

WORLD TRADE
ORGANIZATION

WT/COMTD/IF/8*

24 November 1997

(97-5144)

**Committee on Trade and Development
Integrated Framework for Trade-Related
Technical Assistance**

TRADE-RELATED TECHNICAL ASSISTANCE NEEDS-ASSESSMENT AND
INTEGRATED RESPONSES BY IMF, ITC, UNCTAD, UNDP, WORLD BANK AND WTO¹

NEPAL

* A previous version of this document was circulated as WT/LDC/HL/12/Add.8.

¹The first part of this document, which includes the needs-assessment for trade-related technical assistance, prepared by Nepal, is contained in document WT/LDC/HL/12/Add.8 and is not reproduced in this document.

INTEGRATED RESPONSE BY IMF, ITC, UNCTAD, UNDP, WORLD BANK AND WTO
TO THE NEEDS-ASSESSMENT OF NEPAL

Technical assistance needs identified in the questionnaire	Organization	Response
<p>In reply to question A(k):</p> <p><u>Technical assistance requirements as regards compliance with WTO Agreements</u></p>		
<p>Expertise services on substantial and procedural aspects related to WTO</p>	UNDP	UNDP is currently assisting HMG of Nepal to initiate the preparatory work (review of policy and legal framework) for the accession to WTO.
	WTO	Assistance will be provided to Nepal in the course of its accession process to the WTO.
<p>Training to enhance the human and institutional capacities in both government and private sectors</p>	IMF	In addition to needs identified, assistance will be needed to improve balance of payments statistics. A Fund expert will soon begin a six month assignment in Katmandu to assist the authorities in improving the quality and coverage of balance of payments statistics, including trade account items.
	UNCTAD	UNCTAD to provide technical assistance to Nepal in the following areas: (i) preparation of background and assessment studies (ii) consultancy and advisory missions on specific issues (iii) capacity-building for national trade experts and trade officials in the form of individual or group training activities.*
	UNDP	UNDP has just formulated a project designed to: 1) develop institutional and human resource capacity in the area of trade policy formulation, and 2) improve technical capacities of HMG of Nepal to conduct multilateral trade negotiations and participate effectively in the WTO membership.

* Funds are requested.

Technical assistance needs identified in the questionnaire	Organization	Response
Question A(k) (cont.):	WTO	<ul style="list-style-type: none">- A three-week trade policy course for English-speaking Least-developed countries will be held (1998 and 1999).- National seminars on the WTO system will be organized (1998) in selected Least-Developed countries including Nepal.- Seminars and/or workshops on WTO provisions will be organized (1998 and 1999) for Asia and Pacific region.
National capacity build up	WTO	Please refer to WTO response above

Technical assistance needs identified in the questionnaire	Organization	Response
In reply to question A(l): <u>Technical assistance needs as regards specific WTO Agreements</u>		
Agriculture	WTO	Please refer to WTO response to A(k) above
Rules	WTO	Please refer to WTO response to A(k) above
TRIPs	WTO	Please refer to WTO response to A(k) above
TRIMs	WTO	Please refer to WTO response to A(k) above
Dispute settlement	WTO	Please refer to WTO response to A(k) above
Textiles	ITC	Please refer to ITC response to B(g) below
	WTO	Please refer to WTO response to A(k) above
Services	UNCTAD/ UNDP	UNCTAD to provide assistance to develop endogenous national policy-making capacity in areas of domestic service sector policy and multilateral negotiations on services.*
	WTO	Please refer to WTO response to A(k) above
Multilateral trade negotiations	UNCTAD	Please refer to section A(k) above
	UNDP	Please refer to section A(k) above
	WTO	Please refer to WTO response to A(k) above
Bilateral trade negotiations		
TBT	ITC	Please refer to ITC response to B(g) below.
	WTO	Please refer to WTO response to A(k) above
SPS	ITC	Please refer to ITC response to B(g) below.
	WTO	Please refer to WTO response to A(k) above

* Funds are requested.

Technical assistance needs identified in the questionnaire	Organization	Response
Question A(1) (cont.): Competition policy	WTO	Information and documentation will be provided relating to the work being undertaken in accordance with the Singapore Ministerial Decision.

Technical assistance needs identified in the questionnaire	Organization	Response
<p>In reply to question A(m):</p> <p><u>Assessment of the existing trade analysis and negotiating capacities</u></p>		
<p>Some capacity exists, however, orientation programmes have to be launched to make the capacity stronger, and perfect from the WTO Agreements perspective.</p>	ITC	Nepal will benefit from the SAARC regional project where also issues pertinent to the new multilateral trading systems will be dealt with.
	UNCTAD	Please refer to section A(k) above.
	UNDP	UNDP also intends to assist Nepalese officials in elaborating optimal approaches in the WTO accession process, particularly in making an inventory of relevant problems to be solved both of internal and external nature. In addition, UNDP will strengthen knowledge of Nepalese official of multilateral trade negotiations' techniques and tactics in order to improve their negotiating capacity, provide advice in trade policy formulation, particularly relating to the WTO accession, and support the Nepalese negotiating team.
	WTO	Please refer to WTO response to A(k) above

Technical assistance needs identified in the questionnaire	Organization	Response
<p>In reply to question B(g):</p> <p><u>Technical assistance needs as regards supply constraints</u></p>	World Bank	<p>In 1998 the Foreign Investment Advisory Service (FIAS) will conduct analysis and prepare recommendations on the framework for foreign investment in electric power production.</p>
<p>Improved technology for production increase and diversification and quality development</p>	ITC	<p>ITC programme design and advisory mission requested by Government of Nepal and planned for early 1998. Areas of intervention already identified include product adaptation and development and strengthening of trade promotion bodies.</p>
	UNDP	<p><u>Agricultural sector:</u> UNDP has recently started its work on sericulture development, and is developing an agriculture diversification programme. The sericulture project covers a broad range of supports having capacity enhancement and its main component, with the end goal of increasing the production of silkfabric, and marketing it effectively to meet some of the global demand for silk. The agriculture diversification programme is targeting high value and low volume crops, such as agro-seeds, cut flower, herbs, and medicinal plants, for the hills and the remote region of Nepal.</p> <p><u>In forestry:</u> UNDP is currently working in creating and maintaining a sustainable buffer zone around a National Park, and preserving the bio-diversity of a conservation area.</p> <p><u>Under trade diversification:</u> There are some programmes which indirectly may lead to such a scenario. For example, the rural/urban partnership programme envisages to facilitate market integration between the rural and urban areas, and the micro enterprise Development programme envisages to build successful entrepreneurs and enterprises which would meet the demands of the local as well as wider markets.</p>

Technical assistance needs identified in the questionnaire	Organization	Response
Question B(g) (cont.):	World Bank	<u>Agricultural sector:</u> Current activities support increased production and productivity in agriculture through the following: (a) Irrigation project (b) Road maintenance and rehabilitation project (c) Agricultural research and extension project (d) Rural infrastructure project.
Improved communication facilities and system (information technology)	ITC/ UNDP	Nepal to benefit from a regional trade development project, where trade information will also be incorporated. Additionally ITC initiated a network of TPOs in the SAARC member countries, which will, inter alia, include exchanging trade information.
	World Bank	A current Telecommunications project will provide telephone service across the country including rural areas; also support to the regulatory agency.
Alternative transportation mode and route	UNCTAD	UNCTAD to assist in reviewing this particular problem (taking into account the World Bank project).*
	World Bank	<u>Multimodal transit and Trade Facilitation Project:</u> (initiated May 1997) (a) build at Birgunj an inland freight terminal facility for rail and road transport (b) build at Biratnagar and at Bhairawa ITF for road transport (c) procure essential equipment for the ITF, including a contain tracking and information system (d) technical assistance for the relevant ministries

* Funds are requested.

Technical assistance needs identified in the questionnaire	Organization	Response
In reply to question B(q): <u>Technical assistance needs in the area of trade promotion and support services</u>	World Bank	Please refer to World Bank response to B(g)
	UNDP	Please refer to UNDP response to B(g)
Training of human resources in areas such as export promotion, trade information, product designing, export marketing, quality standards, price, export incentives, and so on	ITC	Please refer to B(g). In addition, an advisory mission and training event on quality management for export will be held early 1998.
	UNDP	Please refer to UNDP response to B(g)
	World Bank	Please refer to World Bank response to B(g)
Information technology facilities	UNDP	Through its Mechanism for Exchange of Technology Information (RAS/94/060) UNDP is to establish a viable and responsive region-wide interactive network to facilitate information dissemination on environmentally friendly technologies among small and medium scale enterprises (SMEs).
Regular supply of up-to-date information	UNCTAD	UNCTAD Data Base on Trade Control Measures and the dissemination of information through CD-ROM (TRAINS) will continue to be provided.
	UNDP	UNDP has designed a regional programme whose objective is to accelerate economic reform, international trade and technological advancement in Asia and the Pacific through modernisation of national intellectual property rights systems, fostering technology acquisition and use, indigenous technology development, trade promotion and development of markets.
Measures to reduce transportation cost	UNCTAD	UNCTAD to assist in reviewing this particular problem (taking into account the World Bank project).*
	World Bank	Please refer to World Bank response to B(g)
Quality improvement	ITC	Please refer to ITC response to B(g) and above

* Funds are requested.

Technical assistance needs identified in the questionnaire	Organization	Response
Question B(q) (cont.): Market promotion	ITC	Please refer to ITC response to B(g)
	UNDP	Please refer to UNDP response to B(g)

Technical assistance needs identified in the questionnaire	Organization	Response
In reply to question B(v): <u>Technical assistance as regards market access</u>		
Rules of origin	UNDP	Please refer to UNDP answer to A(k)
	WTO	Please refer to WTO answer to A(l)
Technical Barriers to Trade (TBT)	ITC	Please refer to ITC response to B(g)
	UNDP	Please refer to UNDP answer to A(k)
	WTO	Please refer to WTO answer to A(l)
Sanitary and Phyto-sanitary Standard (SPS)	ITC	Please refer to ITC response to B(g)
	UNDP	Please refer to UNDP answer to A(k)
	WTO	Please refer to WTO answer to A(l)
Generalized System of Preference (GSP)	UNCTAD	UNCTAD technical assistance activities on GSP to be extended to Nepal.*
	UNDP	Please refer to UNDP answer to A(k)
Anti-Dumping	UNDP	Please refer to UNDP answer to A(k)
	WTO	Please refer to WTO answer to A(l)
Subsidies	UNDP	Please refer to UNDP answer to A(k)
	WTO	Please refer to WTO answer to A(l)
Safeguards	WTO	Please refer to WTO answer to A(l)

* Funds are requested.

Technical assistance needs identified in the questionnaire	Organization	Response
In reply to question C(b): <u>Summary of technical assistance needs according to priority</u>	IMF	Please refer to IMF response to A(k)
Improved technology to increase production and develop quality exportable agriculture products, carpets, textiles, and export-oriented industries	ITC	Please refer to ITC response to B(g) Nepal will also benefit from a SAARC sub-regional programme on trade development, which will include detailed studies on agricultural products and textiles.
	UNDP	Please refer to UNDP response to B(g)
Training for human resource and institutional development	ITC	Please refer to ITC response to B(g)
	UNCTAD	Please refer to UNCTAD response to A(k)
	UNDP	Please refer to UNDP responses to A(m) and B(g)
	WTO	<ul style="list-style-type: none"> - A three-week trade policy course for English-speaking Least-developed countries will be held (1998 and 1999). - National seminars on the WTO system will be organized (1998) in selected Least-Developed countries including Nepal. - Seminars and/or workshops on WTO provisions will be organized (1998 and 1999) for Asia and Pacific region.
Improved communication facilities and systems (Information Technology)	ITC	Please refer to ITC response to B(g)
	UNDP	Please refer to UNDP response to B(q)
	World Bank	Please refer to World Bank response to B(g)
Expertise services on substance and procedural aspects related to WTO	UNCTAD	UNCTAD to provide assistance to develop endogenous national policy-making capacity in areas of domestic service sector policy and multilateral negotiations on services.*

* Funds are requested.

Technical assistance needs identified in the questionnaire	Organization	Response
Question C(b) (cont.):	UNDP	Please refer to UNDP response to A(k)
	WTO	Please refer to WTO response to A(k) and A(l)
Market research and studies for the exportable products	ITC	Please refer to ITC response under B(g) and B(q)
	UNDP	Please refer to UNDP response to A(k) and B(g)
Improved technology and management system in services sector	UNDP	Please refer to UNDP response to A(k), B(g) and B(q)
Management information system	UNCTAD	Please refer to UNCTAD response to B(q)
	UNDP	Please refer to UNDP response to B(q)
Identify alternative transport mode and route	UNCTAD	Please refer to UNCTAD response to B(g)
	World Bank	Please refer to World Bank response to B(g)

Technical assistance needs identified in the questionnaire	Organization	Response
<p>In reply to question C(d):</p> <p><u>Technical assistance needs in the area of information technology including training of human resources</u></p>		
<p>Training for skilled manpower development through seminars, workshops, exposures and so on</p>	ITC	See ITC response to B(g)
	UNDP	Please refer to UNDP response to A(k) and B(g)
<p>Establishment of modern information technology</p>	ITC	See ITC response to B(g)
	WTO	Training will be made on access and use of internet resource. CD-Roms will also be provided. One computer and a printer will be provided by the WTO to the Ministry of Trade and Industry. This includes a link to Internet. (1998)
		Other agencies indicated a willingness to cooperate with the Government to identify specific needs in operational terms and establish priorities. Further consultations with the Government will be necessary to develop specific projects and programmes and to explore funding.
<p>Infrastructure development</p>		Agencies indicated a willingness to cooperate with the Government to identify specific needs in operational terms and establish priorities. Further consultations with the Government will be necessary to develop specific projects and programmes and to explore funding.