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Nepal's WTO Commitments

As part of its accession commitments, the un-weighted average bound rate of Nepal's agriculture customs duty is scheduled to decline from 51% on the date of accession to a bound rate of 42% after three years of accession. For non-agriculture products, the binding rate will decline from 39% on the date of accession to the final bound rate of 23% after the transition period. None of the agriculture products are bound at a rate below the current applied rate. Nepal has agreed to bind 400 tariff lines at the applied rate, 50 tariff lines bound at below the current applied rate have a transitional implementation period extending up to ten years.

Similarly, Nepal has committed to opening 11 service sectors [70 service sub-sectors] for foreign investment. Foreign investment will be permitted in service sub-sectors such as accounting, auditing, engineering, construction, computer, publishing, courier, telecommunication, franchising, education, hospital, tourism,

and entertainment with a maximum foreign equity condition ranging from 51% to 80%. The total foreign shareholding in any institution providing financial services is limited to 67% of the issued share capital. Branches of foreign institutions will be allowed for insurance services and wholesale banking by 1 January 2010, only licensed commercial banks may accept deposits, which are repayable upon demand. However, foreign investment in other services sectors such as advertising, wholesale and retailing has been restricted. Nepal is expected to make the necessary amendments to its laws by February 2004.

Nepal has committed to phase out other duty and charges [i.e. special duties, agriculture development, and local development fees] for all tariff lines over a period of time between two and ten years but retained the rights to subsidize agriculture sector up to 10% of total agriculture production. Nepal has also committed

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ANTI-CORRUPTION: UNSHACKLING ECONOMIC DEVELOPMENT

By Nancy Zucker Boswell, Managing Director,
Transparency International (TI) USA, and Peter
Richardson, adviser to TI's international secretariat

Corruption saps a country's economy by hampering tax collection, wasting resources, deterring private investment, discouraging entre-preneurship and undermining the enforcement of important regulations, says Peter Richardson, an adviser to Transparency International [TI] and former director of Transparency International USA, the U.S. chapter of the nongovernmental organization dedicated to combating corruption. He says it also disproportionately harms the poor because it skew economic planning against investments in social services.

"The Millennium Challenge Account [MCA] eligibility requirement of a demonstrated commitment to limit corruption and promote good governance can be a step toward changing the incentive system for development assistance," says Nancy Zucker Boswell, TI-USA's managing director. "It will send an important signal that there will be added costs to not addressing corruption – ineligibility for MAC assistance." Boswell and Richardson argue that the policy changes should start with preventive measures such as reforming civil service, where needed, and ensuring transparency of all laws and regulations. They add that countries need to implement a criminal law system where there are "independent prosecutors to bring cases and a competent and independent judiciary to impose sentences."

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Nepal's Key Social and Economic Indicators

Social Indicators	Units	Year	Value	Economic Indicators	Units	FY 2003	% of GDP	% Change
A. Population Indicators				A. Income and Growth				
1. Total Population a	Million	2003	24.2	1. GDP per Capita	\$	241	-	3.5
2. Growth Rate	%	1991-2001	2.2	2. GDP (Constant FY1995 Prices)	NRs Million	277,679	100	2.6
B. Social Indicators				Agriculturea	NRs Million	111,341	39.2	2.6
1. Adult Literacy (age15 and above)	%	2001	42.9	Industry	NRs Million	64,917	20.9	2.2
Male Literacy	%	2001	60.5	Services	NRs Million	109,815	39.9	3.1
Female Literacy	%	2001	25.2	B. Saving and Investment				
2. Life Expectancy	Years	2001	59.1	1. Gross National Saving	NRs Million	74,254	16.4	23.6
Male	Years	2001	59.4	2. Gross Domestic Investment	NRs Million	122,172	26.9	12.9
Female	Years	2001	58.9	C. Government Finance				
3. Infant Mortality	Per 1000	2001	66	1. Revenue and Grants	NRs Million	64,289		16.4
4. Maternal Mortality	Per 100,000	1985-2001	540	2. Expenditures and net lending	NRs Million	72,426	16.0	0.9
5. Access to Water	%	2001	88	3. Deficit	NRs Million	8,137	1.8	-50.7
6. Public Education Expenditure	% of GDP	2003	3.6	D. Balance of Payments				
7. Human Development Index	-	2003	0.499	1. Exports	\$ Million	632	10.9	3.3
Rank	-	2003	143/173	2. Imports	\$ Million	1612	27.7	15.7
8. Gender-Related Development Index	-	2003	0.479	3. Trade Deficit	\$ Million	980	16.8	25.4
Rank	-	2003	119/146	4. Remittances	\$ Million	821	14.1	9.5
C. Poverty				5. Tourism Receipts	\$ Million	151	2.6	33.7
1. Percent of Poor to Population (3)	%	1996	42	6. Current Account	\$ Million	108	1.8	-54.0
Urban	%	1996	23	7. Balance	\$ Million	81	1.4	-316
Rural	%	1996	44	E. Others				
Mountain	%	1996	56	1. Consumer Price Index	%	4.8	-	-
Hills	%	1996	41	2. Foreign Reserves	\$ Million	1,116	19.2	6.1
Terai	%	1996	42	3. Average Exchange Rate	NRs/\$	77.9	-	1.5

Source: ADB Nepal Quarterly Economic Update, December 2003

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There is a global consensus that corruption in government and business inhibits economic growth and can perpetuate poverty. Because financial resources are fungible and corruption drains them, economic assistance to countries that have not demonstrated a commitment to reducing corruption is unlikely to lead to sustainable development. This conclusion has led bilateral and multilateral development assistance agencies to reconsider the criteria for aid recipients and to move toward a greater emphasis on good governance.

According to the legislation transmitted recently by the Bush administration on Congress, to merit help from the proposed Millennium Challenge Account [MCA] countries must show by their actions that they are serious about reducing corruption. Such a "demonstrated commitment" is necessary to establish that countries have the requisite determination to spur their own economic development and poverty reduction and ensure that the intended benefits of such economic assistance will not be dissipated.

CORRUPTION IMPAIRS DEVELOPMENT

Efforts to quantify the economic loss due to corruption are necessary speculative, but numerous independent estimates have been made. In an estimate by the World Bank, which the organization for Economic Cooperation and Development [OECD] considers conservative, the annual cost of corruption was calculated at more than \$80 billion worldwide more than the total of all economic assistance. Research at the International Monetary Fund has indicated that corruption can reduce a country's growth rate by 0.5 percentage point per year. a former senior World Bank procurement expert estimate that corruption commonly adds 25 percent to the cost of large government contracts.

Large bribes sap a country, and small and small bribes for example, "facilitation" payments to speed up routine government actions – disproportionately harm the poor. Corruption tends to bias country economic planning against the social sector, which tend to be most beneficial to very poor, and in favor of large capital-intensive projects, which present more opportunities for large corrupt "rake-offs."

It also undermines economic development and poverty reduction in numerous, diverse, and often immeasurable ways. For example, where corruption is pervasive it deters the best people from entering government service, incentive for those who have joined the civil service to pursue personal enrichment rather than the public good. This reduces respect for the law, can facilitate crime, and generates cynicism, which feeds the expectation that extortion is inevitable and bribery necessary. Equally important, corruption undermines the enforcement of important regulations, such as building safety codes and environmental protections, and provides an incentive for the proliferation of unnecessary regulatory requirements, each of which creates opportunities to extort bribes.

Tax collection becomes more difficult in highly corrupt environments, making higher tax rates a necessity to obtain required revenue. This can create an incentive for capital flight.

Pervasive corruption can erode political stability, deterring private foreign and domestic investment. Even where stability is not a factor, the high likelihood of extortion discourages such investment.

While correlation does not necessarily indicate causation, it is significant that quantitative analyses have shown that corruption correlates positively with policy distortion and the time business must spend with government officials. It correlates negatively with merit-based recruitment in civil service, civil service wages, predictability of gross

investment to gross domestic product [GDP], women's rights, investment in education, and national environmental performance.

Corruption is not the sole cause of countries persistent poverty. Poor natural resource endowments, poor economic management, poor education systems, inadequate infrastructure, poor incentives for farmers and business, poor administration, and the shortage of savings and capital for investment [to name a few] often contribute. But large –scale corruption invariably impairs development.

WHAT CAN BE DONE ABOUT IT?

While it is unlikely to be totally eliminated, large-scale or pervasive corruption is not inevitable in any country. Movements over time in country ranking on the Transparency International Corruption Perception Index, which ranks countries in terms of the degree to which corruption is perceived to exist among public officials and politicians, illustrate that corruption can be tackled.

Given the scope of the problem, a holistic approach and a long-term perspective to anti-corruption reform are essential. Making such an approach operational requires leaders with the political will and a broad mandate from civil society, including the private sector. The participation of all these stakeholders-government, civil society, and the private sector is essential. Within many countries, these groups have worked in coalition to list major weaknesses and gaps in the country's "integrity system." They have set priorities, identified targets of opportunity, built sustained political pressure, and monitored the progress of reform.

Diverse conditions, which exist from one country to another, make it impossible to prescribe a universally applicable menu of necessary reforms or any standard sequence for introducing them. Nevertheless, the most urgent reform starts with

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UNLEASHING THE TRADE WINDS: A BUILDING –BLOCK APPROACH

By Ambassador Robert B. Zoellick
United States Trade Representative

As President Bush's first term approaches its midpoint, the commentary about American over how – not whether the United States is advancing free trade.

America has stated its intentions plainly. We will promote free trade globally, regionally and bilaterally, while rebuilding support at home. By moving forward on multiple fronts, the United States can exert its leverage for openness, create a new competition in liberalization, target the needs of developing countries, and create a fresh political dynamic by putting free trade onto the offensive.

America's trade policies are connected to our broader economic, political, and security aims. This intellectual integration may confound some trade scholars, but it follows in the footsteps of the architects of reconstruction after 1945. In fact, its roots extend to the protesters who dumped English tea in Boston harbor. To be sustainable at home, our trade strategy needs to be aligned with America's values and aspirations as well as with our economic interests. And to be influential abroad, we seek to listen and learn from our trading partners, large and small. To lead globally, President Bush recognized that he had to reverse the retreat on trade policy at home. Any American president building support for trade must overcome protectionists, special interests, anti-globalization nihilists and partisanship against the President. Nevertheless, the President was not diverted by an economic slowdown or terrorism. He pressed Congress to enact the Trade Act of 2002, which re-established the vital trade authority [fast track] that had lapsed for eight years. Republicans compromised with pro-trade Democrats on an environmental and labor trade agenda, without overstepping concerns about sovereignty and protectionism. The act included a

Achieving free trade across the globe is a daunting task. But America is committed says ambassador Robert B. Zoellick, the United States Trade Representative and a member of President Bush's Cabinet. He handled the NAFTA talks and the Uruguay round at the State Department from 1989-92. The following is adapted from an article he wrote for the December 7-13, 2002, issue of the Economist.

large, immediate down payment on open trade for the neediest, cutting tariffs to zero for an estimated \$20 billion in American imports from the developing world.

To rebuild a congressional coalition, the administration had to demonstrate that the United States would use international rules to pursue its interests. Since American trade – weighted tariffs average only about 1.6 percent, congressional support for lower barriers depends on the Executive's willingness to use the same rules employed by other countries. One Republican leader in the Senate told me that the administration's record of enforcing international rules was the most persuasive argument for granting the president more negotiating authority. By leading the fight at home for freer trade within a system of enforceable international rules, President Bush has strengthened America's power to promote free commerce abroad.

THE TASK AT DOHA

Coming to office as it did in the wake of the Seattle debacle for the World Trade Organization, the Bush administration recognized the importance of launching a new global trade round. Working with the European Union [EU] and others, and against long odds, we helped to launch the Doha Development Agenda [DDA]. The WTO itself has been strengthened by adding China and Taiwan as members, and efforts are in train to add Russia before long.

The United States is fully committed to completing the DDA by the agreed deadline of 2005. We have already tabled far-reaching proposals in agriculture, industrial and consumer goods, and services, to highlight the primary goal of the WTO: to open access to markets and to spur growth and development.

America's goal in the farm negotiations is to harmonize subsidies and tariffs while slashing them to much lower levels, on a path toward elimination. The last global trade negotiation the Uruguay round accepted high and asymmetrical levels of subsidies and tariffs just to get them under some control. For example, the United States accepted a cap for the European Union's production – distorting subsidies that was three times the size of America's even though agriculture represents about the same proportion of our economies.

The farm bill which authorized up to \$123 billion in all types of food-stamp, conservation and farm spending over six years, amounts within WTO limits made clear that America will not cut agricultural support unilaterally. But America's farmers and Congress back our proposal that all nations should cut together. The United States wants to eliminate the most egregious and distorting agricultural payments, export subsidies. We would cut global subsidies that distort domestic farm production by some \$100 billion, slashing our own limit almost in half. We would cut the global average farm tariff from 60 percent to 15 percent,

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and the American average from 12 percent to 5 percent. The United States also advocates agreeing on a date for the total elimination of agricultural tariffs and distorting subsidies.

The American proposal for manufactured goods would free the word of tariffs on these products by 2015. This was the trade sector first targeted by the founders of the general Agreement on Tariffs and Trade [GATT] in 1947; after more than 50 years of work, about half the world's trade in goods has been freed from tariffs. Its time to finish the job.

With zero tariffs, the manufacturing sectors of developing countries could compete fairly. The proposal would eliminate the barriers between developing countries, which pay 70 percent of their tariffs on manufactured goods to one another. By eliminating barriers to the farm and manufactured goods trade, the income of the developing world could be boosted by over \$ 500 billion.

The American proposal on trade in services would broaden opportunities for growth and development in a sector that is just taking off in the international economy. Services represent about two-thirds of the American economy and 80 percent of our employment, but account for only about 20 percent of world trade. The World Bank has pointed out that eliminating services barriers in developing countries alone would yield them a \$900 billion gain.

The United States listens to the concerns of developing countries striving towards free trade. This year, we devoted \$ 638 million to help such countries build the capacity to take part in trade negotiations, implement the rules and seize opportunities. We have acted in partnership with the Inter-American Development Bank to integrate trade and finance, and we are urging the World Bank and the IMF to back their rhetoric on trade with resources.

We agreed at Doha that the flexibility in the global intellectual – property rules could be used to allow poor countries to license medicines compulsorily to deal with HIV/AIDS, tuberculosis, malaria and other epidemics. We are also committed to helping those poor regions and states obtain medicines produced abroad if they cannot manufacture them locally as long as other countries with pharmaceutical industries do not carve these special terms into loopholes to circumvent the intellectual – property protection that rewards research on the medicines of the future.

The Doha negotiations include customized treatment for developing countries. Yet flexible transitions and special needs should not degenerate into perpetual protectionism. "Good intentions" that cover up trade barriers raise prices for the poorest people, profit cosseted interests, increased costs for competitive businesses and block exports from productive firms and workers to other developing countries. We are pleased that nongovernmental organizations [NGOs] such as Oxfam now recognize the benefits of trade for development, but they need to acknowledge that these benefits flow from removing barriers to imports as well as from promoting exports and competition at home. The WTO can foster export-driven growth for developing countries without reviving the neo-colonialist trade patterns promoted by an earlier generation.

EUROPE AS PARTNER

As one African minister told me recently, when the United States and the EU agree on a course in the WTO, we cannot ensure success, but we make it much more likely. Fortunately, I have no doubt that my respected and close colleague Pascal Lamy, the EU trade commissioner, is just as committed to completing the Doha negotiation on time.

The United States and the EU share a common aim of trade liberalization, but have pursued different approaches. In the lexicon of the EU, the United States is pressing to "deepen" the WTO

by freeing trade across the core agenda of market access. The EU's distinguishing agenda is to "widen" the WTO mandate by developing new rules to cover more topics. As one Asian colleague observed, the EU sees the world through the lens of recent European experience: it wants gradually to achieve a supranational system of governance for globalization. Yet many developing countries have no wish to add new topics to the WTO, believing our priority should be to spur more trade and investment. There is a risk that the EU will trade off cuts in barriers in order to add rules and institutions.

At Doha, the United States helped bridge the gap between "deepeners" and "wideners" because the EU needs progress on its broader agenda to achieve movement on agriculture, which is critical for many developing countries. The United States will continue to work to accommodate the EU's objectives, as long as the EU is committed to liberalizing trade in agriculture, goods and services. We need to ensure that any new negotiating topics and rules enhance free markets, strengthen transparency in the WTO and facilitate trade, while respecting the prerogative might also be borne in mind Hayek's "spontaneous order" which advises that rules should be forged first through markets, rather than through government controls.

Even if America and Europe cooperate, the Doha agenda will still be hard to achieve. [Sadly, Japan's mercantilist, zero-sum approach to trade is typified by its recent agriculture proposal, which argued for cutting its quota on imported rice.] It is encouraging to find a network of trade ministers, in both developing and developed countries, working together.

Yet any decision by the WTO requires a consensus among its 144 members. Any one country for whatever political or economic reason can stop the Doha agenda in its tracks. We will not passively accept a veto over America's drive to open markets. We want to encourage reformers who favor free

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trade. If others do not want to move forward, the United States will move ahead with those who do. It is time for others to tell us when they are ready to open their markets, to table proposals to liberalize and to match their criticism with commitment.

Some trade specialists cavil about America's use of leverage to push for greater openness. I urge them to broaden their perspective.. We want to strengthen the hand of the coalition pressing for freer trade . it would be fatal to give the initiative to naysayers abroad and protectionists at home. As we have seen in the League of Nations, the U.N., the International Monetary Fund and the World Bank, International organizations need leaders to prod them into action.

NAFTA AND ITS IMITATORS

To multiply the likelihood of success, the United States is also invigorating a drive for regional and bilateral free-trade agreements[FTAs]. These agreements can foster powerful links among commerce, economic reform, development, investment, security and free societies. The North American Free – Trade Agreement [NAFTA] not only almost tripled American trade with Mexico and nearly doubled its trade with Canada, but also made all three members more competitive internationally. NAFTA proved definitively that both developed and developing countries gain from free-trade partnerships. It enabled Mexico to bounce back quickly from its 1994 financial crisis, launched the country on the path of becoming a global economic competitor, and supported its transformation to an opendemocratic society.

Ironically, a number of European publications that have criticized America's "competitive liberalization" through regional and bilateral free – trade negotiations were noticeably silent when the EU negotiated 30 such pacts, the United States only has three, but we are hard at work.

Since Congress granted the president fast-track authority, the United States has signed FTAs with Singapore and Chile and started talks for FTAs with the five nations of the Central American Economic Community, the five countries of the Southern African Customs Union, Morocco and Australia. We helped push forward the negotiations among 34 democracies for a Free-Trade Area of the Americas. We will co-chair this effort, with Brazil, until it is successfully concluded.

Our free-trade agenda conveys signals. We are open to free trade with all regions Latin America, sub-Saharan Africa, Asia-Pacific, the Arab world and with both developing and developed economies. We want to expand commercial links with these countries. Equally important, all our free – trade partners, though varying greatly in size and development, are showing political courage at home by making the case for open markets and connecting those ideas to economic reforms. These are governments we want to help.

One Europe – based publication recently claimed that the United States "has little to offer countries" because America's barriers are relatively low already. But the "market test" is proving such commentaries mistaken, as countries are lining up to negotiate FTAs. Countries recognize that assured access to the huge, dynamic American market is a valuable economic asset. Because American FTAs are comprehensive, with high standards our FTA partners stand out as good places to invest, as strong links in a global sourcing chain, or simply as promising markets in which to do business.

We will work with our FTA partners through the U.S. Agency for International Development [USAID] and with the multilateral development banks to link liberalization to sectoral reforms. For example, we have been discussing with Morocco how to support its shift, backed by the World Bank, from the production of cereals to fruits and vegetables for export. For Southern Africa and Central America, our FTAs can encourage regional competitiveness, the development of a larger market for investment, and

greater political cooperation. Many other countries are working with us on market and trade reforms simply to prepare for an FTA.

As our FTA negotiation with Singapore showed, our agreements can also serve as models by breaking new ground and setting higher standards. The United States – Singapore FTA will help advance areas such as e-commerce, intellectual property, labor and environmental standards, and the burgeoning services trade. As we work more intensively with nations on FTAs, the United States is learning about the perspectives of good trading partners. Our FTA partners are the vanguard of a new global coalition for open markets.

These partners are helping to expand support for free trade at home. Each set of talks enables legislators and the public to see the practical benefits of more open trade, often with societies of special interest for reasons of history, geography, security, or other ties. There is an old adage in American politics. "You can't beat something with nothing." We want the American debate to be focused on our agenda of opening markets, not on the protectionists defensive dogma of closing them.

Whether the cause is democracy, security, economic integration of free trade, advocates of reform often need to move toward a broad step by step working with willing partners, building coalitions, and gradually expanding the circle of cooperation just as modern business markets rely on the integration of networks, we need a web of mutually reinforcing trade agreements to meet diverse commercial, economic, developmental and political challenges. The United States is combining this building-block approach to free trade with a clear commitment to reducing global barriers to trade through the WTO. By using the leverage of the American economy's size and attractiveness to stimulate competition for openers, we will move the world closer toward the goal of comprehensive free trade. ■

*Source: US Foreign Policy Agenda
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instituting preventive measures. They are usually more cost effective and less divisive than focusing solely on criminal laws, detection, and prosecution, although the measures anchored in criminal laws can have a long – term deterrent effect when done with persistence and on a large scale.

The most critical preventive measure is for the public sector to undertaken to publish in a prompt and accessible manner all laws, regulations, administrative and judicial decisions, procurement, campaign finance , and other routine information. It should provide opportunities for public participation and transparency in the decision – making process before actions are taken.

Preventive measures should also include instituting codes of conduct and conflict of interest standards for public officials, with training to promote compliance and sanctions for non-compliance. Higher –ranking officials should publicly disclose their assets on a periodic basis in order to minimize opportunities for illicit enrichment. Whistleblowers and the media must be protected from reprisal to they can play a responsible role.

Beyond the preventive measures, there is a role for criminal law provided there are independent prosecutors to bring cases and a competent and independent judiciary to impose sentences. It is this area that citizens find particularly problematic, given the prevalence of impunity, weak institutional oversight, and lack of respect for the rule of law. The practical effectiveness of recent multilateral conventions that prescribe preventive and criminal measures, including the Inter American Convention Against Corruption and the Council of Europe Criminal Law Convention on Corruption, will depend on how these issues are addressed.

Additional public sector reforms often needed will also include: civil service

reform, particularly providing compensation that permits a reasonable standard of living, regulatory reform to reduce the number of approvals required and the scope for official discretion in granting them, and strict rules, broad publication and public oversight to promote transparency and accountability in public – sector procurement.

No anti-corruption strategy will be successful without the participation of the private sector. Domestic and multinational corporations should adopt and apply codes of conduct and procedures to promote ethical conduct and to monitor compliance with laws and regulations, including those prohibiting domestic and transnational bribery. Since the entry into force of the OECD Convention on bribery of Foreign Public Officials, there are criminal prohibitions on transnational bribery. While enforcement of these and related domestic laws will be the prerequisite to changing corporate behavior, corporations are well advised to institute programs that include training, procedures for reporting illegal or unethical behavior, and strong monitoring and enforcement mechanisms. Companies should establish and maintain an effective system of internal controls, books, and records that accurately reflect their transactions and disposition of assets. As a general matter all professionals such as accountants, auditors and attorneys, should have and enforce standards and codes of ethics and an effective accreditation process.

Obviously, carrying out such an ambitious range of reforms can be complex and will require a long –term commitment. It will require technical and financial capacity and, above all, political will. The public plays a key role in keeping the subject high on the political agenda. Rankings, such as the annual Transparency International Corruption Perception Index, which builds pressure for reform, and "service delivery surveys," which gauge the incidence of bribery in individual government agencies, enable reform

efforts to be directed to the areas of greatest need. Other useful surveys include those that assess agency budgetary inputs in relation to outputs and "Big Mac" surveys, which compare the cost of similar items such as aspirins in various public hospitals to identify unjustified divergence.

Bilateral and multilateral development assistance agencies, in designing their assistance strategies, must also play a key role. Mainstreaming anti-corruption into country assistance strategies will help reformers. The institution of systems for investigating allegations of corruption in procurement and for debarring firms found to have engaged in corruption is another step forward. Multilateral development banks could do more , including adding as a condition for bidding a requirement that compliance programs.

CONCLUSION

The MAC eligibility requirement for a demonstrated commitment to limit corruption and promote good governance will be a major step towards changing the incentive system for development assistance. It will add to the already enormous costs of corruption for those who fail to meet these criteria. Donors must consider how the needs of these countries will be addressed. In those that do meet the requirement, MCA assistance can help promote reform because it requires governments, businesses, and civil society to work together in a constructive partnership. In so doing, it has the potential to improve the prospects for economic development and the productive use of assistance. Realizing this potential will require field-based assessments of the state of corruption in a country and the effectiveness MCA projects, and careful attention to auditing and accountability to ensure that funds are used as intended. This will be a huge challenge but one that promises to have a profound impact on future assistance strategies and their success in combating corruption. ■

*Source: Economic Perspectives
Volume 8, Number 2, March 2003*

New Products & Services from the USA

Products and services information published here are taken from Commercial News USA, February 2003. Volume 25, Number 6 and March 2003. Volume 25, Number 3. Commercial News USA is published by the US Department of Commerce, Washington and publicized products and services of U. S. firms seeking agents, distributors, joint venture partners, or purchasers abroad. Firms supplying product information published in Commercial News USA attest that their products are available for immediate export. The U.S. Government does not endorse any product or company herein, and assumes no responsibility for the accuracy of this data or for the outcome of any business transaction resulting from publication.



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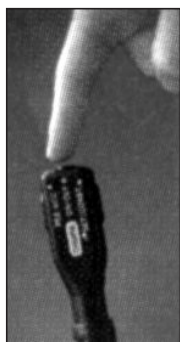


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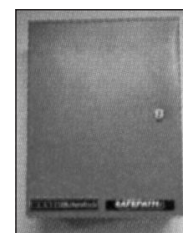
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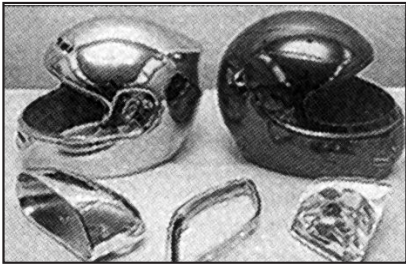


"Wheelock" introduces SAFEPATH4, the first supervised communications systems to combine paging, employee

notification, background music, and emergency voice evacuation. Wheelock claims this is the only system of its kind to allow retailers, industrial sites, and government facilities to benefit from the newly-amended National Fire Alarm Code, which allows fire alarm circuitry, amplifiers, and speakers to be utilized for purposes other than emergencies. This saves maintenance costs by combining supervised emergency notification systems with a general-use address system for background music and announcements, the company adds. Contact: Debbie Cohen, Wheelock, Inc., Dept CN 273 Branchport Ave., Long Beach, NJ 07740 U.S.A. Fax: 732-222-8707.



New Alternative Chrome Plating



Cosmikchrome® is an amazing decorative alternative to expensive and environmentally hazardous chrome plating. Its patented solvent-based formulation allows it to be sprayed on like paint. Unlike traditional electrolytic plating finishes, it can be applied on wood, plastic, metal, stone, glass, vinyl, paint, plaster, or virtually any properly prepared surface. Cosmik-chrome® is available in gold, silver, bronze, chrome, and an infinite number of hues and patinas. Cosmikchrome® offers the identical decorative luster of metal plate at a fraction of the cost. Contact: Terry Collins, VP, Gold Touch, Inc., 12801 Berea Rd., Cleveland, OH 44111 U.S.A. Telephone: 216-941-7400. Fax: 216-941-7472, Email: terry@goldtouchinc.com WWW: www.goldtouchinc.com

Nepal's WTO Commitments...

► Continued from Page 1

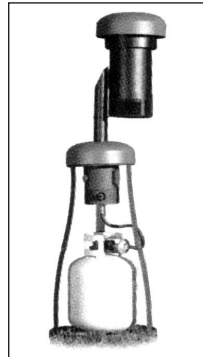
to fully implement the Agreement on Customs Valuation, Agreement on Technical Barriers to Trade, Agreement on Sanitary and Phytosanitary Measures, and Agreement on Trade -Related Aspects of Intellectual Property Rights [TRIPS] by 1 January 2007 and introduce WTO -Consistent legal regime for competition, antidumping and countervailing duties, and investment over the next several years.

During the accession negotiations, Nepal was successfully able to avoid becoming a signatory to some of the plurilateral agreements such as the Union for Protection Plant Variety 91 [UPOV] and the Agreement on Government Procurement. ■

Source: ADB Nepal Quarterly Economic Update December 2003



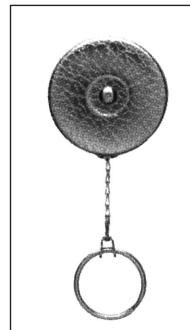
Eliminate Mosquitoes and No-See Ums



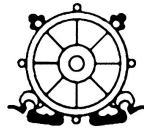
Introducing the Lentek Mosquito Trap, a revolutionary trapping system that silently and continuously eliminates mosquitoes and no-see-ums, without the need for sprays. The Mosquito Trap converts propane or L.P.G. into CO₂, what mosquitoes are attracted to. Continuous use of the Lentek Mosquito Trap in one area can literally collapse a mosquito population of up to 3/4 acre of property, says Lentek. Excellent for backyards, docks, and other outdoor activities. Contact: Daryl Davis Director of Int'l Sales, Lentek International, Dept. CN, 1629 Prime Court, Suite 800, Orlando, FL 32809 U.S.A. Email: ddavis@lenteck.com WWW: www.lenteck.com



KEY-BAK® Key Retractors

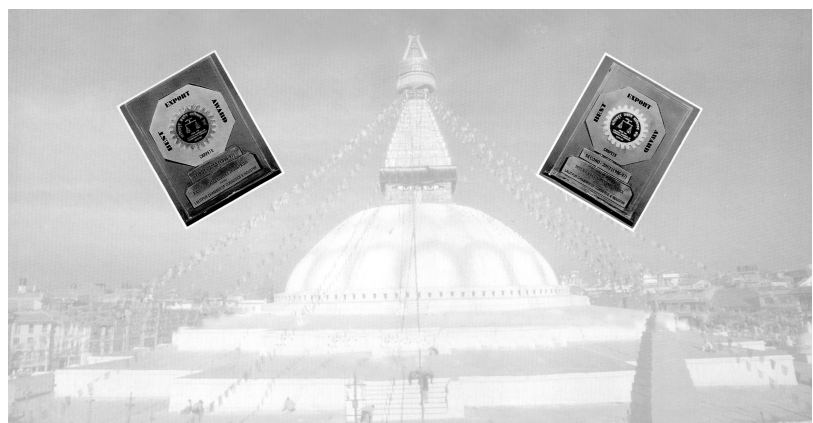


For over 50 years, the KEY-BAK® key retractor has become part of life on the job wherever keys and locks are found. KEY-BAK says the original KEY-BAK key retractor has been proven to last ! Key retractors fit comfortably on werer's belt, keeping keys secure and ready for use. KEY-BAK features a stainless steel chain, which extends to 24", available in a belt clip or belt loop model, chrome or black vinyl front. Distributors sought. Contact: Sales, KEY-BAK Division of West Coast Chain Mfg. Co., Dept. CN, 4245 Pacific Privado, Ontario, CA 91761 U.S.A. Telephone: 909-923-7800. Fax: 909-923-0024, Email: instlsales@keybak.com, WWW: www.keybak.com



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