



OVERVIEW

USAID Trade and Competitiveness supports broad-based, market-driven growth for Nepal's economy. Working with the private and public sectors, this activity advances micro-, small-, and medium-sized enterprise development, establishes new trade opportunities, and unlocks Nepal's investment potential.

HIGHLIGHT

USAID Trade and Competitiveness will improve the productivity of 1,500 firms, increase sales by \$53 million, and catalyze \$175 million in investment. The activity will also improve access to financial services, facilitate market systems, attract investments and improve the business environment which includes transparent policy reform.

START

JAN/26/2022

END

JAN/25/2027

FUNDING

\$19 MILLION

USAID Trade and Competitiveness

Promotes enterprise expansion and employment:

USAID promotes three sectors poised for dramatic expansion, job creation, and income generation. The first is agro-processing, readily accessible to Nepali people in rural and peri-urban areas throughout the country. The second is tourism, a rapidly growing sector that can provide good jobs while preserving cultural treasures and the environment. The final area is digital services, a sector primed to support future youth employment, innovation, and the foundations for broad economic growth in Nepal.

Expands access to financial services:

USAID is working with many of Nepal's financial service providers by reducing the investment risk for agro-processing, tourism and digital services sector investors. The activity promotes better information flow, the use of financial technology, and relationship building, all of which will allow creditors to lend more. USAID also supports impact investing that targets small businesses with high-growth potential, but unique financing needs.

Leverages the private sector to improve investment:

USAID listens closely to the needs of Nepali businesses, convening public and private sector stakeholders to create a policy reform plan geared towards attracting new investment and improving business practices. Facilitating dialogue ensures policymakers meet business interests in a fair and transparent manner. As Nepal transitions to "middle-income country" status, USAID supports reducing trade barriers, increasing its global competitiveness, and expanding exports to ensure Nepal's status is sustained and improved.