

WORLD TRADE ORGANIZATION

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**Working Party on the
Accession of Nepal**

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ACCESSION OF THE KINGDOM OF NEPAL

Legislative Action Plan

Revision

The Government of the Kingdom of Nepal has submitted the attached revised Legislative Action Plan with a request that it be circulated to members of the Working Party.

The document is divided into three sections. The first section provides the synoptic picture of the progress in adoption of legislation. The second section provides revised agenda for enacting laws and/or adopting regulations/decrees for WTO conformity. The third section provides a calendar plan indicating priorities.

Section I: Progress in Adoption of Legislation

Since the submission of the Legislative Action Plan to the Working Party on the Accession of the Kingdom of Nepal on 21 May 2002, the following progress has taken place in adoption of legislation.

The following legislation acts approved by the Parliament, have received royal seal and are in force:

- Copyright Act 2002;
- Special Court Act 2002;
- Nepal Chartered Accountant Act (First Amendment) 2002;
- Foreign Exchange (Regulation) Act 2002;
- Several Acts relating to amending Court Management and Judicial Administration Act 2002; and
- Income Tax Act 2002.

The Department/Ministry has completed the following activities:

- Preparation of a preliminary draft of Law on Anti-dumping Measures;
- Preparation of a preliminary draft of Customs Act (Amendment) and Customs Regulation (Amendment);
- Preparation of a preliminary draft of Export Import Act and Export Import Regulations; and
- Preliminary draft of Industrial Policy Law.

The following bills/instruments were endorsed by the Councils of Ministers:

- Health Service (Regulation and Standard) Act 2002;
- Plant Resource Act 2002;
- Seeds (First Amendment) Act 2002; and
- Instruments of International Plant Protection Convention (IPPC).

Section II: Revised Legislative Action Plan

(Present Status of and Agenda for Nepal's Law-Making Process for WTO Conformity)

No.	Laws/Regulations/ Administrative Decisions	WTO Agreement	Status of Draft/Intended Actions	Expected Approval Date
1.	Instrument of Ratification of WTO Agreement	Marrakech Agreement Establishing WTO 1994	Council of Ministers will consider submitting to the Parliament for ratification/accession of/to the WTO Agreement as soon as WTO approves membership to Nepal	
2.	Income Tax Act 2002	General	Approved by the Parliament, April 2002	In force
3.	Bankruptcy/Insolvency Act	General	Preparation of draft of the new Act by Ministry of Finance by December 2004 Endorsement by Council of Ministers by July 2005	September 2005
4.	Foreign Exchange (Regulating) Act 2002 (Amendment)	General	Approved by the Parliament, April 2002	In force
5.	Competition Act	General	Preparation of draft of the new Act by Ministry of Industry, Commerce and Supplies by November 2003 Endorsement by Council of Ministers by February 2004	July 2004
6.	Export Import (Control) Act 1957 (Amendment)	General Agreement on Tariffs and Trade 1994 Agreement on Agriculture Agreement on Import Licensing Procedures.	Initial draft being prepared by Department of Commerce by August 2003 Submission by Ministry of Industry Commerce and Supplies to Council of Ministers by September 2003 Endorsement by Council of Ministers by October 2003	December 2003
7.	Export Import (Control) Regulations 1978 (Amendment)	General Agreement on Tariffs and Trade 1994 Agreement on Agriculture Agreement on Import Licensing Procedures.	Initial draft prepared by Department of Commerce in December 2002 Submission by Ministry of Industry Commerce and Supplies to Council of Ministers by October 2003 Adoption by Council of Ministers by December 2003	December 2003

No.	Laws/Regulations/ Administrative Decisions	WTO Agreement	Status of Draft/Intended Actions	Expected Approval Date
8.	Customs Act, 1962 (Amendment)	Agreement on Implementation of Article VII of GATT 1994 (Customs Valuation) Agreement on Rules of Origin.	Initial draft prepared by Department of Customs in December 2002 Submission by Ministry of Finance to the Council of Ministers by June 2003 Endorsement by Council of Ministers by September 2003	December 2003
9.	Customs Regulation, 1969 (Amendment)	Agreement on Implementation of Article VII of GATT 1994 (Customs Valuation) Agreement on Rules of Origin.	Initial draft prepared by Department of Commerce in December 2002 Adoption by Ministry of Finance and submission to Council of Ministers by August 2003 Adoption by Council of Ministers by December 2003	December 2003
10.	Instruments of Ratification For United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980)	General	Endorsement by Council of Ministers by March 2004	December 2005
11.	Law on Anti-dumping Measures	Agreement of Implementation of Article VI of the GATT 1994 (Anti- dumping)	Preparation of draft legislation by December 2003 Endorsement by Council of Ministers by March 2004	July 2004
12.	Nepal Standards (Certification Mark) Act, 1980 (Amendment)	Agreement on Technical Barriers to Trade	Preparation of draft amendment by June 2004 Endorsement by Council of Ministers by January 2005	April 2005
13.	Nepal Standards (Certification Mark) Regulations, 1982 (Amendment)	Agreement on Technical Barriers to Trade	Preparation of draft amendment by September 2005 Adoption by Council of Ministers by December 2005	December 2005
14.	Decision on the establishment of Inquiry Points	Agreement on Technical Barriers to Trade	Submission of proposal by WTO Division, Ministry of Industry, Commerce and Supplies by April 2003 Adoption by Ministry of Industry, Commerce and Supplies by June 2003	June 2003
15.	Plant Protection Act 1972 (Amendment)	Agreement on the Application of Sanitary and Phyto-Sanitary Measures	Preparation of draft amendment by June 2004 Endorsement by Council of Ministers by January 2005	April 2005

No.	Laws/Regulations/ Administrative Decisions	WTO Agreement	Status of Draft/Intended Actions	Expected Approval Date
16.	Plant Protection Regulation 1975 (Amendment)	Agreement on the Application of Sanitary and Phyto-Sanitary Measures	Preparation of draft amendment by September 2005 Adoption by Council of Ministers by December 2005	December 2005
17.	Instrument of International Plant Protection Convention (IPPC)	Agreement on the Application of Sanitary and Phyto-Sanitary Measures	Endorsed by Council of Ministers in August 2002	December 2005
18.	Seed Act 1998 (First Amendment)	Agreement on the Application of Sanitary and Phyto-Sanitary Measures	Endorsed by Council of Ministers in August 2002	August 2004
19.	Decision on the establishment of Inquiry Points	Agreement on Sanitary and Phyto-Sanitary Measures General Agreement on Tariffs and Trade 1994	Submission of proposal by WTO Division, Ministry of Industry, Commerce and Supplies by April 2003 Adoption by Ministry of Industry, Commerce and Supplies by June 2003	June 2003
20.	Environment Act, 1997 (Amendment)	General	Preparation of draft amendment by Ministry of Population and Environment by December 2004 Endorsement by Council of Ministers by July 2005	September 2005
21.	Industrial Property (Protection) Act	Agreement on Trade-Related Aspects of Intellectual Property	Preparation of new draft legislation by the Department of Industry by December 2003 Adoption by Ministry of Industry, Commerce and Supplies by December 2004 Endorsement by Council of Ministers by July 2005	December 2005
22.	Copyright Act 2002 (Amendment)	Agreement on Trade-Related Aspects of Intellectual Property Rights	Approved by the Parliament in August 2002	In force
23.	Instrument of Ratification of Bern Convention for the Protection of Literary and Artistic Works 1971	Agreement on Trade-Related Aspects of Intellectual Property Rights	Endorsement by Council of Ministers by December 2003	December 2005
24.	Plant Resources Act	Agreement on Trade-Related Aspects of Intellectual Property Rights	Endorsed by Council of Ministers in 2002	December 2003
25.	Access to Genetic Resources Act	Agreement on Trade-Related Aspects of Intellectual Property Rights	Preparation of draft of the new legislation by Ministry of Forestry and Soil Conservation by June 2003 Endorsement by Council of Ministers by December 2003	April 2004

No.	Laws/Regulations/ Administrative Decisions	WTO Agreement	Status of Draft/Intended Actions	Expected Approval Date
26.	Pharmaceutical Act, 1978 (Amendment)	General	Preparation of draft amendment by Ministry of Health by December 2004 Endorsement by Council of Minister by April 2005	September 2005
27.	Cyber Act	General	Preparation of draft amendment by Ministry of Science and Technology by December 2004 Endorsement by Council of Ministers by April 2005	September 2005
28.	Foreign Investment and Technology Transfer Act, 1992. (Amendment)	General Agreement on Trade in Services (GATS) Agreement on Trade Related Investment Measures.	Preparation of draft bill by Department of Industry by August 2003 Submission by Ministry of Industry, Commerce and Supplies to Council of Ministers by October 2003 Endorsement by Council of Ministers by December 2003	February 2004
29.	Foreign Investment and Technology Transfer Regulations	General Agreement on Trade in Services (GATS) Agreement on Trade Related Investment Measures.	Preparation of draft regulation by Department of Industry by March 2004 Submission by Ministry of Industry, Commerce and Supplies to Council of Ministers by April 2004 Endorsement by Council of Ministers by May 2004	May 2004
30.	Industrial Enterprises Act, 1992 (Amendment)	General Agreement on Trade in Services (GATS); Agreement on Trade Related Investment Measures; and Agreement on Subsidies.	Preparation of draft bill by Department of Industry by June 2003 Submission by Ministry of Industry, Commerce and Supplies to Council of Ministers by October 2003 Endorsement by Council of Ministers December 2003	February 2004
31.	Industrial Enterprises Regulations	General Agreement on Trade in Services (GATS) Agreement on Trade Related Investment Measures Agreement on Subsidies.	Preparation of draft regulations by Department of Industry by March 2004 Submission by Ministry of Industry, Commerce and Supplies to Council of Ministers by April 2004 Adoption by Council of Ministers by May 2004	May 2004

No.	Laws/Regulations/ Administrative Decisions	WTO Agreement	Status of Draft/Intended Actions	Expected Approval Date
32.	Industrial Policy, 1992 (Amendment)	General Agreement on Trade in Services (GATS) Agreement on Trade Related Investment Measures Agreement on Subsidies.	Preparation of draft policy by Department of Industry by August 2003 Adoption by Ministry of Industry Commerce and Supplies by September 2003	September 2003
33.	Foreign Investment and One Window Policy, 1992 (Amendments)	General Agreement on Trade in Services (GATS) Agreement on Trade Related Investment Measures.	Preparation of draft Policy by Department of Industry by August 2003 Adoption by Ministry of Industry, Commerce and Supplies by September 2003	September 2003
34.	Labour Act, 1991 (Amendment)	General Agreement on Trade in Services (GATS)	Preparation of draft amendment by Department of Labour by August 2003 Submission by Ministry of Labour by October 2003 Endorsement by Council of Ministers by December 2003	February 2004
35.	Company Act, 1997 (Amendment)	General Agreement on Trade in Services (GATS)	Preparation of draft amendment by the Office of Company Registrar by August 2003 Adoption by Ministry of Industry, Commerce and Supplies by October 2003 Endorsement by Council of Ministers by December 2003	February 2004
36.	Nepal Bar Council Act, 1992 (Amendment)	General Agreement on Trade in Services (GATS)	Preparation of draft amendment by Ministry of Law and Justice by October 2003 Endorsement by Council of Ministers by December 2003	February 2004
37.	Nepal Chartered Accountants (First Amendment) Act, 2002	General Agreement on Trade in Services (GATS)	Approved by the Parliament in July 2002	In force
38.	Insurance Act, 1992 (Amendment)	General Agreement on Trade in Services (GATS)	Preparation of draft amendment by Ministry of Finance by October 2003 Endorsement by Council of Ministers by December 2003	February 2004
39.	Securities Exchange Act, 1982 (Amendment)	General Agreement on Trade in Services (GATS)	Preparation of draft bill by Ministry of Finance by October 2003 Endorsement by Council of Ministers by December 2003	February 2004

No.	Laws/Regulations/ Administrative Decisions	WTO Agreement	Status of Draft/Intended Actions	Expected Approval Date
40.	Bank and Finance Institution Act	General Agreement on Trade in Services (GATS)	Draft already submitted by Central Bank of Nepal to the Ministry of Finance Adoption by Ministry of Finance by October 2003 Endorsement by Council of Ministers by December 2003	February 2004
41.	Health Institutions Operating Act	General Agreement on Trade in Services (GATS)	Endorsed by the Council of Ministers in August 2002	September 2003
42.	Decision on the establishment of Inquiry Points	General Agreement on Trade in Services (GATS)	Submission of proposal by WTO Division, Ministry of Industry Commerce and Supplies by April 2003 Adoption by Ministry of Industry, Commerce and Supplies by June 2003	June 2003

Section III: Calendar Plan

2003 – Expected approval date:

- Decision on the Establishment of Inquiry Point on TBT, June;
- Decision on the Establishment of Inquiry Point on SPS, June;
- Decision on the Establishment of Inquiry Point on Services, June;
- Industrial Policy, 1992 (Amendment), September;
- Foreign Investment and One Window Policy, 1992 (Amendment), September;
- Health Institutions Operating Act, September;
- Export Import (Control) Act, 1957 (Amendment), December;
- Export Import (Control) Regulations, 1978 (Amendment), December;
- Customs Act, 1962 (Amendment), December;
- Customs Regulations, 1969 (Amendment), December; and
- Plant Resources Act, December.

2004 – Expected approval date:

- Industrial Enterprises Act, 1992 (Amendment), February;
- Labour Act, 1991 (Amendment), February;
- Company Act, 1997 (Amendment), February;
- Nepal Bar Council Act, 1992 (Amendment), February;
- Insurance Act, 1992 (Amendment), February;
- Securities Exchange Act, 1982 (Amendment), February;
- Bank and Finance Institution Act, February;
- Foreign Investment and Technology Transfer Act, February;
- Access to Genetic Resources Act, April;
- Foreign Investment and Technology Transfer Regulations, May;
- Industrial Enterprises Regulations, May;
- Law on Anti-Dumping Practices, July;
- Competition Act, July; and
- Seed Act, 1998 (First Amendment), August.

2005 – Expected approval date:

- Plant Protection Act, April;
- Nepal Standards (Certification Mark) Act, 1980, April;
- Bankruptcy/Insolvency Act, September;
- Environment Act, September;
- Pharmaceutical Act, 1978 (Amendment), September;
- Cyber Act, September;
- Nepal Standards (Certification Mark) Regulations, 1982, December;
- Plant Protection Regulation, 1975 (Amendment), December;
- Industrial Property (Protection) Act, December;
- Instrument of Ratification of Bern Convention, December;
- Instrument of International Plant Protection Convention (IPPC), December; and
- Instrument of Ratification for the UN Convention on Contracts for the International Sale of Good, December.