

The fashion accessories industry in Nepal has been showing gradual growth in recent years. It is nonetheless hampered by several difficulties that threaten to slow progress or reverse gains achieved thus far.

The sector is largely affected by the same problems troubling the country as a whole. Fragile political and economic environments, inadequate infrastructure, geographical challenges, and dependency on imported raw materials all play a role in keeping development to a minimum.

To mitigate the effects of these external factors, manufacturers of fashion accessories rely on solid design expertise rooted in traditional methods and aesthetic elements derived from the local culture. In addition, they provide comparatively lower quotes and have smaller minimum order requirements.

Key findings

1. Suppliers of fashion accessories generally expect to keep prices stable in the next six months in an effort to ensure competitiveness and attract repeat orders. Some companies intend to raise quotes, however, due to the rising cost of raw materials.
2. The strong influence of unionized labor is the most critical challenge facing the sector and Nepal, in general. Work stoppage due to strikes and other reasons regularly occurs in the country. Suppliers implement a number of ways to cope but each has its own drawback that results in undesirable conditions for the company, nonunion workers or the economy at large.
3. Heavy reliance on imported components such as fabrics, metal and semiprecious stones is the main obstacle specifically facing the industry. With the vast majority of inputs purchased from India, China and the Asia-Pacific region, enterprises are prone to high costs.
4. Product design trends over the next six months will generally be made of less-expensive materials and come in bright hues. These include colorful glass beads for jewelry and embellishments, and pure cotton for fashion bags and purses.
5. Prices are typically determined by the materials used, adornments applied and design complexity. Low-end models are usually plain and small. Midrange and upscale items feature intricate decorations done by hand, high-grade metal or fabric, and are larger.

Objective, methodology & scope

This Nepal Sourcing Report is part of a series designed to provide buyers with information on new products from export manufacturers in supply markets that specialize in handmade merchandise.

The Developing Country Sourcing Report series is part of Global Sources' corporate social responsibility initiatives. It is offered in conjunction with the Hinrich Foundation, whose mission is promoting sustainable global trade. One of its objectives is to help create jobs in developing Asia through export promotion.

To produce this report, large, midsize and emerging manufacturers, all with substantial export experience, were surveyed. The selection of suppliers is designed to reflect the composition of the industry in Nepal in terms of geographic location, materials used and range of products offered.

For in-depth profiles, our researchers

visited the facilities of each company and interviewed senior executives who discussed their recent performance and provided forecasts for the next 12 months. All other makers in this report were either visited or contacted by phone.

In each case, companies were required to answer specific questions designed to verify their manufacturing and export credentials, including a breakdown of exports by product type and market. Suppliers also participated in a survey designed to provide insight into the industry.

This report covers different classifications of fashion accessories available in Nepal, including jewelry, fashion bags and wallets, head- and neckwear, and gloves and hosiery. Each product category has its own price guide that describes features of low-end, midrange and high-end models.

In this report

- 19 in-depth company profiles
- 10 short company profiles
- 190 top-selling export products
- Supplier demographics
- Supplier survey
- Industry statistics and charts

The Industry Overview section discusses key issues affecting export manufacturers. It provides insight on the composition of the industry and elaborates on the important supply centers within Nepal.

The Products & Prices section details the features and price ranges of fashion accessories. It also examines the design and manufacturing processes, main materials used, and sourcing centers where components are procured.