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Issue : 1

February 2025

* A Belated Happy New Year 2025 !

On the occasion of the New Year 2025, we would like to extend our heartfelt wishes to you and your family. May this year bring you prosperity, success, happiness and above all, good health at every step of your journey.

Kiran P. Saakha - President
Narendra K. Basnyat - IPP
BirendraRajkarnicar - Vice President
Sanjai K. Agrawal - Secretary General
Pranil Man Singh Pradhan - Treasurer

Executive Committee Members:
Brindaban Man Pradhanang,
RajaniRana, Sunil Rajbhandhari,
PashupatiDev Pandey
and RakeshAdukia

Congratulations to President Donald J. Trump

Dear President Trump,

A Belated Happy New Year 2025!

On behalf of the member of Nepal-USA Chamber of Commerce and Industry (NUSACCI), we extend our heartfelt congratulations to you on your swearing in as the 47th President of the United States. This marks a pivotal moment in the history of your great nation, and we look forward to the continued success and prosperity of the United States under your leadership.



We would like to take this opportunity to emphasize the deep and lasting friendship between our two nations. For the past 77 years, Nepal and the United States have shared a partnership rooted in mutual respect, trust, and collaboration. From humanitarian aid to educational exchanges, our countries have grown together, nurturing a relationship based on shared democratic values and a commitment to peace, stability, and progress.

With your vision for America's future, we are hopeful that the Nepal-USA relationship will continue to flourish under your leadership. We look forward to strengthening our cooperation in key areas such as trade, climate change and people-to-people ties. Your administration's focus on expanding international partnerships presents a unique opportunity for both nations to deepen their engagement and support one another in facing global challenges.

We are confident that, under your leadership, we will continue to build on the strong foundation of our bilateral relationship, fostering greater collaboration and mutual benefit for our citizens and the world at large.

Once again, congratulations, President Trump. We look forward to a fruitful and enduring partnership.

With best wishes,

Nepal-USA Chamber of Commerce and Industry (NUSACCI)



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Dialogue on US-Nepal Trade and Investment: Prospects and Challenges

On September 9th 2024, USAID T&C, Nepal-USA Chamber of Commerce and Industry (NUSACCI), Federation of Nepalese Chamber of Commerce and Industry (FNCCI), Garment Association Nepal (GAN) and Federation of Export Entrepreneurs Association Nepal (FEEN) jointly organized a half-day dialogue entitled "US-Nepal Trade and Investment: Prospects and Challenges," on September 9th 2024, at Silver Oak Banquet & Event Center, Gairidhara.

This program aims to provide recommendations to the Government of Nepal (GoN) and the United States Trade Representative (USTR) as part of private sector initiatives for the 7th Trade and Investment Framework Agreement (TIFA) Council Meeting to be held on September 16th 2024.

The program divided into three sessions: opening remarks/remarks sessions followed by commentator sessions and special remarks.

An opening remarks delivered by Mr. Chandra



Prasad Dhakal, President, FNCCI.

He highlighted that today marks a significant moment as we focus on strengthening US-Nepal trade and investment relations, with special attention to challenges and opportunities ahead. FNCCI, as the apex body of Nepal's private sector, has been actively involved in the Trade and Investment Framework Agreement (TIFA) dialogue, and we are strongly advocating for the extension of the Nepal Trade Preference Program (NTPP) beyond 2025, as well as the renewal of the Generalized System of Preferences (GSP). The USA remains a key trade partner for Nepal,

with increasing exports and growing demand, especially from the Nepali diaspora. Our main goal is to boost trade, diversify exports, and attract more US Foreign Direct Investment, particularly in emerging sectors like IT and tourism, while also addressing the future challenges-Nepal's LDC graduation in 2026. This event provides an opportunity to engage stakeholders and work toward actionable recommendations that will benefit both countries

As a background paper for the discussion, Dr. Paras Kharel, Executive Director, South Asia Watch on Trade, Economics and Environment (SAWTEE) presented exhaustive

paper entitled "US-Nepal Merchandise Trade: An Anatomy" covering GSP, NTPP and TIFA. He also highlighted the trend in NTP products. He remarked that NTP products in the US represented an import market of US\$ 13 billion in 2021.

Kiran P. Saakha, President, Nepal-USA Chamber of Commerce and Industry highlighted the significant role that the Ready-Made Garment (RMG) sector played in Nepal's exports to the United States from 1980 to 2004. During this period, RMG exports reached their peak. However, since 2004, the sector has faced a gradual decline in exports

to the USA. Despite these challenges, exporters remain well-aware of the market requirements, demand, quality standards, pricing, and sensitivities. As such, the RMG sector presents an opportunity for revival, with the potential for a 500-fold increase in exports.

It is crucial for the Nepalese government to give serious attention to reviving this market. In 1999, the private sector raised concerns with the Nepal Government regarding the loss of market share, signaling the need for urgent action. The U.S. Trade Representative (USTR) had previously authorized Garment Association Nepal (GAN) to recommend garment visas, based on recommendations from the private sector to the government. At the turn of the century, Nepal's exports to the USA reached \$229 million, but unfortunately, this trend reversed in the following years. However, with even minimal government intervention, the sector could again thrive.

Current Export Landscape and Government Support

While the RMG sector faces challenges, Nepal's carpet exports still hold a significant 15% share of the U.S. market. There is a clear need for government support to further promote this sector.

The Trade

and Investment Framework Agreement (TIFA) between Nepal and the USA spans just three pages, yet it outlines key areas for support. Unfortunately, the private sector has

not yet seen visible, significant benefits from the agreement. TIFA emphasizes capacity building, technical assistance, and trade facilitation to enhance bilateral trade, but in discussions with the

private sector, it was revealed that TIFA's technical assistance is currently being channeled through USAID.

There is a pressing need for clarity on how the private sector can directly

benefit from TIFA/NTTP initiatives. A broader discussion is required to fully understand the direct benefits. Additionally, Nepal should be afforded the same trade facilities as those

granted under the CBTA Act and AGOA. If the private sector can present well-supported data during trade negotiations, it can ensure a win-win outcome for both countries.



Key Concerns for Bilateral Trade and Investment

USA's primary concerns include Nepal's compensation laws and the need for reforms to attract U.S. foreign direct investment (FDI). Equally important is the issue of Intellectual Property Rights (IPR), with the U.S. Patent and Trademark Office (USPTO) working alongside the Nepal Government to strengthen IPR enforcement in Nepal. In June 2024, NUSACCI collaborated with USPTO to organize a half-day seminar to raise awareness of these issues within the private sector.

Another major challenge for Nepal is the prevalence of piracy in software. Due to the high cost of licensed software (ranging from \$500 for hardware to \$1,500 for software), this issue remains a significant barrier to investment.

Looking Ahead: Addressing NTPP Renewal and Expanding Trade Opportunities

As the expiration of the Nepal Trade Preference Program (NTPP) approaches in December 2025, it is essential for stakeholders to clarify the need for its renewal, backed by appropriate statistical data. For product development and expansion of trade opportunities, it is vital for Nepal to seek technical assistance from the United States, particularly in organizing trade fairs and single-country shows.

In conclusion, there is immense potential for growth in Nepal's exports to the USA, particularly in the RMG sector. With targeted government support, effective use of trade agreements like TIFA, and addressing key concerns such as IPR and compensation laws, Nepal can revitalize its trade relations with the United States and unlock new avenues for growth.

The other speakers who delivered remarks in the first session were Mr. Shankar Prasad

Pandey, President, Federation of Export Entrepreneur Association Nepal (FEEAN), Mr. SaradBikramRana, Executive Director, Trade and Export Promotion Center and Mr. PashupatiDev Pandey, President, Garment Association Nepal

As a participants of the dialogue program, Mr. Chandi Prasad Aryal, Immediate Past President, Garment Association Nepal, Mr. Dhana Prasad Lamichane, President, Nepal Pashmina Association Industries, Mr. ReshamLal Shrestha, Dog-Chew Entrepreneur and Mr. Govinda Prasad Ghimire, Herbs and Herbal Association provided their views respectively.

In the special remark sessions, Mr. Hem Raj Dhakal, Vice President, FNCCI; Mr. Krishna BahadurRaut, Secretary, MOICS delivered their remarks. As a Chief Guest of the Program, Hon. Ganesh Parajuli addressed the

session. At the end of the session, Mr. Anjan Kumar Shrestha, Senior Vice-President, FNCCI delivered the vote of thanks.

As an outcome of the dialogue, a report along with a concrete sets of recommendations to Hon. Industry, Commerce and Supplies Ministers on behalf of the organizing institutions of the dialogue program on "US-Nepal Trade and Investment: Prospects and Challenges".

The participant of the dialogue program includes: Representatives from Ministry of Industry Commerce and Supplies, representatives from US Embassy, Kathmandu and USAID T&C Program, FNCCI, representative of various commodity associations, GAN members, FEEAN members, NUSACCI members, Non-governmental organizations, Academia and journalists

Annual Dashain Meet and Greet Event

Since 2023 NUSACCI started organizing annual Dashain meet and greet event. As a tradition, NUSACCI organized a Dashain Greetings Exchange Gala Dinner on October 4th, 2024,

Friday. The event was held at Hotel Marriott, Naxal, Kathmandu. Kiran P. Saakha, President, N U S A C C I welcomed all the distinguished guests and invitees and also extended

festive greetings. He mentioned that that main objective of this event is aiming to celebrating festive seasons with our esteemed dignitaries, members, friends and well-wishers of NUSACCI. He further

said that we hope to establish this event as an annual tradition of NUSACCI. In his remarks, Mr. Saakha also thanked coordinator of the event, Mr. RakeshAdukia, Treasurer, Mr.

Sanjai K. Agrawal and members Ms. RajniRana and Mr. Pranil Man Singh Pradhan. He also expressed sincere thanks to drinks and door prizes sponsors. More than 100 participants were

present at the gala dinner among others guests from the US Embassy, invited guests, social and business elite, NUSACCI Executive Board and members attended the program.

NUSACCI Participation on Fifth South Asia Economic Summit (SAES)

South Asia Watch on Trade, Economics and Environment (SAWTEE) organized a Fifteenth South Asia Economic Summit entitled "Unleashing an Equitable Green Transformation in South Asia" in Kathmandu on 11-13 December 2024. South Asia Economic Summit

is a premier regional platform for discussing and analyzing economic development issues facing South Asian countries. On behalf of Nepal-USA Chamber of Commerce (NUSACCI), Vice President, Mr. BirendraRajkarnicar attended the summit.

Welcome Reception hosted by US Embassy, Kathmandu

On November 21st, 2024 US Embassy Kathmandu organized welcome reception for newly appointed Economic Specialist, Ananda Gurung. Nepal-USA Chamber of Commerce and

Industry (NUSACCI) Executive Committee Members and some NUSACCI members including representative from various association attended the reception.



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Congratulations to Sanjai Agrawal, Secretary General

The Nepal-USA Chamber of Commerce and Industry (NUSACCI) is pleased to announce that Mr. Sanjai K. Agrawal has been elected unanimously as the Secretary General of NUSACCI as per its constitution on the recently held Executive Board Meeting on January 9th, 2025, Mr. Agrawal has been associated with NUSACCI for almost

a decade in various capacities, and prior to his Secretary General responsibility, he served as the Treasurer.

Mr. Agrawal is well known apparel manufacturer and exporter. He is the founder and owner of Heritage Fashion, an apparel manufacturing and export business, and the co-owner of Heritage Suites Pvt Ltd., One Stop Solutions Inc., Wellness



Nepal, and ARKO, a clothing brand.

In addition to his office bearer role with NUSACCI, Mr. Agrawal is also actively involved with several other associations. He serves as an Executive Member of the Nepal Chamber of Commerce, Secretary of the Nepal Korea Chamber of Commerce, Treasurer of the Garment Association of Nepal, and Vice President of the Nepal-Singapore Chamber of Commerce

and Industries.

On behalf of the Nepal-USA Chamber of Commerce and Industry (NUSACCI), we extend our congratulations to Mr. Agrawal for his responsibility as Secretary General. We are confident that his continued leadership and contributions will significantly contribute to the advancement of NUSACCI's goals and initiatives.

Congratulations to Prnil Man Singh Pradhan, Treasurer

The Nepal-USA Chamber of Commerce and Industry (NUSACCI) is pleased to announce that Mr. Prnil Man Singh Pradhan has been elected unanimously as the Treasurer of NUSACCI as per its constitution on the recently held Executive Board Meeting on January 9th, 2025. Mr. Pradhan has been associated with NUSACCI for many years in the capacity of Executive Board Member.



to his office bearer role with NUSACCI, Mr. Pradhan is also actively involved with several other associations.

On behalf of the Nepal-USA Chamber of Commerce and Industry (NUSACCI), we extend our congratulations to Mr. Pradhan on his responsibility as Treasurer. We are confident that his continued leadership and contributions will significantly contribute to the advancement of NUSACCI's goals and initiatives.

Mr. Pradhan is a young and dynamic entrepreneur involved in a travel, tourism, cargo businesses. Mr. Pradhan is the Managing Director of Everest Travel Service Pvt. Ltd., a pioneer company in the field of travel and tourism sector. In addition

Meeting with Pralhad B KC, Honorary Nepalese Consul to Massachusetts

On February 3rd, 2025, Nepal-USA Chamber of Commerce and Industry (NUSACCI) to congratulate Mr. KC on his appointment as Honorary Nepalese Consul to Massachusetts.



of Commerce and Industry (NUSACCI) organized a meeting with Mr. Pralhad B. KC, Honorary



as Honorary Nepalese Consul to Massachusetts and to hold discussions on various aspect of Nepal-USA relation in general and organizing a half-day program on TIFA/NTTP and possible future trade delegation to USA in particular. The President

For Comments and Suggestions please contact us : Nepal-USA Chamber of Commerce and Industry (NUSACCI), Tinkune, Kathmandu, Nepal, Phone: +977 1 4117594, Email: info@nusacci.org.np