

# **Joint Statement on the 4th U.S.-Nepal Trade and Investment Framework Council Meeting held on November 13, 2018 in Washington, D.C**

15/11/2018

*Washington, D.C.* – The United States-Nepal Trade and Investment Framework (TIFA) Council held its fourth meeting on November 13, 2018 in Washington, D.C. to promote expanded bilateral trade and investment in both goods and services as well as technical assistance. The meeting was co-chaired by Mark Linscott, Assistant U.S. Trade Representative, and Chandra Kumar Ghimire, Secretary, Ministry of Industry, Commerce, and Supplies, Government of Nepal.

During the meeting, Nepal and the United States discussed the range of bilateral trade and investment issues covered under the TIFA and acknowledged the increase in bilateral trade during 2017. Both sides noted Nepal's new era of political stability as an opportunity to advance transformative reforms to Nepal's business environment and further increase trade, investment, and economic growth. Officials focused on labor reforms, investment promotion, implementation of the WTO Trade Facilitation Agreement, digital trade and e-commerce, sanitary and phytosanitary measures, as well as greater market access and reform in Nepal's agricultural sector. The United States engaged with Nepal to identify ways to foster innovation and improve the business climate through draft legislation that would increase intellectual property protections and facilitate foreign investment. The United States welcomed the opportunity to provide comments on the draft legislation. The United States also expressed a willingness to explore further technical assistance to Nepal to increase trade and investment.

Nepal and the United States discussed the importance of fully utilizing preferential trade benefits for select products from Nepal, available through December 31, 2025 as a result of the Trade Facilitation and Trade Enforcement Act of 2015. The United States took note of Nepal's interest in expanding utilization of the trade preference program, promoting investment in Nepal, and enhancing trade capacity-building support for stronger economic growth.

Both governments pledged their commitment to deepen their engagement in these issue areas over the coming months in intersessional meetings to make progress in advance of the 5th TIFA Council Meeting, to be held in Kathmandu, Nepal in 2019.

**Background:**

The Trade and Investment Framework Agreement (TIFA) Between the Government of Nepal and the United States of America entered into force on April 15, 2011. Objectives of the agreement include the expansion of trade, investment and technical cooperation, and strengthening economic relations between the two countries.

Following the 2015 earthquakes in Nepal, the Trade Facilitation and Trade Enforcement Act of 2015 established a new country-specific preference program to grant duty-free treatment to Nepal for products covered by 77 Harmonized Tariff Schedule lines (including handicrafts, shawls, and travel goods).

Nepal and the United States had \$168 million in total (two-way) goods trade during 2017, a 30 percent increase compared to 2016.