

BUSINESS / ENTREPRENEURS

The New Nepali Entrepreneurs Building Beyond Kathmandu

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The story of entrepreneurship in Nepal is often told from Kathmandu. Investors gather there, founders attend events there, and the language of startups can make it appear that the country's entrepreneurial future belongs to one valley.

But the forces that create businesses are not restricted to the capital. A regional food processor might build a market around locally grown produce. A workshop can supply construction and repair services to a fast-changing town. A digital agency might serve international clients from a provincial city. A tourism operator can find demand where culture, landscape and infrastructure intersect.

These are illustrations of business models, not claimed profiles of named founders. Their significance is a question Nepal needs to answer: what would make a firm outside Kathmandu viable, competitive and capable of employing people for years?

The distance between a business idea and a business

Public celebration of entrepreneurship often begins with the founder's courage. It is an appealing narrative but an inadequate explanation of success.

An entrepreneur needs customers, reliable suppliers, working capital and a way to manage risk. A promising business can still fail because a road closes, payments are delayed, credit is expensive or local demand cannot sustain its costs.

Geography matters. In an urban centre, businesses may benefit from concentrated customers, professional services and connections to government and finance. A smaller city may offer lower premises costs and closer links to agricultural or tourism supply chains, but the advantages depend on actual market conditions.

No single rule says regional enterprise is inherently more sustainable than enterprise in Kathmandu. The question is whether local firms can connect their distinctive strengths to

viable demand.

Where markets meet local knowledge

Nepal's regions do not share one economic profile. Tourism and hospitality may be more relevant in some districts; agriculture, logistics, processing, technical services or manufacturing may be stronger candidates elsewhere.

A successful business needs to know more than what a community produces. It must understand who will buy, in what quantity, at what price and with what quality standards. Local food production, for instance, is not automatically an export opportunity. It may require consistent grading, packaging, storage, transport and trustworthy relationships with retailers.

Similarly, a homestay cannot rely forever on attractive scenery. Service quality, sanitation, local transport, language skills and a dependable booking process matter.

The value of regional entrepreneurship lies not in its distance from Kathmandu, but in its ability to solve real problems where those problems exist.

The problem of finance

For an established enterprise, borrowing may be an ordinary commercial decision. For a first-time founder with few assets,

access to finance can determine whether an idea proceeds at all.

Banks must evaluate risk. Borrowers must show that an enterprise can repay. When collateral is limited and records are weak, even a promising business may struggle to secure affordable credit.

Subsidised loans alone are not a cure if the enterprise lacks customers or the wider financial system cannot assess business performance reliably.

The World Bank's Nepal partnership framework for FY2025–2031 explicitly identifies job-creating growth, enterprise constraints and access to finance for underserved groups, including women and young people, as development priorities.

These priorities are not proof that a particular programme has succeeded. They indicate where policymakers and financiers recognise significant barriers.

The work behind the inspirational photograph

A founder may be shown in a photograph at a new café, factory or shop. Outside the frame are invoices, training, staff turnover, permits and months of uncertain sales. When a company closes, the failure is often interpreted as a lack of ambition rather than an outcome of cost, market or regulatory pressures.

This is why entrepreneurship coverage should ask uncomfortable questions. How many customers return? What share of revenue goes to transport? Does the business pay staff reliably? Can it survive a month of poor sales? Are women doing uncompensated family work that makes the operation appear cheaper than it really is?

A company that grows slowly while treating its workforce fairly may contribute more to a regional economy than a photogenic venture with no sustainable financial model.

Women, youth and the unequal starting line

Access to land, networks, financial assets and spare time is not evenly distributed. A woman running a business may also manage family caregiving; a young graduate outside the capital may lack investors or mentors who take their proposal seriously.

These barriers should not be mistaken for deficiencies in talent. Yet it would also be wrong to assume everyone needs the same kind of support. A trading business, engineering firm and rural processing enterprise face different constraints.

The useful interventions are practical: transparent business registration, accounting support, market connections, reliable infrastructure and finance suited to real cash-flow cycles.

Mentorship works best when paired with customers and measurable improvement, not motivational speeches alone.

Migration as a source of capital and knowledge

Nepalis working abroad may return with savings, business ideas, technical experience or contacts. But 'returnee entrepreneur' should not become another expectation placed on migrant workers.

Not everyone wants to open a business. Some prefer stable employment. Others need time to recover financially after paying recruitment debt or supporting family members. Entrepreneurial risk can be especially damaging if invested money represents a household's entire savings.

A sensible regional policy would make starting a company an option, while also supporting firms that can hire returning workers in decent jobs.

From programmes to durable companies

The World Bank's economic memorandum argues for stronger firm creation, investment and export competitiveness. Translating that argument into regional development means assessing outcomes over time: business survival, productivity, wages, formalisation and repeat customers.

Counting registered startups, training participants or launch ceremonies is easier. It is also a weaker measure of lasting economic value.

Nepal's 2026 economic environment adds another constraint. The October development update describes subdued private credit growth and damage to infrastructure from recent flooding. These challenges affect how confidently businesses can invest, transport goods and manage uncertainty.

Beyond the capital, beyond the cliché

There is no need to invent a heroic founder to find the drama in regional enterprise. It exists in a familiar calculation: whether a customer order justifies buying a new machine; whether a second employee can be hired; whether a road will remain open long enough to deliver goods.

An entrepreneur outside Kathmandu is not succeeding simply by staying outside Kathmandu. Success means building something that customers need and workers can depend on.

Nepal's economic future will be determined not only by who launches a business, but by where that business can survive.

Reporting note: This is a policy-and-market feature, not a profile of a named company. Original founder interviews, commercial figures and photographs should be added before presenting it as reported field journalism.

