operation Agreement in 1996. During meetings of the Joint Commission, the Government of Nepal and the EU counterparts exchange views on issues of common concern such as peace and stability, development, human rights and trade. They also take the opportunity to review current projects being implemented through EU assistance, as well as any new ones being considered. Political relations are further strengthened through regular visits of EU Parliamentarians to Nepal and the recent visit of the then Prime Minister Madhav Kumar Nepal to the EU's Development Days in Brussels. An EU election observation team also visited Nepal in 2007 to ensure free, fair and impartial elections, during the country's critical transition from a monarchy to a democracy.

The European Union --including the EU Delegation and the EU Member States - is the biggest provider of development aid to Nepal. There has been a significant increase in the volume of aid over the last four decades of EUNepal cooperation. Through the years

EU-Nepal cooperation has seen important changes, reflecting the constant assessment and adoption of appropriate strategies required to maintain an effective development agenda. This is translated, among other things, in a move from individual project support, to a more holistic sector budget support which the EU is currently pursuing in Nepal. The overall development cooperation strategy has been worked out in mutual consultation with the Government of Nepal and a Country Strategy Paper (2007-2013) for a period of seven years has been prepared. Education, peace and stability, as well as economic capacity building are the core areas of intervention.

At the same time, the EU has been working through UN agencies and civil society to implement a broad spectrum of development cooperation activities in areas such as poverty reduction, integrated rural development, human rights, preservation of the culture of indigenous communities, environmental conservation and sustainable development, basic and primary education, urban development, food security, conflict mitigation, economic capacity and peace building amongst other.

Trade

As a Least Developed Country (LDC) formally recognized by the United Nations, Nepal is one of the beneficiaries of the special arrangements for LDCs initiated by the European Commission in February 2001: Everything but Arms regulation, commonly known as EBA.

This initiative provides the most favourable trade regime available to Nepal, granting duty-free access to imports of all products from Nepal, except arms and ammunitions, without any quantitative restrictions (with the exception of bananas, sugar and rice for a limited period).

Furthermore, in November 2011, the European Commission adopted and published the reformed Generalised System of Preferences (GSP) rules of origin. The new simpler and more development-friendly rules of origin are in place since 1 January 2011.

For Nepal as for LDCs, the new regulation stipulates, in the case of most textiles products, that a single-transformation rule, on the basis of which goods like garments may be considered as originating in Nepal when they are manufactured from non-originating fabric, is applicable. Such a change should imply that the products which are currently eligible for preferential tariff treatment only through application of the derogation, should from now on be able to qualify through application of the new standard rules intended for LDCs. Therefore, for Nepal sourcing is since the beginning of 2011 not only possible from other SAARC member countries, ASEAN member countries or ACP-EC Partnership Agreement countries, but also from any other country in the world.

In 2010, EU-Nepal trade amounted to 167 million Euros; of which Nepalese exports to Europe were worth 82 million Euros and imports worth 85 million Euros. Overall, the EU is the third major trade partner with Nepal; the second major export partner and the third major import partner. EU import mainly textiles and clothing from Nepal and export mainly machinery and transport equipment, chemicals, agricultural products and other manufactures.

EU and Nepal: Chronology of Bilateral Relations

- 1973: The European Communities (EEC) and Nepal established diplomatic relations
- 1982: The EEC joined the Nepal Aid Group in 1982
- 1991: Mrs. Francine Henrich appointed the first EEC Ambassador to Nepal (Nov.)
- 1992: Royal Nepal Embassy established in Brussels and Royal Nepalese Ambassador appointed to the EEC
- 1992: EC Consultant Office established in Kathmandu
- 1996: Cooperation agreement between EC and Nepal enter into force (June)
- 1996: First EC-Nepal Joint Commission (held in Kathmandu)
- 1999: Second EC-Nepal Joint Commission (held in Brussels)
- 2002: Agreement on EC Delegation to Nepal signed and delegation established (March)
- 2002: Third EC-Nepal Joint Commission (held in Kathmandu)
- 2004: Fourth EC-Nepal Joint Commission (held in Brussels)
- 2004: First (June) and second (December) batch of human rights projects signed
- 2004: First EU high-level Troika mission to Nepal led by Dutch presidency (December)
- 2005: Second Troika mission visited Nepal from 4 to 6 October
- 2006: Visit of European Parliamentary delegation led by Ms. Neena Gill from 16 July to 21 July



H.E. Mr. Asko Luukkainen
Ambassador,
Embassy of Finland

"EU-Nepal Relations are Excellent and Close".

Assessment on Nepal-EU relations

Relations are excellent and close. We have in March finalized so called political discussions between Nepal and EU and the atmosphere in these negotiations was very good. All important issues including the situation in the peace process and constitution drafting were discussed.

Opinion on prospects and challenges in the development of Nepal-EU economic ties in days ahead

Individual EU member states who are represented in Nepal are constantly trying to improve the economic ties. The task is challenging since the investors from Europe would like to invest in countries where there is stability, good governance and functional infrastructure. Therefore EU countries are hoping that the peace process in Nepal is finalized in May and parliamentary elections are held as soon as possible.

On EU's assistance in Nepal's peace process

EU and its member states are already heavily supporting the peace process. One example is the Nepal peace Trust Fund which is used as a channel the support from EU.

New assistance / projects from Finland

Finland is financing several ongoing projects in Nepal at the moment. We have just signed an agreement in forestry sector and continue our support to rural water supply and sanitation, environment, education and human rights sectors. We will conduct bilateral discussions with the Government of Nepal as regards the Finnish aid to the country end of this year and then the future cooperation will be agreed.

- 2007: Fifth EU-Nepal Joint Commission was held in Kathmandu on 14th Feb
- 2008: Visit by Jan Mulder, Chief Observer, EU Election Observation Mission from 13 to 16 October
- 2009: Dr. Alexander Spachis, first accredited resident Ambassador at the Delegation of the European Union to Nepal presents his credentials to President Dr. Ram Baran Yadav on 14 Dec 2009
- 2010: European Parliamentary Delegation for Relations with South Asia Visits Nepal from 23 to 29 May
- 2010: Seventh EU-Nepal Joint Commission held. A seven-member EU Delegation led by Mr. James Moran, Director for S. Asia visits Nepal from 13 to 17 December.
- 2011: A three member Delegation of the European Parliament (EP) for Relations with South Asia led by Mrs. Jean Lambert from 23-29 November.
- 2012: Representatives of the European Aviation Safety Agency (EASA) from 12-17 February.
- 2012: A three member Delegation of the European External Action Service (EEAS) led by Ambassador Mr. Viorel Isticioaia-Budura, Managing Director for Asia & Pacific on March 17- 20.

Source: Delegation of the European Union to Nepal

Development Cooperation

In Nepal poverty is widespread with 31 percent of the population estimated to be living under the national poverty line. Several factors contribute to poverty including political, institutional and cultural factors, such as access to education and health facilities, hygiene or employment facilities as well as differences in geography. Therefore, as one of the biggest providers of development aid to Nepal, the European Union's overall objective in its cooperation is poverty reduction, through the promotion of sustainable development and economic growth in line with the Millennium Development Goal's (MDGs), with special attention being given to social inclusiveness and the environment.

Due to the current period of transition in Nepal, from conflict to peace, efforts have been made to strengthen the cooperation strategy in line with the commitments and fundamental principles underlying European Union cooperation policy. Nepal needs a solid and robust democratic system of good governance and a sustainable economic development strategy. In an effort to support this framework and as set out in the Country Strategy Paper 2007-2013 the European Union has chosen to focus its activities on three focal areas: Education; Stability and Peace Building; and, Trade Facilitation and Economic Capacity Building. The financial allocation under this bilateral assistance

EU-Development Cooperation Instrument (DCI), will reach approximately €120 million. As estimated in the Multi-annual Indicative Programme 2011-2013, which has been designed in close consultation with the Government of Nepal and the donor community, the country will receive an indicative budget of €60 million in these three main areas of support. This financial envelope is about 33 per cent higher than that of 2007-2010.

Additionally, and in view of the challenges facing Nepal, other cooperation projects and actions under complementary financial instruments or thematic programmes will be supported in non-focal areas.

The Role of the EU Delegation

The External Service of the European Union

The European Union today faces global responsibilities and challenges. The EU is the largest trading block in the world, the largest donor of humanitarian and development assistance and a constant point of reference for others on stability, democracy and human rights. The European Union plays a key role in the implementation of the EU's foreign policy and other policies and in this it relies heavily on its over 130 Delegations and Offices around the World, which act not only as the eyes and ears of the Commission in their host countries but also as its mouthpiece vis-à-vis the authorities and the general population. Commission Delegations are being consistently strengthened so that EU external assistance can be delivered more rapidly and efficiently.

The Role of the EU Delegation to Nepal

The role of the European Union (EU) delegation is comparable to that of other accredited foreign diplomatic missions to Nepal in the sense that the delegation represents the European Union in Nepal.

In its daily work, the EU delegation to Nepal mainly:

- presents, explains and implements EU policy;
- analyses and reports on the political, social, and economic situation in Nepal; and,
- conducts negotiations in accordance with a given mandate.

In addition, the EU delegation to Nepal plays a key role in the implementation of the external assistance EU allocates to Nepal. The delegation is involved in programming, and management of EU projects directly from start to finish, in close contact with the Europe Aid Co-Operation Office in Brussels and Nepalese authorities and institutions, within the framework of rules set in Brussels. The Delegation will also, in concert with the EU Presidency, take the lead in on-the-spot co-

ordination of the implementation of all EU assistance, multi-lateral and bi-lateral, to increase synergy and - not to be forgotten - overall EU visibility. In Nepal, the EU assistance has been provided for a wide range of areas such as rural development, education, support for democracy and human rights as well as independent media, over institution and capacity building, to humanitarian assistance for uprooted people.

As well as other delegations, the EU delegation to Nepal also play an increasing role in the conduct of the Common Foreign and Security Policy (CFSP) of the European Union, providing regular political analysis, conducting evaluations jointly with Member State Embassies and contributing to the policy making process.

Finally, the EU delegation to Nepal provides support and assistance as necessary to the other institutions and actors of the EU, including:

The High Representative for CFSP/Secretary General of the EU Council
 The European Parliament
 The EU Presidency and Heads of Delegations.

The support provided to these EU bodies varies from information exchange over logistical and practical support during visits, missions, and Troika demarches to assist the EU Council of Ministers and the European Parliament in their relations with Nepal.

In all these areas, the EU delegation serve an increasingly important information function as well, providing background and updates on European integration and EU policies to the Nepalese government and administration, media, academia, business circles and civil society.

The main partners of the delegation in the European Union headquarters in Brussels, Belgium are DG External Relations, DG Development, DG Enlargement, DG Trade, Europe Aid Co-Operation Office, and the European Community Humanitarian Office (ECHO).

Interaction with Member State Embassies
 It has to be stressed that the EU delegations are not "competitors" to Member State Embassies. Their respective roles and responsibilities are generally well defined, but not always well understood. The task of an EU delegation, beyond the representation of Community interests, is one of co-ordination and co-operation in the interests of projecting the image of a European Union, which is active, imaginative and truly united.

Source: Delegation of the European Union to Nepal




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Profile

The European Union



The European Union, or EU, describes itself as a family of democratic European countries, committed to working together for peace and prosperity.

The organisation oversees co-operation among its members in diverse areas, including trade, the environment, transport and employment.

On 1 May 2004 the EU took in 10 new members, most of them former communist countries, in a huge step along the road towards dismantling the post-World War II division of Europe.

The new joiners were the Czech Republic, Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia.

However, plans to introduce a constitution - intended to ensure the smooth running of the enlarged EU - faltered repeatedly at various national referendums until the revised "Lisbon" reform treaty was adopted. It came into force in December 2009.

History

Over half a century earlier, it was the devastation caused in Europe by World War II which underlay the imperative to build international relationships to guard against any such catastrophe recurring.

French statesmen Jean Monnet and Robert Schuman are regarded as

the architects of the principle that the best way to start the European bonding process was by developing economic ties.

This philosophy was the foundation for the Treaty of Paris which was signed in 1951. It established the European Coal and Steel Community (ECSC) which was joined by France, Germany, Italy, the Netherlands, Belgium and Luxembourg.

Under the Treaty of Rome which came into force in 1958, these six countries founded the European Economic Community and European Atomic Energy Community to work alongside the ECSC.

In 1967 the three communities merged to become collectively known as the European Communities (EC) whose main focus was on cooperation in economic and agricultural affairs.

Denmark, Ireland and the UK became full EC members in 1973, Greece joined in 1981, Portugal and Spain in 1986, Austria, Finland and Sweden in 1995.

Maastricht and beyond

The Treaty on European Union, signed at Maastricht in 1991, formally established the European Union as the successor to the EC.

At the same time, Maastricht expanded the concept of European Union into new areas. It introduced a Common Foreign and Security Policy and moved towards an EU

The EU promotes economic, political integration of Europe through:

- A common currency
- Freedom of movement between member states
- Trading market without frontiers
- Enlargement
- Development of common foreign, security policy

COUNCIL OF EUROPEAN UNION

- Main EU decision making body
- Also known as Council of Ministers
- Represents interests of individual member states
- Each member state represented by its own ministers
- Appoints president for a 30-month term, renewable once
- Appoints foreign policy High Representative for five-year term

coordinating policy on asylum, immigration, drugs and terrorism.

EU citizenship was brought into being for the first time, allowing people from member countries to move freely between member states. The treaty included a Social Chapter, from which the UK opted out, laying down EU policies on workers' rights and other social issues.

Crucially, Maastricht established the timetable for economic and monetary union and specified the economic and budgetary criteria which would determine when countries were ready to join.

The subsequent Stability and Growth Pact tightened up the approach to these criteria, stressing that strict fiscal discipline and coordination would be vital to the success of economic and monetary union. It also laid down penalties for members failing to control budget deficits.

Monetary union

The single European currency, the Euro, was officially adopted by 11 member states in 1999. Greece, which took longer to meet convergence criteria, joined two years later. Denmark, Sweden and the UK chose not to join.

The failure of many eurozone countries to stick to the self-imposed rules on government debt triggered a major financial crisis in 2009. By the end of that year, Greece was burdened with debt amounting to 113% of GDP - nearly double the eurozone limit of 60%.

Following a 110bn-euro bail-out package for Greece agreed in May 2010 by other eurozone members and the IMF, other heavily-indebted



2002: Euro becomes legal tender

2009: Major crisis erupts in eurozone after Greece posts record public deficit

EU member states - notably Ireland, Portugal and Spain - started to come under close scrutiny.

In November 2010, an EU/IMF bail-out package totalling 85 bn euros was agreed on for Ireland, and in May 2011 a 78bn-euro bail-out was approved for Portugal. By the end of the summer the indebtedness of Spain, Italy and Cyprus was also becoming a cause for concern.

Signs that the debt contagion was spreading beyond the periphery of the eurozone gave rise to a clamour of calls for urgent action, and at an emergency summit in October 2011, Europe's leaders agreed on a package of measures that included boosting the eurozone's main bailout fund to 1tn euros.

This, however, failed both to address a continuing crisis of confidence in the currency and to heal rifts among the major European Union economies on how to deal with it. France and Germany sought eurozone tax harmonisation, while Britain demanded safeguards for its own financial sector.

As uncertainty continued, credit rating agency Standard & Poor's warned in December that it would review the top AAA credit rating of the European Union for possible downgrade.

Other key issues

Supporters of the 2004 influx of new member states saw enlargement as the best way of building economic and political bonds between the peoples of Europe in order to end the divisions of the past.

They looked forward to sharing the world's largest single market and so to expanding and consolidating stability and prosperity.

Critics highlighted the fact that average GDP per head for the new member states was 40% of the average for existing EU countries, making them an economic burden.

EUROPEAN COMMISSION

- Proposes legislation to Council and Parliament
- Manages implementation of EU legislation
- Commissioners appointed on five-yearly basis by Council in agreement with member states
- Appointments confirmed by parliament to which commission is answerable

Some also argued that the EU decision-making process would become bogged down as the number of countries round the table increased.

Fears were expressed in some quarters that established EU members would see a huge influx of immigrants from former communist states seeking better job and benefit prospects.

Reform treaty

Expansion is almost certain to continue. Bulgaria and Romania joined in January 2007, Croatia is expected to become the EU's 28th member state in mid-2013, and in 2009 Serbia submitted a formal application to join. Talks over Turkey's possible accession began in October 2005.

With the first big wave of enlargement approaching, a convention was established in 2002 to draft a constitution for the EU intended to streamline and replace the complex array of treaties and agreements which then governed it, and to define the powers of the body.

After intensive negotiation, the final text of the constitution was approved at a meeting of the 25 EU heads of state in Brussels in June 2004.

However, every EU country had to ratify the constitution - through national parliament or public referendum - before it could take effect. The charter was dealt a severe blow in May and June 2005 when it was spurned by French and Dutch voters.



EUROPEAN PARLIAMENT

- Members - MEPs - elected every five years by EU citizens
- Votes on and oversees implementation of EU budget
- Considers Commission proposals on legislation
- Works with Council on legislative decisions
- Holds sessions in Brussels and Strasbourg

The constitution was put on hold, but with Germany's assumption of the EU presidency in January 2007 it was placed firmly back on the agenda.

Negotiations on a new Reform Treaty took place throughout 2007, and what has become known as the Lisbon Treaty was signed in the Portuguese capital on 13 December.

Most European leaders acknowledged that the main substance of the constitution would be preserved, but they argued that Lisbon simply amended previous European treaties, rather than marking any fundamental new shift in powers.

All 27 EU countries were expected to ratify the Treaty in 2008 with a view to it coming into force in 2009. However, it was thrown into turmoil in June 2008 after voters in Ireland - the only country to hold a referendum on it - delivered a resounding "no" vote.

European Commission President Jose Manuel Barroso urged other countries to continue ratifying the Treaty, and Ireland approved it in a second

referendum in October 2009.

The ratification process was completed the following month when the eurosceptic Czech President Vaclav Klaus finally signed it.

New presidency

In November the Council of Ministers approved Belgian Prime Minister Herman Van Rompuy as the first president of the European Council after rejecting several other higher-profile candidacies, including that of former British Prime Minister Tony Blair. Mr Van Rompuy took office in January 2010.

The European Union Trade Commissioner, Britain's Baroness Ashton, was appointed High Representative for foreign affairs at the same time. She took office when the Lisbon Treaty came into force in December 2009.

Under Baroness Ashton's chairmanship, EU foreign ministers have taken a more concerted line on issues in the Middle East, in particular sanctions against Iran's



Mr Van Rompuy became the EU's first permanent president in January 2010

nuclear programme. In January 2012 they banned imports of Iranian oil in a major step against the Tehran authorities.

Mr Van Rompuy was elected for a two-and-a-half-year term, to replace a six-monthly rotating presidency and usher in a redistribution of power among the Commission, Parliament and Council.

The number of Commissioners will be reduced in 2014, so that not every member-state will have its own Commissioner.

Parliament will be put on an equal footing with the Council for most issues, including the crucial areas of the budget and agriculture, under a system dubbed the "co-decision".

The Commission and Court of Justice will have enhanced powers in justice and home affairs.

National vetoes will be removed in some areas, although they will remain on tax, foreign policy, defense and social security.

In addition there will be a redistribution of voting weights among member-states, to be phased in between 2014 and 2017, with 55% of member-states being entitled to pass certain measures as they account for 65% of the EU population.

Source: British Broadcasting Corporation (February 2012)

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General Information

on EU Member States & Relationship with Nepal

MAP of EU



EU members: Profile

AUSTRIA

Year of EU entry	: 1995
Political system	: Federal republic
Capital city	: Vienna
Total area	: 83,870 km ²
Population	: 8.3 million
Currency	: Euro
Official EU language	: German
Internet TLD	: at
Calling code	: +43
National day	: 26th October



In the world of philosophy and ideas, Sigmund Freud continues to provoke controversy while Ludwig Wittgenstein was one of the major influences in 20th century thinking. The paintings of Gustav Klimt are widely admired.

Relationship with Nepal:

Nepal established diplomatic relation with Austria on the 15th August 1959. Honorary Consulate of Republic of Austria looks after Austrian consular interest in Nepal. Since the beginning of the 1990's, Austrian Development Cooperation has successfully completed number of projects on Rural Development, Tourism and Poverty Elimination. Austrian Joint Venture Industries reached 15 projects in Nepal. Nepal exports to Austria like carpet, knotted wool, Nepali paper, silver jewellery etc amounting to Rs.163 million, whereas imports from Austria include diary product, engine parts, stationery, medicine amounting to Rs. 171 million. Austria actively supports the constitution drafting process in Nepal and on the cultural level, Bilateral Cooperation is excellent.

BELGIUM

Year of EU entry	: Founding member
Political system	: Constitutional monarchy
Capital city	: Brussels
Total area	: 30,528 km ²
Population	: 10.7 million
Currency	: Euro
Official EU language	: French, Dutch, German
Internet TLD	: .be
Calling code	: +32
National day	: 21st July



Belgium is famous for its chocolates. Its favorite dish is mussels and chips (French fries), which, according to legend, are a Belgian invention.

Relationship with Nepal:

Nepal established diplomatic relation with Belgium on the 19th August 1963. Honorary Consulate of Belgium is in Kathmandu. Nepal enjoys very good relationship which has been nurtured by high level bilateral visits. Nepal has been beneficiary of the Development Cooperation. Belgium joint venture industries in Nepal reached 11 projects. Nepal exports to Belgium carpet, knotted wool, Nepali paper, felt, painting, cotton garment and imports like diary product, preserve food, photographic goods, plastic, textile and machine parts. Exports & imports stood at Rs. 244 million & Rs.361 million respectively between the two countries (2010/11).

BULGARIA

Year of EU entry	: 2007
Political system	: Republic
Capital city	: Sofia
Total area	: 111,910 km ²
Population	: 7.6 million
Currency	: Lev
Official EU language	: Bulgarian
Internet TLD	: .bg
Calling code	: +359
National Day	: 3rd March



Founded in 681, Bulgaria is one of the oldest states in Europe. It's famous for its folk music. A traditional Bulgarian food, yoghurt, has been identified by biologists as a cause of the exceptional longevity of Bulgarians, many of whom live to the age of a hundred.

Relationship with Nepal:

Nepal and Bulgaria established Diplomatic Relation on the 15th April 1968. Honorary Consulate of Bulgaria looks after Bulgarian consular interest in Nepal. Trade between Nepal and Bulgaria is very limited. Nepal exports to Bulgaria tanned & crust hides and import like milk powder, preserved food, household goods, medication. Exports and imports stood at Rs. 3.1 million and Rs. 18.5 million respectively between the two countries (2010/11).

CYPRUS

Year of EU entry	: 2004
Political system	: Republic
Capital city	: Nicosia
Total area	: 9,250 km ²
Population	: 0.8 million
Currency	: Euro
Official EU language	: Greek, English
Internet TLD	: .cy
Calling code	: +357
National day	: 1st October, Independence Day



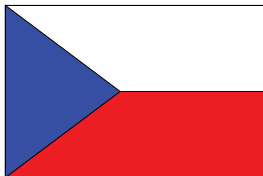
Cyprus is the largest island in the eastern Mediterranean. It's well known as the island of Aphrodite, the goddess of love and beauty, who, according to legend, was born there.

Relationship with Nepal:

Nepal established Diplomatic Relation with Cyprus on the 18th August 1980. Honorary Consulate of Cyprus is in Kathmandu. The relation between two countries has always been warm, friendly and cordial marked by mutual respect. Both the countries are members of UN & Non-aligned Movement. There have been several high level exchange visits since 1982. A joint venture industry in service has been established with Cyprus collaboration in Nepal. Trade between Nepal and Cyprus is very limited. Nepal exports to Cyprus silver jewellery, woodcrafts, Nepali paper, carpet amounting to Rs. 1.5 million in 2010 / 11.

CZECH REPUBLIC

Year of EU entry	: 2004
Political system	: Republic
Capital city	: Prague
Total area	: 78,866 km ²
Population	: 10.5 million
Currency	: Czech koruna
Official EU language	: Czech koruna
Internet TLD	: .cz
Calling code	: +420
National day	: 28th October



The Czech Republic became an independent state in January 1993 after Czechoslovakia split into its two constituent parts. The Czech capital, Prague, is more than 1,000 years old and has a wealth of historic architecture of different styles. Because of this, the city has become a favored location for many international filmmakers.

Relationship with Nepal:

Nepal established Diplomatic Relation with Czech Republic on the 2nd March 1994. Honorary Consulate of Czech Republic is in Kathmandu. Nepal has good relation with Czech Republic. Although the trade between Nepal and Czech Republic is limited, Nepal enjoys Czech technology since the beginning. The equipment supplied by Czech Republic are still in use in Nepal - at Janakpur Cigarette Factory, Panauti Hydro Project, Birgunj Sugar Factory, Printing Press etc. Czech entrepreneurs have shown interest in various sectors as Education, Hydropower and Agriculture. Nepal exports to Czech Republic include Green Tea, Felt, Woolen & Cotton garments etc and imports veterinary Medicine, Wearing Materials, Motor Cars & its parts etc. Exports and imports stood at Rs. 49 million and 193 million respectively between the two countries (2010/11).

DENMARK

Year of EU entry	: 1973
Political system	: Constitutional monarchy
Capital city	: Copenhagen
Total area	: 43,094 km ²
Population	: 5.5 million
Currency	: Danish krone
Official EU language	: Danish
Internet TLD	: .dk
Calling code	: +45
National day	: 5th June, Constitution Day



Among the best-known Danes are the writer Hans Christian Andersen, famous for his fairy tales, the author Karen Blixen and the designer Arne Jacobsen.

Relationship with Nepal:

Nepal and Denmark established diplomatic relation on the 15th December 1967. Since 1992 Denmark has been operating its Diplomatic Mission in Kathmandu, Likewise, Nepal has its Embassy in Copenhagen since 2007. Denmark assisted Nepal for Education, Electricity Energy renewal, human rights, good governance and peace process. Denmark is one of the leading development partners in Nepal and total number of joint venture industries in collaboration with Denmark are 19 in Nepal. Nepal exports to Denmark are green tea, Nepalese papers, pashminas etc. and import as preserved food, machinery, domestic goods etc. Exports & Imports stood Rs. 192 million & Rs. 525 million respectively in 2010/11.

ESTONIA

Year of EU entry	: 2004
Political system	: Republic
Capital city	: Tallinn
Total area	: 45,000 km ²
Population	: 1.3 million
Currency	: Euro
Listen to the official EU language: Estonian	
Internet TLD	: .ee
Calling code	: +372
National day	: 24th February, Independence Day



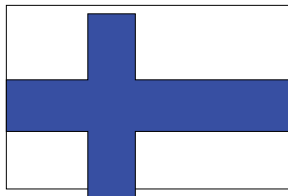
The most northerly of the Baltic states, Estonia regained its independence from the Soviet Union in 1991. Famous Estonians include writer Jaan Kross, whose work has been translated into 20 languages, Friedrich Reinhold Kreutzwald, the author of the national epic (Kalevipoeg), and writer, filmmaker, diplomat and politician Lennart Meri.

Relationship with Nepal:

Estonia and Nepal established diplomatic relation on 20th April 1992. Estonia is represented by Embassy of Denmark in Nepal. Nepal has limited trade with Estonia; Exports and imports stood at Rs. 1.9 million and 1.8 million respectively between the two countries (2010/11).

FINLAND

Year of EU entry	: 1995
Political system	: Republic
Capital city	: Helsinki
Total area	: 338,000 km ²
Population	: 5.3 million
Currency	: Euro
Official EU language	: Finnish, Swedish
Internet TLD	: .fi
Calling code	: +358
National day	: 6th December, Independence Day



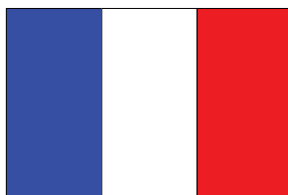
Finland, a country of forests and lakes, is perhaps best known for its pristine natural beauty. In the far north of the country, the White Nights, during which the sun does not set, last for around 10 weeks of the summer. In winter the same area goes through nearly eight weeks when the sun never rises above the horizon.

Relationship with Nepal:

Finland and Nepal established diplomatic relation on the 21st September 1974. Finland has diplomatic Mission in Kathmandu. The relation between Nepal and Finland are based on Development Cooperation. Finland helps Nepal to reduce poverty, enhance peace process, improve human rights, promote environmentally sustainable development, education and water & sanitation. Finland is funding 50 NGO projects as well as invests 4 joint venture industries in Nepal. Nepal exports to carpet, handmade paper, domestic goods etc and imports chemical dyes, paper & paper products. Exports & imports stood at Rs.45 million and Rs.606 million respectively between the two countries (2010/11).

FRANCE

Year of EU entry	: Founding member
Political system	: Republic
Capital city	: Paris
Total area	: 550,000 km ²
Population	: 64.3 million
Currency	: Euro
Official EU language: French	
Internet TLD	: .fr
Calling code	: +33
National day	: 14th July



One of the largest countries in Europe, France has produced some of the continent's most influential writers and thinkers from Descartes and Pascal in the 17th century, to Rousseau and Voltaire in the 18th, Balzac, Baudelaire and Flaubert in the 19th and Sartre and Camus in the 20th. In the last two centuries the works of Renoir, Monet, Cezanne, Gauguin, Matisse and Braque have enriched the world of arts.

Relationship with Nepal:

Nepal and France established diplomatic relation on the 20th April 1049. France has its Diplomatic Mission in Kathmandu. France and Nepal enjoy long-standing friendly relation. High level exchange of visits between the two countries are frequent. France has investment in 45 joint venture companies in Nepal. Nepal exports to France readymade garment, pashmina shawl Nepalese paper, tea etc and imports diary products, cosmetics, bank notes & cheque forms, footwear, electric appliance, furniture and aircrafts etc. Exports and imports stood at Rs. 1206 million and Rs. 1822 million respectively between the two countries (2010/11).

GERMANY

Year of EU entry	: Founding member
Political system	: Federal republic
Capital city	: Berlin
Total area	: 356,854 km ²
Population	: 82 million
Currency	: Euro
Official EU language	: German
Internet TLD	: .de
Calling code	: +49
National day	: 3rd October, Day of German Unity



Germany is the most populous country in EU. It's the birthplace of classical music maestro Ludwig van Beethoven and eminent writers and philosophers like Luther, Goethe, Schiller, Nietzsche, Kant, Brecht and Thomas Mann. Germany is also known for its quality beers.

Relationship with Nepal:

Federal Republic of Germany and Nepal established diplomatic relation on the 4th April, 1958. Federal Republic of Germany has its Diplomatic Mission in Kathmandu. Since the relation between two countries has been going on the basis of friendship and mutual cooperation, exchange of visits between two countries has taken place at different levels including highest levels. The German Government has positively supported the on-going peace process of Nepal. Germany is a major donor for Nepal's development efforts. German is also a member of Nepal Development Forum. German Non-Governmental Organization as well as institutions like GTZ, DAD, DED are very active in promoting Nepal Socio-economic development. Germany has been playing significant role in the promotion of Nepal Hydro power and Tourism Industry. Joint Venture Industries from German investments in Nepal show 72 projects as of Mid July 2011. Nepal exports to Germany carpet, handicraft, silver jewellery, woolen & pashmina goods, Nepalese paper, readymade garment etc. and imports industrial raw materials, chemicals, machinery equipment, vehicles, electronic parts etc. Exports and imports stood at Rs. 2768 million and Rs. 2330 million respectively between the two countries (2010/11).

GREECE

Year of EU entry	: 1981
Political system	: Republic
Capital city	: Athens
Total area	: 131,957 km ²
Population	: 11.2 million
Currency	: Euro
Official EU language	: Greek
Internet TLD	: .gr
Calling code	: +30
National day	: 25th March, Independence Day



Its territory includes more than 2,000 islands in the Aegean and Ionian seas, of which only 170 or so are inhabited. Greece is one of the cradles of European civilization, whose ancient scholars made great advances in philosophy, medicine, mathematics and astronomy. Their city-states

were pioneers in developing democratic forms of government. The historical and cultural heritage of Greece continues to resonate throughout the modern world - in literature, art, philosophy and politics.

Relationship with Nepal:

Nepal established Diplomatic Relation with Greece on the 2nd February 1960. Honorary Consulate of Greece is in Kathmandu. Nepal and Greece bilateral & multilateral Cooperation are good. Nepal & Greece are two of the countries that have joined the LDIW Projects (Let's do it world cleanup 2012). Nepal exports to Greece as felt, woolen & cotton garments, painting etc. amounting to Rs.17 million and imports such as food items, machinery parts, chemicals, electro-medical instruments amounting to Rs.18 million (2010/11).

HUNGARY

Year of EU entry	: 2004
Political system	: Republic
Capital city	: Budapest
Total area	: 93,000 km ²
Population	: 10 million
Currency	: Forint
Official EU language	: Hungarian
Internet TLD	: .hu
Calling code	: +36
National day	: 23rd October



Hungary is a landlocked state. Balaton, a popular tourist centre, is the largest lake in central Europe. Hungary is a highly musical country whose traditional folk music inspired its great composers such as Liszt, Bartók and Kodály.

Relationship with Nepal:

Nepal and Hungary are small and land-locked countries. Diplomatic Relation between Nepal and Hungary was established on the 15th, January 1961. Honorary Consulate of the Republic of Hungary and Nepal-Hungary Friendship Association are based in Kathmandu. Hungary invests Joint Venture Tourism Project in Nepal. Nepal exports to Hungary include woolen shawl, felt, cotton garment, paintings etc and imports medical & scientific graphic apparatus. Export & Import stood 41 million & 27 million respectively between the two countries (2010/11).

IRELAND

Year of EU entry	: 1973
Political system	: Republic
Capital city	: Dublin
Total area	: 70,000 km ²
Population	: 4.5 million
Currency	: Euro
Official EU language	: English, Irish
Internet TLD	: .ie
Calling code	: +353
National day	: 17th March, St. Patrick's Day



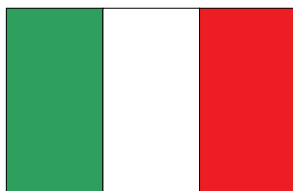
Often referred to as the land of saints and scholars, the country is the birthplace of many famous English-language writers, such as Yeats, Joyce, Beckett, Wilde and Shaw. Internationally known rock bands and singers such as U2, The Corrs and Sinead O'Connor hail from Ireland.

Relationship with Nepal:

The Diplomatic Relation between two countries was established on the 19th August 1999. Trade and investment are potential between Nepal and Ireland. The relation between two countries is growing economically and culturally. There are 6 Joint Venture Projects in Nepal supported by Ireland. Nepal exports to Ireland such as tea, garment, jute bag, woolen shawl etc. and imports veterinary medicine, cotton yarn, leas, electric parts. Export and Import stood at Rs. 15 million and 98 million respectively between the two countries (2010/11)

ITALY

Year of EU entry	: Founding member (1952)
Political system	: Republic
Capital city	: Rome
Total area	: 301,263 km ²
Population	: 60 million
Currency	: Euro
Official EU language	: Italian
Internet TLD	: .it
Calling code	: +39
National day	: 2nd June



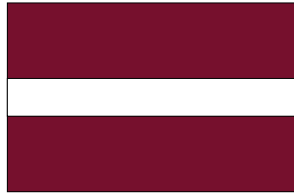
Once the centre of the vast Roman Empire, which bequeathed a rich archaeological, cultural and literary heritage, the Italian peninsula birthed medieval humanism and the Renaissance. It boasts a long list of world famous political thinkers, philosophers and artists including Machiavelli, Dante, Leonardo, Galileo and Michelangelo.

Relationship with Nepal:

Nepal established Diplomatic Relation with Italy on the 31st, August 1959. Honorary Consulate of Italy is in Kathmandu. Economic Cooperation is very good between two countries. There are 19 Tourism Joint Venture Industries in Nepal supported by Italy. Nepal exports to Italy like carpet, knotted wool, hides skins, readymade garment, handicrafts, silver jewellery, woolen pashmina & shawl and imports fresh & dry food, medicants, household appliance and electric goods etc. Exports and imports stood at Rs.753 million and Rs. 189 million respectively between the two countries (2010/11).

LATVIA

Year of EU entry	: 2004
Political system	: Republic
Capital city	: Riga
Total area	: 65,000 km ²
Population	: 2.3 million
Currency	: Lats
Official EU language	: Latvian
Internet TLD	: .LV
Calling code	: +371
National day	: 18th November, Independence Day



Latvia regained independence from the Soviet Union in 1991. Among the best-known Latvians are the expressionist painter, Mark Rothko and the contemporary composer, Peteris Vasks. Its Freedom Statue is one of the highest in Europe, at 43 metres.

Relationship with Nepal:

The diplomatic relation between Latvia and Nepal was established on 20th April 1992. Trade between Nepal and Latvia is very limited. Nepal exports to Latvia domestic goods, paints, clothing etc. and imports items such as automatic data, crushing equipment, apparatus of transmission and electric parts. Thus exports and imports stood approximately at Rs. 3 million and Rs. 3.9 million respectively between the two countries (2010/11)

LITHUANIA

Year of EU entry	: 2004
Political system	: Republic
Capital city	: Vilnius
Total area	: 65,000 km ²
Population	: 3.3 million
Currency	: Litas
Official EU language	: Lithuanian
Internet TLD	: .lt
Calling code	: +370
National day	: 16th February, Independence Day



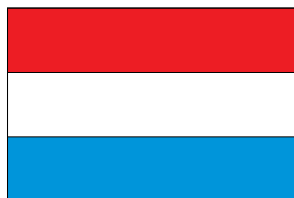
Lithuania is the largest and most populous of the Baltic States. It gained independence from the Soviet Union in 1991. The capital, Vilnius, is a picturesque city on the banks of River Vilnia.

Relationship with Nepal:

Nepal established diplomatic relation with Lithuania on the 8th February 2005. Honorary Consulate of Lithuania is also established in Kathmandu. Trade between two countries is increasing. Nepal exports to Lithuania stationery, cotton garments, woolen pashminas etc amounting to Rs. 2.4 million and imports medicaments & machine parts amounting to Rs. 102 million. (2010/11).

LUXEMBOURG

Year of EU entry	: Founding member (1952)
Political system	: Constitutional monarchy
Capital city	: Luxembourg
Total area	: 2,586 km ²
Population	: 0.5 million
Currency	: Euro
Official EU language:	French, German
Internet TLD	: .lu
Calling code	: +352
National Day	: 23rd June, Official Birthday of HRH The Grand Duke



Luxembourg shares the Moselle valley with Germany and the local white wines are well known. Like other northern European countries, Luxembourg is also known for its beers.

Relationship with Nepal:

The diplomatic relation between Luxembourg and Nepal was established on the 27th November 1975. Honorary Consulate of Luxembourg is in Kathmandu. Trade between Nepal and Luxembourg is limited. Nepal exports to Luxembourg domestic and woolen goods amounting to Rs. 7.2 million and imports printed paper, threaded articles of iron and steel, refrigerating & freezing parts amounting to Rs.41 million.

EU members: Profile

MALTA

Year of EU entry	: 2004
Political system	: Republic
Capital city	: Valletta
Total area	: 316 km ²
Population	: 0.4 million
Currency	: Euro
Official EU language	: Maltese, English
Internet TLD	: .mt
Calling code	: +356
National day	: 21st September



An archipelago in the Mediterranean Sea, Malta has been inhabited since around 5,200 BC and a significant prehistoric civilization existed on the islands prior to the arrival of the Phoenicians who named the main island Malat, meaning safe haven.

Relationship with Nepal:

Nepal established diplomatic relation with Malta on the 25th September 1983. Honorary Consulate of Malta is in Kathmandu. Trade between Malta and Nepal is limited. Nepal exports to Malta cotton materials & household goods amounting to Rs. 0.56 million and imports food preparation, protein substances, sauces amounting to Rs. 5.9 million (2010/11).

NETHERLANDS

Year of EU entry	: Founding member (1952)
Political system	: Constitutional monarchy
Capital city	: Amsterdam
Total area	: 41,526 km ²
Population	: 16.4 million
Currency	: Euro
Official EU language:	Dutch
Internet TLD	: .nl
Calling code	: +31
National day	: 30th April, Queen's Birthday



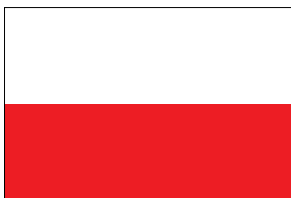
The Netherlands has a history of great painters. The 17th century was the age of the Dutch Masters, such as Rembrandt van Rijn, Johannes Vermeer and Jan Steen.

Relationship with Nepal:

Netherlands and Nepal established Diplomatic relation on the 2nd April, 1960. Honorary Consulate of Netherlands is also established in Kathmandu. The bilateral & multilateral cooperation between Nepal and Netherlands is very positive in economic development in Nepal. SNV/Netherlands Development Organization contributes towards sustainable development in Nepal's agriculture, renewable energy, water sanitation and hygiene. There are 34 Joint Venture Industries in Nepal supported by Netherlands. Nepal exports to Netherlands such as carpet, woolen shawl, garments, silver jewellery, felt etc. amounting to Rs. 300 million and imports preserved food, medicament, fertilizer, plastic apparel, electric goods, packing materials etc. amounting to Rs. 768 million (2010/11).

POLAND

Year of EU entry	: 2004
Political system	: Republic
Capital city	: Warsaw
Total area	: 312,679 km ²
Population	: 38.1 million
Currency	: Zloty
Official EU language:	Polish
Internet TLD	: .pl
Calling code	: +48
National day	: 3rd May, Anniversary of the 1791 Constitution of Poland



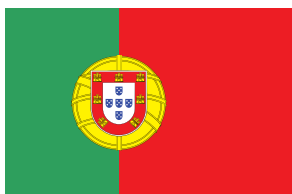
Famous Poles include the astronomer Copernicus, the composer Chopin, the scientist Maria Curie-Sklodowska, filmmakers Roman Polanski and Krzysztof Kieslowski, and the late Pope John-Paul II.

Relationship with Nepal:

Poland and Nepal established diplomatic relation on the 25th November 1959. Honorary Consulate of Poland is also established in Kathmandu. The economic relation between Nepal and Poland is growing. Poland is assisting Tourism and Mountaineering Development in Nepal. Poland is well known for scaling world highest Peak Mt. Everest. There are altogether 7 Joint Venture Industries in Nepal with the collaboration of Poland. Nepal exports to Poland tea, stationery, household goods, textile materials worth of Rs. 12 million and imports animal feeds, bath preparation, electric goods worth of Rs. 82 million.

PORTUGAL

Year of EU entry	: 1986
Political system	: Republic
Capital city	: Lisbon
Total area	: 92,072 km ²
Population	: 10.6 million
Currency	: Euro
Official EU language	: Portuguese
Internet TLD	: .pt
Calling code	: +351
National day	: 10th June



cooking cod, the national dish.

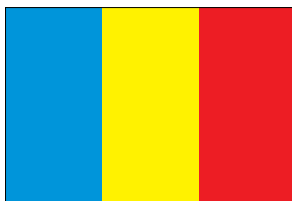
Portugal has a rich history of seafaring and discovery. During the past 3,000 years, Phoenician, Greek, Celt, Carthaginian, Roman and Arabic cultures have all influenced Portugal. Each region of Portugal has its traditional dishes with various kinds of meat and seafood, including the hundred ways of

Relationship with Nepal:

Portugal and Nepal established diplomatic relation on the 1st September 1976. Honorary Consulate of Portugal is in Kathmandu. There is a Joint Venture Industry in service inn Nepal with the collaboration of Portugal. Although a trade between Portugal and Nepal is limited, Nepal exports to Portugal household goods, cotton goods, paintings worth of Rs. 28 million and imports goods of Rs. 4 million.

ROMANIA

Year of EU entry	: 2007
Political system	: Republic
Capital city	: Bucharest
Total area	: 237,500 km ²
Population	: 21.5 million
Currency	: Romanian Leu
Official EU language:	Romanian
Internet TLD	: .ro
Calling code	: +40
National Day	: 1st December



The spine-chilling tale of Dracula is based on the 15th century Romanian Count Vlad Dracul whose son was infamous for impaling captured enemies in wartime.

Relationship with Nepal:

Nepal established diplomatic relation with Romania on the 20th April 1968. Honorary Consulate of Romania is in Kathmandu. Both countries have many similarities in economic fronts. Bilateral relation in trade, investment, tourism, education & culture are growing. Nepal exports to Romania very limited amount of cotton garments worth about Rs.0.5 million and imports such as worn clothing and articles, pumps and automatic data processing worth about Rs. 6.6 million.

SLOVAKIA

Year of EU entry	: 2004
Political system	: Republic
Capital city	: Bratislava
Total area	: 48,845 km ²
Population	: 5.4 million
Currency	: Euro
Official EU language:	Slovak
Internet TLD	: .sk
Calling code	: +421
National day	: 1st September



Among the best-known Slovaks is Štefan Banič, who invented the parachute in 1913. The capital city, Bratislava, was the coronation place for the kings of Hungary in the pasta and has a rich heritage of medieval and baroque architecture.

Relationship with Nepal:

Nepal established diplomatic relation with Slovakia on the 4th March, 1994. Honorary Consulate of Slovakia is in Kathmandu. Nepal exports to Slovakia woolen and cotton garments, painting and household goods worth about Rs.2.9 million and imports medicaments, photographic materials and vehicles worth about Rs. 22 million (2010/11).

SLOVENIA

Year of EU entry	: 2004
Political system	: Republic
Capital city	: Ljubljana
Total area	: 20,273 km ²
Population	: 2 million
Currency	: Euro
Official EU language	: Slovenian
Internet TLD	: .si
Calling code	: +386
National day	: 25th June



Slovenia became an independent state in 1991 as Yugoslavia disintegrated. Tourist attractions include the famous caves at Postojna with their decor of stalactites and stalagmites. Graffiti in the caves shows that the first tourists came here in 1213.

Relationship with Nepal:

Diplomatic relation between Slovenia and Nepal was established on the 2nd December 1997. Nepal has limited trade with Slovenia. Nepal Exports to Slovenia as textile materials, woolen and cotton dress, base metal clad with silver amounting to Rs. 22 million and imports woolen materials and others amounting to Rs.3.7 million.

SPAIN

Year of EU entry	: 1986
Political system	: Constitutional monarchy
Capital city	: Madrid
Total area	: 504,782 km ²
Population	: 45.8 million
Currency	: Euro
Official EU language	: Spanish
Internet TLD	: .es
Calling code	: +34
National day	: 12th October



From Velázquez in the 17th century, through Goya in the 18th and 19th, to Picasso, Dali and Miro in the 20th, Spain has a rich artistic culture. Spanish Flamenco music and dance are widely admired around the world while Cervantes' novel Don Quixote is one of the landmarks of modern European literature.

Relationship with Nepal:

Diplomatic relations between Spain and Nepal was established on the 13th May 1968. Spain has opened its Honorary Consulate in Kathmandu. Embassy of Nepal in France is concurrently accredited to Spain; likewise, Embassy of Spain in New Delhi, India is concurrently accredited to Nepal. Spain and Nepal enjoy friendly relations due to exchange of highest level visits. Nepal exports to Spain goat skin, incense sticks, leather goods, woolen carpet, handicrafts, Nepalese paper and paper products and imports from Spain chemicals, synthetics, woolen blanket, electrical goods, kitchen equipments. Thus exports and imports stood at Rs.279 million and Rs. 219 million respectively between the two countries (2010/11).

SWEDEN

Year of EU entry	: 1995
Political system	: Constitutional monarchy
Capital city	: Stockholm
Total area	: 449,964 km ²
Population	: 9.2 million
Currency	: krona
Official EU language	: Swedish
Internet TLD	: .se
Calling code	: +46
National day	: 6th June



Sweden has the largest population of the Nordic countries. Swedes played a pioneering role of the early days of cinema, with Mauritz Stiller and Victor Sjöström. Swedish music is in many minds synonymous with ABBA.

Relationship with Nepal:

Sweden and Nepal established diplomatic relation on the 10th June 1960. Sweden has opened its Honorary Consulate in Kathmandu. The economic relations between two countries are growing. There are eight Joint Venture Industries in Nepal with the collaboration of Sweden. Nepal exports to Sweden green tea, carpet, woolen shawl, Nepali paper and Felt. Imports from Sweden include liquor, medical items, machinery parts & household goods. Exports & imports stood at Rs. 64 million & 19 million respectively between the two countries (2010/11).

UNITED KINGDOM

Year of EU entry	: 1973
Political system	: Constitutional monarchy
Capital city	: London
Total area	: 244,820 km ²
Population	: 61.7 million
Currency	: Pound sterling
Official EU language:	English
Internet TLD	: .uk
Calling code	: +44
National day	: 21st April, Birthday of Her Majesty Queen Elizabeth II



The United Kingdom consists of England, Wales, Scotland (who together make up Great Britain) and Northern Ireland. Home to the industrial revolution, the United Kingdom has produced many great scientists and engineers including Isaac Newton and Charles Darwin. The father of modern economics, Adam Smith, was a Scot. English literature has produced an endless stream of poets, dramatists, essayists and novelists, the most prominent being Shakespeare, arguably one of the greatest dramatists of all times.

Relationship with Nepal:

Nepal established diplomatic relation with the UK in 1816. Ever since bilateral high level visits & periodic consultations at different levels have paid a major role in fostering Nepal- UK historical relations. The recruitment of Gurkha soldiers by the British Army which shows how trusted the Nepalese are in the UK.

British assistance comes through Department of International Development (DFID) which opened its office in Kathmandu in March 1999. Different Socio-Economic activities in Nepal have benefited from the British Government Assistance. The UK is among the top ten trading partners of Nepal. There are 102 Joint Venture Industries in Nepal in collaboration with the UK.

Nepal exports to UK woolen carpet, handicraft, readymade garment, silver jewellery, leather goods and Nepali paper & paper products and imports hard drinks, cosmetics, medical equipment, medicine, textile, machinery part, office equipment, aircraft & spare parts etc. Exports and imports stood at Rs. 1389 million and Rs.2040 million respectively between the two countries (2010/11).

Reference: http://europa.eu/about-eu/countries/member-countries/index_en.htm

What countries are Schengen states?

Germany, Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Greece, Hungary, Iceland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden and Switzerland have acceded to the Schengen Agreement and are thus Schengen states. Holders of valid Schengen visas (text on the visa reads "valid for Schengen states" in the respective language of the issuing country) or a residence permit of a member state can stay in the entire Schengen area for up to three months per half year (usually without having to go through passport control at internal borders).

Source: www.auswaertiges-amt.de

EEC-Nepal At Glance



Please contact Secretariat for a CD



Peter Bishop

Working with **EEC- Nepal**

In 2008 and 2009 the London Chamber of Commerce and Commerce (LCCI) worked alongside EEC-Nepal in ECIBON – Enhancing the Capacity Building of Intermediary Business Organisations in Nepal – an EU-funded programme to provide local businesses with help to develop, nationally and internationally.

Annabel Fogden, head of the Chamber's World Trade team, managed the UK end of the project and liaised with the home team at the European Economic Chamber in Kathmandu. At the time she was quoted in London Business Matters, the LCCI magazine as follows: "We are working with staff of chambers of commerce and trade associations in Nepal so that they can help their members with all aspects of doing business such as market research, marketing and international trade procedures.

"We are also advising them on how to strengthen their memberships, what services to provide, and how to lobby for better government support. Much of the help we give will be in the form of seminars or workshops in Nepal and the UK"

EEC-Nepal's in-country partner was the Federation of National Cottage and Small Industries (FNCSIN) who were spearheading a programme of sustainable development through national

industrialisation in which the ECIBON project had a crucial role to play. London Business Matters quoted project manager Pravakar Bickram Rana (PB), an MBA from an American business school and who has extensive European working experience, and who was confident that the work could make a difference to Nepal as saying. "We have some good products here, often with strong organic credentials – coffee, tea and flowers for example – but we lack knowledge of the European import procedures, and we need introductions to buyers."

The first major seminar was on exporting to the EU and was conducted by Peter Bishop, an international trade specialist and deputy chief executive of the LCCI, which took place at the European Economic Chamber's premises in Dilly Bazar in central Kathmandu. The thirty participants from trade sectors representing coffee, floriculture, handicrafts, carpets and general goods heard from the deputy chief executive on import procedures in the EU,

channels of distribution, payment mechanisms, and cultural aspects of doing business in Europe.

Annabel Fogden followed up with a seminar and further one-to one advice on making the best use of exhibitions and trade fairs and match-making activities. Other modules included a long session in Baglung on running a chamber of commerce, and a two-day programme in Kathmandu on lobbying and working with government. EEC-Nepal staff and officers attended an intensive course in London to bring the various strands together.

The programme in Nepal involved filmed interviews and reportage from London, mixed with more traditional training methods. EEC-Nepal was at home with all methodologies and displayed a professionalism that greatly contributed to the success of the project. The staffs involved were totally committed to the project and contact with LCCI remains high which can only be good for EU-Nepal trade.

The author:
Deputy Chief Executive:
London Chamber of Commerce and
Industry (LCCI)

Activities of EEC-Nepal in Pictures

Asian Tour Project "European - Asian Integration in Sustainable Tourism Management"



Tourism Secretary Mr. Leela Mani Paudyal addressing the opening programme on 26th Sept 2003.



Training "Tourism Marketing and Strategy towards Europeans customers" on 29th sept - 3rd oct, 2008



Training "Destination Management Through Sustainable Tourism & New Product development in Rural Areas" on 22nd - 26th sept, 2008



Minister for Tourism & Civil Aviation Hon'ble Hisila Yemi delivering speech on the closing ceremony on 3rd oct, 2008.



Participants pose for group Photograph.



EEC President and Vice-president, presenting Token of Appreciation to the trainers and the participants.



Asian Tour Steering Committee members at a press conference on 23rd April, 2009.



Country presentation by Mr. Bui Van Tien from Vietnam and Mr. Diwakar Rana from Nepal on 23rd April 2009.



B2B Meeting with various Business Organizations on 23rd April, 2009.



Tourism Entrepreneurs attend 25 days Training Programme in Italy.



30 member business delegation meet and brief the Minister of Tourism and Civil Aviation, Hon'ble Hisila Yemi on their fact finding mission to Nepal on 27th April 2009



Ms. Smritee Shrestha from Nepal and Ms. Phan Thai Thanh Van from Vietnam sharing the experience on behalf of the participants at the closing ceremony on 3rd Oct, 2008

ECIBON Project: " Enhancing the Capacity of Business Organizations in Nepal "



ECIBON Project Launching Program.



Participants at Training of Trainers Program at Embassy of Nepal in London on 19th - 23rd Jan, 2009.



Representatives from various Intermediary Business Organizations at an interaction program.



Partners discussing project issues in London.



EEC President signing MoU for partnership agreement at London Chamber of Commerce and Industry (LCCI), England on 3rd Oct, 2007.



Project partners in London on 2007.



Group Work and Presentation (Seminar on Chamber Management and Administration; and Membership Recruitment)



Seminar on "Doing Business with EU and in particular with the Great Britain"



Training on "EU / WTO Quality and Social Standard Issues"



Training on Marketing / International Business Training for Nepalese IBOs at Itahari



Training on Marketing / International Business Training for Nepalese IBOs at Nepalgunj



Training on Marketing / International Business Training for Nepalese IBOs at Butwal



President of EEC-Nepal, Mr. Ditya Mani Rajbhandari and Mr. Peter Bishop, Deputy Chief Executive of LCCI, exchanging MOU on 26th Aug, 2009.



ECIBON Project Partners at Closing Meeting in Copenhagen, Denmark



MOU being signed by the Secretary General of EEC-Nepal, Mr. Binayak Shah and Mr. Jens Knorning, Director, International Department (DFSME) for their respective organizations in the presence of H.E. Mr. Bijaya Kant Karna, Ambassador, Embassy of Nepal to Denmark and Mr. Ditya Mani Rajbhandari, President, EEC-Nepal on 2nd Sept, 2009



Seminar on "International Documents and Payments" and "Regional Policy in Economy and Infrastructure"



EEC-Nepal organized an Interaction programme on "Revitalization of Nepalese Economy" on 21st April, 2007

High Level Delegation from the EU



EEC-Nepal representatives meet with high level delegation from European External Action Service (EEAS) led by Ambassador Viorel Isticioaia - Budura on 19th March 2012



EEC-Nepal representatives meet with high level Russian Parliamentary delegation led by Mr. Valery A. Yazev, Deputy Chairman of the state Duma on 26th March, 2011



A 7 member delegation from European Commission led by EU's Asia Chapter Director James Moran held consultation with leading businessmen and industrialists affiliated with EEC-Nepal on 14th Dec, 2010



EEC - Nepal President, Mr. Dibya Mani Rajbhandari welcomes Ms. Neena Gill - Leader of Delegation, Delegation of European Parliamentarians.



A 10 members delegation of the European Parliament led by Ms. Jean Lambert met with the leading businessmen and industrialists affiliated with the EEC-Nepal on 26th May, 2010.



EEC - Nepal President, Mr. Dibya Mani Rajbhandari welcomes Ms. Jean Lambert - Team leader of EP Delegation



EEC-Nepal President welcomes member of the EU Delegation



EEC - Nepal, Vice President Mr. Bhola Thapa participated at Golden Jubilee Celebration of Nepal-Dutch diplomatic relationship in the Hague, the Netherlands on 16 April 2010.



EEC-Nepal hosted welcome dinner in honor of H.E. Alexander Spachis as the first Ambassador of European Union in Nepal on 5th Feb, 2010 and also organized a farewell dinner for H.E. Mr. Gilles Henry Garault, French Ambassador to Nepal and Nepalese Ambassador designate to France Mr. Mohan Krishna Shrestha on 31st May, 2010.



1st Bone & Horn
"Button Factory"
in Nepal



Manufacturer, Wholesaler
& Exporter

Estd. - 1982

Regd, - 1986

LAXMI WOOD CRAFT
U D H Y O G



BOTTON PALACE

108/15 Budanilkantha MargaBansbari, Ring Road Ward no. 3 Kathmandu, Nepal

Phone : 00977 1 43714404, Fax : 0977 1 4371971

Email : lwcu@wlink.com.np, lwcu@ccsl.com.np





EU - Nepal Economic Relation

The bilateral trade between EU and Nepal in the fiscal year 2010/11 stood at export of Rs. 7,621,290,000 and import of Rs. 9,937,884,000 Nepal exports to the EU carpet, handicraft, silver jewellery, woolen & pashmina

goods, Nepalese paper, readymade garment etc. and imports industrial raw materials, chemicals, machinery equipment, vehicles, electronic parts etc. Germany, United Kingdom and France rank top three markets for Nepalese exports as

well as imports in the EU. Details of Nepal's Exports and Imports to and from EU are presented below.

Foreign Trade of Nepal with EU Countries 2010/11

Value in thousand Rs.

S.No.	Country	Export	Import	Trade Balance
1.	Austria	1,63,061	1,71,877	- 8,816
2.	Belgium	2,44,631	3,61,404	- 1,16,773
3.	Bulgaria	3,164	18,501	- 15,337
4.	Cyprus	1,459	49	+ 1,410
5.	Czech Republic	49,401	1,93,647	- 1,44,246
6.	Denmark	1,92,884	5,24,660	- 3,31,776
7.	Estonia	1,913	1,865	+ 48
8.	Finland	45,204	6,06,892	- 5,61,688
9.	France	12,06,172	13,22,207	- 1,16,035
10.	Germany	27,68,972	23,30,043	+ 4,38,929
11.	Greece	17,496	18,984	- 1,488
12.	Hungary	41,856	27,298	+ 14,558
13.	Ireland	15,796	98,284	- 82,488
14.	Italy	7,58,283	7,71,544	- 13,261
15.	Latvia	350	3,927	- 3,577
16.	Lithuania	2,402	1,02,185	- 99,783
17.	Luxembourg	7,291	41,006	- 33,715
18.	Malta	567	5,911	- 5,344
19.	Netherlands	3,00,991	7,68,096	- 4,67,105
20.	Poland	12,364	82,606	- 70,242
21.	Portugal	28,211	4,103	+ 24,108
22.	Romania	528	6,636	- 6,108
23.	Slovakia	2,956	22,412	- 19,456
24.	Slovenia	22,000	3,729	+ 18,271
25.	Spain	2,79,556	2,19,123	+ 60,433
26.	Sweden	64,254	1,90,342	- 1,26,088
27.	UK	13,89,528	20,40,553	- 6,51,025
	Total	76,21,290	99,37,884	-23,16,594

Source: Nepal Rastra Bank and Trade & Export Promotion Centre

Note: Euro 1 = Nepali Rupee 113.78 (July 1, 2012)



Carpet



Wood Craft



Garments



Thanka



Handicrafts



Pashmina

EU investment & Collaboration

There are more than three hundred fifty industries in Nepal where investments and collaboration have come from EU member states.

Joint Venture Industries as of Ashad 2068(Mid July 2011)

S. No.	EU Countries	Agro based	Construction	Energy based	Manufacturing	Service	Tourism	Total No. of Industries
1.	Austria				5	4	6	15
2.	Belgium				1	8	2	11
3.	Bulgaria							
4.	Cyprus					1		1
5.	Czech Republic					1		1
6.	Denmark	1	1		6	5	6	19
7.	Estonia							
8.	Finland				2		2	4
9.	France	1	1		13	8	22	45
10.	Germany	2	2	6	15	23	24	72
11.	Greece							
12.	Hungary						1	1
13.	Ireland				1	3	2	6
14.	Italy				6	3	10	19
15.	Latvia							
16.	Lithuania							
17.	Luxembourg							
18.	Malta							
19.	Netherlands	2			3	17	12	34
20.	Poland			1	1	1	4	7
21.	Portugal					1		1
22.	Romania							
23.	Slovakia							
24.	Slovenia					1		1
25.	Spain		2		2	2	7	13
26.	Sweden	1			1	4	2	8
27.	UK	2	2	2	27	30	39	102
	Total	9	8	9	83	112	139	360

Source: Department of Industries
Trade & Export Promotion Centre



Hydropower



Installed solar system in the districts selected by Renewable Energy Project (REP) funded by European Union

European Visitors Arrival (By Air Only)

EU is one of the major regions from where maximum number of tourists arrives in Nepal for various touristic intentions. An overall positive growth of 21.7 % has been observed from

the European markets in the year 2011 was 11.2%. Arrivals from the UK, France, Germany, Italy, Belgium and Spain rose up by 12.3%, 23.5%, 13.6%, 22.1%, 50.7% and 74.4%

respectively. As per the figures of Nepal Tourism Board, following is the tourist arrival in 2011 from EU.

Country of Nationality	December		% Change	% Share '11 December	Total (Jan-December)		% Change	% Share '11 Jan-December
	2010	2011			2010	2011		
EUROPE								
Austria	151	82	-45.7%	0.2%	3,158	3,245	2.8%	0.6%
Belgium	207	312	50.7%	0.7%	4,840	5,197	7.4%	1.0%
Czech Republic	29	91	213.8%	0.2%	1,526	2,142	40.4%	0.4%
Denmark	163	246	50.9%	0.6%	4,028	5,134	27.5%	0.9%
France	799	987	23.5%	2.3%	21,832	23,495	7.6%	4.3%
Germany	774	879	13.6%	2.0%	19,735	21,980	11.4%	4.0%
Israel	134	294	119.4%	0.7%	4,058	6,470	59.4%	1.2%
Italy	507	619	22.1%	1.4%	8,867	10,267	15.8%	1.9%
Netherlands	708	678	-4.2%	1.6%	9,434	8,977	-4.8%	1.6%
Norway	101	108	6.9%	0.2%	2,130	2,477	16.3%	0.5%
Poland	105	84	-20.0%	0.2%	2,571	3,061	19.1%	0.6%
Russia	272	471	73.2%	1.1%	4,824	6,457	33.9%	1.2%
Switzerland	248	268	8.1%	0.6%	5,000	5,242	4.8%	1.0%
Spain	352	614	74.4%	1.4%	12,197	12,416	1.8%	2.3%
Sweden	154	180	16.9%	0.4%	2,416	3,225	33.5%	0.6%
U.K.	2,041	2,293	12.3%	5.2%	32,108	34,502	7.5%	6.3%
Sub-Total	6,745	8,206	21.7%	18.8%	138,724	154,287	11.2%	28.3%

Source: Nepal Tourism Board (NTB)
Tribhuvan International Airport (TIA)



In terms of trade, investment, technology transfer and also tourist arrivals, EU is one of the major economic partners of Nepal. There exists huge potential for the expansion of bilateral economic activities but the present level of economic activities between Nepal and EU is dismal. Political stability and peace is the basis of any economic development and in the absence of these basics, the process of economic development is suffering heavily. However, dynamics

of business is always mobile and to keep the momentum going, there are areas where economic activities between EU and Nepal should focus.

European Economic Chamber (EEC)-Nepal established in 2005 to promote socio-economic activities between the member states of the EU & Nepal has carried out several country promotion activities, seminars and workshops. The Chamber is at hand to assist and facilitate these activities.

Some of the investment opportunities at a low cost and low risk for the Europeans are listed below:

TOURIST HOTELS

Nepal observed aggregated growth of 21.4% in total tourist arrivals via air in 2011. According to statistics compiled by Tribhuvan International Airport (TIA) a total of 544,985 tourists entered the country via air in 2011. Similarly, total arrival through land routes reached 174,612.

About 100,000 more than what the country welcomed a year before.

Tourism has emerged as one of the dynamic sectors of the Nepalese economy making significant contribution to foreign exchange earnings, employment, income generation and regional development. The government accords high priority to tourism development and plans to create the necessary environment and infra-structure to strengthen the tourism industry.

It is estimated that there is a short fall of many star standard hotels in Kathmandu, Bhairawa, Biratnagar, Ilam and Pokhara to cater to the needs of high spending tourists to visit Nepal.

A major strategy is meeting the demand for hotel rooms in Nepal are to encourage increased private investment, including private foreign investment for the development of tourist infra-structure. The construction and operation of hotels and resort offer very promising prospects for profitable investment.

NON WOOD FOREST PRODUCTS / MEDICINAL AND AROMATIC PLANTS

Due to varied agro-climatic environment, Nepal is very rich in medicinal and aromatic plants with over 700 plant species. The collection of such plants from wild sources has been practised since times memorial. Traditional medicines, essential oils, and herbs also have a potential as a raw material for the production of cosmetics and perfumes, herbal teas and natural health products.

AGRO CASH CROPS / MUSHROOM CULTIVATION

Many varieties of edible mushrooms are found in a wild in the Terai lowlands, the hills and mountains of Nepal. The temperature, humidity and other biological factors make Nepal suitable for the cultivation of mushrooms throughout the year.

FLORICULTURE

Nepal has a diversity of ornamental plants which could be scientifically cultivated to promote export oriented business. Foreign collaboration for the development of floriculture to provide technical know-how for cultivation of flowers is required to meet the standards demanded in international markets and to provide guidance in market identification and development.

PROCESSING OF SPICES

Nepal produces a large variety of spices such as ginger, timur, large cardamon, turmeric, medicinal spicy herbs, himali cummin, cinnamon, garlic and a variety of chillies. Most of the spices cater to domestic demand and some items like chille, tumeric, garlic, ginger and cardamon are exported to India and other markets in a raw form. Good prospects exist for the setting up of spice processing industries using automatic, dehydration, cleaning

and packing technology to export increased value added products.

TRADITIONAL HANDICRAFT

The production of traditional handicraft has been carried out in Nepal for several decades as a small scale industry. The expertise and experience in the making of the products have come down from generation to generation. Designs are influenced by Hinduism and Buddhism practices. Materials used in the production are wood, silver, gold and semi-precious stones. The availability of skilled traditional craftsmen at comparatively low cost would enable this industry to expand production with a view to export to the industrialized countries. Foreign investment is particularly welcome in providing expertise in the design, finishing of products and providing access to the market.

The author:
Secretary General
European Economic Chamber(EEC)Nepal
Managing Director
Airport Hotel

Salt Trading Corporation Limited
URL: www.stcnepal.com

आयो सुन औषधिको गुन

- बानबानिकाको शारीरिक, मानसिक र बौद्धिक क्षमता बढ्छ ।
- बालिन नफाउने, कान नसुन्ने, होचोपन र टेढोपन जस्ता विकृतिबाट जोगिन्छ ।
- IQ Level बढ्छ ।
- आयोडिनको कमीले हुने विकृति उपचार गरेर हटाउन सकिने । त्यस्ता विकृति जाउन नदिने एकमात्र उपाय आयोडिनको प्रयोग हो ।

सुर् बानबानिका विना उर्वरित अकार्यविशुद्ध खारेजका सुन साथै प्रयोग गर्नु ।
साल्ट ट्रेडिङ कर्पोरेशन् लिमिटेड

(a+b)² = हामी कहिले पनि बिर्सिन्नौ

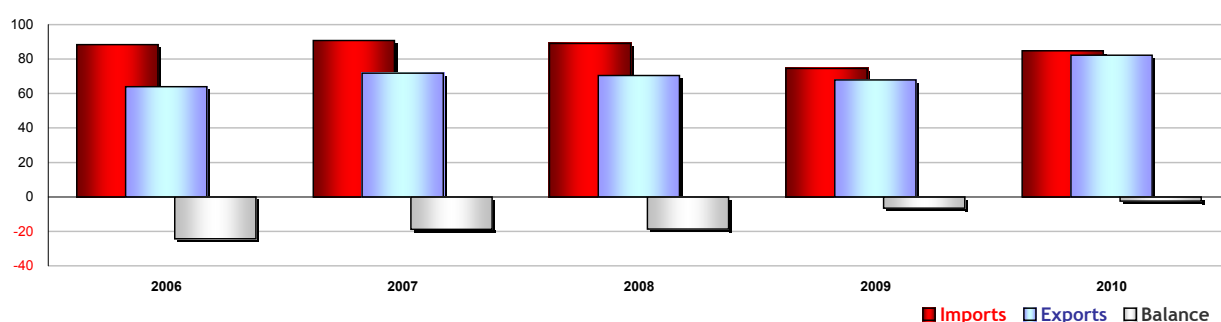
सोशल स्टडीज
SOCIAL STUDIES

EU'S TRADE BALANCE WITH NEPAL

European Union, Trade with Nepal

millions of euro, %

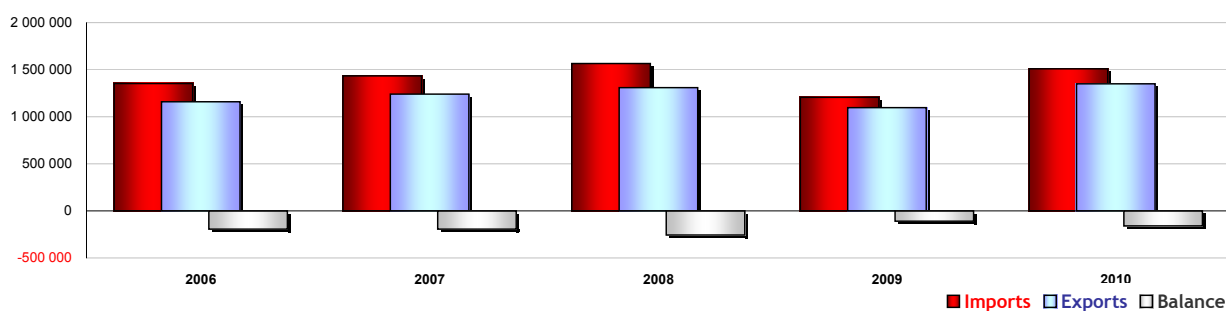
Period	Imports	Variation (%, y-o-y)	Share of total EU Imports (%)	Exports	Variation (%, y-o-y)	Share of total EU Exports (%)	Balance	Trade
2006	88	-5,5	0,0	64	-22,2	0,0	-24	152
2007	91	2,8	0,0	72	12,4	0,0	-19	163
2008	89	-1,8	0,0	70	-2,0	0,0	-19	160
2009	75	-16,4	0,0	68	-3,6	0,0	-7	142
2010	85	13,7	0,0	82	21,1	0,0	-2	167
2010Q1	17	-	0,0	16	-	0,0	-1	32
2010Q2	19	-	0,0	20	-	0,0	2	39
2010Q3	25	-	0,0	27	-	0,0	2	52
2010Q4	25	-	0,0	19	-	0,0	-6	44
2011Q1	19	14,8	0,0	22	38,0	0,0	3	41
2011Q2	20	9,7	0,0	17	-16,8	0,0	-4	37
2011Q3	28	11,7	0,0	17	-37,7	0,0	-11	45
2011Q4	-	-	-	-	-	-	-	-
Average annual growth (2006-2010)		-1,0			6,5			2,3



European Union, Trade with the World

millions of euro, %

Period	Imports	Variation (%, y-o-y)	Share of total EU Imports (%)	Exports	Variation (%, y-o-y)	Share of total EU Exports (%)	Balance	Trade
2006	1 352 921	14,7		1 160 153	10,2		-192 768	2 513 074
2007	1 435 083	6,1		1 240 724	6,9		-194 359	2 675 807
2008	1 566 379	9,1		1 308 886	5,5		-257 493	2 875 266
2009	1 206 776	-23,0		1 097 204	-16,2		-109 572	2 303 980
2010	1 509 073	25,0		1 349 165	23,0		-159 908	2 858 239
2010Q1	334 993	-		293 689	-		-41 303	628 682
2010Q2	375 917	-		336 118	-		-39 799	712 035
2010Q3	392 604	-		352 305	-		-40 299	744 909
2010Q4	405 559	-		367 053	-		-38 506	772 612
2011Q1	418 425	24,9		366 164	24,7		-52 261	784 589
2011Q2	419 219	11,5		377 191	12,2		-42 028	796 410
2011Q3	420 723	7,2		383 228	8,8		-37 494	803 951
2011Q4	-	-		-	-		-	-
Average annual growth (2006-2010)		2,8			3,8			3,3



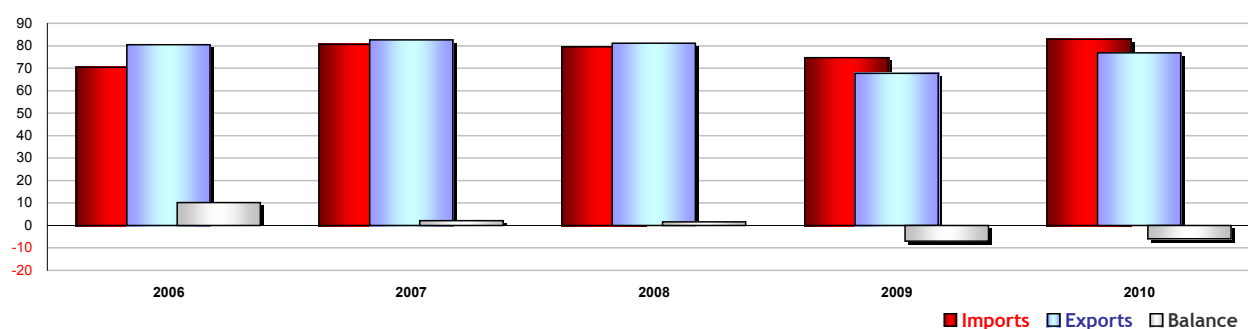
Source: EUROSTAT (Comext, Statistical regime 4)
World excluding Intra-EU27 trade; European Union: 27 members.

NEPAL'S TRADE BALANCE

NEPAL, Trade with the European Union

millions of euro, %

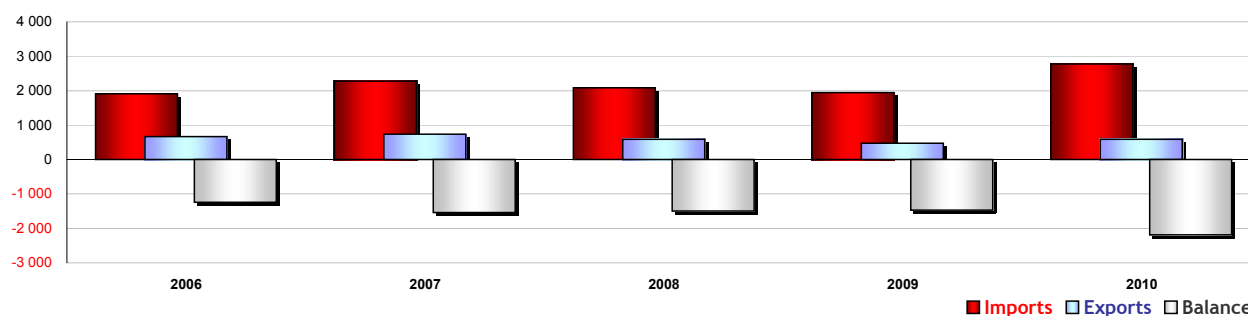
Period	Imports	Variation (%, y-o-y)	EU Share of total Imports (%)	Exports	Variation (%, y-o-y)	EU Share of total Exports (%)	Balance	Trade
2006	70	0,3	3,7	81	3,0	12,2	10	151
2007	81	14,5	3,5	83	2,6	11,2	2	163
2008	80	-1,3	3,8	81	-1,9	13,7	2	161
2009	75	-6,0	3,8	68	-16,5	14,2	-7	142
2010	83	10,8	3,0	77	13,4	13,1	-6	160
2010Q1	16	-	2,6	15	-	12,0	-1	31
2010Q2	20	-	2,9	17	-	12,2	-3	37
2010Q3	28	-	3,8	23	-	14,1	-5	51
2010Q4	19	-	2,6	22	-	13,5	3	41
2011Q1	22	39,4	2,4	17	11,1	12,5	-5	39
2011Q2	17	-15,0	2,3	19	9,8	13,4	2	35
2011Q3	-	-	-	-	-	-	-	-
2011Q4	-	-	-	-	-	-	-	-
Average annual growth (2006-2010)		4,2			-1,2			#NUM!



NEPAL, Trade with the World

millions of euro, %

Period	Imports	Variation (%, y-o-y)		Exports	Variation (%, y-o-y)		Balance	Trade
2006	1 906	15,0		663	1,3		-1 244	2 569
2007	2 275	19,3		735	11,0		-1 539	3 010
2008	2 086	-8,3		591	-19,7		-1 496	2 677
2009	1 945	-6,8		477	-19,3		-1 468	2 422
2010	2 773	42,6		588	23,3		-2 185	3 361
2010Q1	599	-		124	-		-474	723
2010Q2	691	-		138	-		-553	829
2010Q3	739	-		160	-		-579	899
2010Q4	744	-		165	-		-579	910
2011Q1	911	52,2		133	6,6		-779	1 044
2011Q2	731	5,9		138	0,1		-593	870
2011Q3	-	-		-	-		-	-
2011Q4	-	-		-	-		-	-
Average annual growth (2006-2010)		9,8			-2,9			15,1



EU TRADE WITH MAIN PARTNERS (2010)

The Major Imports Partners

Rk	Partners	Mio euro	%
Extra EU27		1 509 073,2	100,0%
1	China	282 531,3	18,7%
2	United States	170 389,7	11,3%
3	Russia	160 061,7	10,6%
4	Switzerland	83 188,8	5,5%
5	Norway	79 435,4	5,3%
6	Japan	65 780,6	4,4%
7	Turkey	42 323,5	2,8%
8	South Korea	39 233,8	2,6%
9	India	33 228,0	2,2%
10	Brazil	32 543,3	2,2%
11	Libya	29 227,1	1,9%
12	Taiwan	24 131,7	1,6%
13	Algeria	21 068,6	1,4%
14	Malaysia	20 807,5	1,4%
15	Canada	20 197,8	1,3%
16	Singapore	18 699,9	1,2%
17	South Africa	17 955,5	1,2%
18	Thailand	17 320,5	1,1%
19	Saudi Arabia	16 301,0	1,1%
20	Kazakhstan	15 943,2	1,1%
21	Nigeria	14 505,5	1,0%
22	Iran	14 464,5	1,0%
23	Indonesia	13 901,4	0,9%
24	Mexico	13 188,1	0,9%
25	Ukraine	11 465,8	0,8%
26	Israel	11 087,5	0,7%
27	Hong Kong	10 672,2	0,7%
28	Australia	9 793,7	0,6%
29	Azerbaijan	9 711,6	0,6%
30	Vietnam	9 586,4	0,6%
31	Tunisia	9 533,3	0,6%
32	Chile	9 458,4	0,6%
33	Argentina	9 306,4	0,6%
34	Qatar	7 892,2	0,5%
35	Morocco	7 737,1	0,5%
36	Egypt	7 234,1	0,5%
37	Iraq	7 130,0	0,5%
38	Bangladesh	6 689,9	0,4%
39	United Arab Emirates	5 803,0	0,4%
40	Costa Rica	5 550,7	0,4%
41	Philippines	5 403,9	0,4%
42	Peru	5 188,5	0,3%
43	Croatia	4 960,8	0,3%
44	Colombia	4 743,2	0,3%
45	Serbia	4 085,1	0,3%
46	Angola	3 852,7	0,3%
47	Pakistan	3 827,7	0,3%
48	Venezuela	3 796,8	0,3%
49	Kuwait	3 776,2	0,3%
50	Syria	3 599,2	0,2%
139	Nepal	84,7	0,0%

The Major Exports Partners

Rk	Partners	Mio euro	%
Extra EU27		1 349 165,4	100,0%
1	United States	242 319,9	18,0%
2	China	113 272,1	8,4%
3	Switzerland	105 218,5	7,8%
4	Russia	86 131,2	6,4%
5	Turkey	61 253,1	4,5%
6	Japan	43 844,2	3,2%
7	Norway	41 896,3	3,1%
8	India	34 797,0	2,6%
9	Brazil	31 391,1	2,3%
10	South Korea	27 936,5	2,1%
11	United Arab Emirates	27 715,9	2,1%
12	Hong Kong	26 937,4	2,0%
13	Australia	26 773,5	2,0%
14	Canada	26 638,5	2,0%
15	Singapore	24 374,3	1,8%
16	Saudi Arabia	23 196,3	1,7%
17	South Africa	21 442,4	1,6%
18	Mexico	21 342,0	1,6%
19	Ukraine	17 352,3	1,3%
20	Algeria	15 546,2	1,2%
21	Egypt	14 854,7	1,1%
22	Taiwan	14 777,8	1,1%
23	Israel	14 405,1	1,1%
24	Morocco	13 680,6	1,0%
25	Iran	11 311,7	0,8%
26	Malaysia	11 247,3	0,8%
27	Tunisia	11 097,3	0,8%
28	Nigeria	10 654,3	0,8%
29	Croatia	10 310,3	0,8%
30	Thailand	9 998,6	0,7%
31	Serbia	7 426,0	0,6%
32	Argentina	7 424,5	0,6%
33	Libya	6 703,2	0,5%
34	Belarus	6 620,4	0,5%
35	Indonesia	6 397,3	0,5%
36	Chile	6 035,2	0,4%
37	Qatar	5 323,4	0,4%
38	Kazakhstan	5 226,2	0,4%
39	Gibraltar	4 862,8	0,4%
40	Lebanon	4 717,8	0,3%
41	Angola	4 703,2	0,3%
42	Vietnam	4 675,3	0,3%
43	Venezuela	4 133,1	0,3%
44	Kuwait	4 132,5	0,3%
45	Colombia	3 945,2	0,3%
46	Philippines	3 740,3	0,3%
47	Pakistan	3 730,2	0,3%
48	Syria	3 653,2	0,3%
49	Bosnia-Herzegovina	3 137,7	0,2%
50	Oman	3 110,6	0,2%
153	Nepal	82,2	0,0%

The Major Trade Partners

Rk	Partners	Mio euro	%
Extra EU27		2 858 238,6	100,0%
1	United States	412 709,7	14,4%
2	China	395 803,4	13,8%
3	Russia	246 192,9	8,6%
4	Switzerland	188 407,2	6,6%
5	Norway	121 331,7	4,2%
6	Japan	109 624,8	3,8%
7	Turkey	103 576,7	3,6%
8	India	68 025,0	2,4%
9	South Korea	67 170,4	2,4%
10	Brazil	63 934,4	2,2%
11	Canada	46 836,2	1,6%
12	Singapore	43 074,2	1,5%
13	Saudi Arabia	39 497,3	1,4%
14	South Africa	39 397,9	1,4%
15	Taiwan	38 909,5	1,4%
16	Hong Kong	37 609,6	1,3%
17	Algeria	36 614,8	1,3%
18	Australia	36 567,2	1,3%
19	Libya	35 930,3	1,3%
20	Mexico	34 530,1	1,2%
21	United Arab Emirates	33 519,0	1,2%
22	Malaysia	32 054,8	1,1%
23	Ukraine	28 818,1	1,0%
24	Thailand	27 319,1	1,0%
25	Iran	25 776,1	0,9%
26	Israel	25 492,5	0,9%
27	Nigeria	25 159,9	0,9%
28	Egypt	22 088,8	0,8%
29	Morocco	21 417,7	0,7%
30	Kazakhstan	21 169,4	0,7%
31	Tunisia	20 630,6	0,7%
32	Indonesia	20 298,7	0,7%
33	Argentina	16 731,0	0,6%
34	Chile	15 493,6	0,5%
35	Croatia	15 271,1	0,5%
36	Vietnam	14 261,7	0,5%
37	Qatar	13 215,6	0,5%
38	Azerbaijan	12 058,1	0,4%
39	Serbia	11 511,1	0,4%
40	Iraq	10 139,9	0,4%
41	Belarus	9 255,5	0,3%
42	Philippines	9 144,2	0,3%
43	Colombia	8 688,4	0,3%
44	Angola	8 556,0	0,3%
45	Bangladesh	8 309,1	0,3%
46	Venezuela	7 929,9	0,3%
47	Kuwait	7 908,7	0,3%
48	Pakistan	7 557,9	0,3%
49	Peru	7 493,9	0,3%
50	Syria	7 252,4	0,3%
153	Nepal	167,0	0,0%

EU Imports from ...

Partner regions	Mio euro	%
ACP	64 782,3	4,3%
Andean Community	12 274,7	0,8%
ASEAN	86 966,7	5,8%
BRIC	508 364,4	33,7%
CACM	7 603,5	0,5%
Candidate Countries	49 018,8	3,2%
CIS	202 187,8	13,4%
EFTA	166 345,2	11,0%
Latin American Coun	90 490,5	6,0%
MEDA (excl EU and T	60 873,8	4,0%
Mercosur	44 168,9	2,9%
NAFTA	203 775,7	13,5%

EU Exports to ...

Partner regions	Mio euro	%
ACP	68 764,0	5,1%
Andean Community	7 959,9	0,6%
ASEAN	61 100,0	4,5%
BRIC	265 591,4	19,7%
CACM	4 487,9	0,3%
Candidate Countries	73 946,0	5,5%
CIS	123 235,2	9,1%
EFTA	149 860,6	11,1%
Latin American Coun	84 198,0	6,2%
MEDA (excl EU and T	80 819,9	6,0%
Mercosur	40 239,8	3,0%
NAFTA	290 300,4	21,5%

Imports + Exports

Partner regions	Mio euro	%
ACP	133 546,4	4,7%
Andean Community	20 234,7	0,7%
ASEAN	148 066,7	5,2%
BRIC	773 955,8	27,1%
CACM	12 091,4	0,4%
Candidate Countries	122 964,9	4,3%
CIS	325 423,1	11,4%
EFTA	316 205,8	11,1%
Latin American Coun	174 688,4	6,1%
MEDA (excl EU and T	141 693,7	5,0%
Mercosur	84 408,7	3,0%
NAFTA	494 076,0	17,3%

EFTA: Iceland, Liechtenstein, Norway, Switzerland; Candidates: Croatia, FYR of Macedonia, Turkey; Andean Community: Bolivia, Colombia, Ecuador, Peru; CIS: Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Kazakhstan, Moldova Republic of, Russian Federation, Tajikistan, Turkmenistan, Ukraine, Uzbekistan; CACM: Honduras, El Salvador, Nicaragua, Costa Rica, Guatemala, Panama; Mercosur: Argentina, Brazil, Paraguay, Uruguay; NAFTA: Canada, Mexico, United States; Latin America Countries: CACM, Mercosur, ANCOM, Chile, Cuba, Dominican Republic, Haiti, Mexico, Panama, Venezuela; BRIC: Brazil, Russia, India, China; ASEAN: Brunei Darussalam, Indonesia, Cambodia, Lao People's Democratic Republic, Myanmar, Malaysia, Philippines, Singapore, Thailand, Vietnam; ACP: 79 countries; MEDA (excl EU & Turkey): Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Occupied Palestinian Territory, Syrian Arab Republic, Tunisia.

NEPAL'S TRADE WITH MAIN PARTNERS (2010)

The Major Imports Partners

Rk	Partners	Mio euro	%
World (all countries)		2 773,0	100,0%
1	India	1 587,3	57,2%
2	China	608,7	22,0%
3	EU27	82,8	3,0%
4	Singapore	68,5	2,5%
5	Thailand	58,0	2,1%
6	Saudi Arabia	53,1	1,9%
7	United Arab Emirates	39,8	1,4%
8	Japan	35,8	1,3%
9	Malaysia	32,6	1,2%
10	South Korea	27,1	1,0%
11	United States	23,4	0,8%
12	Hong Kong	23,3	0,8%
13	Australia	17,9	0,6%
14	Indonesia	13,2	0,5%
15	Switzerland	12,8	0,5%
16	Bangladesh	8,2	0,3%
17	Qatar	7,2	0,3%
18	Turkey	7,0	0,3%
19	New Zealand	7,0	0,3%
20	Egypt	5,9	0,2%
21	Canada	4,4	0,2%
22	Israel	3,8	0,1%
23	South Africa	3,0	0,1%
24	Bhutan	2,8	0,1%
25	Philippines	2,2	0,1%
26	Kuwait	1,9	0,1%
27	Bahrain	1,6	0,1%
28	Oman	1,3	0,0%
29	Russia	1,1	0,0%
30	Ukraine	1,0	0,0%
31	Pakistan	0,7	0,0%
32	Brazil	0,7	0,0%
33	Iran	0,6	0,0%
34	Sri Lanka	0,5	0,0%
35	Argentina	0,2	0,0%
36	Norway	0,2	0,0%
37	Cambodia	0,1	0,0%
38	Brunei	0,1	0,0%
39	Jordan	0,0	0,0%
40	Morocco	0,0	0,0%
41	Peru	0,0	0,0%
42	Chile	0,0	0,0%
43	Zimbabwe	0,0	0,0%
44	Ecuador	0,0	0,0%
45	Belarus	0,0	0,0%
46	Croatia	0,0	0,0%
47	Colombia	0,0	0,0%
48	Iceland	0,0	0,0%
49	Azerbaijan	0,0	0,0%
50			

The Major Export Partners

Rk	Partners	Mio euro	%
World (all countries)		588,0	100,0%
1	India	348,3	59,2%
2	EU27	76,9	13,1%
3	United States	45,4	7,7%
4	Bangladesh	36,4	6,2%
5	Canada	11,3	1,9%
6	China	7,7	1,3%
7	Japan	6,7	1,1%
8	Turkey	6,6	1,1%
9	Australia	5,1	0,9%
10	United Arab Emirates	4,2	0,7%
11	Switzerland	3,8	0,6%
12	Hong Kong	2,7	0,5%
13	Singapore	2,2	0,4%
14	Bhutan	2,0	0,3%
15	Sri Lanka	1,1	0,2%
16	South Africa	0,9	0,2%
17	New Zealand	0,8	0,1%
18	Saudi Arabia	0,7	0,1%
19	Pakistan	0,7	0,1%
20	South Korea	0,6	0,1%
21	Brazil	0,6	0,1%
22	Norway	0,6	0,1%
23	Russia	0,6	0,1%
24	Malaysia	0,5	0,1%
25	Philippines	0,5	0,1%
26	Croatia	0,5	0,1%
27	Swaziland	0,4	0,1%
28	Israel	0,4	0,1%
29	Kuwait	0,3	0,1%
30	Thailand	0,2	0,0%
31	Dominican Republic	0,2	0,0%
32	Chile	0,2	0,0%
33	Lebanon	0,2	0,0%
34	Iceland	0,1	0,0%
35	Qatar	0,1	0,0%
36	Argentina	0,1	0,0%
37	Bahrain	0,1	0,0%
38	Iran	0,1	0,0%
39	Ukraine	0,1	0,0%
40	Benin	0,0	0,0%
41	Indonesia	0,0	0,0%
42	Colombia	0,0	0,0%
43	New Caledonia	0,0	0,0%
44	Peru	0,0	0,0%
45	Jordan	0,0	0,0%
46	Belarus	0,0	0,0%
47	Ivory Coast	0,0	0,0%
48	Tanzania	0,0	0,0%
49	Macao	0,0	0,0%
50	Brunei	0,0	0,0%

The Major Trade Partners

Rk	Partners	Mio euro	%
World (all countries)		3 361,0	100,0%
1	India	1 935,6	57,6%
2	China	616,5	18,3%
3	EU27	159,7	4,8%
4	Singapore	70,7	2,1%
5	United States	68,8	2,0%
6	Thailand	58,3	1,7%
7	Saudi Arabia	53,8	1,6%
8	Bangladesh	44,6	1,3%
9	United Arab Emirates	43,9	1,3%
10	Japan	42,5	1,3%
11	Malaysia	33,1	1,0%
12	South Korea	27,7	0,8%
13	Hong Kong	26,0	0,8%
14	Australia	23,0	0,7%
15	Switzerland	16,6	0,5%
16	Canada	15,7	0,5%
17	Turkey	13,7	0,4%
18	Indonesia	13,2	0,4%
19	New Zealand	7,9	0,2%
20	Qatar	7,4	0,2%
21	Egypt	5,9	0,2%
22	Bhutan	4,8	0,1%
23	Israel	4,2	0,1%
24	South Africa	3,9	0,1%
25	Philippines	2,7	0,1%
26	Kuwait	2,2	0,1%
27	Bahrain	1,7	0,1%
28	Russia	1,7	0,1%
29	Sri Lanka	1,6	0,0%
30	Pakistan	1,5	0,0%
31	Oman	1,3	0,0%
32	Brazil	1,2	0,0%
33	Ukraine	1,1	0,0%
34	Norway	0,8	0,0%
35	Iran	0,7	0,0%
36	Croatia	0,5	0,0%
37	Swaziland	0,4	0,0%
38	Argentina	0,3	0,0%
39	Dominican Republic	0,2	0,0%
40	Chile	0,2	0,0%
41	Lebanon	0,2	0,0%
42	Iceland	0,1	0,0%
43	Cambodia	0,1	0,0%
44	Jordan	0,1	0,0%
45	Peru	0,1	0,0%
46	Brunei	0,1	0,0%
47	Morocco	0,0	0,0%
48	Benin	0,0	0,0%
49	Belarus	0,0	0,0%
50	Colombia	0,0	0,0%

Nepal's Imports from ...

Partner regions	Mio euro	%
ACP	3,0	0,1%
Andean Community	0,1	0,0%
ASEAN	174,7	6,3%
BRIC	2 197,8	79,3%
CACM	0,0	0,0%
Candidate Countries	7,1	0,3%
CIS	2,2	0,1%
EFTA	12,9	0,5%
Latin American Coun	1,0	0,0%
MEDA (excl EU and T)	9,8	0,4%
Mercosur	0,9	0,0%
NAFTA	27,8	1,0%

Nepal's Exports to ...

Partner regions	Mio euro	%
ACP	1,7	0,3%
Andean Community	0,1	0,0%
ASEAN	3,5	0,6%
BRIC	357,2	60,7%
CACM	0,0	0,0%
Candidate Countries	7,1	1,2%
CIS	0,7	0,1%
EFTA	4,5	0,8%
Latin American Coun	0,9	0,2%
MEDA (excl EU and T)	0,6	0,1%
Mercosur	0,7	0,1%
NAFTA	56,7	9,6%

Nepal's Trade with...

Partner regions	Mio euro	%
ACP	4,7	0,1%
Andean Community	0,1	0,0%
ASEAN	178,1	5,3%
BRIC	2 555,0	76,0%
CACM	0,0	0,0%
Candidate Countries	14,2	0,4%
CIS	2,8	0,1%
EFTA	17,5	0,5%
Latin American Coun	1,9	0,1%
MEDA (excl EU and T)	10,3	0,3%
Mercosur	1,6	0,0%
NAFTA	84,5	2,5%

EFTA: Iceland, Liechtenstein, Norway, Switzerland; Candidates: Croatia, FYR of Macedonia, Turkey; Andean Community: Bolivia, Colombia, Ecuador, Peru; CIS: Armenia, Azerbaijan, Belarus, Georgia, Kyrgyzstan, Kazakhstan, Moldova Republic of, Russian Federation, Tajikistan, Turkmenistan, Ukraine, Uzbekistan; CACM: Honduras, El Salvador, Nicaragua, Costa Rica, Guatemala, Panama; Mercosur: Argentina, Brazil, Paraguay, Uruguay; NAFTA: Canada, Mexico, United States; Latin America Countries: CACM, Mercosur, ANCOM, Chile, Cuba, Dominican Republic, Haiti, Mexico, Panama, Venezuela; BRIC: Brazil, Russia, India, China; ASEAN: Brunei Darussalam, Indonesia, Cambodia, Lao People's Democratic Republic, Myanmar, Malaysia, Philippines, Singapore, Thailand, Vietnam; ACP: 79 countries; MEDA (excl EU & Turkey): Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Occupied Palestinian Territory, Syrian Arab Republic, Tunisia.

EUROPEAN UNION, TRADE WITH THE WORLD AND NEPAL, BY SITC SECTION (2010)*

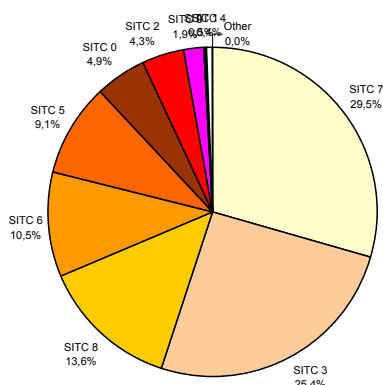
European Union, Imports from the World

SITC Codes	SITC Sections	Value (millions of euro)	Share of Total (%)
TOTAL		1 509 073	100,0%
SITC 7	Machinery and transport equipment	445 812	29,5%
SITC 3	Mineral fuels, lubricants and related materials	383 127	25,4%
SITC 8	Miscellaneous manufactured articles	204 756	13,6%
SITC 6	Manufactured goods classified chiefly by material	157 816	10,5%
SITC 5	Chemicals and related prod, n.e.s.	137 409	9,1%
SITC 0	Food and live animals	73 837	4,9%
SITC 2	Crude materials, inedible, except fuels	64 544	4,3%
SITC 9	Commodities and transactions n.c.e.	28 248	1,9%
SITC 1	Beverages and tobacco	6 884	0,5%
SITC 4	Animal and vegetable oils, fats and waxes	6 644	0,4%

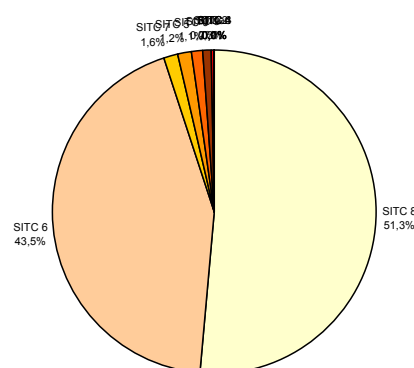
European Union, Imports from... Nepal

SITC Codes	SITC Sections	Value (Millions of euro)	Share of Total (%)	Share of total EU Imports
TOTAL		85	100,0%	0,0%
SITC 8	Miscellaneous manufactured articles	43	51,3%	0,0%
SITC 6	Manufactured goods classified chiefly by material	37	43,5%	0,0%
SITC 7	Machinery and transport equipment	1	1,6%	0,0%
SITC 5	Chemicals and related prod, n.e.s.	1	1,2%	0,0%
SITC 0	Food and live animals	1	1,1%	0,0%
SITC 9	Commodities and transactions n.c.e.	1	0,7%	0,0%
SITC 2	Crude materials, inedible, except fuels	0	0,3%	0,0%
SITC 1	Beverages and tobacco	0	0,1%	0,0%
SITC 4	Animal and vegetable oils, fats and waxes	0	0,0%	0,0%
SITC 3	Mineral fuels, lubricants and related materials	0	0,0%	0,0%

European Union, Imports from the World



European Union, Imports from... Nepal



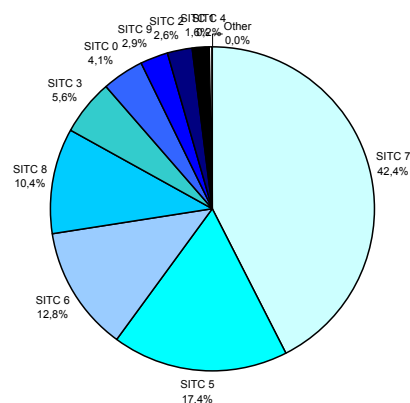
European Union, Exports to the World

SITC Codes	SITC Sections	Value (millions of euro)	Share of Total (%)
TOTAL		1 349 165	100,0%
SITC 7	Machinery and transport equipment	572 448	42,4%
SITC 5	Chemicals and related prod, n.e.s.	235 263	17,4%
SITC 6	Manufactured goods classified chiefly by material	172 042	12,8%
SITC 8	Miscellaneous manufactured articles	139 720	10,4%
SITC 3	Mineral fuels, lubricants and related materials	75 857	5,6%
SITC 0	Food and live animals	55 035	4,1%
SITC 9	Commodities and transactions n.c.e.	39 523	2,9%
SITC 2	Crude materials, inedible, except fuels	34 848	2,6%
SITC 1	Beverages and tobacco	21 406	1,6%
SITC 4	Animal and vegetable oils, fats and waxes	3 029	0,2%

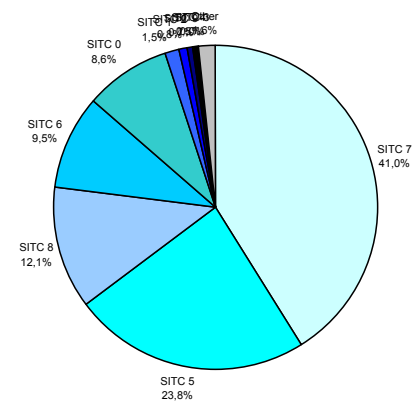
European Union, Exports to... Nepal

SITC Codes	SITC Sections	Value (millions of euro)	Share of Total (%)	Share of total EU Exports
TOTAL		82	100,0%	0,0%
SITC 7	Machinery and transport equipment	34	41,0%	0,0%
SITC 5	Chemicals and related prod, n.e.s.	20	23,8%	0,0%
SITC 8	Miscellaneous manufactured articles	10	12,1%	0,0%
SITC 6	Manufactured goods classified chiefly by material	8	9,5%	0,0%
SITC 0	Food and live animals	7	8,6%	0,0%
SITC 1	Beverages and tobacco	1	1,5%	0,0%
SITC 2	Crude materials, inedible, except fuels	1	0,8%	0,0%
SITC 9	Commodities and transactions n.c.e.	1	0,7%	0,0%
SITC 4	Animal and vegetable oils, fats and waxes	0	0,5%	0,0%
SITC 3	Mineral fuels, lubricants and related materials	0	0,0%	0,0%

European Union, Exports to the World



European Union, Exports to... Nepal

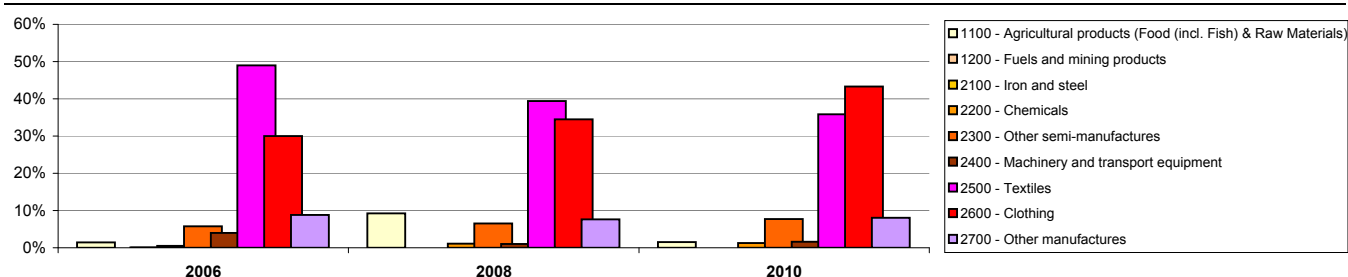


* The sums of the individual SITC product categories are less than the totals due to confidentiality reasons.
Source: EUROSTAT (Comext, Statistical regime 4); World excluding Intra-EU trade and European Union: 27 members.

EUROPEAN UNION IMPORTS, BY PRODUCT GROUPING*

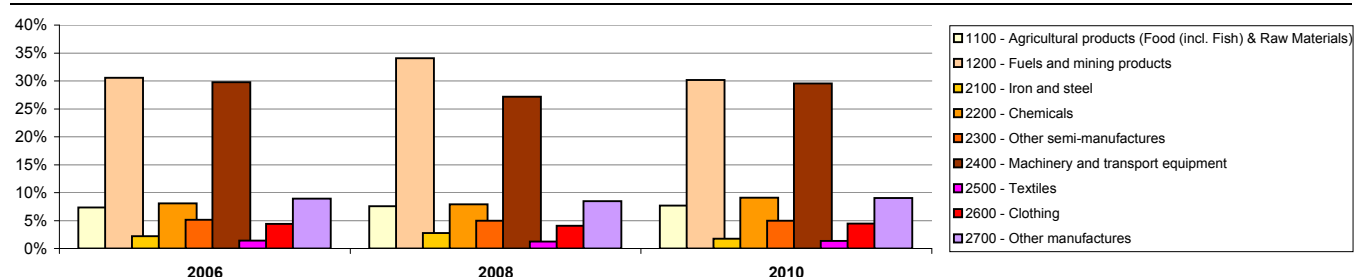
European Union, Imports from... Nepal

SITC Rev.3 (UN, WTO/ITS) & AMA/NAMA** (WTO) Product Groups	2006		2008		2010		Share of Partner in EU Imports (2010)
	Millions euro	%	Millions euro	%	Millions euro	%	
0000 - Total	88,3	100,0%	89,1	100,0%	84,7	100,0%	0,0%
1000 - Primary products	1,3	1,4%	8,2	9,2%	1,3	1,5%	0,0%
1100 - Agricultural products (Food (incl. Fish) & Raw Materials)	1,3	1,4%	8,2	9,2%	1,3	1,5%	0,0%
1200 - Fuels and mining products	0,0	0,0%	0,0	0,0%	0,0	0,0%	0,0%
2000 - Manufactures	86,7	98,2%	80,3	90,1%	82,8	97,7%	0,0%
2100 - Iron and steel	0,1	0,1%	0,0	0,0%	0,0	0,0%	0,0%
2200 - Chemicals	0,4	0,5%	1,0	1,1%	1,0	1,2%	0,0%
2300 - Other semi-manufactures	5,1	5,8%	5,8	6,5%	6,5	7,7%	0,0%
2400 - Machinery and transport equipment	3,5	4,0%	0,9	1,0%	1,4	1,6%	0,0%
2410 - Office and telecommunication equipment	0,2	0,2%	0,3	0,4%	0,4	0,4%	0,0%
2420 - Transport equipment	0,6	0,7%	0,0	0,0%	0,0	0,0%	0,0%
2430 - Other machinery	2,8	3,1%	0,6	0,6%	1,0	1,2%	0,0%
2500 - Textiles	43,3	49,0%	35,1	39,4%	30,3	35,8%	0,1%
2600 - Clothing	26,5	30,0%	30,8	34,5%	36,7	43,3%	0,1%
2700 - Other manufactures	7,8	8,8%	6,8	7,6%	6,8	8,0%	0,0%
3000 - Other products	0,3	0,4%	0,6	0,6%	0,6	0,7%	0,0%
Agricultural Products (AMA)	1,4	1,6%	8,6	9,7%	1,6	1,9%	0,0%
Non-Agricultural Products (NAMA)	86,7	98,2%	80,0	89,7%	82,5	97,4%	0,0%
Other Products	0,3	0,3%	0,6	0,6%	0,6	0,7%	0,0%



European Union, Imports from the World (excl. Intra EU)

SITC Rev.3 (UN, WTO/ITS) & AMA/NAMA** (WTO) Product Groups	2006		2008		2010		Average Annual Growth (2006-2010)
	Millions euro	%	Millions euro	%	Millions euro	%	
0000 - Total	1 352 920,5	100,0%	1 566 379,2	100,0%	1 509 073,2	100,0%	2,8%
1000 - Primary products	512 761,9	37,9%	652 153,7	41,6%	571 715,8	37,9%	2,8%
1100 - Agricultural products (Food (incl. Fish) & Raw Materials)	99 258,5	7,3%	118 480,5	7,6%	116 232,3	7,7%	4,0%
1200 - Fuels and mining products	413 503,5	30,6%	533 673,3	34,1%	455 483,5	30,2%	2,4%
2000 - Manufactures	811 277,5	60,0%	886 086,2	56,6%	907 927,4	60,2%	2,9%
2100 - Iron and steel	30 127,4	2,2%	43 184,6	2,8%	26 214,8	1,7%	-3,4%
2200 - Chemicals	109 224,1	8,1%	124 295,2	7,9%	137 409,1	9,1%	5,9%
2300 - Other semi-manufactures	69 587,9	5,1%	77 870,5	5,0%	74 634,9	4,9%	1,8%
2400 - Machinery and transport equipment	403 127,1	29,8%	425 429,2	27,2%	445 812,0	29,5%	2,5%
2410 - Office and telecommunication equipment	178 835,2	13,2%	171 319,9	10,9%	192 574,6	12,8%	1,9%
2420 - Transport equipment	96 074,2	7,1%	109 345,8	7,0%	111 067,4	7,4%	3,7%
2430 - Other machinery	128 217,7	9,5%	144 763,4	9,2%	142 170,0	9,4%	2,6%
2500 - Textiles	19 090,8	1,4%	19 049,6	1,2%	20 286,9	1,3%	1,5%
2600 - Clothing	59 373,7	4,4%	63 520,2	4,1%	66 981,3	4,4%	3,1%
2700 - Other manufactures	120 746,5	8,9%	132 736,9	8,5%	136 588,5	9,1%	3,1%
3000 - Other products	28 931,4	2,1%	28 142,9	1,8%	29 434,6	2,0%	0,4%
Agricultural Products (AMA)	68 525,8	5,1%	88 238,2	5,6%	84 701,6	5,6%	5,4%
Non-Agricultural Products (NAMA)	1 271 220,8	94,0%	1 462 432,4	93,4%	1 410 482,7	93,5%	2,6%
Other Products	13 174,0	1,0%	15 708,5	1,0%	13 889,0	0,9%	1,3%



SITC Rev. 3: 1000 - Primary products: 0, 1, 2, 3, 4, 68; 1100 - Agricultural products (Food (incl. Fish) & Raw Materials): 0, 1, 2, 4, excl. 27; excl. 28; 1200 - Fuels and mining products: 3, 27, 28, 68; 2000 - Manufactures: 5, 6, 7, 8, excl. 68, excl. 89; 2100 - Iron and steel: 67; 2200 - Chemicals: 5; 2300 - Other semi-manufactures: 61, 62, 63, 64, 66, 69; 2400 - Machinery and transport equipment: 7; 2410 - Office and telecommunication equipment: 75, 76, 77; 2420 - Transport equipment: 78, 79, 713, 778; 2430 - Other machinery: 71, 72, 73, 74, 77, excl. 713, excl. 778; 2500 - Textiles: 65; 2600 - Clothing: 84; 2700 - Other manufactures: 81, 82, 83, 85, 87, 88, 89, excl. 89; 3000 - Other products: 9, 89.

* The sums of the individual SITC product categories are less than the totals due to confidentiality reasons.

** Based on: http://www.wto.org/english/tratop_e/markacc_e/namachairtxt_dec08_e.pdf

Source: EUROSTAT (Comext, Statistical regime 4); World excluding Intra-EU trade and European Union: 27 members.

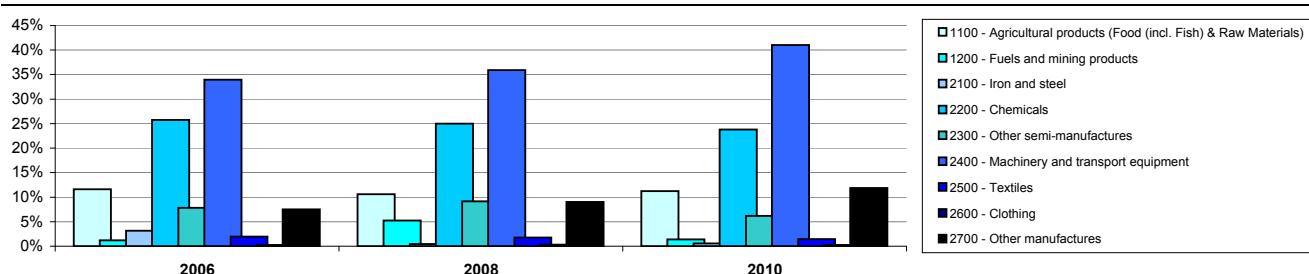
DG TRADE

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EUROPEAN UNION EXPORTS, BY PRODUCT GROUPING*

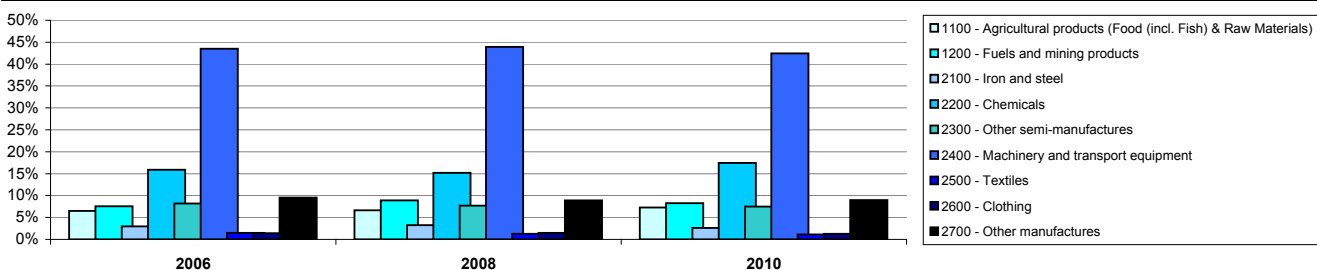
European Union, Exports to... Nepal

SITC Rev.3 (UN, WTO/ITS) & AMA/NAMA** (WTO) Product Groups	2006		2008		2010		Share of Partner in EU Exports (2010)
	Millions euro	%	Millions euro	%	Millions euro	%	
0000 - Total	64,0	100,0%	70,5	100,0%	82,2	100,0%	0,0%
1000 - Primary products	8,2	12,8%	11,1	15,8%	10,4	12,6%	0,0%
1100 - Agricultural products (Food (incl. Fish) & Raw Materials)	7,4	11,6%	7,5	10,6%	9,2	11,2%	0,0%
1200 - Fuels and mining products	0,8	1,2%	3,7	5,2%	1,2	1,4%	0,0%
2000 - Manufactures	51,4	80,4%	57,6	81,7%	70,0	85,1%	0,0%
2100 - Iron and steel	2,0	3,2%	0,3	0,5%	0,4	0,5%	0,0%
2200 - Chemicals	16,5	25,7%	17,6	25,0%	19,6	23,8%	0,0%
2300 - Other semi-manufactures	5,0	7,8%	6,4	9,1%	5,1	6,2%	0,0%
2400 - Machinery and transport equipment	21,7	34,0%	25,3	35,9%	33,7	41,0%	0,0%
2410 - Office and telecommunication equipment	6,5	10,2%	10,0	14,2%	5,4	6,6%	0,0%
2420 - Transport equipment	1,6	2,6%	2,3	3,3%	9,7	11,7%	0,0%
2430 - Other machinery	12,4	19,4%	12,3	17,5%	18,6	22,7%	0,0%
2500 - Textiles	1,2	1,9%	1,3	1,8%	1,2	1,5%	0,0%
2600 - Clothing	0,2	0,3%	0,2	0,3%	0,2	0,2%	0,0%
2700 - Other manufactures	4,8	7,5%	6,4	9,1%	9,7	11,8%	0,0%
3000 - Other products	2,1	3,3%	0,8	1,2%	0,6	0,7%	0,0%
Agricultural Products (AMA)	7,4	11,6%	7,4	10,6%	8,8	10,7%	0,0%
Non-Agricultural Products (NAMA)	53,0	82,9%	61,6	87,4%	71,6	87,1%	0,0%
Other Products	3,5	5,5%	1,4	2,0%	1,8	2,2%	0,0%



European Union, Exports to the World (excl. Intra EU)

SITC Rev.3 (UN, WTO/ITS) & AMA/NAMA** (WTO) Product Groups	2006		2008		2010		Average Annual Growth (2006-2010)
	Millions euro	%	Millions euro	%	Millions euro	%	
0000 - Total	1 160 153,0	100,0%	1 308 886,4	100,0%	1 349 165,4	100,0%	3,8%
1000 - Primary products	163 332,9	14,1%	203 852,9	15,6%	210 091,2	15,6%	6,5%
1100 - Agricultural products (Food (incl. Fish) & Raw Materials)	75 441,4	6,5%	87 334,9	6,7%	98 277,7	7,3%	6,8%
1200 - Fuels and mining products	87 891,5	7,6%	116 518,1	8,9%	111 813,6	8,3%	6,2%
2000 - Manufactures	963 403,3	83,0%	1 068 662,2	81,6%	1 097 707,8	81,4%	3,3%
2100 - Iron and steel	34 415,1	3,0%	42 202,9	3,2%	34 955,4	2,6%	0,4%
2200 - Chemicals	184 570,6	15,9%	198 793,1	15,2%	235 263,4	17,4%	6,3%
2300 - Other semi-manufactures	94 984,5	8,2%	100 322,6	7,7%	101 091,5	7,5%	1,6%
2400 - Machinery and transport equipment	504 336,3	43,5%	575 006,0	43,9%	572 447,6	42,4%	3,2%
2410 - Office and telecommunication equipment	90 663,7	7,8%	81 937,9	6,3%	75 826,6	5,6%	-4,4%
2420 - Transport equipment	170 824,6	14,7%	200 556,9	15,3%	210 027,4	15,6%	5,3%
2430 - Other machinery	239 836,3	20,7%	289 122,2	22,1%	283 575,9	21,0%	4,3%
2500 - Textiles	17 186,4	1,5%	16 471,0	1,3%	15 711,7	1,2%	-2,2%
2600 - Clothing	16 752,5	1,4%	18 965,4	1,4%	16 952,3	1,3%	0,3%
2700 - Other manufactures	110 777,7	9,5%	116 458,7	8,9%	120 731,5	8,9%	2,2%
3000 - Other products	33 655,2	2,9%	36 377,0	2,8%	41 373,7	3,1%	5,3%
Agricultural Products (AMA)	71 443,0	6,2%	81 132,8	6,2%	90 806,6	6,7%	6,2%
Non-Agricultural Products (NAMA)	1 076 567,2	92,8%	1 213 411,7	92,7%	1 242 624,6	92,1%	3,7%
Other Products	12 142,8	1,0%	14 342,0	1,1%	15 734,1	1,2%	6,7%



SITC Rev. 3: 1000 - Primary products: 0, 1, 2, 3, 4, 68; 1100 - Agricultural products (Food (incl. Fish) & Raw Materials): 0, 1, 2, 4, excl. 27, excl. 28; 1200 - Fuels and mining products: 3, 27, 28, 68; 2000 - Manufactures: 5, 6, 7, 8, excl. 68, excl. 891; 2100 - Iron and steel: 67; 2200 - Chemicals: 5; 2300 - Other semi-manufactures: 61, 62, 63, 64, 66, 69; 2400 - Machinery and transport equipment: 7; 2410 - Office and telecommunication equipment: 75, 76, 77; 2420 - Transport equipment: 78, 79, 713, 7783; 2430 - Other machinery: 71, 72, 73, 74, 77, excl. 713, excl. 776, excl. 7783; 2500 - Textiles: 65; 2600 - Clothing: 84; 2700 - Other manufactures: 81, 82, 83, 85, 87, 88, 89, excl. 891; 3000 - Other products: 9, 891.

* The sums of the individual SITC product categories are less than the totals due to confidentiality reasons.

** Based on: http://www.wto.org/english/tratop_e/markacc_e/namachairtxt_dec08_e.pdf

Source: EUROSTAT (Comext, Statistical regime 4); World excluding Intra-EU trade and European Union: 27 members.

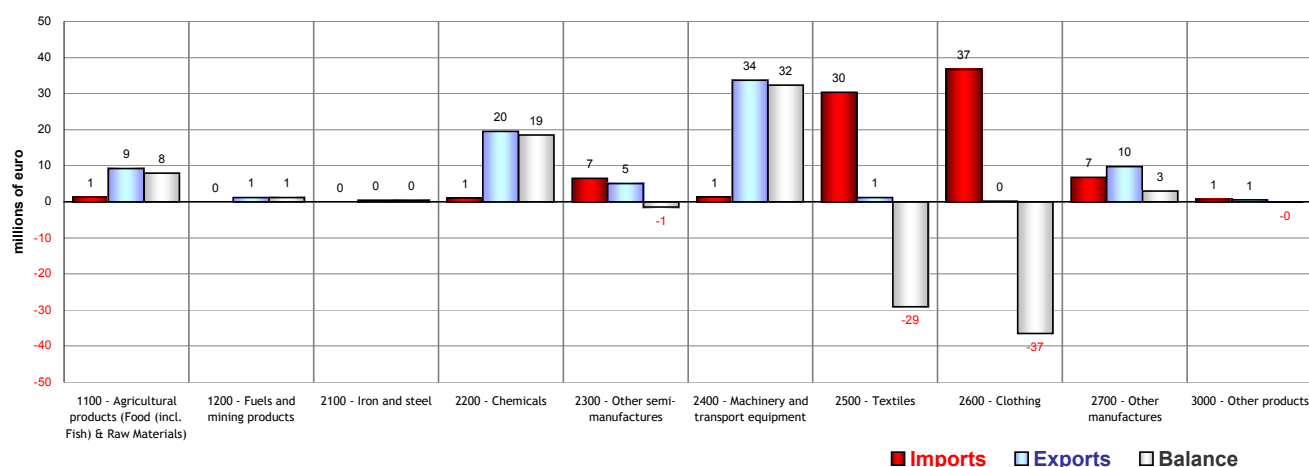
DG TRADE

10-Jan-12

RANK OF NEPAL IN EUROPEAN UNION TRADE (2010)*

SITC Rev.3 (UN, WTO/ITS) & AMA/NAMA** (WTO) Product Groups	EU Imports				EU Exports				EU Balance
	Rank	Value (in millions of euro)	Share of Product in Total (%)	Share of Partner in EU Imports (%)	Rank	Value (in millions of euro)	Share of Product in Total (%)	Share of Partner in EU Exports (%)	Value (in millions of euro)
TOTAL	139	84,7	100,0%	0,0%	153	82,2	100,0%	0,0%	-2,5
1000 - Primary products	168	1,3	1,5%	0,0%	162	10,4	12,6%	0,0%	9,1
1100 - Agricultural products (Food (incl. Fish) & Raw Materials)	159	1,3	1,5%	0,0%	155	9,2	11,2%	0,0%	7,9
1110 - Food	152	1,0	1,2%	0,0%	151	8,6	10,5%	0,0%	7,6
1111 - Fish	144	0,0	0,0%	0,0%	174	0,0	0,0%	0,0%	0,0
1112 - Other food products and live animals	139	1,0	1,2%	0,0%	151	8,6	10,5%	0,0%	7,6
1120 - Raw materials	136	0,2	0,3%	0,0%	145	0,6	0,7%	0,0%	0,3
1200 - Fuels and mining products	163	0,0	0,0%	0,0%	151	1,2	1,4%	0,0%	1,1
1210 - Ores and other minerals	163	0,0	0,0%	0,0%	148	0,1	0,1%	0,0%	0,1
1220 - Fuels	135	0,0	0,0%	0,0%	173	0,0	0,0%	0,0%	0,0
1221 - Petroleum and petroleum products	134	0,0	0,0%	0,0%	178	0,0	0,0%	0,0%	0,0
1222 - Other fuels	79	0,0	0,0%	0,0%	112	0,0	0,0%	0,0%	0,0
1230 - Non ferrous metals	111	0,0	0,0%	0,0%	107	1,1	1,3%	0,0%	1,1
2000 - Manufactures	91	82,8	97,7%	0,0%	150	70,0	85,1%	0,0%	-12,8
2100 - Iron and steel	107	0,0	0,0%	0,0%	149	0,4	0,5%	0,0%	0,4
2200 - Chemicals	102	1,0	1,2%	0,0%	130	19,6	23,8%	0,0%	18,5
2210 - Pharmaceuticals	65	0,4	0,5%	0,0%	121	11,5	14,0%	0,0%	11,1
2220 - Plastics	144	0,0	0,0%	0,0%	124	1,9	2,3%	0,0%	1,9
2230 - Other chemicals	105	0,6	0,8%	0,0%	135	6,2	7,5%	0,0%	5,5
2300 - Other semi-manufactures	87	6,5	7,7%	0,0%	149	5,1	6,2%	0,0%	-1,4
2400 - Machinery and transport equipment	137	1,4	1,6%	0,0%	156	33,7	41,0%	0,0%	32,3
2410 - Office and telecommunication equipment	122	0,4	0,4%	0,0%	141	5,4	6,6%	0,0%	5,1
2411 - Electronic data processing and office equipment	174	0,0	0,0%	0,0%	126	3,0	3,7%	0,0%	3,0
2412 - Telecommunications equipment	108	0,4	0,4%	0,0%	145	2,2	2,7%	0,0%	1,9
2413 - Integrated circuits and electronic components	148	0,0	0,0%	0,0%	133	0,2	0,2%	0,0%	0,1
2420 - Transport equipment	170	0,0	0,0%	0,0%	154	9,7	11,7%	0,0%	9,6
2421 - Automotive products	149	0,0	0,0%	0,0%	145	5,5	6,7%	0,0%	5,5
2422 - Other transport equipment	166	0,0	0,0%	0,0%	140	4,2	5,1%	0,0%	4,2
2430 - Other machinery	117	1,0	1,2%	0,0%	143	18,6	22,7%	0,0%	17,6
2431 - Power generating machinery	111	0,1	0,1%	0,0%	147	1,3	1,6%	0,0%	1,2
2432 - Non electrical machinery	134	0,2	0,2%	0,0%	139	12,4	15,1%	0,0%	12,2
2433 - Electrical machinery	79	0,7	0,9%	0,0%	137	5,0	6,0%	0,0%	4,2
2500 - Textiles	35	30,3	35,8%	0,1%	130	1,2	1,5%	0,0%	-29,1
2600 - Clothing	42	36,7	43,3%	0,1%	167	0,2	0,2%	0,0%	-36,5
2700 - Other manufactures	68	6,8	8,0%	0,0%	140	9,7	11,8%	0,0%	2,9
2710 - Personal and household goods	55	2,3	2,7%	0,0%	167	0,2	0,3%	0,0%	-2,1
2720 - Scientific and controlling instruments	94	0,5	0,6%	0,0%	118	5,4	6,5%	0,0%	4,9
2730 - Miscellaneous manufactures	65	4,0	4,7%	0,0%	145	4,1	5,0%	0,0%	0,2
3000 - Other products	121	0,6	0,7%	0,0%	163	0,6	0,7%	0,0%	-0,1
Agricultural Products (AMA)	141	1,6	1,9%	0,0%	154	8,8	10,7%	0,0%	7,2
Non-Agricultural Products (NAMA)	126	82,5	97,4%	0,0%	152	71,6	87,1%	0,0%	-10,9
Other Products	-	0,6	0,7%	0,0%	-	1,8	2,2%	0,0%	1,2

EU Trade with... Nepal



1000 - Primary products: 0, 1, 2, 3, 4, 6; 1100 - Agricultural products (Food (incl. Fish) & Raw Materials): 0, 1, 2, 4, excl. 27, excl. 28; 1110 - Food: 0, 1, 4, 22; 1111 - Fish: 0; 1112 - Other food products and live animals: 0, 1, 4, 22, excl. 0; 1120 - Raw materials: 21, 23, 24, 25, 26, 29; 1200 - Fuels and mining products: 3, 27, 28, 68; 1210 - Ores and other minerals: 27, 28; 1220 - Fuels: 3; 1221 - Petroleum and petroleum products: 3; 1222 - Other fuels: 3 excl. 3; 1230 - Non ferrous metals: 68.

2000 - Manufactures: 5, 6, 7, 8, excl. 69, excl. 89; 2100 - Iron and steel: 67; 2200 - Chemicals: 5; 2210 - Pharmaceuticals: 54; 2220 - Plastics: 57, 58; 2230 - Other chemicals: 51, 52, 53, 55, 56, 59; 2300 - Other semi-manufactures: 61, 62, 63, 64, 66, 69; 2400 - Machinery and transport equipment: 7; 2410 - Office and telecommunication equipment: 75, 76, 77; 2411 - Electronic data processing and office equipment: 75; 2412 - Telecommunications equipment: 76; 2413 - Integrated circuits and electronic components: 77; 2420 - Transport equipment: 78, 79, 113, 778; 2421 - Automotive products: 781, 782, 783, 784, 7132, 778; 2422 - Other transport equipment: 79, 713, 785, 786, excl. 7132; 2430 - Other machinery: 71, 72, 73, 74, 77, excl. 713, excl. 776, excl. 778; 2431 - Power generating machinery: 71, excl. 713; 2432 - Non electrical machinery: 72, 73, 74; 2433 - Electrical machinery: 77, excl. 776, excl. 778; 2500 - Textiles: 65; 2600 - Clothing: 84; 2700 - Other manufactures: 81, 82, 83, 85, 87, 88, 89, excl. 89; 2710 - Personal and household goods: 82, 83, 85; 2720 - Scientific and controlling instruments: 87; 2730 - Miscellaneous manufactures: 81, 88, 89, excl. 89.

3000 - Other products: 9, 891.

* The sums of the individual SITC product categories are less than the totals due to confidentiality reasons.

** Based on: http://www.wto.org/english/tratop_e/markacc_e/namachairtxt_dec08_e.pdf

Source: EUROSTAT (Comext, Statistical regime 4); Share by products in EU 27 Total Trade excluding Intra-EU trade.

DG TRADE
10-Jan-12

EU TRADE WITH THE WORLD AND EU TRADE WITH NEPAL (2010)*

(Ranking by Trade Flows in 2010)

EU Imports from...			EU Exports to...			EU Balance with ...			
TDC Sections	World	Nepal	TDC Sections	World	Nepal	TDC Sections	World	Nepal	
	Millions of euro	Share of Total Imports		Millions of euro	Share of Total Exports		Millions of euro	Share of Total Exports	Share of total EU Exports
TOTAL	1 509 073	85	100,0%	0,0%	82	100,0%	1 349 165	82	0,0%
TDC 11	84 773	65	76,5%	0,1%	23	28,4%	379 077	19	0,0%
TDC 08	11 749	4	5,2%	0,0%	19	22,7%	211 580	8	0,0%
TDC 12	17 037	3	3,3%	0,0%	8	10,2%	194 617	8	0,0%
TDC 14	38 825	2	2,5%	0,0%	6	7,8%	62 660	6	0,0%
TDC 10	16 034	2	2,4%	0,0%	4	5,2%	46 817	4	0,0%
TDC 16	344 652	1	1,6%	0,0%	3	3,5%	28 300	3	0,0%
TDC 15	88 336	1	1,5%	0,0%	2	2,4%	53 989	2	0,0%
TDC 06	126 045	1	1,2%	0,0%	2	2,4%	94 776	2	0,0%
TDC 18	51 624	1	1,2%	0,0%	2	2,3%	34 165	2	0,0%
TDC 20	37 383	1	1,1%	0,0%	2	1,8%	17 877	2	0,0%
TDC 21	16 385	1	1,0%	0,0%	1	1,2%	15 815	1	0,0%
TDC 02	36 943	1	0,8%	0,0%	1	0,6%	20 937	1	0,0%
TDC 04	34 878	0	0,5%	0,0%	0	0,6%	19 621	0	0,0%
TDC 09	10 312	0	0,5%	0,0%	0	0,5%	17 912	0	0,0%
TDC 13	10 772	0	0,4%	0,0%	0	0,5%	9 401	0	0,0%
TDC 07	42 086	0	0,0%	0,0%	0	0,5%	3 170	0	0,0%
TDC 17	102 251	0	0,0%	0,0%	0	0,1%	5 979	0	0,0%
TDC 19	1 050	0	0,0%	0,0%	0	0,1%	10 986	0	0,0%
TDC 03	6 989	0	0,0%	0,0%	0	0,0%	80 931	0	0,0%
TDC 05	411 171	0	0,0%	0,0%	0	0,0%	38 231	0	0,0%
TDC 01	19 777	0	0,0%	0,0%	0	0,0%	2 325	0	0,0%
TOTAL	1 509 073	85	100,0%	0,0%	82	100,0%	1 349 165	82	0,0%
TDC 16	84 773	65	76,5%	0,1%	23	28,4%	379 077	19	0,0%
TDC 06	11 749	4	5,2%	0,0%	19	22,7%	211 580	8	0,0%
TDC 12	17 037	3	3,3%	0,0%	8	10,2%	194 617	8	0,0%
TDC 14	38 825	2	2,5%	0,0%	6	7,8%	62 660	6	0,0%
TDC 10	16 034	2	2,4%	0,0%	4	5,2%	46 817	4	0,0%
TDC 16	344 652	1	1,6%	0,0%	3	3,5%	28 300	3	0,0%
TDC 15	88 336	1	1,5%	0,0%	2	2,4%	53 989	2	0,0%
TDC 06	126 045	1	1,2%	0,0%	2	2,4%	94 776	2	0,0%
TDC 18	51 624	1	1,2%	0,0%	2	2,3%	34 165	2	0,0%
TDC 20	37 383	1	1,1%	0,0%	2	1,8%	17 877	2	0,0%
TDC 21	16 385	1	1,0%	0,0%	1	1,2%	15 815	1	0,0%
TDC 02	36 943	1	0,8%	0,0%	1	0,6%	20 937	1	0,0%
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TDC 01	19 777	0	0,0%	0,0%	0	0,0%	2 325	0	0,0%

TDC sections (Harmonized System):			TDC sections (Harmonized System):		
TDC 01	Ch.01-05	Live animals; animal products	TDC 11	Ch.50-63	Textiles and textile articles
TDC 02	Ch.06-14	Vegetable products	TDC 12	Ch. 64-67	Footwear, headgear, umbrellas, sun umbrellas, walking-sticks...
TDC 03	Ch.15	Animal or vegetable fats and oils and their cleavage products...	TDC 13	Ch.68-70	Articles of stone, plaster, cement, asbestos, mica or similar material...
TDC 04	Ch.16-24	Prepared foodstuffs; beverages, spirits and vinegar; tobacco...	TDC 14	Ch.71	Natural or cultured pearls, precious or semi-precious stones...
TDC 05	Ch.25-27	Mineral Products	TDC 15	Ch.72-83	Base metals and articles of base metal
TDC 06	Ch.28-38	Products of the chemical or allied industries	TDC 16	Ch.84-85	Machinery and mechanical appliances; electrical equipment...
TDC 07	Ch.39-40	Plastics and articles thereof; rubber and articles thereof	TDC 17	Ch.86-89	Vehicles, aircraft, vessels and associated transport equipment
TDC 08	Ch.41-43	Raw hides and skins, leather, furskins and articles thereof...	TDC 18	Ch.90-92	Optical, photographic, cinematographic, measuring, checking, precision...
TDC 09	Ch.44-46	Wood and articles of wood; wood charcoal, cork and articles of cork...	TDC 19	Ch. 93	Arms and ammunition; parts and accessories thereof
TDC 10	Ch.47-49	Pulp of wood or of other fibrous cellulosic material; paper or paperboard...	TDC 20	Ch.94-96	Miscellaneous manufactured articles
			TDC 21	Ch.97	Works of art, collectors' pieces and antiques

* The sums of the individual TDC categories are less than the totals due to confidentiality reasons.

Source: EUROSTAT (Comext, Statistical regime 4); World excluding Intra-EU trade and European Union: 27 members.

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Nepal Tea / Coffee

symbol of quality from the Himalayas

Nepal Coffee

Coffee, a high value cash crop of economics and ecological importance which entered Nepal in 1939 from Myanmar has been a popular drink amongst the Nepalese for last three decades. It is grown in over 39 districts, of the middle hill region of Nepal.

Coffee is grown by small farmers in altitude from 800 meters to 1600 meters using organic and eco friendly practise. Farmers are producing coffee following dry and wet processing system. Dry process is also known as unwashed or natural method and it is the oldest method of processing coffee. The entire cherry after harvest is placed in the sun to dry on tables on in thin layers on patios. It takes between ten days and two weeks for the cherries to completely dry. The wet process is the most commonly used coffee processing method, especially among premium coffees. After the green coffee is picked the coffee is sorted by immersion in water. Bad or unripe fruit will float and the good ripe fruit will sink. The good fruit is thus dried in the sun or by machine.

Nepal coffee is considered for its distinct aroma flavour and is grown in Capricorn cancer belt (above 23 degree altitude) of the world.

Nepalese are exporting coffee beans mostly to Taiwan, Korea, Japan, America and European countries. This has been extending to other parts of the world.

Nepal Tea

Three types of tea are grown in Nepal, i.e. *Camellia assamica* and *C. assamicassp lasiocalyx* for CTC production and *Camellia shiniest* for orthodox types of tea. Tea has been grown menially in the eastern parts of the country. Presently the total area under tea plantation is estimated at 16500 hectares with the production volume of over 16000 metric ton per year. Tea industry provides direct employment to over 70 thousand people. The bio diverse topography and organic rich soil place Nepal in unique position for development of tea. There are more than 40 tea processing private factories producing orthodox and CTC type of tea. Nepal has initiated producing export quality green tea.

The abundance of fine hairy growth (Pubescence) termed as 'tip' on the under side of the leaf, on the bud an sometimes even on the stalk gives Nepal orthodox tea its fine 'tippy' quality and precious flavour. CTC tea of Nepal is famous for its strong, bright and full bodied liquor. Indeed, Nepal tea is the symbol of quality from the Himalayas - the top of the world.

Plucking season begins in March following the first light showers after winter producing the sparing flush 'the slumber' flush is gathered in May and June and is in great demand in the world for the pronounced from July to September, October yield ' Autumnal' flush which is also renowned for its wonderful quality.

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Pros and Cons

of trading with the EU and cross cultural tips
"to be able to trade with the EU"

Caterina Necchini / Ivana Capra

Pros and cons of trading with the EU

Nepal is witnessing a "gradual diversification" when it comes to its trading partners as well as products in the last few years, according to the World Trade Organisation's (WTO) International Trade Statistics-2011.

The export/import trend of the last three years shows that except India, there has been a change when it comes to trading destinations for exports and imports, the WTO's latest report said.

The report has brought to light some interesting facts. The European Union (EU) is now the country's second largest export destination with a share of 11.1 percent of the total exports accounting for 6% of the country's total foreign trade and 25% of its overseas trade, or trade with countries other than India, the biggest trade partner (68%). However, the US that was the second largest destination in 2008 has slipped to the third position. Likewise, Bhutan has entered the list of Nepal's top five export destinations.

Nepal's top export commodities to the world in general are readymade garments, woollen carpets and pashmina. Nepal's biggest trade partner in the EU is Germany that absorbed a third of total woollen carpet exports. In 2010, Germany accounted for over 41% of Nepal's

total trade with the EU and was also both the biggest importer and exporter vis-à-vis Nepal in the EU. Nepal's first three European trading partners are Germany, the United Kingdom and France, followed by Italy, Portugal, Belgium, the Netherlands, Spain and Austria. These nine countries make up over 90% of total Nepal-EU trade. The EU imports from Nepal mainly miscellaneous manufactured articles (39%), manufactured goods classified chiefly by material (9,6%), and food and live animals (5,7%). Nepal, on the other hand, imports from the EU mainly machinery and transport equipment (46,7%), chemicals and related products (18,3%), manufactured goods classified chiefly by material (9,9%), food and live animals (7,2%), and miscellaneous manufactured articles (5,9%),

Nepalese pros for trading with the EU

During the last 20 years the European market has become more and more competitive. One of the main issues of the EU's market is a high cost of its labour. Many European SMEs have brought their production costs in Asia. As Nepal is sandwiched between two important countries such as India and China it is ignored by most of the European SMEs. However, a reduced labour cost in Nepal and its labour skills might persuade European companies to invest in Nepal.

The external trade policy of the EU is another pros for Nepal. It covers approximately one-fifth of the world trade and is referred to, in the EU parlance, as the Common Commercial Policy (CCP). Under the CCP, the EU's Regulation on Generalised System of Preferences (GSP) grants reductions in import duties, or nil rates, to products of developing countries, depending on the "sensitivity" of the products. Of particular interest to Least Developed Countries (LDCs) like Nepal is, also, the Everything But Arms (EBA) scheme introduced by the EU in 2001 under the GSP which grants duty-free and quota free access to the EU market to virtually all products of LDCs, except for arms and munitions.

A favourable issue for Nepalese companies is, also, the presence of many SMEs in the European market. Small and medium-sized enterprises (SMEs) are defined by the EU as having fewer than 250 employees, an annual turnover of up to 50 million Euros, or a balance sheet total of no more than 43 million Euro. SMEs account for a large proportion of Europe's economic and professional activity. In fact, 99% of businesses in the European Union are SMEs and 91% employ an average of seven people. More than 80% of employment is in some industrial sectors such as textiles, construction and furniture. 13% of SMEs have subsidiary abroad or more than one form of internationalisation; 6% export only; 63% are not internationalised; 18% import only.

Another positive aspect that characterises the EU market is the presence of the so called “Industrial Districts”. Italy was the first European country that set up these districts. The Italian “Industrial Districts” – legally approved by the law 317/1991 and by the consequent dispositions of law – are according to ISTAT (Italian Statistic Institute) nearly 200. Districts are areas with a high concentration of SMEs, generally artisan enterprises, specialised in a specific production and located within a definite territory. Within the district the enterprises establish strong relationships, which enable them to become successfully competitive on the market. This is due to two main aspects. Firstly, a strong competitiveness brings the enterprises to keep their products updated, and secondly their highly specialised level and proximity to each other brings to a continuous know-how transfer.

The district of Como, for example, is one of the main textile manufacturing industries of Europe (Como is situated in the Lombardy Region). About 1.000 SMEs are working in it, with a turnover of 2.220 million Euro, about 17.000 employed people, and an export quota of 50% on the total Italian production.

Nepalese cons of trading with the EU

The International Standards Organization (ISO) has developed a set of international standards that can be used in any type of business and are accepted around the world as proof that a business can provide assured quality. ISO standards contribute to making the development, manufacturing and supply of products and services more efficient, safer and cleaner. They make trade between countries easier and fairer. They provide governments with a technical base for health, safety and environmental legislation. ISO standards also

serve to safeguard consumers, and users in general, of products and services - as well as to make their lives simpler. The European market has adopted these standards. Nepalese SMEs could face some problems in trading with European companies at this level: quality requirements, safety, taste.

The EU has, also, some restrictions and prohibitions regard the importation of some products:

- Pirated or Counterfeit Goods: counterfeit and pirated goods cannot be imported into the EU.
- Restrictions on Genetically Modified Organisms (GMOs): the EU has set up a strict import regime for GMOs.
- Restrictions on Import of Live Animals and Animal Products: imports of live animals and animal products from third countries must comply with certain health and monitoring standards.
- Chemical Products: an import ban is in force on goods containing mercury, PCB (Polychlorinated (trichloro- to decachloro) biphenyls) and PCT (Polychlorinated terphenyls) products, and CFC and HCFC (Dichlorodifluoromethane and chlorodifluoromethane).

Finally, doing business with European SMEs might sometimes be difficult and hard because of a lack of foreign language knowledge. According to a recent research (ELAN: Effects on the European Economy of Shortages of Foreign Language Skills in Enterprise) undertaken by CILT and the UK National Centre for Languages in collaboration with InterAct International and an international team of researchers commissioned by the Directorate General for Education and Culture of the European Commission in December 2005, a large amount of business is

being lost to European SMEs as a result of lack of language skills. In fact, it was estimated that 11% of exporting European companies (around 945.000 enterprises) may be losing business because of recognised communication barriers. An average of 51% of European English-speaking countries speaks at least one foreign language against an average of 80% of non-English-speaking European countries. Therefore, there might be a link between language knowledge and export success.

Cross cultural tips “to be able to trade with the EU”

Trade with Europe may pose cultural barriers. The causes are many and varied, encompassing a wide range of societal, behavioural and interpersonal differences. Cross-cultural communication tries to bring together cultural anthropology and established areas of communication. Its core is to establish and understand how people from different cultures communicate with each other producing some guidelines with which people from different cultures can better communicate with each other. For example, how does a person from Nepal communicate with a person from Italy? What underlying mental constructs appear from both parties that allows for constructive communication?

The main theories for cross-cultural communication are based on the work done looking at value differences, also called cultural dimensions, among cultures. The main theorists are Edward T. Hall, Geert Hofstede, Harry Triandis, Fons Trompenaars and Shalom Schwartz.

Hofstede carried out, perhaps, the most comprehensive study of how values in the workplace are influenced by culture. Therefore, if an entrepreneur goes into another country and makes decisions based

on how he operates in his home country the chances to make bad decisions are high.

According to Hofstede Asians, for example, place a great importance on relationships. The building of long lasting relationships is equivalent for business success in Asia. The concept of "saving face" is, also, intrinsic in this region. Asians will go to great lengths to save face and avoid embarrassment, and the lose of face is not easily forgotten and forgiven. Europe as a whole can be very diverse. In France, for example, punctuality is treated very casually while in Germany punctuality is a necessity to such an extent that even a delay of only a few minutes may be very insulting to a German.

According to Hofstede, *Italy*, for example, places great emphasis on three of the five cultural dimensions individuated by Hofstede himself: individualism (ties between individuals are loose: everyone is expected to look after him/herself and his/her immediate

family); masculinity (men's values are predominant: assertiveness and competitiveness); uncertainty avoidance (strict laws and rules, safety and security measures try to minimize the possibility of letting Italians feel uncomfortable). When doing business with Italians, Nepalese should look at their appearance because fashions and fashion design are trademarks of Italy. Therefore, in the business world, good clothes are a signature of success; men should wear fashionable, high quality suits; shirts may be coloured and they should be paired with an Italian designer tie; women dress is smart; quality accessories such as shoes and leather goods will make a good impression with the Italians. Behaviour with Italians should be the following: foreign businessmen/women should be punctual for business appointments, although the Italian executive may not be; handshakes are common for both sexes, and may include grasping the arm with the other hand; Italian companies often have a rigid hierarchy, with little visible

association between the ranks; it is common for everyone to speak simultaneously at Italian gatherings and this applies to business meetings as well as social events; do not exchange business cards at social occasions, but it is the norm at business functions and meetings; when entering a business function, the most senior or eldest person present should always be given special treatment; when invited to someone's home, bring gift-wrapped chocolates, pastries, or flowers (flowers must be given in even numbers, except for a dozen -12- or half-dozen -6-, especially if roses); if you bring wine as a gift, make sure that it is of excellent vintage, as many Italians are wine connoisseurs; avoid giving anything in a quantity of 17, as 17 is considered to be bad luck, or a doomed number.

The recognition of cultural differences is important in order to do business around the world. Thus, cross-cultural learning is increasingly necessary to generate real understanding. Cultural differences should not be regarded as problematical but as enriching and stimulating.

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Non Resident Nepali Association (NRNA): **A Partner Nepal can trust**

Introduction / Vision

The size of a country's populace can no longer be calculated within the contours of its borders, rather it must be viewed through the global lens of migration and encompass those who are defined as 'the diaspora'. Considering the diaspora as a national asset is certainly not a new phenomenon. The national interest that can be fulfilled by the diaspora has not been hidden from the international arenas. However, the fundamental difference between those countries that will ultimately succeed and those that will fall short of expectations lie in one thing only – excellence in execution. There should be continuous dialogue, cooperation and coordination between diaspora communities and the mother country.

The history of migration in search of better opportunities from Nepal to India existed from time memorable but the phenomenon of mass migration to other countries is relatively new. The Nepali Diaspora; in essence; is just in its infancy and most of them are the first generation diaspora. The direction in which this

community will head also depends on the policies of the government as well as the diaspora initiatives. Their growth, development and success will not only make a nation proud but will also contribute to the national development and economy. They may not be as affluent as compared to other diaspora communities who represent many generations but their dedication and commitment towards their parent country is none the less.

Non-Resident Nepali Association (NRNA) was established with the purpose of uniting and binding the Nepali Diaspora under one umbrella on 11 October, 2003 (**official NRN Day**). The first NRN Global conference was jointly organized by the Government of Nepal, Federation of Nepalese Chamber of Commerce and Industry (FNCCI) and Non-Resident Nepali from 11 – 14 October, 2003 where the assembled delegates decided to join their hands together to create a common forum of Nepalese residing outside Nepal. Till date NRNA has organized five global conferences and the public/private partnership still remains strong.

The goal of this forum is to unite the Nepali Diaspora; marshal their knowledge, skills, resources and involvement in the socio-economic development of Nepal and the Nepali people. From its very existence the motto of NRNA has been "**FOR NEPALI BY NEPALI**".

Establishment of National Coordinating Council (NCC)

In completing its 8th anniversary NRNA has developed into a non-governmental global organization and network of Nepali origin by establishing National Coordinating Council (NCC) in 61 countries to represent its interests, concerns and commitments. The network of Nepali Diaspora represented by NRNA has developed itself into a formidable force that can represent Nepali interest globally. Keeping all these in mind, the Government of Nepal has given legal status to Nepali Diaspora by promulgating the Non-Resident Nepali Act 2064. For practical purposes Nepali citizens living outside South Asian Association for Regional Cooperation (SAARC) member countries or People of

Nepali Origin (PNO) holding foreign nationality other than SAARC nations are considered as NRNs.

Unconditional support for nation building

The founding leaders of NRNA trotted the globe to connect the global Nepali Diaspora into one galvanized organization. NRNA has done remarkably well in its initial phase of formation and consolidation. Thanks to the tireless efforts of the visionary diaspora leaders, the organization has been able to expand globally in a short period of time and to achieve its objectives NRNA conducts the following activities:

- Promote and protect the rights and interest of Nepalese residing outside Nepal and promotes Nepal.
- Coordinate amongst the Nepalese communities and their organizations to establish a global network and a common platform to represent the Nepali Diaspora.
- Mobilize knowledge, skills, capital and other resources in the disposal of the Nepali Diaspora for the socio-economic development of Nepal in coordination and partnership with the government, national and international institutions.
- Preserve and promote Nepalese culture and tourism globally.
- Act as a catalyst in attracting and facilitating NRN's and foreign direct investment in Nepal.

Concern for the welfare of the country

The Nepali Diaspora communities are interested in many issues and they discuss them within the NRN platforms to make an impact and make their voices heard. For example, many of the diaspora are deeply committed to perform the role of a watchdog group to monitor the human rights situation, democracy and the rule of law in

Nepal. Others are concerned about development prospects of the country and want to devote their time and energy in developing strategies to make Nepal an investment friendly country for both the diaspora and foreign investors. Yet, many others want to engage in discussions to promote knowledge sharing and technology transfer.

Son of soil approach (SSA)

As India is growing as a vibrant economy she is drawing brain gains into the country by offering dual citizenship. The question is why? Because the brain drains of yesteryears are able to transfer knowledge know how and capital amassed over the years in third country through sheer hard work & determination for the nation building that they were born. Nepal, likewise, needs to develop and promulgate policies that attracts and promotes her diaspora community. Such policies and strategies must be chalked out with the active participation and involvement of the diaspora community. Though Nepal has lately been addressing diaspora issues, the major aspiration of the Nepalese Diaspora is yet to be fulfilled and is expected that the new constitution will take this into consideration. The Nepalese Diaspora has been lobbying for the continuation of Nepali citizenship and has received favorable responses from the law makers and the resident Nepali communities as well. The motto "Once a Nepali always a Nepali" has been the driving force and logic behind these sentiments and commitments. *Janma Bhumi* (place of birth), *Adyan bhumi* (place of education), *Karma Bhumi* (place of earnings) these are three stages every human being goes through in her / his life time. After the education some decide to make their living abroad not because their lack for the love of the country



Accomplishments:

- In 10 years National chapters in 61 countries and almost half of them in Europe
- 3 Million Nepalese engaged world wide for the cause of NRN
- Strong national recognition - government has seriously taken as its partner
- Every two year global conferences participation (in average 30 to 40 countries)
- Nepalese as migrant people are engaged worldwide from different organizations who are in key positions
- Establishment of Nepal Houses in each country
- Promotes tourism with the help of Nepalese and their respective local friends
- Affiliation with Bilateral Chamber of Commerce & Industries in few countries, but Nepalese involved in service sector can support and promote FDIsNRNA provides on the spot know how to interested investors / partners as guarantor of social harmony and industrial development
- NRNA is massively coming with collect investment policy this year to generate investment & capital building for New Nepal which requires huge amount of money for infrastructure, hydropower, education, medical facilities development.
- Lobbying for continuation of Nepali citizenship which helps NRNs to actively participate in nation building activities.

but for the reasons of ECONOMICS. Once they are endowed with knowledge and finances they certainly would like to contribute to their birth place as a son of soil in every which way they can, for the reason mentioned "continuation of Nepalese citizenship" is the utmost priority of NRNA without any vested interest with sincerity to serve the mother nation.

Fundraising Activities: Collect Investment Year

Lately, NRNs have been thinking very seriously on how they can contribute more effectively as an organized collective force. So far, most of the contributions have been from individuals and group of individuals from the NRN community through investment. NRN's piecemeal approach to developmental engagement has not been as effective as it could have been. Hence, NRNs have come up with the idea of collective

investment where NRNs can invest from hundred thousand to ten million Nepalese rupees to form a collective basket of fund and funds thus collected will be invested in the socio-economic development of Nepal where hydropower is the prioritized sector. Another project that NRNA has chaperoned, in partnership with the Nepal Government; is the Open University of Nepal with the vision of making education more accessible and affordable at all levels at the learner's leisure.

A major activity that NRNA actively engages and devotes a lot of time and resources to is the welfare of the migrant workers. Since the association is a non-profit volunteer organization based on membership fee, faces financial constraints and it is in this sector that it seeks national and international cooperation. NRNA constitution had foreseen

this important NRN community and has encompassed them within its network and community. Their contribution through remittance sent home is a vibrant force to the Nepali economy. NRNA envisions active support and coordination with these NRNs even after they have returned and settled back in their parent country. Our belief; that once a Nepali you always remain a Nepali, is reinforced by our commitment to streamline our energy and resources for the transformation of the Nepali society and the Nepali Diaspora community.

The author:

Patron / Founding Member: NRNA
Chair: Task force on Continuation of Nepali citizenship for Nepalese (CNC-TF) - NRNA
Honorary Consul General of Nepal - Cologne, Germany
Banker by profession for 30 years - Cologne, Germany



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UMN

The United Mission to Nepal (UMN) seeks fullness of life for all Nepalis, and works towards this in partnership with Nepali organisations, addressing the root causes of poverty, pursuing for peace and justice for all, and empowering communities to meet their own needs.



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CVICT is a non-profit, non-governmental organization that rehabilitates victims of torture and trauma (domestic violence, witchcraft related violence etc.); advocates the eradication of torture and promotes human rights in Nepal.



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- जन्मदा कसै लौकिक बच्चालाई आफ्नो माइ छोरीमा, उनको छाती टोमाएर राखेमा बच्चाको लौ लुट्टो पर्दैन, मृत्यु पुग्दैन।
- आफ्नो बच्चाको जन्म बत्तौं समयमै पुरान्मा उनले सम्भवतः पाउने सबै सुखिला पाउनु।
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The importance of Corporate Social Responsibility for **Exporters**

Catrin Froehlich

Despite increasing awareness of the importance of good stakeholder relations and the traditional system of 'giving back to society' among business houses, the strategic relevance of Corporate Social Responsibility (CSR) has still to gain hold within the business community. In fact, particularly for those companies which deal with European customers CSR can be more an opportunity than a responsibility. As opposed to some expectations, the global financial crisis has not resulted in less demand of responsible or sustainable services and products. Much to the contrary: the crisis has demonstrated that government regulations are by far not sufficient to prevent market dysfunctions and it has lead many people into searching for responsible companies which provide 'honest' services and reliable products.

As the success of the Fair Trade and the former Rugmark (now Goodweave) initiatives illustrate, (particularly western) consumers are willing to pay a certain percentage more for the guarantee to be buying products which are manufactured and sourced in a fair and socially or environmentally sound way. Knowing that farmers or small suppliers are paid a fair price for their efforts or that no child-labour has been used or that their

purchase does not have a negative effect on the environment makes these consumers dig out the extra Dollar. The reason is that among the abundance of similar products, customers become more and more value-oriented and look for the specific brands which make them feel good about their purchase.

Sustainable consumption is the term used to describe the trend that consumers look beyond traditional factors like price and quality and take social and environmental aspects of their purchases into account. Depending on the existing business practices and reputation of a company, this can be an additional burden but for those companies which already seek to conduct business in a sustainable way, it is a decisive opportunity to use their existing engagement and extend it in order to access the growing numbers of sustainable consumers.

Particularly in the handicraft sector, strategic CSR can pay off in terms of increased sales, customer loyalty, brand recognition, access to (niche) markets and image building. After all, what is it that a customer is looking for when buying Nepalese handicraft, jewellery, art products or religious artefacts? He or she is probably less interested in the practical use of a product but

looking for some immaterial value. He or she is looking for a special piece from a country which is linked with sentiments and perceptions of peacefulness, exceptional natural environment, spirituality, beauty and remoteness. He or she is looking for a piece that transfers this spirit into his or her daily life. If they are not, they will probably anyway go for cheap mass-produced items which would probably be produced outside Nepal.

For many exporters of traditional Nepalese products it might be a great opportunity to make use of these changing attitudes of consumers particularly in the west; and build a brand image which incorporates this spirit. It can be done by strategically including marginalized groups into the supply chain, providing comparatively better salaries and benefits, employing and training youth with less educational opportunities, supporting community projects and using environmentally friendly production methods among others. That needs to go along with good business practices and management processes, quality assurance mechanisms, customer care and feedback mechanisms, reliable services and strategic branding. Last but not least, it is also very important to communicate about these activities. An effective and constant communication will

ensure that customers are aware of the added value they will acquire together with the product. Good public relations, marketing and branding are vital to differentiate a product or brand from the ones of competitors.

Beyond the advantages mentioned above, CSR can also bring added value in terms of saving cost or independence from rather unreliable petrol, diesel and water supply. Using alternative energy, collecting rainwater to re-charge tanks and wells or recycling greywater can bring substantial savings as can the use of renewable energy and reduction in the use of energy or raw materials. Often, even waste can be converted into biogas or used for composting which again saves money for fertilizer and helps to become independent from LPG supply.

Last but not least, the reputation among business partners

usually increases with more transparency, better management practices, more investment in human resources etc. Particularly when dealing with foreign importers it is vital that not only the products match quality standards which are more strictly controlled than in Nepal. Also the professionalism of sales personnel and even receptionists or accountants and their ownership and engagement will be an important factor.

Training which goes beyond just basic job qualification and includes soft skills and creates a sense of INTRAprenurship can make the difference to set a business apart from competitors. Job satisfaction which can be achieved through stronger engagement in decision making processes, performance based remuneration systems and clear

rules, regulations and grievance procedures is important to prevent conflict and the cost thereof and to make employees the ambassadors of a business.

Strategic CSR (or responsible business practices) are therefore less a burden to business than an important way of sustaining a business in the long run. Not only, but particularly for exporting industries.

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Rajan Sharma

Need for National Strategy for **Export Promotion**

The government of Nepal needs to highlight renewed optimism and commitment in the export led growth model for Nepal. Right strategy and objective must be worked out especially at this time when Nepal's economy is not functioning in the right manner.

The government of Nepal needs to highlight renewed optimism and commitment in the export led growth model for Nepal. Right strategy and objective must be worked out especially at this time when Nepal's economy is not functioning in the right manner.

Private sector and Government must work together to find out with dedication the developments in the global exports and competitiveness to analysis related challenges faced by the Nepalese export sector.

It is not just the question of exporting more but export growth must be linked to employment and enhancement of skills. The role of trade drives economic growth and poverty reduction provided it works with strong disciplines and creates fair level which is transparent and predictable.

Market access on its own does not guarantee market entry. A supply

side constraint still prevents in Nepal. Nepal need to focus on long term sustainable growth, rather than short term fixes.

The world faces combined crisis of finance, food and climate change and in this context it is imperative to assess the impacts of behaviors and review structure and system. Short term thinking will lead to protectionism and loss of trust and confidence due to a focus on avoiding risk rather than on making things happen. Ignorance of one aspect of crisis for the benefit of another could result in sort term gains and to ensure that the market truly works for the people it serves, be it global, regional or local parties, it need to agree on a common set of equitable goals and responsibilities. We must look for synergies to engage the collective will by ensuring long term sustainability and opportunity for the future. We have to develop required mutual beneficial partnership across regions, between private and public sectors and within supply chain with the support of strong institutions such as Department of Commerce and Trade, Department of Customs, Ministry of Finance, Trade Promotion Centre, and Associations committed to export.

The three main issues to be addressed are:

1. The real extend of globalization
2. The extent of barriers constraining trade
3. Understanding the broader gains that trade can deliver

Countries which share five common elements have been doing much better export business among the least developed nations.

The five elements are:

- a) A common language
- b) Membership of regional trade block
- c) A relationship between former colony and colonizer
- d) Common currency
- e) A land border

Factors like the culture, economic and geographic needs must be taken into consideration along with factors that would make gain from trade like the elements of differentiation, intensifying, competition; normalizing risk and generating knowledge add value to our products.

One of the biggest problems in international trade is lack of trust between the various players in the supply chain. At the same time no

one wants to accept responsibilities and undertake obligations. This lack of trust has made the bankers not to lend on a transaction basis, coupled with the complicity of value chain in developing countries the focus of supply chain has five stages which are: producers, stokers, traders, processors and end users.

The Business Support Organizations (BSOs) such as the EEC-Nepal in the private sector's case and the Government need to adopt inward orientation; assisting enterprises to better meet quality requirement by using the domestic market for research and development. This will ensure that enterprises are sufficiently prepared to obtain financing and helping expertise find the right slot in global supply chains and for this integrated trade module must be integrated to address not only exports, but also import and outward investment as gateway to new opportunities. For this BSOs must be dynamic and responsive, the entrepreneurs must integrate in global supply chain, policy makers must address standards and non tariff measures at the multilateral level, preventing them from becoming barriers, banks (financial sector) must provide greater flexibility and the private sector must speak with one voice to be effective in public-private partnership.

All the government authorities associated with export products must sit together with the commodity association's related to experts of exportable products to build export success by developing effective trade promotion and support service, strategies to further develop competitiveness and increase experts and methodologies and mechanisms to record and report on impact. The present work of Trade promotional centre needs to change its working style and increase the scope of work. Experiences must be shared, knowledge and best practices exchanges with a focus on practical solution to stimulate export led economic growth. This is needed because there is no longer a case of "business as usual". The world has changed a lot as a result of crisis, global governance and sustainable behavior demand and Nepalese entrepreneurs are facing competition.

Business support organization like the FNCCI and EEC-Nepal must form a "client-centric approach" A base that is ready to export, a streamlined approach by cooperating with other institutions to achieve economic of scale, A primary focus on sector rather than market and within sectors for helping companies identified move forward.

SMEs must be provided with capacity building and export development service by striving to create value rather than volume. They must get the opportunity to access to reliable information and advice.

A new model of 3C's concept needs to be worked out for development of export market in Nepal.

- C 1: Competitiveness enhancement, Focusing on diffusing technology, developing enterprises, providing work capital and sourcing clean energy.
- C2: Market Connectivity, Support for upgrading product quality, standards' and packaging.
- C3: Product conformity. Survey of markets with export potential, business meetings, international fairs and financial assistance to companies exploring foreign markets:

These C's are "SMARTER" Simple, Measurable, Actionable, Realistic, Timeliness, Evaluate and Re-evaluates.

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Bikrum Pandey

NEPAL

Adventure Sports Destination for EU

Nepal an attractive destination for EU Holidaymakers

Can be a wonderful playground for travellers from countries of the European Union who are keen on adventure sports holidays. A wide range of activities within a small radius of 100-220 kilometres can be enjoyed in this Himalayan nation with rich and diverse geography. For instance mountain biking, skydiving, paragliding, white water rafting, jungle adventure all lie within less than an hour of flight! In Europe doing all these activities would require at least 2-3 hours of flight across international boundaries, not so in Nepal. You can cut down your travel time and spend more in enjoying a host of fun-filled holiday activities.

Land, air & water: Choose your playground!

Nepal's amazing geography makes it an ultimate natural playground on the planet. The Himalayas, hills and subtropical forests are perfect venues for adventure holidays and you can have a swell time enjoying a host of activities.

LAND: Cycling, mountain biking, trekking, rock climbing, mountain climbing,

AIR: Paragliding and ultra light aircraft

WATER: Rafting, kayaking, canoeing, ducking, tubing and canyoning

THRILLS: Bungee jump, swinging, high ropes

FUN: Elephant race and elephant football

Land:

Nepal's land elevation ranges from 200m-8848m from the sea level and in between these two extremities lay spectacular terrains for land-based adventure holidays. One can easily imagine the treasure troves of adventures waiting to be discovered. Each mountain, hill and valley has a myriad of characteristics that provide astounding experiences to visitors.

Spectacular trails span across the nation that continues to make Nepal a favorite destination for walking and climbing. The beautiful landscape has also become a haven for marathons, trail running, biking, camping, caving and jungle adventures.

The world's highest marathon, **Tenzing-Hillary Everest**, is conducted each year on 29th May

from the expeditionary Everest Base Camp to Namche Bazaar. Annapurna, Nepal's most beautiful trekking region, also hosts several marathon events each year. From this year a spiritual marathon will be conducted on 5th Dec at Lumbini to spread awareness about the birthplace of Lord Buddha. Runners from all around the world come to take part in these exciting events.

The trails of Nepal, in the mountains, hills and plains, are perfect for mountain biking. Some of the popular mountain biking trips include the Kathmandu Valley rim, Jomsom to Pokhara, Pokhara to Kathmandu and the Lhasa to Kathmandu mountain biking. Events such as the Yak Attack, a gruesome riding challenge, are gaining immense popularity and the stage is open for more.

Similarly, motorbiking too is a promising activity as Nepal is a rousing venue with good roads and dirt tracks that makes riding a wonderful experience. Plus, there are plenty of options for cross-country drives and bike safaris.

Camping trips offer wonderful opportunities to enjoy the natural outdoors and bask in the beautiful scenery, a perfect program for family adventure.

Caving is another nature adventure that is absolutely enjoyable. Visitors get to travel to cave sites at exotic locations to explore the depths of the earth.

Air:

Air sports have become an established industry in the country and offer visitors the chance to fly in a paraglide or an ultra light aircraft.

Nepal's Himalayas is also an exquisite location for skydiving, paragliding and ultra light aircraft. Pokhara, has become the hub for paragliding and flying in ultra light aircrafts. This paradise valley is where airports were born and was chosen for the best Himalayan views. Flocks of colorful Para gliders dot the skyline as fixed-winged and delta-winged light aircrafts fly visitors around as the majestic mountains loom in the background.

Skydivers have the option to jump off Para gliders, ultra light aircrafts, small planes and helicopters. You can jump near Everest, above the Fewa lake in Pokhara or any other place you choose to! The pristine mountain air and the amazing scenery make the whole experience totally unique.

Water:

Himalayas offer some of the toughest and most exciting river runs in the world. Rafting, kayaking, canoeing and tubing can be great fun. Big volume Whitewater Rivers provide adrenaline pumping thrills and treasure troves of adventure await to be explored. Various grades of rivers are available to suit everyone and each is as exciting as the other. Fortunately the Himalayan rivers continue to remain sparkling clean as they are continuously fed and refurbished by the mountain glaciers. The best part is that the river sections where rafting, kayaking and canoeing are conducted are just at the right altitude with suitable terrain for an absolutely fulfilling experience.

Adventure sports enthusiasts can enjoy hair-raising rides in the wild rivers of Nepal. The rivers also provide wonderful moments of peace and serenity. Canyoning is also getting immensely popular these days. It involves climbing down waterfall canyons and exploring earth's crevasses.

Thrills:

Nepal is a haven for thrill seekers as bungee jumping, swinging and high ropes provides loads of fun for seekers of adrenaline rush. Jumping off a 120 m suspension bridge into the raging Bhote Koshi River, one of Nepal's wildest rivers, is absolutely incomparable. Similarly the Swing involves jumping off a ledge and swinging through the river gorge. High Ropes is an innovative nature game whereby you walk on ropeways and obstacles attached between trees and truly fun.

Fun:

The Elephant Race is an exciting and fun event held every year in the tropical jungles of Chitwan in southern Nepal. This event includes other memorable activities like Elephant Football, Dressing Up the Elephant

and cultural programs performed by troupes of the indigenous communities.

The real game:

Needless to say a complete new approach is required to establish adventure sports in Nepal. Unlike copy and paste strategy of the past years adventure sports entrepreneurs need to get real and understand the contemporary global scenario.

Anything promising can be attained. In fact, completely new sports and activities have real chances of being born in the Himalayas. A heady mixture of creativity and innovation is required to utilize the Himalayan paradise for adventure sports. And efforts are onwards to make it **"the best destination for adventure sports in the world!"**

Now, we need a heavy dose of reality check to make it true and awaken from our PEACEFUL SLUMBER!

The author:

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Ang Tshering Sherpa

Mountaineering and **Adventure Tourism** in Nepal

Nepal is now recognized as one of the greatest destinations for travelers and mountaineers throughout the world. All is the upshot of earlier mountaineers, trekkers, writers who have introduced the world to this hidden paradise nestled in the lap of the Himalayas. Since then mountaineers and adventures can't help but find themselves heading to this beautiful Himalayan Nation, Nepal.

Nepal has been the Mecca for mountaineers with many of the highest peaks in the world and some of the most outstanding achievements have been made in the world of mountaineering. Mountaineering is considered the keystone activity that Nepal offers to the climbers than any country in the world.

Ever since, Nepal opened up its peaks to climbers back in 1949, the mountaineering activity has become the most popular trend of alluring thousands of adventure seekers to Nepal every year. The pioneer of all this mountaineering was the major starter of tourism

in Nepal that dates back to the successful ascent of the first 8000m peak, Mt. Annapurna by French mountaineers, Maurice Herzog and Louis Lachenal in 1950. Then came the year 1953, when, Sir Edmund Hillary and his Sherpa-colleague, Tenzing Norgay, successfully set the first foot on the summit of Mt. Everest. These first historical mountaineering achievements proved to be the milestone in the history of mountaineering itself and interest in mountaineering as well as the desire to scale the world's highest mountains grew even more vigorously. Numerous mountaineers from all around the world were allured to conquer this mountain including the other Himalayan peaks.

Every mountaineer has a dream of scaling the greatest peaks in the world. Nepal without a doubt is that ultimate destination for mountaineering. First and foremost, it's a mountainous country and home of the greatest mountain ranges in the world, the 'Himalayas'. This unparalleled and stretched over 800 km series of the great Himalayas, is the most vivid mountain drama

existing in earth and along with it, has eight of the peaks rising over 8,000 meters including Mt. Everest, the much-famed and also the highest in the world. Rarely a few places on earth proffer such remarkable amalgamation of splendid natural beauty topped with snow-capped mountains and an unequal opportunity of climbing some of the world's highest peaks. Even till this day, the great Himalayan region is untouched and has always fascinated and inspired a horde of people from all walks of life over and over again.



The 800km Himalayan range along the northern belt of Nepal is the main source of Nepalese adventure tourism. Besides these, Nepal is endowed with natural beauties and wildlife, cultural and religious diversity, multi-ethnic and rugged terrain to allure visitors of all walks.

Nepal clusters many of the 8000m Himalayan giants and 1913 peaks above 5500m are identified as eligible for climbing including 1310 peaks above 6000m. Of these beautiful Himalayan peaks, 326 challenging peaks are already open for climbing till date including 13 peaks above 8000m are permitted to climb including Mt. Everest. They are:

- | | |
|----------------------------|--------|
| 1. Mt. Everest | 8848 m |
| 2. Mt. Kanchanjunga (Main) | 8586 m |
| 3. Mt. Yalung Kang | 8505 m |
| 4. Mt. Kanchanjunga South | 8476 m |
| 5. Mt. Kanchenjunga | 8476 m |
| 6. Mt. Lhotse | 8516 m |
| 7. Mt. Lhotse middle | 8413 m |
| 8. Mt. Lhotse Shar | 8400 m |
| 9. Mt. Makalu I | 8463 m |
| 10. Mt. Cho-Oyu | 8201 m |
| 11. Mt. Dhaulagiri I | 8167 m |
| 12. Mt. Manaslu | 8163 m |
| 13. Mt. Annapurna I | 8091 m |

Our mountains are our heritage, glory and the pride of our nation. Mountain areas need conservation and sustainable development for the present and posterity. Mountains are the gifts from the Mother Nature and we need to, protect and respect them. And with this very goal the mountaineering fraternities are playing vital role by creating awareness for the conservation of the gifts of mother nature and carrying out various developmental activities in local level and of course the participation of the local people.

The Great Himalayan Trail (GHT) is a newly launched Tourism product of Nepal by the Ministry of Tourism. It is a long distance walking trail along the length of the Himalayas in Nepal envisaged under GHT Development Program



led by Ministry of Tourism and Civil Aviation. GHT is likely to help in channeling tourists and pro-poor tourism investments to less visited and under developed districts of Nepal. The Climate Smart Celebrity Trek (CSCT) is being organized to raise global awareness on the impacts of Climate Change in the Himalayas and showcase how sustainable tourism can be used as a tool for poverty reduction and to build climate-resilience among impoverished mountain communities.

Apa Sherpa (21 times Mt. Everest Summiteer) and Dawa Steven Sherpa (Two times Mt. Everest Summiteer) embarked on a 1,700 KM and 120 days long Great Himalaya Trail on 15th January, 2012. The event has been endorsed by Climate Change Council, the apex body of Government of Nepal headed by Rt. Hon. Prime Minister. The mountaineer duo will be accompanied by Saurav Dhakal-British Council International Climate Champion, Samir Jung Thapa- the

official photographer of the event and guides, cooks, camp staffs and porters.

GHT-CSCT is organized by the Himalayan Climate Initiative (HCI) in coordination with Government of Nepal, particularly Ministry of Environment, and Ministry of Tourism and Civil Aviation, with the support of DFID, British Council, SNV, Nepal Mountaineering





Association, GHTDP Partners, Geo-Eye, The North Face and Asian Trekking.

Some of the major highlights of the GHT-CSCT are:

- The Great Himalaya Trail-Climate Smart Celebrity Trek (GHT-CSCT) will traverse some of the most rugged and breathtaking mountain landscapes on earth and will pass beneath eight of the

world's highest peaks.

- The GHT-CSCT will cut through 20 districts of more than 250 VDCs in the mid-hills and low mountains of Nepal, many of which have been reported as vulnerable to Climate Change impacts according to the National Adaptation Programme of Action (NAPA) report.
- GHT-CSCT will invite global celebrities such as Hollywood and Bollywood stars, celebrities from the world of entertainment, television and sports, famous mountaineers, politicians, environmental activists, researchers, local and global media to join Apa Sherpa and Dawa Steven Sherpa on GHT-CSCT. Besides promoting GHT as a great tourism product, their participation will raise global awareness about Climate Change in the Himalayas and promote pro-poor tourism as

a potential Climate Adaptation strategy and poverty reduction tool in Nepal's Himalayas.

- GHT-CSCT will raise awareness among government representatives, politicians, civil society leaders, private sector, and development partners in Nepal for the vulnerability of impoverished people against the effects of climate change.
- GHT-CSCT will establish GHT, nationally and internationally, as a sustainable tourism product. It will promote the GHT as the world's highest long-distance walking trail and Nepal's newest tourism product among travelers and tourism professionals worldwide and highlight its pro-poor, sustainable and "climate smart" approach.
- GHT-CSCT will establish mountain tourism as a "climate friendly" activity, and promote trekking as an eco-friendly and "low-carbon" tourism activity. The GHT-CSCT will be a zero carbon emission activity.

The Great Himalaya Trail Development Programme (GHTDP) will work towards harnessing tourism with a market-led approach to improve livelihoods and bring sustainable development opportunities to remote and poor communities through the creation of an iconic and globally significant new tourism product for Nepal. The "Great Himalaya Trail" (GHT) is a network of existing paths and trade routes spanning the length of the country from **Darchula** and **Humla** in the West to **Kanchenjunga** in the East, packaged and promoted into one of the world's great walks. Over the longer term, the GHT has the potential to traverse the length of the Himalayan Range stretching through impoverished mountain areas of Pakistan, India and Bhutan.

The author:

Chairman: Asian Trekking Private Limited
 Immediate Past President:
 Nepal Mountaineering Association (NMA)

Nepal's hydropower: Untapped “white gold”

(Compiled by EEC-Nepal Secretariat)

Though hydroelectricity is one of the key sectors in which Nepal enjoys comparative advantage and offers a tremendous potential for transforming the entire economy, the country is reeling under a chronic power crisis. So severe is the crisis that it is under load shedding for 40 hours a week during the current dry season—and the problem is expected to persist beyond 2016 by which time a number of proposed hydropower projects would presumably start generating electricity.

High potential

Second only to Brazil in water resources, Nepal boasts a potential of generating over 83,000 megawatts (MW) of hydropower, with a technically feasible potential of over 45,000 MW. The abrupt change in elevation from the high Himalayas in the north to the plains in the south over a short distance of 150-230 km makes Nepal's rivers ideally suited for producing cheap electricity. This tremendous potential inherent in the rapids has led some to term them “white gold.”

A land of over 6,000 rivers and streams with a combined length in excess of 45,000 km, the country has 93 technically feasible hydropower projects, of which 66 are economically attractive.

Only 40 per cent of households have access to electricity and half the total arable land is under irrigation. Electricity meets less than two per cent of the country's energy requirements. Nepal's hydro electricity potential is enough to meet not only its internal demand but also to export a substantial amount. A huge market for power lies just across the border, in

India, where power demand is outstripping generation as the world's second most populous economy grows at breakneck speed. Besides, the energy needs of other South Asian countries are another source of opportunity.

But for now, given the severe power crisis Nepal is facing, the first urgent step for policy makers to take would be to ensure the speedy development of new hydropower projects by attracting private sector participation as well as foreign investment in order to meet the internal demand and end the chronic power crisis. In recent years, during the coldest winter months, Nepalese have witnessed 16 hours of power cut per day.

Low utilization

The country has been able to utilize less than one per cent of its total hydropower potential. The present total installed electricity capacity is 616 MW, of which the state-owned Nepal Electricity Authority (NEA)'s hydropower plants account for 408 MW and diesel plants 55 MW. The rest (153 MW) is purchased from private power producers by NEA. The estimated peak demand is

648 MW. Currently 80 MW is being imported from India as part of a power purchase agreement for 150 MW. Due to a lack of cross-border transmission lines, Nepal has neither been able to import all the 150 MW that India has agreed to provide to help it tide over power shortfall during winter nor export spillover electricity to India during the rainy season.

Nepal has 36 small power-plants (up to 1000 KW) accounting for 1.5 per cent of total electricity generation and 25 medium-sized power-plants accounting for 98.5 per cent of total generation. As all but two hydroelectricity plants are of the run-of-the-river type, crippling power cuts have become the order of the day during the dry season, when the river currents are very low.

While medium- to large-scale hydropower (above 1000 KW) is the likely choice for meeting Nepal's urban electricity demand, which is growing at an average annual rate of 15 per cent, small hydropower projects are an attractive alternative to conventional power systems in rural and remote areas as a means of achieving rural electrification.

Way out

The Nepal Electricity Authority (NEA) is the body responsible for generation, transmission and distribution of electricity. Of late the private sector is emerging as an important player in hydropower development. Independent Power Producers, which constitute an ongoing institutional innovation in Nepal's power sector, are signing power purchase agreements with the NEA to sell electricity.

The Government of Nepal has accorded top priority to hydropower generation and distribution through private sector participation. The current periodic plan envisages development of hydropower as a means of promoting economic growth and as an important export item. Since introducing economic reforms and liberalization in the early 1990s, Nepal has opened up the hydropower sector to foreign investment aiming to attract foreign investment for the implementation of the 309 MW Upper Tamakoshi hydroelectricity project. Lack of investment is a major problem. The country's own resources both in the public and private sector cannot meet the financial investment needed for hydropower development. A large investment is required from foreign development agencies and private sector entrepreneurs. Although significant foreign investment has been attracted in recent years, much still remains to be invested for meeting both internal demand

and the significant potential for the export of power.

In a bid to mitigate the power crisis, the NEA is planning to construct projects totalling 481 MW as well as enter into Power Purchase Agreements (PPAs) with private sector producers for projects totaling 150 MW. The NEA says it has secured financial commitments for the 61 MW Upper Trishuli A, 30 MW Chameliagadh, 27 MW Raghughat and 14 MW Kulekhani III. China, South Korea, the OPEC fund and NEA are funding these projects. The 309 MW Upper Tamakoshi and the 40 MW Upper Trishuli B are to be constructed with either internal funds or through international funding. NEA expects to enter into PPAs with private producers for the 53 MW Upper Marsyangdi, 42 MW Upper Modi A, 20 MW Trishuli III, 14 MW Maikhola, 9.5 MW Seti and other smaller projects.

Export potential

Water is an important natural resource of Nepal. The immense quantity of water available in the country and its potentiality to generate hydro-based power provide us the opportunity of overcoming the barriers of economic development as well as improve the environment. Nepal has some of the world's largest potential for hydropower generation. The availability of abundant water resources and favourable geo-political features provide ample opportunities for the development of hydropower.

The construction of hydroelectric projects contributes not only to the economy of a region, but also its environmental and social development. The establishment of such projects also promotes local people's access roads, schools, health centres, jobs and trade opportunities. They can also buy some percentage of shares in the hydropower project.

The export potential of electricity is high as the northern Indian states bordering Nepal which make up the bulk of India's population are power-starved, not to mention the power needs of other South Asian countries.

According to New York Times "Today, India is increasingly turning to the private sector to deliver the electricity needed to maintain rapid economic growth into the future. India's economy is growing at more than 8 percent annually, but is badly constrained by an inadequate power supply after years in which the government dominated the power sector and failed to keep up with growing demand". Today India is planning to shift power base from coal to other renewable sources. Efforts are being placed to invest in nuclear power to meet the growing demand of electricity. It also equally wants to develop Nepal's hydropower potential to ease the growing demand. It implies that there is a great opportunity to harness hydropower potentiality of Nepal.

Nepal's hydropower potential

Name of river basins	Total potential (MW)	Technically Potential (MW)
Karnali and Mahakali	36180	26482
Sapta-Koshi	22350	11400
Sapta-Gandaki	20650	5725
Southern Rivers	4100	1125
Total	83290	45824



Organic Agro-Trade

Potential for Nepal

Background

The rich arable landmass of Nepal can be gainfully utilized for the benefit of farming communities, provided a scientific and technological route is taken for practicing sustainable organic agriculture.

Organic farming discourages the use of chemicals as agro-inputs and is becoming increasingly popular worldwide. Furthermore, the global demand of organic products has been increasing rapidly.

Traditional agriculture or conventional methods of farming, using chemical agro-inputs have yielded immediate gains in crop production, but the excessive use of chemical pesticides and fertilizers over a long period has resulted in poor health of soil, and hazards to humans, animals and the environment. The accumulated effect has led to a fall in crop yields, putting its sustainability at stake. It is therefore urgent to replace traditional farming methods with eco-friendly diversified organic farming, which can lead to sustainable higher crop yields and higher profitability in the long term. In Western Europe, Japan and the USA, the market size for

organic foods and beverages was estimated at US\$ 21 Billion in 2001 (Source: International Trade Centre – Geneva). A study conducted by the World Bank shows that the global market size for organic produce had touched \$29-31 billion in 2005.

Challenges

The following factors have been observed to cause commercial farmers of the country to continue to depend on chemical-based farming:

1. Lack of local-level expertise in organic agriculture
2. Lack sufficient general awareness on sustainable benefits of organic agro-trade
3. Lack of capabilities to tap into the domestic or global business potential of organic farming
4. High cost of certification
5. Small local markets for organic products and un-remunerative prices for the self-initiated organic farmers or agro-entrepreneurs for their 'organically grown' (chemical residue free, but uncertified) produce, causing negative effect on the whole value chain of the agro-trade
6. Lack of legal monitoring

7. Lack of policies to encourage organic agro-industry

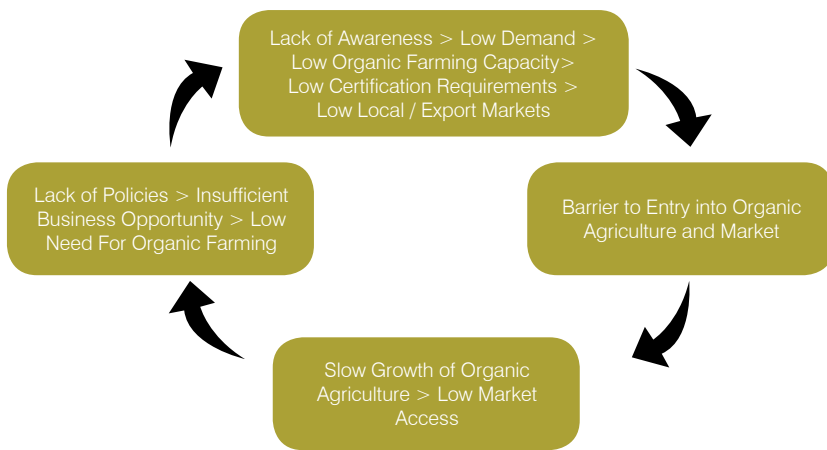
In the absence of any tangible encouragement or appropriate policies which would promote organic farming, the farming communities are left without viable options, and therefore continue to rely on traditional chemical-based farming, resulting in continuous decrease in crop yield, loss of soil fertility and 'harder-to-control' crop diseases or pests due to increasing immunity and resistance to such chemical pesticides.

This has created a typical vicious cycle (Fig. 1), mitigating the realization of the great promise that Nepal possesses in becoming an important exporter of organic produce and products.

Suggested Actions

1. Identify Opportunities

Since most agricultural pockets in the hills and terai use low quantities of chemical agro-inputs, Nepal is viewed as an organic country "by default", and therefore capable of quickly transitioning to organic farming for producing certifiable



The vicious cycle (fig. 1)

organic tea, ginger, coffee and black cardamom, which are in high demand in global markets. Nepal’s agriculture is therefore well-placed for tapping into those ever-increasing lucrative organic markets, if immediate and appropriate steps are to be taken by policymakers for encouraging organic farming and agro-trade. One of the ways to do this would be to start pilot farms for crops such as those mentioned above, with clear strategies and objectives to promote organic production, certification and exports.

This can be achieved by identifying and developing pilot organic farms involving farming communities (target farmers) in pockets where farming is still largely ‘organic by default’ to produce organic commodities (target commodities) which can be exported to the global organic markets by establishing

market access and linkages with farmer cooperatives, SMEs, and agro-traders within the country and abroad. The pilot farms, through its demonstrative effect, will provide hands-on experience, and can therefore effectively help build capacities and competences within the farming communities, thereby encouraging organic farming and agro-entrepreneurship.

2. Identify and Develop Target Groups and Crops

The target groups may consist of farmers, farmer associations and SMEs involved with the target crops, namely tea, coffee, cardamom and ginger which have tremendous export business potential, provided immediate steps are taken to make them adopt organic production and processes, thereby making their production practices sustainable, capable and competitive, described as follows:

- A. The target farmers of Nepal are heavily dependant upon agriculture and have the following comparative advantages in capitalizing on organic agro-trade:
 - Natural hilly terrain with soil characteristics and climactic conditions most suitable for high-altitude tea and coffee, spices, herbs and off-season vegetables cultivation
 - Low use of chemical agro-inputs in the focus regions can expedite organic transition
 - Lower cost of production resulting in competitiveness
- B. Increasing demand for organic tea, coffee, cardamom and ginger.
- C. Tea, coffee, ginger and cardamom are specialized to the regions and cultivated in large scale. Global markets for these crops with organic certification bring premium prices.

3. Address Needs and Constraints for Realizing Sustainability

For realizing organic farming, the needs and the constraints need to properly identified in order that these be addressed accordingly and effectively.

A summary of the perceived needs and constraints have been summarized below:

Conclusion

If Nepal is to effectively capitalize on the lucrative global organic agro-trade potential, the farmers, agro-

Needs	Constraints
Capacity Building through hands-on demonstration on tea, coffee, ginger and cardamom, highlighting sustainable benefits of organic farming	Lack of expertise on organic standards ; certification costs
Facilitation for market research, market access and organic certification	Lack of international market linkages or expertise for processing agro-produce Lack of appropriate policies to encourage organic trade Lack of local certifying bodies, or expertise for certification.


Capacity building on all aspects of organic agro-trade for internationalizing business processes to tap global organic business potential.	Lack of expertise
Capacity Building of Policymakers for awareness of potential and socio-economic benefits of organic farming	Lack of awareness on organic policies and expertise to formulate such policies Lack of sufficient prioritization or the political will
Policies to encourage and facilitate organic agro-industry for increasing foreign exchange earnings, creation of new employment opportunities for rural and urban women and men.	Lack of sufficient prioritization or the political will
Awareness building on advantages of organic agriculture through print and electronic media helping to create domestic market demand for organic agro-produce, which can motivate and promote organic farming in large scale.	Lack of sufficient prioritization or the political will Lack of expertise and resources to build awareness within consumers
Establishment of Organic Trade Resource Centre in Nepal and liaison offices abroad for continued technical and marketing support to the organic agro-industry.	Lack of initiative by concerned authorities, Lack of expertise or resources

entrepreneurs and the stake holders of the agro-industry must be motivated to adopt organic agro-production processes and develop competencies that facilitate tapping into the lucrative global organic agro-markets. They must also establish business links with regional and global organic agro-traders to be able to export their produce, thereby making agro-trade a sustainable business enterprise.

The suggested actions are aimed at demonstrating the economic viability, environmental benefits and sustainability of organic farming by developing pilot organic farms, as this can effectively encourage and promote competence in organic farming amongst farmers, agro-entrepreneurs and the stake-holders of the agro-value chain.

It is also proposed to provide the value-chain with continued support and facilitation by setting up an Organic Trade Resource Center, which can support and facilitate the stake-holders of the value chain to effectively help internationalize Nepal's organic agro-trade.

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Business Related Government Organizations/ Regulators/Policymakers

National Planning Commission

Singha Durbar, Kathmandu, Nepal
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Fax: +977-1-4211700
Website: www.npc.gov.np

Government of Nepal Ministry of Commerce & Supplies

Singha Durbar, Kathmandu, Nepal
Tel: +977-1-4211631
Fax: +977-1-4211167
Email: info@mocs.gov.np
Website: www.mocs.gov.np

Government of Nepal Ministry of Industry

Singha Durbar, Kathmandu, Nepal
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Fax: +977-1-4211619
Email: info@moi.gov.np

Government of Nepal Ministry of Finance

Singha Durbar, Kathmandu, Nepal
Tel: +977-1-4211368
Fax: +977-1-4211770
Website: www.mof.gov.np

Nepal Rastra Bank

Baluwatar, Kathmandu
Tel: +977-1-4410158/ 4410201
Fax: +977-1-4410159
Website: www.nrb.org.np

Department of Commerce

Babarmahal, Kathmandu
Tel: +977-1-4247912
Fax: +977-1-4249603
Email: docom@wlink.com.np

Department of Industry

Tripureshwor, Kathmandu
Tel: +977-1-4261203
Fax: 4261112
Email: info@doind.gov.np
Website: www.doind.gov.np

Office of the Company Registrar

Tripureshwor, Kathmandu
Tel: +977-1-4263090
Fax: +977-1-4259961
Email: cro@fol.com.np
Website: www.cro.gov.np

Department of Customs

Tripureshwor, Kathmandu
Tel: +977-1-4259942
Fax: +977-1-4259808
Email: npdoc@ntc.net.np
Website: www.customs.gov.np

Department of Inland Revenue

Lazimpat, Kathmandu
Tel: +977-1-4415802
Fax: +977-1-4411788
Email: admin@ird.gov.np
Website: www.ird.gov.np

Department of Immigration

Bhrikutimandap, Kathmandu
Tel: +977-1-4223590/ 4222453/ 4223681
Fax: +977-1-4223127
Email: deptimi@ntc.net.np
Website: www.immi.gov.np

Department of Electricity Development

576 Bhakti Thapa Sadak (4), Kathmandu
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Tel: +977-1-4479507/ 4480425
Fax: +977-1-4480257
Email: info@doed.gov.np
Website: www.doed.gov.np

Nepal Telecommunications Authority

Bluestar Office Complex, Tripureshwor
GPO Box: 9754, Kathmandu, Nepal
Tel: +977-1-4101030/1/2/3
Fax: +977-1-4101034
Email: info@nta.gov.np
Website: www.nta.gov.np

Beema Samiti (Insurance Board)

Chabahil, Kathmandu
Tel: +977-1-4810818
Fax: +977-1-4810490
Website: www.bsib.org.np

Securities Board of Nepal

Bijay Chowk, Gaushala-9, Kathmandu
P.O. Box: 9031
Tel: +977-1-4110322/ 4110323
Fax: +977-1-4110334
Email: sebo@ntc.net.np
Website: www.sebonp.com

Central Bureau of Statistics

Ramshahpath, Thapathali, Kathmandu
Tel: +977-1-4245913/ 4245946
Fax: +977-1-4227720
Email: publication@cbs.gov.np
Website: www.cbs.gov.np

Trade and Export Promotion Centre

Pulchowk, Lalitpur
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Tel: +977-1-5525898/ 5532642
Fax: +977-1-5525464
Email: info@tepc.gov.np
Website: www.tepc.gov.np

Nepal Tourism Board

Tourist Service Center,
Bhrikuti Mandap, Kathmandu, Nepal
P.O. Box: 11018
Tel: +977-1-4256909
Fax: +977-1-4256909
Email: info@ntb.org.np
Website: www.welcomnepal.com

Department for International Development (DFID) Nepal

Ekantakuna, Lalitpur, Nepal
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Fax: +977-1- 5000179
Email: Nepal-enquiries@dfid.gov.uk

SNV/ Netherlands Development Organization

Bakhundole, Lalitpur
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Danish International Development Assistance (DANIDA)

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Email: ktmamb@um.dk

German Development Cooperation GIZ

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Email: giz-nepal@giz.de
Website: www.giz.de/Nepal

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Website: www.shankerhotel.com.np

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**Nepal Kangri Carpet
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98/14 Ka Baburam Acharya Road,
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E-mail: kangri@wlink.com.np



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