

**27 May 2009**

**Project Partners' meeting – in the evening at EEC Nepal**

1. Discussion on (evaluate) project activities / other outstanding issues
2. Other activities that can be implemented within existing budget
3. Activities yet to be completed
  - 2.1.2) General assessment of trade related procedures and requirements
  - 2.2.2) Direct mailing campaign to raise awareness among Nepalese SMEs
  - 2.2.3) Preparation of first annual EU Trade Report by EEC-Nepal
4. Finalize dates for project closing meeting
5. Discuss any pertinent issues of concern

**Activities Details:**

**2.1.2) General assessment of trade related procedures and requirements**

This assessment aims to determine all trade related policies, systems and step by step procedures for smooth trade between EU and Nepal. This assessment will be carried out in Nepal, Scandinavia and the United Kingdom. Following components will be targeted during the assessment.

- Placement of order
- Mode of payment and related banking systems
- Delivery period
- Product quality and standard of the product to be sold in EU region
- Availability of freight service
- Taxation component
- Facilities and reimbursement of tax for exporter/ Importer
- Other supporting institutions for trade between EU and Nepal

For trade support institutions and the public sector:

- What are the strengths and weaknesses in national or sector trade performance?
- What are priority markets and priority products for trade promotion?
- What is the bilateral or intra-regional trade potential between countries?
- What is the national export potential?
- How will changes in tariff and non-tariff barriers (NTBs) within the country and in major target markets affect trade performance?
- To what extent do environment-related trade barriers affect the country?
- What is the relation between trade expansion and employment creation?
- How to identify priorities for bilateral and multilateral trade negotiations?
- Which industries offer opportunities for investment promotion?

For the business sector:

- How competitive is a given sector?
- Who are the major foreign competitors?
- What are the most attractive new export markets?
- What are the market trends and characteristics in specific product markets?
- Preparing insightful and high-impact market studies for both local and foreign stakeholders by incorporating qualitative elements to quantitative analyses?
- Understanding the various elements in formulating and implementing successful export strategies?

**Human resources involved:**

2	EEC-Nepal
1	FNCSIN
1	LCCI
1	CCISS
1	DFSME

**2.2.2) Direct mailing campaign to raise awareness among Nepalese SMEs**

This activity envisages addressing a direct mailing campaign directed at 80 Nepalese IBOs to raise awareness and build the capacity among them as well as Nepalese SMEs of business opportunities in Europe, related technicalities and the available knowledge among existing Nepalese IBOs.

Considering that not all Nepalese IBOs are electronically equipped, we have to apply airmail service as well to disseminate information building the capacity of Nepalese IBOs. The mailing is composed of:

- Trade related terms,
- Relevant trade procedures,
- Product marketing strategies and interesting product promotion activities,
- Obligations related to export from Nepal and import to the EU,
- Facilities available on trade in Nepal,
- Labour laws in Nepal,
- Taxation system in Nepal,
- Problems faced by Nepalese entrepreneurs in respect to export to the EU and proposed solutions.

The 80 IBOs will be informed by sending 4 copies (including a hard copy and a CD-Rom). To execute the mailing campaign -and in order to repeat or disseminate additional info through other means after the project-, the following information will be recorded in a data-base

- Company name,
- First name, last name,
- Job title,
- Address,
- City,
- District,
- Postal code,
- SIC Code (Standard Industry Classification),
- Industry by name,
- Size of company (in number of employees),
- Telephone number,
- E-mail address,
- Business type (manufacturing, services, consulting),
- Budget (total as well as in sales).

**Human resources involved:**

2	EEC-Nepal
1	FNCSIN

### **2.2.3) Preparation of first annual EU Trade Report by EEC-Nepal**

The importance of trade as a factor for development and growth is becoming more and more evident. If accompanied by the proper flanking policies and if used correctly, trade policies can provide opportunities for promoting economic development and tackling poverty alleviation. However, issues such as tariff, non tariff barriers, quality, and standard issues always come in the way of facilitating trade.

The aim of this activity is to produce the first Trade Report on trade between Nepal and the EU. The Nepalese partners collect trade data from the authentic government sources as well as IBOs of Nepal and sources from European countries. Collected data will be analyzed and included in the report that will contain the following:

- Importance of trade to the Nepalese economy (see activity 2.1.1),
- Sub-sectors of Nepal trading with the EU,
- Opportunities / Potential growth sub-sectors for trade with the European Union (see also 2.1.1),
- Data related to trade between Nepal and the EU (e.g. quantities exported / imported, amounts in euro per sub-sector and per European country, number of SMEs per sub-sector, etc.
- Current policies that raise issues in trading between Nepal and the European Union,
- Advantages for European organizations when trading with Nepal,
- Useful contacts in Nepal and the European Union.

The Trade Report gives a broader view of the importance of trade to the Nepalese economy and will show many factual data on the current trade situation of the country. The report will be distributed to 200 different parties for whom this report might be interesting, which includes, Nepalese IBOs, Nepalese governmental departments, bilateral and multilateral organisations and INGO's in Nepal, European chambers and embassies and/or consulates.

#### **Human resources involved:**

2	EEC-Nepal
1	FNCSIN
1	LCCI
1	CCISS
1	DFSME