

TRADE, CLIMATE CHANGE AND DEVELOPMENT MONITOR

Monthly E-Newsletter of South Asia Watch on Trade, Economics and Environment

Volume 18, Issue 08, August 2021



OPINION IN LEAD

National Quality Policy in the context of Nepal's LDC graduation

Enhancing export performance has been an aspiration of Nepal's government and private sector for a long time. And rightly so—increased export performance has been linked to economic growth, productivity increase, better employment opportunities, and overall sustainable development. However, different plans, policies, strategies, regulations, and interventions from the government, private sector, and development partners have not resulted in desirable export performance for the country. Export data shows a dismal export performance. On a year-to-year basis, exports are either declining, stagnant, or show an occasional slight increase, particularly in the years since 2010/11; but, imports have skyrocketed in the period, creating a huge trade imbalance (Figure 1). Furthermore, the increase in export since fiscal year (FY) 2017/18 has been primarily because of two products—refined palm oil and soyabean oil. However, these two products witness minimal value additions in Nepal, are exported based on favourable tariff differentials (with India) and not because of competitiveness, and are vulnerable to trade policy changes in India. The export of refined palm oil has already dropped to zero after India tightened the imports.

Nepal's exports also need to be viewed in terms of Nepal's impending graduation from the least-developed country (LDC) category. LDC graduation is a testament to Nepal's development achievements and overall macroeconomic and socioeconomic stability, and hence should be cherished. It will also mark a loss or dilution of trade preferences that Nepal has been getting by the virtue of being in the LDC category. For instance, preferential tariffs that allowed for better market access in several destinations will no longer be applicable, rules of origins will be more stringent which will deteriorate market access, and special and differential treatment such as the waiver of provisions related to intellectual property will cease to exist.

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REPORT

Climate change widespread, rapid, and intensifying

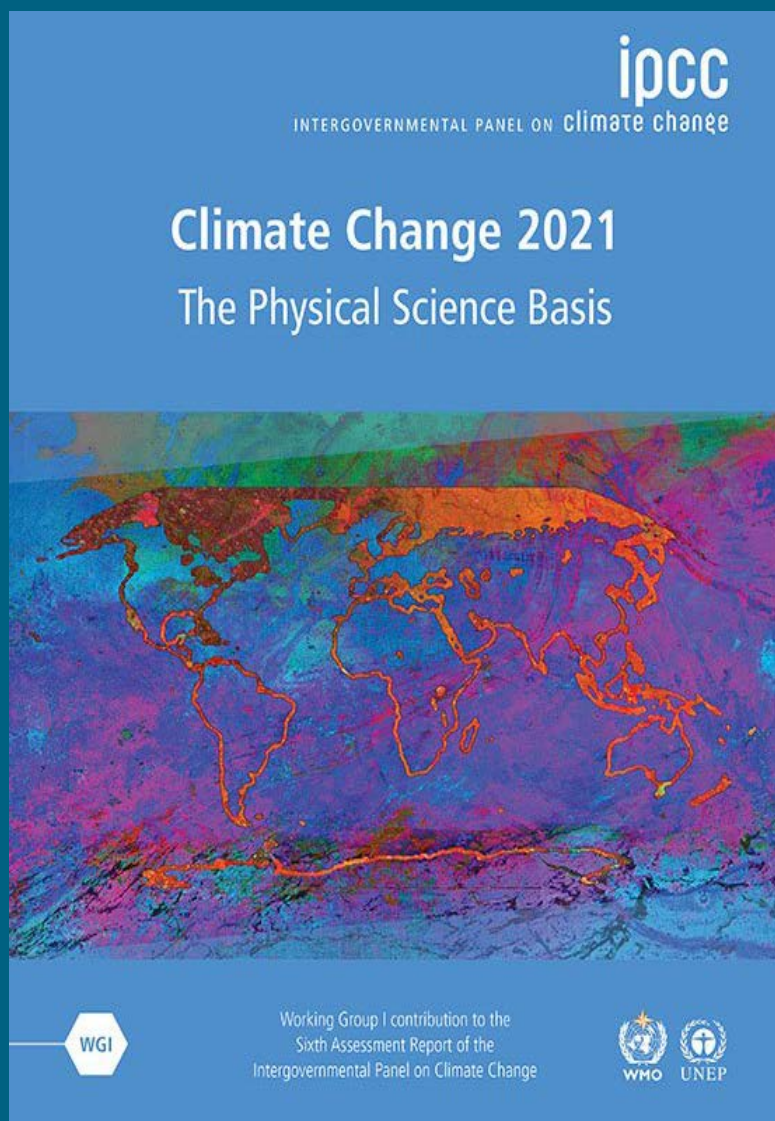
IPCC's latest report on climate change warns that there are chances of crossing the global warming level of 1.5°C in the next decades, and finds that unless there are immediate, rapid and large-scale reductions in greenhouse gas emissions, limiting warming to close to 1.5°C or even 2°C will be beyond reach.

The report 'Climate Change 2021: The Physical Science Basis' shows that emissions of greenhouse gases from human activities are responsible for approximately 1.1°C of warming since 1850-1900, and finds that averaged over the next 20 years, global temperature is expected to reach or exceed 1.5°C of warming.

This assessment is based on improved observational datasets to assess historical warming, as well progress in scientific understanding of the response of the climate system to human-caused greenhouse gas emissions.

Many of the changes observed in the climate are unprecedented in thousands, if not hundreds of thousands of years, and some of the changes already set in motion—such as continued sea level rise—are irreversible over hundreds to thousands of years.

The report also shows that human actions still have the potential to determine the future course of climate. The evidence is clear that carbon dioxide (CO₂) is the main driver of climate change, even as other greenhouse gases and air pollutants also affect the climate.



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NEWS



70pc retrenched RMG workers still remain jobless

About 70 percent of readymade garment workers who have been retrenched from jobs amid the COVID-19 outbreak have still remained unemployed.

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Nepal's rice import bills crossed NPR50 billion in last FY

Nepal imported rice worth NPR50.48 billion in the last fiscal year, which was 51.4 percent more than the expense made on the import of the same agricultural product in the previous year.

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Indian exporters boxed in by container crunch as rates rise

Indian exporters are staring at a slump in exports due to a global shortage of containers, and a resultant jump in freight rates, prompting many to seek government intervention.

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India removes anti-dumping duty on import of Nepali yarn

India has scrapped anti-dumping duty on polyester yarn exported from Nepal. India has been imposing trade restriction measures since May 2020.

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Bangladesh signs pact to make 5m Sinopharm vaccine doses

Bangladesh will be able to produce 5 million doses of Sinopharm's inactivated COVID-19 vaccines monthly, according to a MoU signed virtually from Beijing and Dhaka.

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Taliban takes over Kabul, investors worry about the neighbourhood

The Taliban's takeover of Kabul is causing concern not only about Afghanistan's future but also about the impact on other countries in the region and their economies.

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Redesign of Rasuwagadhi ICP misses deadline

The redesign of the Integrated Check Post (ICP) under construction at Rasuwagadhi, a trade gateway with China, has missed its deadline.

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Sri Lanka lifts fertiliser import ban after outcry

Sri Lanka lifted a ban on chemical fertiliser imports on Tuesday after farmer protests, forecasts of severe food shortages and worries about the island's crucial tea exports.

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Indian govt buries retrospective tax

Putting an end to the contentious retrospective tax law that hit the confidence of foreign investors, India has introduced a Bill in Parliament to nullify the provision in the Income Tax Act.

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