

TARGET 7% GROWTH

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Nepal's economy has every possibility to grow by 7 per cent in the next fiscal provided there is political stability in the country and

the government makes various policy changes to encourage the private sector. The government should focus on providing a stable policy environment, integrating growth of the industrial and service sector and making investments to substitute imports.

Similarly, boosting agricultural production, is not enough. We also need to create a market for such agricultural products.



Jaya Mukunda Khanal Secretary *Ministry of Agricultural Development*

Nepal needs to focus on attracting foreign investment in large-scale projects, encouraging the private sector to invest, developing the country as a destination for tourists, and promoting exports to achieve economic growth. Foreign investment is important in sectors such as hydropower, tourism, transportation and agriculture. The private sector and the government both should invest in production. Nepal has tremendous prospects in tourism. We should target Chinese and Indian tourists.

In the last fiscal year, more than 10 million people from China and India went abroad. If we could attract only 10 per cent of the Chinese and Indian tourists, we would have one million tourists. Nepal should make a long-term strategy to reduce the imports and increase exports. The focus should be on commodities such as carpets, herbs, ginger, tea and pashmina, among others.



Dr Badri Prasad Shrestha *Former Finance Minister*

In the context of Nepal, a growth a 4-5 per cent in agricultural sector and 9-10 per cent in other sectors is needed for the Gross Domestic Product (GDP) to grow by around 7 per cent. In my view, development is basically a political process. Therefore, it is crucial that major political parties reach a consensus on fundamental issues of development. Liberalisation is needed for the growth of organised industrial trade and business. Productivity needs to be enhanced, and new technologies need to be implemented in agriculture.