



PROJECT IMPLEMENTATION PLAN

Reference No.: 573

Date of Issue	18 March 2025
Project Code	25-SN-06-GE-SNP-C-NP01
Title	Development of the National Productivity Master Plan for Nepal
Timing	18 March 2025–30 September 2025
Hosting Country(ies)	Nepal
Venue City(ies)	Kathmandu
Modality	Hybrid
Implementing Organization(s)	National Productivity and Economic Development Centre, Ministry of Industry, Commerce and Supplies Nepal, and APO Secretariat
Participating Country(ies)	Nepal
Overseas Participants	Not Applicable
Local Participants	Not Applicable
Closing Date	Not Applicable
Remarks	Not Applicable

Objectives	Assist the Government of Nepal in developing a national productivity master plan; develop a sustainable productivity improvement strategy to support economic growth and transition from least developed country to developing country status; and establish national mid- to long-term productivity goals and targets, including strategies and initiatives within a 10-year time frame (FY 2025–34).
Rationale	As stated in its 16th Development Plan, Nepal aims for significant economic growth by 2028/29. Reliance on subsistence agriculture, coupled with low production and productivity, and structural challenges impede progress. A national productivity master plan is crucial to support the Government of Nepal in enhancing productivity and achieving its national development goals.
Background	The Nepalese economy is predominantly driven by agriculture, with agricultural employment accounting for the second-largest share of total employment among APO economies (APO, 2020). While labor productivity growth has been driven primarily by capital deepening, gains from total factor productivity remain limited. Nepal is undergoing a transition from an agriculture-based economy to one increasingly driven by the service and industrial sectors. This structural transformation presents opportunities for economic diversification but also introduces significant challenges that hinder productivity and economic growth. To sustain and accelerate productivity growth, Nepal must enhance infrastructure, institutions, and access to human capital development, while examining productivity indicators across key industrial value chains. A well-structured productivity strategy and master plan provide the framework for navigating this transition effectively, fostering long-term sustainability and innovation.
Topics	Assessment of sectoral and national productivity performance; Identification of key issues; Proposal of mid- to long-term recommendations, initiatives, and strategies for productivity enhancement; Identification of viable sectors to achieve productivity goals and targets; and Identification of key stakeholders and their responsibilities for the implementation of the productivity master plan.
Outcome	The Government of Nepal is assisted in developing the national productivity master plan; a sustainable productivity improvement strategy is developed; and mid- to long-term productivity goals, targets, and initiatives are proposed.
Qualifications	Not Applicable

Please refer to the implementation procedures circulated with this document for further details.



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