



WORLD TRADE  
ORGANIZATION



WTO  
CHAIRS  
PROGRAMME

Kathmandu University  
School of Management



## **Report on policy for Community-based rural enterprises and their trade in Bhumlu Rural Municipality**

There have been many programs on entrepreneurship development and micro enterprise development through training and other support programs but entire Entrepreneurial eco-system has not been developed at the local level. As a result, the programs have not been successful in creating and developing entrepreneurship and enterprises. Therefore, KUSOM conducted a community – based business lab in **Bhumlu Rural Municipality** from February 5 to 9, 2023 to further strengthen its programs in rural enterprise development in order to disseminate homegrown entrepreneurship program to contribute in local economic development (LED) of the country.

This program was conducted with collaboration with **Local Development Training Academy** (LDTA), a public organization under Ministry of Federal Affairs and General Administration (MOFGA). This organization undertake different programs at local government organizations i.e., municipalities.

### **Activities**

1. Policy and Programs development for entrepreneurial eco system development for local economic development (LED) of the rural municipality  
Desk study was conducted to review socio-economic status of the rural municipality for identification of potential business opportunities and promising business sectors with competitive advantages  
One day policy formulation workshop was conducted with ward chairs, office bearers and other stakeholders of the municipality
2. Four days' bootcamp workshop was conducted to the municipality 20 nominated entrepreneurs who have been running micro enterprises in manufacturing and agriculture businesses.

3. On fourth day workshop was conducted for presentations of the plans of the participants to scale up of their businesses and sales to ward chairs, office bearers and other stakeholders of the municipality. Each office bearer presented their commitments to support the entrepreneurs located in their respective ward numbers through the existing and upcoming enterprise development policies and programs.
4. A follow up program was organized on April 28, 2023. The participants and stakeholders were invited to attend the workshop. Each participant was asked to report their progress and difficulties in the implementations of their plans. In the same manner the stakeholders reported their prospective and challenges in programs and policies to help the entrepreneurs. Based on the findings of this interaction the policies and programs were listed for the promotion of micro and small enterprises in the municipality and forwarded to the municipality office to implement in the upcoming fiscal year 2080/81.

Conclusion:

KUSOM was successful in this rural outreach programs to upscale the rural enterprise and their trade. Both the local business people and municipality and partner organization LDTA are ready implement their plans. The program can be replicated in other municipalities in the future.

The followings are the policies recommended to the LDTA and the municipality for creating market oriented eco-system and enterprises in Bhumlu municipality area.

1. Identify subsectors which have competitive advantages in comparison surrounding municipalities and provide the cluster focused policies programs by announcing pocket areas.
2. Announce provisions of land lease, subsidies on procurement of raw materials and machine and equipment, tax incentives for early start-ups and training for skills development for the identified subsectors.
3. Arrange producers, farmers and traders meet and address the problems or complaints against middlemen by facilitation in price determination, transportations, and credit terms.
4. Arrange invitation and accommodation for traders and investors from other municipalities to incentivize the negotiation for market linkages.

5. Facilitate and monitor the trade agreement between farmers, producers and traders.
6. Simplify and facilitate in business registration and renewal
7. Arrange required insurance for businesses.
8. Prepare and implement working procedure for providing subsidy.
9. Arrange technician from ward level.
10. Provide business services from each ward not necessarily from municipality office.
11. Facilitate group or community business startups.
12. Continue regular enterprise develop programs for the enterprise not included in the identified subsectors.