

'Second-tier reforms for enhancing institutional capacity'

REPUBLICA

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Economists have suggested that the second-tier economic reforms, which the government is planning to introduce, should be focused on enhancing the capacity of institutions established after the adoption of liberal economic policy in the 1990s.

Speaking at an interaction on budget for fiscal year 2014/15 organized by the Institute of Chartered Accountants of Nepal (ICAN) here on Sunday, Economist Dr Bishwambher Pyakuryal said rising inflation and unemployment was severely hitting the production sector.

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NPC Deependra Bahadur Kshetry suggested that the government initiate reforms in the education sector first to graduate to the league of developing nations by 2022.

On the occasion, Dr Posh Raj Pandey, executive chairman of the South Asia Watch on Trade, Economics and Environment (SAW-

TEE), said policy stability is fundamental to attract investment. "Investment is the key for raising productivity and employment generation," he added.

Economic advisor to the Prime Minister Dr Chiranjivi Nepal said the upcoming budget should prioritize smooth supply of goods and services. "It should take certain initiatives to ensure smoothly supply of petroleum products in the market," he added.

Similarly, Economist Dr Dilli Raj Khanal stressed the need to address supply constraints.

Addressing the program, Nepal Rastra Bank (NRB) Governor Dr Yuba Raj Khatiwada expressed commitment to forward all the suggestions given by the experts to the government. "We need to prepare budget in such a way that it boosts productivity and create more employment opportunities," he added.