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GOVERNMENT OF NEPAL
INVESTMENT BOARD NEPAL



Heartly Welcome
Rt. Honorable Mr. **ANDREW MITCHELL** MP, UK Minister
at
Upper Trishuli-1 (UT-1), 216MW Hydropower Site Rasuwa, Nepal.
Date 2024.02.19 (Monday)

KCEN KOREA SOUTH-EAST
POWER CO.

NWED

3

**PREPARATIONS FOR NIS
2024 IN FULL SWING**

4

UK MINISTER VISITS UT-1 HEP



15

**MUKTINATH SUBMITS
DPR AND EIA OF
CABLE CAR PROJECT**

5

**INTERVIEW WITH PRIVATE
SECTOR LEADERS**

12

**INTERACTIONS HELD WITH
NEPALI MISSIONS ABROAD**

17

**BANGLADESH GOVT. OFFICIALS
STUDY NEPAL'S POWER SECTOR**

INVESTO GRAPH

Nepal Investment Summit 2024



Sunday 28th &
Monday 29th April, 2024



Kathmandu, Nepal

**2 days,
10 sessions,
50+ speakers,
1,000+ participants**

Side Events



Conclave



Stalls



B2B Meetings



Signing of
Agreements



Policy Dialogues



Networking



Project Showcasing

Key Attendees

- High-Level Government Dignitaries
- Investors (Domestic, Non-resident Nepalis and Foreign)
- Development Partners
- Development Finance Institutions
- Multilateral Development Banks
- Diplomatic Missions
- Experts & Think-Tanks
- Private Sector Organisations
- Business Advisors
- National and Foreign Media
- Other Stakeholders

Investment Process in Nepal



FDI Source Countries and Ranking



India



China



Ireland



Singapore



Saints Kitts and Nevis



Australia



South Korea



United Arab Emirates



United States of America



Netherlands

(Source FDI Report, 2023, NRB)

Potential Sectors



Energy



Health



Tourism



Education



ICT



Transportation



Agro Processing



Mines and Minerals



Manufacturing



Urban Development

Registration

All interested are kindly requested to register to receive an invitation, as participation to the event is strictly on an invite-basis. There is no registration and participation fee.

For more information, please log on to:

Website: www.investinnepal.gov.np

Email: nis2024@investinnepal.gov.np

Preparations for Nepal Investment Summit 2024 in full swing

KATHMANDU: The government has carried forward necessary preparations of Nepal Investment Summit 2024 in full swing through the mechanisms formed to convene the summit. Along with the finalisation of the NIS2024 logo, theme invitations have been dispatched to foreign delegates. Hon'ble Minister for Finance and Coordinator of NIS 2024 Steering Committee, Dr. Prakash Sharan Mahat, has invited high-level dignitaries from various countries to participate and address the summit, along with speakers, high-ranking representatives from development partners – both multilateral and bilateral – as well as the relevant agencies of the United Nations and development finance institutions (DFIs).

Potential foreign investors, foreign investors investing in Nepal, diplomatic community, investors from Nepali diaspora, private sector representatives, banks and financial institutions (BFIs), experts and think-tanks, intellectuals and media are invited to participate in the two-day summit in Kathmandu scheduled for April 28-29, 2024. The theme of the summit will be 'Emerging Nepal'.

The government is preparing to amend dozens of laws to enhance investment climate in Nepal that includes Public Private Partnership and Investment Act, 2019; Industrial Enterprises Act, 2020; Foreign Investment and Technology Transfer Act, 2019; Special Economic Zone Authority Act, 2019; Forest Act, 2019; National Park and Wildlife Protection Act, 1973; Land Act, 1964; Land Acquisition Act, 1977; Environment Protection Act, 2019; Electronic Transaction Act, 2008; Civil Aviation Authority Act, 1996; Foreign Investment and Technology Transfer Rules, 2021 and Forests Regulations, 2022.

The Steering Committee led by Hon'ble Finance Minister has convened three meetings till the end of February 2024 and five meetings of the Implementation Committee chaired by Chief



Secretary, Mr. Baikuntha Aryal, have been concluded. The Technical Committee for project preparation, screening, selection and preparing procurement documents has reportedly carried forward the assigned tasks to the last leg as the summit is approaching. The Technical Committee has convened five meetings so far. Nepal Investment Summit Secretariat, chaired by Chief Executive Officer of Investment Board Nepal, has been assigned to look after all the activities related to the successful convening of the summit. Nepal Investment Summit Secretariat has concluded 20 meetings till the end of February.

The Technical Committee is preparing projects that will be showcased in the summit. Similarly, the private sector has also proposed a few projects to showcase them at the summit. The summit will showcase various projects, which are under different stages such as project development agreement/project investment agreement (PDA/PIA) signing stage, solicitation (EoI) stage, market sounding, ideation stage and B2B (business to business) projects, among others. A series of pre-events have been organised and also scheduled ahead of the summit in all seven provinces of the country and also outside the country jointly with the private sector and Nepali missions. The pre-events have been planned to reach out to investors and for market sounding, for which road shows of the projects will also be held.

The summit will be a well-orchestrated event to bring policy makers, foreign investors, lenders and the domestic private sector together. The two-day summit will have 10 sessions, more than 50 speakers and around 1,000 participants. The Government of Nepal has urged investors from across the globe and the domestic private sector to capitalise on the opportunity of networking, B2B meetings, exploring appropriate investment opportunities, meeting with policy makers and witness the ancient city of Kathmandu as well as other parts of the country

including the majestic snowcapped Himalayas and birthplace of Buddha. The summit will present sectoral opportunities in various sectors, namely, energy, tourism, ICT, agro-processing, manufacturing, health, education, transportation, mines and minerals, and urban development.

The Government of Nepal had previously organised Nepal Investment Summit in 2017 and 2019 considering the summit as an effective tool to promote investments.

UK Minister visits Upper Trishuli-1 Hydroelectric Power Project in Rasuwa

KATHMANDU: Minister for International Development of the Government of UK, Mr. Andrew Mitchell, along with CEO of Investment Board Nepal, Mr. Sushil Bhatta, and other officials visited the 216 MW Upper Trishuli-1 Hydroelectric Project's Powerhouse in Mailung, Rasuwa on February 19, 2024. The project is being developed by Nepal Water & Energy Development Company (NWEDC) and is one of the major investments from South Korea in Nepal and some portion of financing for this project has been availed from British International Investment (BII). During the visit, Mr. Mitchell witnessed Nepal's energy transition and hailed the efforts of the Government of Nepal towards promoting investment in clean energy. Investment Board Nepal is facilitating the project and the Government of UK is providing institutional capacity development support to the Office of the Investment Board, Nepal.

"Nepal has huge hydro energy opportunities and is already a net energy exporter but there is potential for more. With British International Investment's support to Investment Board Nepal, UK is helping Nepal mobilise international and private sector finance to deliver clean energy through sustainable infrastructure," the Embassy of UK in Nepal stated regarding the visit of Rt. Hon'ble Minister.



During the two-day visit to Nepal, Minister for International Development, Mr. Mitchell launched the new portfolio jointly with Hon'ble Minister for Finance and Vice Chairperson of Investment Board Nepal, Dr. Prakash Sharan Mahat. It is reported that the new UK development portfolio will help Nepal to tackle climate crisis, mobilise international finance for development, mobilise vital private sector funding in development, deliver economic transformation, and support governance and inclusion.

UK development support will see £400 million (\$505 million) in grants delivered by 2030, and is expected to create 13,500 jobs, attracting more than \$1 billion in investment and supporting access to quality health and education services for two million women and girls.

Nepal Investment Summit will be a landmark event to pursue private investments



Mr. Chandra Prasad Dhakal



Mr. Rajesh Kumar Agrawal



Mr. Rajendra Malla

The government has joined hands with the private sector umbrella organisations to organise the Nepal Investment Summit, 2024 scheduled for April 28-29. Presidents of three private sector umbrella bodies – Mr. Chandra Prasad Dhakal, President of Federation of Nepalese Chambers of Commerce and Industry; Mr. Rajesh Kumar Agrawal, President of Confederation of Nepalese Industries and Mr. Rajendra Malla, President of Nepal Chamber of Commerce – are representing their respective organisations in all the governing mechanisms formed to convene the summit. The private sector is equally involved in recommending legal and procedural reforms and project preparations that will be showcased in the summit including designing B2B projects. Private sector leaders have shared some insights regarding the preparation of the summit with IBN Dispatch. Excerpts:

What are the priorities of the private sector at Nepal Investment Summit 2024?



At the heart of the Nepal Investment Summit 2024, the private sector is set to showcase a broad spectrum of viable investment opportunities that span Nepal's vibrant economy. Our goal is to shine a light on projects that are not only in sync with the nation's developmental

ambitions but also spotlight crucial sectors such as infrastructure, energy, tourism and manufacturing. A pivotal priority for us is strengthening the partnership between the private sector and the government. I believe deeply in the power of Public-Private Partnerships (PPPs) to transform our infrastructure landscape, requiring substantial investments. These partnerships are not just a pathway to economic growth but a magnet for foreign direct investment.

Moreover, we are advocating for policies that genuinely foster entrepreneurship, underscoring Nepal's unwavering commitment to crafting an investor-friendly ecosystem. We will be drawing attention to the governmental reforms aimed at enhancing the business environment and the pressing need for infrastructure development that has long been an obstacle to Nepal's prosperity. Highlighting sectors for promotion will include tourism, hydropower, manufacturing and information technology, among others.



Our priority is enhancing investment in Nepal. Domestic private investment is

not sufficient, which is why we have to welcome foreign direct investment. The message we are disseminating through the NIS 2024 is that Nepal has conducive environment for investment and a lot of investment potential, and the government has been giving utmost priority to pursuing investments and ensuring security of the investments. The investment summit will serve as a platform for both foreign and domestic investors to explore investment avenues. During the event we will discuss the constraints and bottlenecks of investment and issues being faced by the current investors.



We have to focus on attracting private investments including foreign direct investment in sectors which are considered as low-hanging fruits or those that will give immediate results. For example, we can bring FDI in energy sector as the market is ensured; agriculture sector has enough potential, which can be harnessed through the use of technology and ICT sector should be given due priority for bringing foreign investment. Further, we have to develop north-south highways that will leverage the tourism sector and it is imperative to minimise the trade deficit we are facing with India and China which is alarming.

As the co-organiser of the summit, how are you collaborating with the government? For example, preparing investor lists, B2B projects, and pre-events, among others?



It gives us immense pride at the Federation of Nepalese Chambers of Commerce and Industry to co-organise the NIS 2024, marking our involvement in a venture crucial for the socio-economic upliftment of Nepal. The summit symbolises a significant effort to attract investments into our country, and being part of this initiative is a true honour.

Our collaboration with the government continues a tradition of partnership to spotlight potential projects during the summit. Together, we are compiling a list of prospective investors, both domestic and international, for sectors ripe for growth. We are dedicated to providing the government with insights

into Nepal's investment landscape and facilitating business-to-business engagements. Our aim is to bridge connections between investors and local enterprises. Leading up to the summit, we are joining forces with the government to host awareness events and policy reform discussions, leveraging our network to spread the word about the summit.



We have asked for B2B projects from our members, however, they have said they are able to invest in the projects they have prepared. They are willing to lodge interest if they find good projects among those that are showcased in the summit. Apart from this we are activating the organisations with whom we have signed memorandum of understanding to increase the participation of foreign investors. We are also discussing with our counterparts and foreign missions in Nepal to bring impact/persuading speakers.



We have been corresponding with foreign investors to announce projects that will be implemented in the B2B model and there is a positive development in this regard. We are making best efforts for the success of Nepal Investment Summit, 2024. We are preparing to sign a few B2B agreements with facilitation from Nepal Chamber of Commerce.

What can be done a bit more differently to make the summit more fruitful based on lessons from the past summits?



Looking back at the previous summits, we have rich insights that are not just reflections but guiding source for what we are about to embark on. The experiences we have garnered and the lessons learned have all been instrumental in shaping our approach to the Nepal Investment Summit 2024. It is these very experiences that become our compass, offering us direction and perspective as we navigate towards our forthcoming goals.

The essence of setting specific, tangible goals cannot be overstated. It is about having a clear, unambiguous vision of what we aim to achieve – this clarity is what guides our steps, ensuring every effort

is aligned with Nepal's broader priorities. Our belief is steadfast in attracting investments that are not only lucrative but resonate deeply with the developmental ethos of Nepal. It is about forging a connection that goes beyond transactions, engaging actively with potential investors to transform commitments made during the summit into tangible, impactful realities.

But our preparation does not start at the summit; it begins much earlier. We place a significant emphasis on pre-summit consultations. Engaging with a diverse array of stakeholders – academia, civil society, and think tanks – brings a richness of perspective that is invaluable. These dialogues are not mere conversations but a foundational step towards building a summit that is inclusive, informed and insightful.

Moreover, we are keenly aware of the importance of zooming in on specific sectors, dissecting the unique challenges and opportunities they present. It is about curating focused sessions that not only spotlight these sectors but delve into the nuances, sharing success stories that inspire and presenting projects with clear timelines and well-defined investment needs. These are not just strategies; they are our commitment to highlighting the immense investment potential Nepal holds.

Each of these elements – reflection on past summits, setting clear goals, engaging with investors and detailed preparatory work – forms a cohesive strategy designed to elevate the Nepal Investment Summit 2024. Our aim is to not just showcase Nepal's potential but to ensure that potential is seen, understood, and, most importantly, acted upon.



The private sector was not engaged in previous summits. The government was the sole organiser then, but the difference in this summit is that the private sector is also the co-organiser or, the private sector is equally responsible. We have to understand the fact that fresh investments from the private sector including foreign investments do not come unless there is engagement with the private sector or those investing in the country. We are equally responsible for making the summit successful and we expect that the summit will be a landmark event to pursue

private investment.

Along with the summit, the follow up is critically important. Pre-events like roadshows have also been discussed from our part. Recently, we organised investors' meet and greet event. In the near future we are going to organise IT related event, 'Tech's Week', and a roadshow in Dubai. Further, we have sought feedback from the Embassy of India in Kathmandu to organise roadshows in the southern neighbour. Along with Gulf nations, Indonesia, Malaysia and other countries, we are focusing on reaching out to investors in India and China.



As such summits are to promote investment, we have to prepare bankable projects along with creating a conducive environment for investment through required reforms. In the future, such summits should be organised not only in the country but also in the FDI source countries. We can prepare sector specific and country specific summits in the future to make it more focused and targeted. The commitments we receive should be realised in due course.

How can the government and private sector collaborate to create a conducive investment climate?



If we look at the success stories of developed economies around the globe, one thing that is clear is that they have a robust mechanism for collaboration between the government and the private sector. It is very important that the government and private sector speak the same language. Only then will we be able to demonstrate the investment climate of the country.

The dialogue between the government and private sector needs to be continuous, reflective and inclusive, taking into account the private sector's insights on both new policy drafts and the reevaluation of existing policies. This exchange of ideas and feedback is not a mere formality but a vital process that ensures policies are not only forward-thinking but also grounded in the practical realities of doing business in Nepal. By integrating the private sector's hands-on experience and innovative solutions into policy formulation, we create a regulatory environment that is not only

conductive to business but also aligned with global best practices. The private sector is always ready to provide feedback on existing policies and advocate for necessary reforms. A collaborative approach builds trust, attracts investments and contributes to sustainable development. This trust is a powerful magnet for investments, as it assures investors of a stable, supportive and dynamic business environment.



We are collaborating with the government in technical aspects like amending the laws that are creating hassles for investment.

Industrialists and multinational companies who are in our network have provided feedback regarding the difficulties they are facing. And CNI along with other private sector umbrella organisations is working with the government to improve the doing business climate. Another major focus is there should not be regulatory hassles in business including industry/company registration or for availing permission.



The private sector is involved in recommending amendments to required laws. Reform in investment climate

should not be confined only to the summit. The government should join hands with the private sector for continuous reform, removing bottlenecks of investment and listen to the private sector as they are the real practitioners. We have recommended reforms in dozens of acts and rules including FITTA (Foreign Investment and Technology Transfer Act). The FDI threshold should be different as per the sector. On the other hand, we also pushed the government to sign BIA (Bilateral Investment Agreement) with FDI source countries. The BIA framework has been prepared and endorsed by the government; it will pave the way to sign agreements with various countries as required.

In which areas does the private sector expect foreign investments exclusively and in collaboration with Nepali private sector?



This is an important question because it is not only about attracting investments into the country but about attracting investments that align with the country's overall development agenda. We need to attract investments in sectors that have

a comparative advantage and also those which have the potential to expand further.

One of the key sectors that I personally feel needs investment is the hydropower sector. The government has set a target to develop 30,000 megawatts of electricity by 2035. This is a rather ambitious plan and to materialise this goal it will require substantial investment. Domestic investment only will not suffice because it is not only about constructing hydropower plants but also about transmission network. Tourism is another sector where Nepal can flourish. We already have the prerequisites to promote this sector, like natural beauty and cultural heritage. What we need to now focus on is providing the necessary tourism infrastructure.

We would also like investment in the information technology sector. The country has a young population that is tech-savvy and the number of students studying the subject is also relatively high. The number of IT ventures is also increasing but more can be done in this sector.

What is clear is that finding the right domestic partner can be a true success factor for foreign investment coming into Nepal.



Our unique selling propositions are tourism and hydropower. Though Nepal's private sector is doing well in hydropower sector, we have limited capacity to invest in hydropower projects. If foreign investors come to invest in these mega projects, Nepal's private sector can invest in joint venture modality. We have to identify particular manufacturing sectors where we could be competitive by importing raw materials from foreign countries. In addition, we have seen potential to bring investment in health and education sectors, particularly international standard hospital or healthcare management and allow open colleges affiliated with internationally renowned universities to develop Nepal as a destination of medical tourism and education hub. Like the education city in Dubai, we can develop a similar model in Nepal as well.



As I mentioned earlier, we have to welcome FDI in hydropower, agriculture, energy and infrastructure development.

OIBN and KPMG India jointly host workshop on unlocking Nepal's investment potential

KATHMANDU: Office of the Investment Board, Nepal (OIBN) – investment promotion agency and national Public-Private Partnership (PPP) agency – along with collaborative partner KPMG in India, organised a workshop on ‘Unlocking Nepal's Investment Potential: Collaborative Strategies for Economic Growth’, in Kathmandu on January 26. The workshop was held as a pre-event of Nepal Investment Summit (NIS) 2024 that is proposed to be held on April 28-29 this year.

The workshop delved into enhancing the investment climate in Nepal through legal, procedural and regulatory reforms as well as innovative approaches to facilitate private investments including foreign direct investment (FDI) to unleash the country's full potential among policy makers, private sector, development partners and experts.

Addressing the workshop, Hon'ble Finance Minister and Vice Chairperson of Investment Board Nepal, Dr. Prakash Sharan Mahat, said that the country is pursuing fresh investments in every sector of the economy as the country's potential is largely untapped and under utilised.

“As green investment has become a buzz word in recent days, there is no better investment destination besides Nepal as our emissions are insignificant and we carry the potential to serve clean and renewable energy to other countries of the region to minimise emissions in line with their targets,” said Hon'ble Finance Minister, adding, “Similar potential is long awaiting to be unlocked in the tourism, agri-business and ICT sectors.”

Hon'ble Vice Chairperson of National Planning Commission, Dr. Min Bahadur Shrestha, highlighted that private investments are crucial for sustainable and inclusive growth trajectory for the irreversible graduation of Nepal to the league of developing countries by 2026.



Further, Chief Secretary of the Government of Nepal, Dr. Baikuntha Aryal, underlined that prompt response based on the feedback of foreign investors investing in Nepal as well as the private sector is crucial to spreading the message among potential investors that their investments in Nepal won't be a loss.

On the occasion, Investment Board Nepal Chief Executive Officer, Mr. Sushil Bhatta, highlighted that NIS 2024 will provide a platform to onboard serious, potential and capable investors in our investment landscape. “With its serious efforts, the government has been reviewing the various policies, laws to provide favourable and better investment climate for unleashing Nepal's full potential in various sectors including development of strategic infrastructure in different sectors like clean transport, road, tourism, ICT, manufacturing and mining, among others,” he said in his welcome remarks.

Similarly, Nepal Rastra Bank Acting Governor, Dr. Neelam Dhungana Timsina, shared information regarding the provisions of recently amended FDI and Foreign Loan Bylaws, which removed the provisions of pre-approval of the central bank to bring in FDI.

Moreover, Mr. Yezdi Nagporewalla, CEO of KPMG in India, in his welcome remarks underscored that the success of this joint effort between IBN and KPMG has delivered a commitment to fostering

strategic partnerships and driving sustainable growth for Nepal. “The forthcoming NIS 2024 is poised to provide potential investors with a comprehensive understanding of Nepal’s potential, empowering them to actively participate in the nation’s developmental goals. Having been involved in successful implementation of many similar engagements across geographies, we appreciate the opportunity to collaborate with the Government of

Nepal. We look forward to leveraging our extensive expertise and playing a pivotal role in the journey towards prosperity,” stated Mr. Nagporewalla.

Ahead of the Investment Summit, subsequent pre-events are in the pipeline to promote Nepal as an attractive investment destination. Project marketing, roadshows and policy dialogues, among others, will continue with series of post events and follow-ups with investors following the NIS 2024.

IBN CEO chairs session in Transforming Transport Seminar

KATHMANDU: Investment Board Nepal Chief Executive Officer, Mr. Sushil Bhatta, chaired a technical session on PPP-Hybrid Annuity Model in the ‘National Seminar on Transforming Transport for Shared Prosperity’ organised by Society of Transport Engineers Nepal (SOTEN) in collaboration with Ministry of Physical Infrastructure and Transport (MOPIT) on February 24. A presentation was made by Mr. Ananda Madhavan, representative from KPMG India on PPP-Hybrid Annuity Model for Highways - Highlights from India’s experience. The session was moderated by Mr. Saroj Pradhan, Former Joint Secretary and Dr. Bijaya Jaisi, Deputy Director General, Department of Roads; Er. Kamal Pande, Infrastructure Specialist, and Er. Birendra Raj Pandey, Vice President, CNI, delivered remarks as members of the panel.

The presentation introduced HAM model of PPP for highways with Indian experience in exercising the model. It concluded with specific recommendations

for Nepal as seen through the lens of Indian experience. The panellists shared the commitment of Government of Nepal to invest in such innovative approaches to streamline the development of highways and other infrastructure and services. It was also expressed that the private sector in Nepal is ready to finance and take on such projects with their knowledge, capacity and experience.

As the chair of the session, Investment Board Nepal CEO, Mr. Bhatta, highlighted the role of IBN and its office in generating and garnering knowledge and expertise in such innovative approaches under PPP in infrastructure development. As Department of Roads is implementing a pilot PPP-Hybrid Annuity Highway Project through Transaction Advisory Services by the Department of Roads, he shared that the upcoming Nepal Investment Summit 2024 is an opportune moment to showcase the project for market sounding or call for solicitation of developers.



PPPIA, 2019 review panel completes its task

KATHMANDU: The Public Private Partnership and Investment Act, 2019 review panel finalised the draft of required amendments in the prevailing Act on February 26. The 55th Board meeting of the Investment Board Nepal chaired by Rt. Hon'ble Prime Minister, Pushpa Kamal Dahal, had assigned the panel formed under the convenorship of Investment Board Nepal CEO, Mr. Sushil Bhatta, to do the necessary work. The panel has thus prepared the final draft which comprises of required amendments.

The amendments comprise of provisions for the institutional sustainability of the Office of the Investment Board, Nepal, especially granting human resources and financial autonomy to the board.

Rt. Hon'ble Prime Minister and Chairperson of Investment Board Nepal, Mr. Pushpa Kamal Dahal, had assured to strengthen the Office of the Investment Board, Nepal in his address to the nation on December 26 last year stating that OIBN will be granted authority in addition to its existing role of facilitator/coordinator.

NYEF expresses interest to collaborate with OIBN

KATHMANDU: Office bearers of the Nepalese Young Entrepreneurs' Forum (NYEF) paid a courtesy call on Investment Board Nepal CEO, Mr. Sushil Bhatta, on January 17. The NYEF team also held discussions with officials and consultants regarding preparations of the upcoming Nepal Investment Summit 2024 and avenues of collaboration in the summit.

The NYEF team led by President, Ms. Sahara Joshi, comprised of its Immediate Past President, Mr. Ritesh Lamichhane; First Vice President, Mr. Kushal Sundar Shrestha; and Second Vice President Ms. Nivita Pradhan, among others.



Major shuffle in OIBN

KATHMANDU: The Office of the Investment Board, Nepal has witnessed a major shuffle of government staffs. Then Senior Divisional Engineer of OIBN, Mr. Sagar Raj Goutam has been transferred to the Electricity Regulatory Commission following a promotion last month. In addition, Hydropower Engineer, Mr. Vijaya Sharma, and Account Officer, Mr. Prem Prasad Niraula, have also been transferred to the Ministry of Energy, Water Resources and Irrigation, and the Ministry of Defense, respectively.

Meanwhile, Joint Secretary (Technical), Mr. Babu Raj Adhikari; Account Officer, Mr. Surya Pd. Bhusal and Section Officer, Mr. Pradip Bhattarai have assumed charge at OIBN.

Following the transfer of government officials, the Office of the Investment Board, Nepal organised a welcome and farewell programme on February 16. Investment Board Nepal CEO, Mr. Sushil Bhatta, and Joint Secretary, Mr. Pradyumna Upadhyay, welcomed and bade farewell to officials in the presence of the OIBN team.

Various investment promotion activities organised



KATHMANDU: The Office of the Investment Board, Nepal (OIBN) has organised various promotional programmes in view of the Nepal Investment Summit, 2024 as well as a part of its regular activities which are as follows:

Virtual consultation meeting with missions abroad

The Office of the Investment Board, Nepal jointly with the Ministry of Foreign Affairs (MoFA) organised virtual consultations with Nepali missions abroad in different phases to provide information regarding the preparations of the upcoming Nepal Investment Summit 2024 and the role of the missions in promoting the summit, identifying and reaching out to potential investors, and persuading speakers for effective participation in the summit. A virtual interaction programme with the Nepali diplomatic missions held at MoFA on January 8, discussed on reaching out to investors, organising pre-events/project road shows and persuading potential investors. Foreign Secretary, Ms. Sewa Lamsal, urged the ambassadors to play a critical role in pursuing investments citing that the summit will be an opportune moment for investors to explore and lodge their interest in various projects. During the virtual consultation, ambassadors provided their feedback on convening the summit effectively.

Likewise, Foreign Secretary, Ms. Sewa Lamsal, and Investment Board Nepal CEO, Mr. Sushil Bhatta, held a virtual consultative meeting on February 20 with diplomatic missions of seven Gulf nations – UAE, Qatar, Oman, Bahrain, Saudi Arabia, Kuwait and Egypt – to pursue investments by ensuring effective participation of potential investors from these countries in the upcoming Nepal Investment Summit 2024.

Further, the Office of the Investment Board, Nepal organised a virtual consultation with the Embassy of Nepal in Beijing, China along with the Consulate General of Nepal in Hong Kong, Guangzhou and Chengdu regarding the preparation of Nepal Investment Summit 2024 on February 21 to promote the summit, identify and reach out to potential investors, and persuade speakers for effective participation from China.

IBN CEO meets Nepali ambassador to Canada



Investment Board Nepal CEO, Mr. Sushil Bhatta, and IBN officials held a fruitful discussion with newly appointed H.E. Ambassador of Nepal to Canada, Mr. Bharat Raj Paudyal, on February 23, regarding promoting Nepal as an attractive investment destination in Canada, potential sectors of investment and areas of collaboration with the Office of the Investment Board, Nepal.

Courtesy meeting with Unilever Nepal

A courtesy meeting between Investment Board Nepal CEO, Mr. Sushil Bhatta, and Managing Director of Unilever Nepal, Mr. Amlan Mukherjee, was held in the Office of the Investment Board, Nepal on February 13.

In the meeting they held discussions on a wide range of issues including investment climate and new avenues for investment, participation of multinational companies (MNCs) in upcoming NIS 2024 and MNCs' experience of investing in Nepal.



Japanese delegation visits OIBN

A delegation of Japanese investors visited the Office of the Investment Board, Nepal, on February 2, 2024 and interacted with the senior management team regarding the investment opportunities in Nepal. On the occasion, Investment Board Nepal CEO, Mr. Sushil Bhatta, invited them to participate in the upcoming Nepal Investment Summit to explore investment opportunities and lodge interest in the projects showcased during the summit. The summit is scheduled to be held on April 28-29 in Kathmandu.

In the meantime, Investment Board Nepal Chief Executive Officer, Mr. Sushil Bhatta, and Head of the Investment Promotion Unit, Mr. Ramesh Adhikari, held talks with a Japanese delegation led by Mr. Takashi Muraoka, Managing Partner of Industrial Growth Platform, Inc. regarding investment opportunities in Nepal on January 31.



The delegation of Japanese investors which visited the OIBN comprised of Me-Kyu Co. Ltd., Mensyoku Co. Ltd., Benesse Corporation, Clef du Reve, All Nippon Airways Co., Ltd., Nippon Investment Company, Kachil Corp., Tokyu Bus Corporation, Ishizaka Inc., Pragmaworks Co. Ltd., Zuit Technologies Inc., K-Foods K.K., Kitisyo Juken Co., Kohama Co. Ltd., Econoha Career, BeGood Japan, Shuccho Wifi Co. Ltd., Fourth Valley Concierge Corporation along with Industrial Growth Platform, Inc.

OIBN supports capacity development workshop in Sudurpashchim Province

KATHMANDU: The Office of the Investment Board, Nepal (OIBN) – the investment promotion agency and national PPP agency – provided support for conducting a three-day 'Workshop on PPP, Project Bank and Investment Summit' in Sudurpashchim Province from January 20-22. The workshop was organised by Sudurpashchim provincial government in collaboration with OIBN. The OIBN deployed project development professionals as resource persons to conduct the workshop. The first day of the workshop

provided a brief overview on identifying projects, developing project idea note (PIN) and investment promotion strategies to garner investments.

Likewise, the second day of the workshop delved into preparing project idea note with some exercises. Further, screening and selection of projects were discussed on the last day of the three-day workshop. The provincial government hosted the workshop for the capacity development of officials dealing with private sector investments.



Nepal eyes potential of attracting Japanese Companies in India to Nepal

KATHMANDU: The Office of the Investment Board, Nepal (OIBN) and Japan International Cooperation Agency (JICA) Nepal Office in collaboration with Japan Chamber of Commerce and Industry in India (JCCI) organised Nepal Investment Seminar on January 24 in New Delhi, India for Japanese investors and companies operating in India.

During the seminar, investment opportunities and the business climate in Nepal including macroeconomic stability, investment trend, potential sectors, large scale projects at Investment Board Nepal and its services were discussed.

OIBN and JICA representatives assessed the interest of Japanese investors already investing in India to come to Nepal. During the three-day official visit to New



Delhi, India from January 23 to 25, the OIBN delegation along with JICA Nepal Office representatives visited the Japan External Trade Organisation (JETRO), New Delhi Office, Invest India and Industrial Parks situated close to New Delhi besides their participation in the seminar.

PMU holds second and third meetings

KATHMANDU: The second and third meetings of the Project Monitoring Unit (PMU), led by Joint Secretary, Mr. Pradyumna Upadhyay, were held in the Office of the Investment Board, Nepal (OIBN) on January 17 and January 24, respectively. In the second meeting, SJVN Arun-3 Power Development Company presented the current status and challenges witnessed in implementation of the 900 MW Arun-3 Hydroelectric Project.

Likewise, the third meeting of the PMU was held on January 24. The meetings chaired by Joint Secretary of the OIBN comprised of senior divisional engineer



from the Department of Electricity Development; undersecretary from National Planning Commission; senior divisional engineer from OIBN; undersecretary from Department of Environment; director from Nepal Electricity Authority and hydropower engineer from OIBN as Member Secretary.

Muktinath Darshan Pvt. Ltd. submits DPR and EIA of cable car project

KATHMANDU: Muktinath Darshan Pvt. Ltd. submitted the updated Detailed Project Report (DPR) with Environmental Impact Assessment to the Office of the Investment Board, Nepal on January 10. The DPR has envisioned 81.014 km cable car project to be constructed at an estimated cost of NPR 55.18 billion.

The DPR has proposed 19 stations for the world's longest cable car project. Following the evaluation of the DPR, the Investment Board Nepal might take forward the process of signing project investment agreement with the developer for the construction of the cable car if the DPR is found convincing.

Starting from Nayapul, Pokhara (base station) the project will

have stations in Bhuka, Ulleri, Ghodepani, Sikha, Ghara, Tatopani, Kabare, Pahirothapalo, Ghasa, Lote, Tukuche, Kobang, Marpha, Chokhopani, Kagbeni, Thini/Jomsom, Eklebhatti, Khinga and the ultimate hill station will be Muktinath.



Unlocking FDI avenues for Nepal via voluntary carbon market discussed

KATHMANDU: Investment Board Nepal CEO, Mr. Sushil Bhatta, and the senior management team held a discussion with Sustainable Prosperity Initiative Nepal on unlocking Foreign Direct Investment (FDI) opportunities for Nepal via the voluntary carbon market on February 21. Voluntary carbon markets are platforms/mechanisms where individuals, organisations and companies can purchase carbon credits voluntarily to offset their carbon emissions.

In the meeting, Mr. Purushottam Ghimire, Senior Policy Advisor of Sustainable Prosperity Initiative, highlighted the benefits that can be availed from the voluntary carbon market, stating that these markets operate independently of the government-regulated carbon trading system like cap-and-trade programmes.

“Unlocking FDI opportunities for Nepal through voluntary carbon market can be a promising avenue



for economic development while simultaneously contributing to global climate change mitigation efforts,” said Mr. Bhatta.

The meeting further discussed on the wide range of issues including certification and credibility, marketing and promotion, policy and regulatory framework, capacity building and partnerships, and engagement with the international market.

OIBN achieves 86% work target, ranks top among all government agencies

KATHMANDU: The Office of the Investment Board, Nepal (OIBN) has achieved 86 per cent of its work target and has been ranked first in performance among all government agencies in the first half of Fiscal Year 2023-24.

A review meeting held on February 29 at the Office of the Prime Minister and Council of Ministers (OPMCM) in the presence of Rt. Hon'ble Prime Minister Pushpa Kamal Dahal 'Prachanda' has drawn a conclusion that there should be a rationale while setting any target and it should be achievable.

OIBN has to achieve 22 milestones in the ongoing fiscal, and seven should have been achieved in the first six months. The Board has till date achieved six milestones and one is underway. The OPMCM has reviewed the performance based on economic, infrastructure, governance reform and social sector indicators.

Among all the government agencies, the OIBN, National Vigilance Centre, Central Statistics Office, Ministry of Federal Affairs and General Administration, and Ministry of Home Affairs secured top five positions as better performing agencies.

Bangladesh government delegation studies Nepal's power sector development

KATHMANDU: A delegation of the Bangladesh government's Power, Energy and Mineral Resources Ministry, regulating agency and power utilities visited the Office of the Investment Board, Nepal and held an interaction with Investment Board Nepal Chief Executive Officer, Mr. Sushil Bhatta, and the senior management team on February 28.

The delegation led by Joint Secretary (Development-3), Power Division, Ministry of Power, Energy and Mineral Resources, Md. Raihan Akhtar comprised of Director (Deputy Secretary), Sustainable & Renewable Energy Development Authority (SREDA), Mr. A K M Fazlul Hoque; Deputy Secretary (Renewable Energy-2), Power Division, Ministry of Power, Energy and Mineral Resources, Mr. Mahbubur Rahman; Superintending Engineer (Planning), Power Grid Company, Md. Adil Chawdhury; and Member (Admin & Finance) and Bangladesh Energy Regulatory Commission (BERC), Dr. Mohammad Yamin Chowdhury.

The study tour was facilitated by USAID Bangladesh. Energy Team Leader of USAID Bangladesh Mr. Shayan Shafi; USAID BADGE, Deputy Chief of Party Md. Monower Zahid Khan; USAID BADGE, Cross-

Border Energy Trade Specialist, Md. Monower Zahid Khan; USAID Nepal Energy Specialist, Mr. Shanker Khagi; Chief of Party, USAID Urja Nepal, Mr. Robert Kremer and Communications Specialist, USAID Urja Nepal, Mr. Bibek Subedi accompanied the delegation during the interaction.

During the interaction, Investment Board Nepal CEO, Mr. Bhatta, briefly explained the policy interventions taken for energy sector development, domestic consumption scenario, market assurance (power purchase agreements with private sector developers) and regional market prospects for Nepal's clean energy. Further, he stated that Nepal has allowed cent per cent FDI in energy sector companies and urged the delegation to convey the message among potential Bangladeshi investors to participate in the upcoming Nepal Investment Summit 2024 and lodge their interest to invest in clean energy and other sectors of their interest.

During the interaction, the Bangladeshi delegation shared that PPP (Public Private Partnership) has been successful in the energy sector in Bangladesh like in Nepal and PPP has been delivering slow progress in other sectors except energy in Bangladesh.



Investment climate reforms should be introduced consistently: IBN CEO

KATHMANDU: Investment Board Nepal Chief Executive Officer, Mr. Sushil Bhatta, delivered a keynote speech in a programme titled 'Creating Conducive Investment Climate' organised by Nepal Association of Humphrey Fellows (NAHF), focusing on how the country has been making efforts in terms of improving investment climate in order to gain the trust and confidence of investors.

The programme was organised in Kathmandu on January 23. Delivering his keynote speech, Mr. Bhatta said that reforms in the investment regime are a continuous process based on the dynamism of the investment apparatus. "We are rigorously working to improve policies, laws and procedures to create a conducive investment climate in the country. Two of IBN's key goals are to approve investments of at least USD 10 billion and manage PPP projects of at least USD 6 billion by 2026," he stated.

Mr. Bhatta highlighted key initiatives taken by the Office of the Investment Board, Nepal in terms of process simplification.

IBN is working as the One Stop Service (OSS) for large-scale investors. However, we are still dependent upon other government agencies to provide the required services, he said. That is, our OSS could become a real OSS only if the proactiveness of other agencies dealing with company registration, environmental compliances, repatriation, land acquisition, forest land provision is witnessed, according to him. "Further, the role of provincial and local governments, security agencies, political parties and civil society is also important to ensure hassle-free development of projects," Mr. Bhatta mentioned.

He underpinned that there is an urgent need to work for developing common understanding to minimise the difference between policies and practices and increase the sense of urgency across agencies. On the other hand, we need to make a true OSS by revising the provisions so as to provide the handholding service under the single roof of the OIBN and make it virtually possible, he shared.

In addition, Mr. Bhatta stated the experience that Investment Board Nepal has gained from execution of projects shows that the credibility and viability assessment of projects is a key element for de-risking them.



"IBN Project Bank Guideline has already been developed and operationalised to identify, select and prioritise bankable projects and arrange appropriate development modalities, which encompasses internationally accepted tools, such as project screening and analytics tool (PSAT) and Value for Money (VfM)," he further remarked, adding, "Investment Board Nepal has also been preparing a project pipeline comprising of credible, bankable, sustainable and well-structured projects."

He further laid emphasis on project financing mechanisms, viability gap funding and viability gap lending.

Concluding his remarks, Mr. Bhatta informed participants that the Government of Nepal has already decided to organise the third Nepal Investment Summit in April 2024 as a national event of investment promotion. "Nepal Investment Summit 2024 will showcase the projects that could attract serious and potential investors, spread the message about Nepal's investment potentiality and position the country as a preferred destination for investors," he said. Mr. Bhatta added, "We are working to improve the policies, regulatory regimes and institutional arrangement with an aim to disseminate a positive message about Nepal's conducive investment climate."

Other speakers of the programme were former CEO of Investment Board Nepal, Mr. Radhesh Pant; Director General of Department of Industry, Mr. Babu Ram Gautam and Ms. Karvika Thapa, CEO of Kimbu Tech. The programme was chaired by Former Secretary of the Government of Nepal and President of NAHF, Mr. Krishna Gyawali.

OIBN, JICA Nepal organise seminar to frame investment roadmap in ICT sector

KATHMANDU: The Office of the Investment Board, Nepal jointly with the Japan International Cooperation Agency (JICA) Nepal organised a one-day seminar on 'Formulation of Investment Promotion Roadmap for ICT Sector in Nepal' in Kathmandu on January 29.

The purpose of the ICT seminar was to prepare a roadmap for the development of the ICT sector, by enabling collaboration between three critical sectors – academia, private sector, and the government. In the seminar, three presenters, namely, Mr. Manohar Bhattarai, expert in ICT policy; Mr. Sanjeeb Pandey from Tribhuvan University representing academia and Mr. Santosh Koirala from NAS-IT, representing the private sector delivered their presentations.

Following the presentations, a panel consisting of Mr. Gajendra Sharma, Professor of Computer Science, Kathmandu University; Mr. Manohar Bhattarai, ICT policy expert; Mr. Anil Datta, Joint Secretary, Ministry of Communications and Information Technology; Mr. Bibhushan Bista, CEO, Young Innovations Pvt. Ltd. And Mr. Manish Gyawali, consultant from OIBN, discussed on different relevant themes such as increasing government support for the IT sector, ensuring that more resources are dedicated to research and development (R&D), and finding ways to promote the IT sector. The discussions were focused on improving government policy. Participants noted that Nepal's ICT sector is dispersed and therefore needs to be scaled up and integrated. The need for investments in a few large companies was underlined during the discussions.



Participants also stated that there is an urgency of freeing up IT sector from procedural and bureaucratic hurdles as ICT is a lucrative sector but vulnerable. They also emphasised promoting Nepal's ICT sector in the region by increasing its brand value. Big investments in IT infrastructure, such as the creation of an IT Park, can also help, but only if it is planned carefully with future objectives in mind, according to the panellists.

The seminar recommended to find ways and means to scale up the ICT sector in Nepal, to bring a few large investments as the prevailing ones are generating good returns but scattered; increasing the brand value of Nepal's ICT sector by hosting regional level events and improve the curriculum by modernising and ensuring that it can meet the requirements of the day, and investments in ICT infrastructure.

Interaction with SEJON

KATHMANDU: Office of the Investment Board, Nepal held an interaction with the office bearers and members of the Society of Economic Journalists-Nepal (SEJON) on January 17.

Addressing the interaction programme, Investment Board Nepal CEO, Mr. Sushil Bhatta, stated that the media has a critical role to play for the success of the government's initiative of positioning Nepal as an attractive investment destination. CEO Mr. Bhatta, as the coordinator of Nepal Investment Summit, 2024 secretariat, spoke about the preparatory developments related to the summit.

SEJON President, Mr. Sujan Oli, remarked that SEJON as an institution has had a long-time collaboration with the Office of the Investment Board, Nepal to promote Nepal as an attractive investment destination. Investment Board Nepal as envisioned by its first ever Strategic Plan has recognised that coordination, collaboration and partnerships as one of the major strategic pillars along with project development and management, investment promotion and institutional development.



Locals should consider development projects as the wealth of the community

MR. BRIKSHYA RAI

**Grade 8 Student, Jalpa Secondary School
Chichila Rural Municipality-3, Sankhuwasabha**

I am Brikshtya Rai, a grade 8 student in Jalpa Secondary School in Chichila Rural Municipality-3, Sankhuwasabha. I am from the affected community of the Arun-3 Hydroelectric Project. We are residents of Chichila Rural Municipality-3, Beshi Tole.

My parents are engaged in agricultural work. We are four siblings and I am the youngest. My eldest brother is in the driving profession and owns a pickup truck. Another brother is helping my parents in agriculture and my immediate elder brother is in Kathmandu, the capital of the country for his studies.

Since we were affected by the project, we were provided compensation by the developer company, SJVN Arun-3 Power Development Company (SAPDC). Through that compensation my parents invested in real estate in Manebhanjyang of Sankhuwasabha and Surunga in Jhapa district. I have been told by my parents that we have bought land plots that are adequate to build houses.

The developer company has also supported our school by constructing a new building with modern classrooms under the Local Benefit Sharing Plan of Arun-3 Hydroelectric Project. Earlier, we had an old building in Jalpa Secondary School which did not have any windows. It was not safe, and classes used to get disrupted during the rainy season and on winter days

it used to get very cold inside the classrooms as there were no windows. I used to often think about joining another school due to the bad infrastructure in this school. However, I did not have to do so as the school building was constructed by SAPDC with modern facilities. Further, the access road, electricity and other basic infrastructure are in place since the large-scale project, Arun-3 Hydroelectric Project, was initiated in our locality and we are fortunate in this respect. My layman understanding is locals should consider development projects as the wealth of the community.

There are 12 students in our classroom and we always share about our experiences of better teaching and learning activities in the school after having proper infrastructure in place. After completing Secondary Education Examination (SEE), I have set a goal to join the Nepal Army. Due to my family's weak financial condition, they cannot afford my higher studies, thus I must be financially independent after I complete my school education. I have also heard about SAPDC's scholarship for students from affected communities for their higher studies that are administered through municipalities, however, I am not sure that is adequate to cover all the expenses, or whether they will provide partial support. If there are convincing arrangements for higher study, I may continue with my studies but right now I do not see any alternative other than joining the job market after SEE graduation.



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