

NEPAL
South Asia Region

COUNTRY STATS

POPULATION (2023):

30.56 million

GDP (2023):

\$41.34 billion

AVG. ECONOMIC GROWTH (2018-2023):

3.1%

PER CAPITA INCOME (2023):

\$1,352

MARKET SNAPSHOT: NEPAL

Nepal is a small, landlocked country, yet it continues to make impressive leaps. Despite logistical challenges such as being in the Himalayan mountains, the poultry sector has seen double-digit growth (12-14%) in the past decade. Economic diversity is still a significant challenge to growth, as the country is highly dependent upon tourism and mountaineering. Nevertheless, the country presents exciting opportunities for the poultry industry and crushing sector, with total soy imports eclipsing 259,002 metric tons (MT) per year.

U.S. Soy has collaborated in Nepal since 2019.

MARKET STATS

Soy Usage 2023 (est. growth by 2035/40)

Animal Protein (total)	1.1MMT (250%)	Aquaculture	0.12 MMT (200%)
Pork	0.05 MMT (300%)	Oil	0.6 MMT (75%)
Poultry	0.6 MMT (200%)	Soy food	0.05 MMT (250%)
Cattle & Sheep	0.03 MMT (300%)	Any Other Soy Usage (e.g. Pet Food)	0.01 (100%)

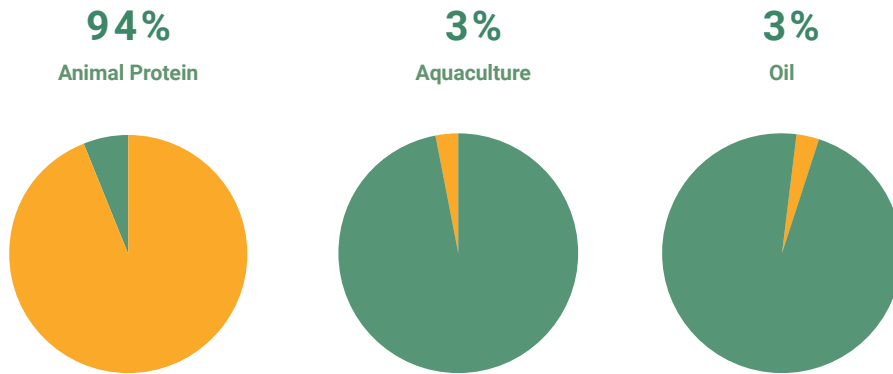
MMT=million metric tons

SOY MARKET SIZE MY 2022/23

Product	Total Volume	U.S. Soy Volume	U.S. Soy % Share
Soy Complex (whole soybean, meal, oil)	259,002 MT	23,966.7 MT	9.25%
Whole Bean	100,151 MT	11,899 MT	7.5%
Soybean Meal	158,851 MT	12,067 MT	7.8%

MT=metric tons

SOY USAGE BY SECTOR BY VOLUME



STRENGTHS

- Nepal is largely a meat-eating society, with 95% of the population readily consuming animal protein, which supports demand for high-quality animal feed.
- Two multi-national companies have achieved great success in the Nepal feed and poultry sectors, with plans to expand into other protein production sectors such as layer breeding, layer farming, hog production, broiler breeding, etc.
- The Key Protein Producer Association and allied business associations are collaborating with USSEC to work on the Right to Protein project to promote protein consumption in Nepal.

OPPORTUNITIES

- The per person per day availability of digestible protein in Nepal is less than 50 grams. As a result, protein deficiency is prevalent and is a key priority for the government.
- The country's lifestyle is evolving toward quality food and quality protein. The Nepalese like to taste and adopt new food.
- A recently codified procedure allows for imports of genetically modified products, provided they are further processed.

CHALLENGES

- Importing requires trans-shipment via India. These long transportation periods and additional costs between the Kolkata and Visakhapatnam ports of India to the Birgunj and Biratnagar dry ports of Nepal create inefficiencies.
- Frequent turnover among government officials and administrations challenges the regulatory environment for the private sector. It is difficult to deploy capital for intense projects with little policy or regulatory continuity.
- Poor infrastructure, including roads, storage and facilities, results in higher costs of production and inefficiencies.
- An essential import approval requirement from the Department of Animal Resource Development delays letter of credit opening by two weeks.

Sources:

- Nepal Department of Customs
- United States Department of Agriculture | Foreign Agriculture Service GAT
- Statista