

Experts seek political commitment to secure donors support for trade

REPUBLICA

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Former commerce secretaries and trade experts have suggested the government to make political commitments for creating environment conducive to lure donors support in trade promotion.

They also asked the government to introduce Trade Sector Wide Approach (Trade SWAP) -- a mechanism to coordinate and arrange resources from donor and local channels to boost international trade under Aid for Trade -- with greater political commitment to boost trade.

"Trade SWAP is a good concept for trade promotion. However, there should be political commitment to convince donors to support our strategy to boost trade," said Ratnakar Adhikari, general secretary of South Asia Watch for Trade, Economics and Environment (SAWTEE) at a meeting of Trade Advisory Committee (TAC) held on Tuesday.

The government set out short term and medium term plans through Nepal Trade Integration Strategy (NTIS) in 2010 to promote trade. However, the plans have not been implemented effectively due to lack of sustainable funding.

"To win the trust of donors and ensure the sustainability of resources for trade promotion, the government must show its resources and policy commitment," said Adhikari.

Speaking at the meeting, former commerce secretary Purushottam Ojha said Nepal, as the chair of least developed countries (LDCs) in WTO, should push for more privilege for poor countries in global trade until the Doha Development Round achieves a breakthrough in ensuring their greater rights in global trade.

"As the chair of LDCs in WTO, Nepal should play a lead role for early harvest of trade privilege for poor countries until the Doha Development Round ensures them enhanced access to international markets and greater transit facilities," said Ojha.

Ojha also urged the government for early operationalization of proposed trade and transit routes to boost Nepal's trade with India and overseas countries.

Dr Posh Raj Pandey, executive chairman of SAWTEE, also said Nepal has to pay a lead role in exerting pressure on developed countries for greater transit facilities and market access for poor countries in world trade. He further said Nepal has to initiate the process of introducing Trade SWAP under Aid for Trade from donors after securing political commitment in the country.

Pandey also stressed the need to ensure reliable funding source and ensure policy consistency for effective implementation of NTIS.

At the meeting chaired by Commerce Secretary Lal Mani Joshi, around a dozen experts and former commerce secretaries expressed their view on Nepal's role as coordinator of LDCs in WTO, measures to reduce trade deficit, review of NTIS, trade and transit with India as well as proper utilization of Aid for Trade program for promotion of Nepal's international trade.
