Nepali Tea, Lentils Enjoy Rise In Global Market Share: Report

KATHMANDU, April 17: Nepal’s export share of tea and lentil in world market -- two agricultural products in which the country enjoys comparative advantage -- is steadily increasing for more than a decade.

A report shows that Nepal’s export share of lentil and tea has been increasing since 1999.

"Nepal’s export share of lentil in 1999 was just 1.33 percent or 15,094 tons," the report said, "It reached 56,768 tons in 2009 which was 3.32 percent of total global export consumption.

Similarly, Nepal’s share of tea in world market in 1999 was just 0.01 percent or 82 tons. In ten years, it reached 0.57 percent, which is 8,889 tons. The study conducted jointly by Ministry of Commerce and Supply (MoCS) and South Asia Watch on Trade, Environment and Economics (SAWTEE), argues that the country has ample scope to further raise its global market share, particularly as the demand for these products were going up.

In 1999, the total import of lentil in the world was 1.13 million tons. It reached to 1.71 million tons in 2009. The total global import of tea in 1999 was just 1.34 million tons, whereas it jumped to 1.56 million tons in 2009.

Tea and lentils are also enlisted in the Nepal Trade Integration Strategy (NTIS) -- a blueprint of the government to boost export of goods that have comparative advantage for the country. Jhapa, Ilam, Panchthar, Dhankuta and Terathum are the major tea producing districts whereas Sarlahi, Dang, Rautahat, Bara, Kailali, Bardiya, Parsa, Banke, Sunsari and Chitwan are major lentil producing districts.

However, the report, which was shared among stakeholders in a private-public dialogue on Tuesday was hugely questioned and criticized.

"The total volume of export of lentil from Nepal is more than the total amount of domestic production of it," one of the participants from the government body questioned, "No one knows from where lentil comes." Interestingly, the report does not include the data of domestic production.

The major destination markets of Nepali lentils are Bangladesh, Turkey, UAE, Sri Lanka, Iran, Egypt, UK, Spain and Pakistan. Similarly, major consumer countries of Nepali tea are Germany, Russia, USA and Australia. Moreover, lentil has around 75 percent share in Nepal’s export to Bangladesh.