

A Roundtable Discussion on Nepal – US trade amid uncertainty

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Following the sweeping tariffs announced by President Donald Trump on 2 April 2025, Nepal, along with virtually all countries in the world, is subjected to an additional 10 percent tariff on almost all goods exported to the US — the second-largest export destination for Nepal. Given that several countries that ran sizeable surplus with the US were hit with additional tariffs, it appeared that Nepal, at the worst, got off lightly, or emerged as one of the winners. Media discussions that emerged in the days following the announcement centered on how Nepal could take advantage of the relative tariff benefit in the US market. However, on 9 April, the additional reciprocal tariffs were put on hold for 90 days, meaning Nepal's tariff advantage vanished (at least for 90 days) as magically as it had appeared.

The road ahead is full of uncertainties—there are doubts about whether and how the reciprocal tariff scheme will continue. Hence, the current situation for Nepal is that tariffs on Nepali products in the US market have increased by 10 percentage points (as they have for other countries), and there are uncertainties about how the new reciprocal tariff regime will look like for other countries. An important question, thus, is whether Nepal can enhance its exports to the US in the face of emerging challenges—an increase in tariffs in the US market, the unlikely extension of the Nepal Trade Preference Program (set to expire in 2025), a potential reduction in tariff preferences if other countries are able to strike deals with the US, and general uncertainty.

Given this backdrop, SAWTEE and WTO Chairs Programme - Nepal at the Kathmandu University School of Management (KUSOM) are conducting a Roundtable Discussion to bring together relevant stakeholders to discuss Nepal-US trade in a vastly changed trade landscape and the ways to navigate the uncertainties to safeguard Nepal's exports to the US.

Venue: Kathmandu University School of Management (KUSOM), Balkumari, Lalitpur

Program Agenda

2:00-2:15 PM	Registration
2:15-2:30 PM	Welcome remarks by Prof. Dr. Bijay KC, Dean, KUSOM
2:30-2:50 PM	Trigger Presentation, Dr. Paras Kharel, ED, SAWTEE
2:50-4:45 PM	Round Table Discussion Moderated by Dr. Posh Raj Pandey, Chair Emeritus, SAWTEE
4:45—5:00 PM	Prof. Dr. Achyut Wagle, VC, Kathmandu University

Key insights from the roundtable discussion: Nepal-US trade in uncertain times

“Reciprocal tariffs offer Nepal a chance to scale up production, but unchecked transshipment could backfire-leading to punitive tariffs and trade restrictions.”

- Dr. Posh Raj Pandey
Chair Emeritus
SAWTEE

“Despite escalating global tariff battles, deep interdependencies between countries are unlikely to fade. In this context, Nepal should focus less on short-term gains and more on self-reflection-building production capacity and long-term competitiveness.”

- Dr. Achyut Prasad Wagle
Vice Chancellor
Kathmandu University

“The US critique of India’s trade barriers- raised during the 'Liberation Day' tariff announcement-echoes what Nepal's private sector has long claimed: non-tariff barriers are quietly restricting market access.

- Dr. Paras Kharel
Executive Director
SAWTEE

“While Trump's reciprocal tariff may have briefly favoured Nepalese exports, its uncertain lifespan limits long-term benefits. Instead, Nepal should focus on internal re-forms-especially strengthening intellectual property rights—to enhance sustainable trade competitiveness, which will also be viewed favourably by the US.”

- Mr. Kiran P. Saakha
President
Nepal - USA Chamber of Commerce and Industry

“Until Nepal secures a key role in global value chains-strengthening its leverage in future trade talks—it must stay vigilant and strategically cautious.”

- Mr. Madhu K. Marasini
Senior Fellow, SAWTEE
Former Secretary, Government of Nepal

“With US-China tariff tensions, Nepali exporters are seeing a rise in product inquiries from US buyers. But weak US consumer confidence means few are converting. The opportunity is real, but its full potential remains difficult to seize.”

- Mr. Narayan Kharel
Asterisk International Services Pvt. Ltd. (Felt Exporter)

Media coverage from the roundtable discussion: Nepal-US trade in uncertain times

1. US tariff shift poses modest risk to Nepal's economy, but uncertainty grows

<https://kathmandupost.com/money/2025/04/22/us-tariff-shift-poses-modest-risk-to-nepal-s-economy-but-uncertainty-grows>

2. US Reciprocal Tariff Is Likely To Be Limited: Experts

<https://www.spotlightnepal.com/2025/04/22/us-reciprocal-tariff-likely-be-limited-experts/>

3. US reciprocal tariffs pose minor risk to Nepal's exports and economy: SAWTEE report

<https://www.b360nepal.com/detail/25018/us-reciprocal-tariffs-pose-minor-risk-to-nepals-exports-and-economy-sawtee-report>

4. SAWTEE Publishes Issue Note on US Reciprocal Tariffs

<https://www.nayasadak.com/details/52981>



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