

Evaluating Policy Interventions for Small-Scale Industries in Achieving Sustainable Development Goals in Nepal

Sharada Poudel - 40389
Department of Industrial Engineering
Institute of Engineering, Thapathali Campus
sharadapoudel2024@gmail.com

2023, May

ABSTRACT

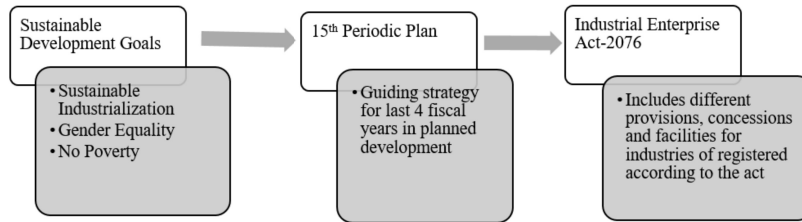
The commitment to Sustainable Development Goals has directed Nepal's policies to put a higher focus on small-scale industries. The paper includes qualitative and quantitative analyses of the impact of the policies. Qualitative analysis was carried out through KIIs and Quantitative analysis was carried out through secondary sources. Micro, Cottage, and Small-scale industries are collectively, addressed as small-scale industries (SSIs) throughout the paper. Upon study, it was found that through its policies, the government of Nepal is using SSIs as direct means to help in the achievement of SDG 1: No poverty, SDG 5: Gender Equality, and SDG 9: Sustainable Industrialization. Analysis of data shows that there was considerable growth in achieving the target of registration and women's participation. However, industrial zones have not seen enough growth.

Keywords: Sustainable Development Goals, Small-scale industries (SSIs), Financial Inclusion

INTRODUCTION

Nepal is currently functioning in the 15th periodic plan (FY 2076/77-2080/81) as a part of planned development. It is the first periodic plan that integrates Sustainable Development Goals (SDGs) in Nepal's national development framework. The commitment to achieve SDGs has led Nepal to focus on empowering its SSIs since their growth is related to the achievement of all 17 Sustainable Development Goals [1]. Small and medium-sized enterprises (SMEs) are the main vehicles for employment generation, poverty alleviation, and reduction of the economic and social inequalities of Least Developed Countries (LDCs) [2].

The study of policies related to small-scale industries is crucial because SSIs are highly affected by market failures and business environment constraints. Thus, they have a greater dependency on the policies governing them. Given their vital importance in maintaining inclusivity in the development phenomenon, providing them with a feasible environment to grow is indicative of a highly inclusive economy, especially for the LDCs where disparities are larger than in other countries.



The hierarchy of policies related to SSIs in Nepal is shown in the figure above. SDGs will be the guiding principle until 2030 for the country. The periodic plans of Nepal are guided by the country's priorities as to how it wants to concentrate its resources. Nepal's 15th plan has incorporated working policies that directly adds

