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IBN Hosts SIIF 2022



KATHMANDU: The Investment Board Nepal has organized a dialogue forum, Sustainable Infrastructure Investment Forum (SIIF 2022) as the concluding event of the glorious 10th year celebration of the IBN. The IBN has celebrated the 10th year with a series of events for the whole year and the events were focused on streamlining four pillar strategies of the institution that includes project development and management, investment promotion, institutional development, collaboration, and partnership.

SIIF 2022 held on 14th September was inaugurated by the Rt.Hon'ble Prime Minister, Mr. Sher Bahadur Deuba. On the occasion, flagship publications of the IBN were unveiled and the investors were felicitated by the Rt. Hon'ble Prime Minister amidst the presence of a wide range of participation from the government agencies, private sector, developers, development partners, academicians, experts, civil society members and media among others.

The Prime Minister has unveiled the IBN Project Bank Guidelines, One Stop Service (OSS) Digital System and a study report on 'Establishing a Fertilizer Plant in Nepal'.

The IBN Project Bank Guidelines has been prepared for the selection of public private partnership in a transparent way considering the feasibility, bankability, and sustainability of the projects as well as to develop a collective list comprising a set of projects.

Likewise, the OSS Digital system will provide an integrated window for concerned agencies involved in investment facilitation and the platform is also accessible for investors and keeps them informed regarding the progress with their investment proposals.

The study report on Establishing a Fertilizer Plant in Nepal presents a comparative study regarding operation of chemical fertilizer plant through electrolysis and natural gas.

Addressing in the inaugural session of the SIIF 2022, the Rt. Hon'ble Prime Minister appreciated the role played by the Office of the Investment Board Nepal (OIBN) for promotion and facilitation of the investment. He urged to develop proper means and tools to achieve the desired goals towards achieving

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net zero emissions by 2045. The Rt. Hon'ble Prime Minister also urged for the low carbon technologies in projects and sought more support and investment from the development partners and investors to promote green growth.

Other speakers of the inaugural session have appreciated Nepal for its championing role in aligning development policies, priorities & programmes as per the green, resilient, and inclusive development (GRID) framework.

The SIIF 2022 was concluded on a positive note with brainstorming parallel sessions on Unlocking Climate Finance in Nepal and Investment in Nepal's Energy Transition followed by a plenary session on Business Environment for Developing Sustainable Infrastructure in Nepal.

The session titled, Unlocking Climate Finance in Nepal, discussed Nepal's strategy to attract

funding for climate change. Likewise, the session on Investment in Nepal's Energy Transition was focused on changing landscape of energy supply and its impact on overall development of the country. Members of the panel expressed their belief that the country can make a great leap through clean cooking, clean transport and leveraging renewable energy in various sectors to spur the economic growth and stability of the economy through minimizing the alarming trade deficit.

The plenary session discussed the government's pivotal role in execution of public private partnership projects. Hon'ble Dr. Biswo Nath Poudel chair of the plenary session has stressed on execution of PPP projects for enhancing reliability, quality, affordability & efficacy of the public service delivery.

The OIBN has been organizing such events, road shows, project showcasing and investment summits in the country and abroad for promoting Nepal as an emerging investment destination.

IBN Issues Survey License for Two Hydroelectric Projects



KATHMANDU: The Office of the Investment Board has issued survey licenses for 750 MW West Seti HEP and 327 MW Upper Marsyangdi-2 HEP on 20th October and 23rd October, respectively. The survey license of West Seti was awarded to NHPC Ltd., the government of India enterprise and the Upper Marsyangdi-2 HEP was awarded to the Himtal Hydropower Company Pvt. Ltd.



Mr. Sushil Bhatta, CEO of the Investment Board Nepal has handed over the license of West Seti HEP to Mr. Ashok Kumar Joshi, DGM (Civil), NHPC Ltd. and Mr. Pratik Man Singh Pradhan, project manager of Upper Marsyangdi-2 HEP. Issuing the licenses, the OIBN has urged the concerned parties to submit the detailed project report (DPR) as per the MoU.

The MoU with the NHPC was signed on 18th August. The latter had applied for the survey license with the required performance bond worth Rs 840 million and an additional Rs 13.9 million for the study reports prepared previously. NHPC will submit an initial report within three months after the issuance of survey license and Detailed Project Report (DPR) in the next 21 months after submission of initial report.

Likewise, the MoU with Himtal Hydropower Company Pvt. Ltd. was signed on 31st August and the latter will submit the DPR as per the terms and conditions of the MoU. After submission of DPR, that will duly be appraised by the Board led by the Rt. Hon'ble Prime Minister and the Office of the Investment Board enter into Project Development Agreement (PDA) negotiation and signing of the comprehensive agreement for project development following the approval from the Board.

10th MFC Meeting Addresses Roadblocks to Expedite Projects



KATHMANDU: The meeting of the Monitoring and Facilitation Committee (MFC) held on 21st September at the Ministry of Finance, Singhadurbar, Kathmandu. The 10th meeting of the MFC has made crucial decisions regarding the upgradation of Koshi Highway and finalization of the draft Project Implementation Agreement (PIA) with Motrex Co. Ltd, among others.

The meeting led by the Hon'ble Minister for Finance, Mr. Janardan Sharma has decided to request the Ministry of Physical Infrastructure and Transport (MoPIT) to instruct the Department of Roads for the early construction and upgradation of Khadbari-Dobhan section of the Koshi Highway citing the delays in construction and upgradation of this road section impeding the progress of Arun 3 Hydroelectric Project.

The Department of Roads has been involved in construction and upgradation of this road section;

however, the work is progressing at a snail pace. Considering the request submitted by the developer company of the Arun-3 HEP, the MFC has taken necessary steps to instruct the executing agency, the Department of Roads in coordination with the MoPIT to expedite the construction of upgradation of road section as per the schedule.

Due to the delay in the construction of the road, the project cannot be completed within the stipulated time, so the concerned ministry is requested to give directions to the road department to speed up the construction and upgrading of the road by paying attention to all possible options to ensure the completion of this transformative project on time.

Similarly, the meeting also finalized the draft PIA with Motrex Co. Ltd, South Korean firm that has proposed to set up an electric vehicle assembling plant in Nepal.

West Seti and SR-6 HEP Carry Similar Prospects Like Arun-3 HEP



Mr. Sushil Bhatta, CEO, IBN

The 750 MW West Seti Hydroelectric Project has entered into the new course of development following the MoU with NHPC Ltd. signed on 18th August. The project being prioritized as the National Pride Project has been gaining momentum after 4 decade-long effort of developing the project. The Office of the Investment Board has already issued a survey license to the NHPC Ltd., government of India enterprise and the latter will submit the DPR within two years after the issuance of the survey license. The project cost is estimated at Rs 168 billion based on the prior studies. The National News Agency had a conversation with Investment Board Nepal, Chief Executive Officer (CEO) regarding latest development, benefit of the projects, lowering environmental impact and among others.

How are the works of West Seti Hydroelectric Projects moving forward following the MoU with NHPC Ltd?

West Seti Hydroelectric Project and Seti River-6 are entered into the result-based framework. The MoU signed with the government of India enterprise, NHPC Ltd. to develop 1250-megawatt hydropower projects— 750 West Seti HEP and 450 megawatt Seti River-6 HEP—is one of the significant achievements. These are projects of national pride and priority projects and efforts to develop them since the last four decades have gained momentum. We've

already issued a survey license for the West Seti HEP national pride project after the NHPC has applied for the license with a performance bond of Rs 840 million. Likewise, the latter has deposited Rs 13.9 million for the study reports developed previously. Similarly, the NHPC shall pay an additional Rs 309 million for the study reports prepared by the Department of Electricity Development on Seti River-6. Survey license of the Seti River-6 shall be issued once the NHPC fulfills the preconditions as agreed and apply for license within the 6 months of the MoU signed. Following the issuance of the license, the NHPC shall submit the DPR along with the environmental impact study report to the OIBN and that will be duly apprised by the Board. The process of the Project Development Agreement will begin once the Right Hon'ble Prime Minister led Board allows OIBN to move forward.

We've witnessed several efforts to develop the project in the past as well, however, those efforts could not succeed. How is this effort different as compared to the past that convinces us the projects will be realized in true sense?

I don't want to comment on the past attempts. I believe that those efforts were taken with the good intention of developing these projects. The OIBN has also issued a whitepaper incorporating all the efforts and developments of the past. The whitepaper gives details of the developments and real status of these two projects. Development of Nepal's electricity sector is highly interdependent with its market and the market is an important component too. On top of that, our experience of facilitating and managing the clean energy export projects paved the way for collaborating with NHPC Ltd. The Indian government owned NHPC Ltd. is a sound company in terms of its technical expertise and financial health. NHPC has successfully implemented more than 7000-megawatt energy projects in India and almost double of the aforesaid capacity projects are under implementation.

NHPC Ltd. is committed towards developing these two projects as it is keen to expand its journey in clean and renewable energy. There is no question on the technical and financial capacity of NHPC and commitment. NHPC is going to develop these projects for the purpose of exporting energy and the company itself arranges a market for selling the power generated from West Seti and SR-6 HEP. The NHPC has informed us that it has already signed an initial power selling agreement with PTC India Ltd to sell power generated from the West Seti and SR-6 HEP.

Along with this, the OIBN has carried forward 5,000 MW projects under the result-based framework. Based on our experience of executing and facilitating big-ticket projects, the OIBN can take the project forward with consideration of the potential risks during the implementation and proper management of the issues. We don't need to take any doubt regarding the development of West Seti and Seti River-6 project. The local stakeholders should support creating favorable ground to develop the project and I believe that will happen.

West Seti and SR-6 HEP are both energy export projects, could you please briefly share what are the major benefits for the country and local people?

West Seti and Seti River-6 HEP will bring a transformative change in socio-economic development of Nepal and the first beneficiaries of the project are the local people. The Far Western Province deprived of socio-economic development will come to the forefront of development activities with transformative change along with the execution of these projects, which is why the projects are listed as the national pride and priority projects.

The country will benefit with free energy, revenue/income tax, employment opportunities for local, training, income generating activities, community infrastructure development, local share and other direct as well as indirect benefits. Free energy benefits will simultaneously propel chances of industrialization and reduce the dependency on other non-renewable sources of energy. In addition,

we'll have equal opportunity to earn foreign currency through exporting the energy that we obtain free from the project, if we could not generate substantive demand in the country. Likewise, we've experienced the industrial benefit offered by such projects in the past too. Nepali cement, rods and other construction material manufacturers can take advantage of supplying their products during the construction phase. These projects shall create a milestone to spur socio-economic growth.

Social and environmental impact management is the major aspect during implementation of such large-scale projects. How has the Office of the Investment Board been preparing on that front?

The developer must have to frame the plan that fits to the micro level, seek approval, and implement following the prevailing best practices regarding the social and environmental impact assessment. The project shall be handled smoothly in a stable manner and the possible social and environmental risks shall be minimized from this practice. We can gauge the possible impacts through identification of project 'footprints' once we receive the DPR from the NHPC Ltd. The identified issues shall be incorporated for the executing while signing the comprehensive agreement, which is known as the project development agreement (PDA).

How would you like to explain the multidimensional development of the Seti basin?

The development of the Seti Corridor has been gaining momentum gradually despite the difficult terrain we've there. The Chilime Hydropower Company has also proposed to develop the Seti River-3 project, upstream of the West Seti HEP following the new developments. It shows the attraction of independent power producers (IPPs) at Seti basin. The icing in the cake is the 400 KV, 150 KM (Chainpur-Banlekh-New Attariya) transmission line will be developed by the National Power Grid Company under the line of credit (LoC) facility of the government of India. This transmission line will

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be the lifeline for the generation projects in the Seti basin. More investment for power generation in this corridor might pave the way to open bilateral or subregional power trading agreements via Lamki-Bareli cross border transmission line, which is in the conceptual phase for now. Apart from this, improvement of road, electricity, drinking water, education, communication technology and other basic infrastructure along with the project, which is why West Seti HEP can be considered as the catalyst for the transformation of the Far west province. Personally, I believe the West Seti and SR-6 HEP carry similar prospects like Arun-3 HEP. The Lower Arun and Upper Arun HEP have gained momentum along with the works of Arun-3 HEP accelerated.

How would be the future roadmap of West Seti and Seti River-6 HEP?

We've issued a survey license of West Seti to the NHPC Ltd. on 14th October. Similarly, the same process will be followed for Seti River-6 within 6 months since the MoU signing. The NHPC Ltd. must submit an initial report within 3 months since the issue of survey license and DPR, environmental impact assessment (EIA) report within 21 months following the submission of the initial report. These reports will be appraised by the Board after submission, if the Board approves and allows OIBN to sign PDA, we'll move ahead accordingly. In the meantime, the OIBN has been planning to seek opinion and feedback from the project affected area people and incorporate the feedback/comments to address in the different phases of the project development.

(Source: National News Agency)

Investment Opportunities in Nepal Highlighted in New York



KATHMANDU: The Consulate General of Nepal in New York, in collaboration with the Office of Investment Board Nepal (IBN) organised an interaction programme under a theme of "Investment Opportunities in Nepal". The event held on October 29 was aimed to share information with the prospective investors in New York on business opportunities in Nepal and promote business interaction between Nepal and the United States.

Mr. Bishnu Gautam, Acting Consul General of Nepal in New York, in his opening remarks, extended a warm welcome to the IBN delegation and the business invitees to the programme. He has highlighted the Consulate's efforts and collaborative support from the business communities to enhance business connectivity between Nepal and New York and beyond, he appreciated the role played by the business community in such efforts.

IBN Chief Executive Officer, Mr. Sushil Bhatta who was the chief guest of the programme informed the participants on liberal and open foreign direct investment policies of the government of Nepal, business climate, legal and institutional framework and existing facilities offered to foreign investors. He further spoke on the growing US investment in Nepal, business confidence and major and profitable areas of investment in Nepal.

Mr. Bhatta also informed the legal provision regarding the lower FDI threshold of Rs 20 million

and shed light on recently unveiled IBN project bank guidelines to streamline the well-structured, well-conceived, bankable, and sustainable projects. He invited the business houses and Non-Resident Nepalis to confidently invest in Nepal.

Mr. Bhatta further assured IBN's readiness to facilitate investment in the projects that cost above around USD 50 million or energy projects of 200 MW or above and rest of the identified projects are being facilitated by the Department of Industry.

Through the presentation made by the IBN, the invitees were updated on the opportunities that exist in major infrastructure investment projects in Nepal for public and private companies including on energy, IT, tourism, hospitality, agriculture, infrastructure, education, health, medical tourism, filing, innovation, start up among others. The attendants were also briefed about the legal framework, procedure of investment and the steps involved in approving foreign investment projects in Nepal.

On behalf of the invitees, the Presidents and CEOs of Source Atlantic, ReoComm Group Holdings and Our Collective also made their presentations on their business expertise, investment interest and possible projects in Nepal. President and CEO of the Greater New York Chamber of Commerce, representatives from Dunbarton Investments, Karaden Finance, President of the NRNA-US New York Chapter, Vice President of US- Nepal Chamber of Commerce, Chhetry & Associates, Founder of the Great Nepali Diaspora, and other Nepali diaspora professionals and business entrepreneurs shared their views and keen interest to collaborate. In response, Mr. Bhatta assured them full cooperation and facilitation for the entire business cycle of the project.

Likewise, Joint Secretary Mr. Amrit Lamsal, Under Secretary Mr. Ramesh Adhikari, Senior Division Engineer Mr. Sagar Raj Goutam, Hydropower Engineer Mr. Vijaya Sharma, Technical Advisor to the CEO Mr. Jayandra Shrestha and Project Development and Management Ms. Pragya Adhikari were present in the interaction programme.

IBN CEO Shares His Perspectives on Global Human Development Report



KATHMANDU: IBN CEO, Mr. Sushil Bhatta has addressed the Global Human Development Report, 2021/22 launching ceremony held in Kathmandu. Mr. Bhatta laid emphasis on investment in human capital for the prosperity of the country. He has briefly highlighted that the investment projects facilitated by the OIBN have been significantly contributing to human development through local benefits and enhancement of public service delivery. Mr. Bhatta anticipated that the clean and renewable energy projects, clean transport, and other physical

and digital infrastructure will bring transformative changes in the landscape of human development.

Mr. Bhatta along with other eminent personalities, namely, Hon'ble Minister for Energy, Water Resources and Irrigation, Ms. Pampha Bhusal, former minister Dr. Yubraj Khatiwada, former vice chairperson of the National Planning Commission Dr. Swarnim Wagle, and United Nations Development Programme (UNDP) Resident Representative for Nepal Ms. Ayshanie Medagangoda-Labé among others have jointly unveiled the Human Development Report, which is flagship publication of the UNDP.

As per the report, Nepal advances the global HDI (Human Development Index) ranking at 143rd position out of 191 nations, a step ahead compared to the ranking of 2020 despite the Covid-19 pandemic hits the economy hard.

Chief Secretary Led High-Level Monitoring Team Inspects Progress of Arun-3 HEP



KATHMANDU: A high-level monitoring team led by Chief Secretary Mr. Shanker Das Bairagi visited generation and transmission project sites of the 900 MW Arun 3 Hydroelectric Project on 21st October.

The team led by the Chief Secretary comprised secretaries from various ministries, chief executive officer of the Investment Board Nepal and other high-ranking dignitaries and the representatives from the developer company, SJVN Arun-3 Power Development Company.

The high-level team has visited damsite, powerhouse, transmission line area and holds discussions with local government representatives, local administrations, and the other stakeholders in Tumlingtar and Janakpur of Sankhuwasabha and Dhanusha districts, respectively.

Both interactions were focused on timely completion of the hydroelectric project and the transmission line as well as resolution of issues raised by the developer and the people of the project affected area.

During the consultation, the Chief Secretary instructed the concerned government agencies,

security forces and other entire stakeholders for resolution and facilitation of the issues that have been impeding project works. He has also instructed the developer company to abide with social and environmental obligation and implement a local benefit plan as approved by the Board.

Similarly, CEO of the Investment Board Nepal, Mr. Sushil Bhatta has shed light on the country's changing landscape in power sector development referring to the recently issued India-Nepal Joint Vision Statement on Power Sector Cooperation. He expressed belief that the 900 MW Arun-3 Hydroelectric Project will set the precedent in investment facilitation.

He urged for the effective interagency coordination in a bid to timely completion of the project, which will provide a significant message to the foreign investors and the country will be widely accepted as investment friendly. He further urged the stakeholders for necessary facilitation to ensure completion of the project within the stipulated time frame as the nation and project affected locals shall have numerous benefits from the project.

FCDO Delegation Holds Discussion with Senior Authorities of GoN



KATHMANDU: A delegation led by Foreign, Commonwealth & Development Office (FCDO), government of the UK, Director General for the Indo-Pacific, Her Excellency Ms. Jenny Bates had a meeting with the Revenue Secretary Mr. Rameshwor Dangal, CEO of the Investment Board Nepal Mr. Sushil Bhatta and Senior Officials of the Board at the Ministry of Finance on 14th September.

During the meeting, Revenue Secretary Mr. Dangal welcomed the high-level delegation and briefly highlighted the long-standing relation between Nepal and the United Kingdom. He further appreciated the government of UK's unwavering support for Nepal's socio-economic development.

Likewise, IBN CEO, Mr. Sushil Bhatta has said that the UK government's support on institutional capacity development has been instrumental in investment facilitation. Mr. Bhatta also highlighted that the Office of the Investment Board has been functioning based on the result-based framework to achieve the target of the institution's first ever strategic plan. The strategic plan has streamlined the activities of the OIBN under four pillars— project development and management, investment promotion, institutional development and collaboration and partnership.

In the meeting Her Excellency Ms. Bates has said that the UK has been facing the unprecedented

challenges in fiscal management following the Covid-19 pandemic and subsequent impacts of the Russia-Ukraine war. She further informed that the government of the UK narrowed down the official development assistance from 0.7 per cent to 0.5 per cent of the gross national income (GNI) and this will be a temporary measure until the fiscal position stabilizes.

“We anticipate we'll be able to overcome the current challenge however, the ODA shall be reduced temporarily,” she said. “However, we'll continue our support to Nepal.” The government of the UK has been supporting the OIBN for the last 10 years. The government of the UK will streamline the development aid based on the green, resilient, and inclusive development (GRID) framework of strategic cooperation and institutional capacity enhancement. Her Excellency Ms. Bates laid emphasis on important institutional reforms and made more favorable ground for foreign investment.

She sought early conclusion of a double taxation avoidance agreement (DTAA) between the UK and Nepal.

Excellency Ms. Bates has appreciated the recent development on energy cooperation between Nepal and India and stressed on resilient power trading in the region through grid interconnection.

OIBN Takes Part in Green Hydrogen Summit



KATHMANDU: The Office of the Investment Board has participated in the Green Hydrogen Summit held on 10-11 October in Kathmandu with the theme of 'An Antidote for Melting Himalayas'.

Mr. Amrit Lamsal, joint secretary, OIBN, delivered remarks in the closing session of the summit focusing on the government support for encouraging investment in green hydrogen.

In the hydrogen policy session of the summit, it was concluded that Nepal should decide on hydrogen production policy by analyzing its situation and world practices. Mr. Madhu Prasad Bhetwal, spokesperson for the Ministry of Energy, Water Resources and Irrigation, said that according to the budget, green hydrogen production has started to be prioritized. He said that considering the high consumption of electricity in Nepal and the responsibility of environment protection, he will make policy management to go into its production. "The government is ready to manage subsidized electricity for the hydrogen industry in the initial stage," as per Bhetwal.

Similarly, Mr. Axit Raj Poudyal, Project Development and Management Consultant to the OIBN, has presented the prospects of utilizing green ammonia to urea as an investment opportunity in Nepal,

considering Nepal's competitive edge for producing green hydrogen.

He presented figures that if electricity is available at 3 rupees per unit, chemical fertilizers can be produced at 436 US dollars per metric ton.

Mr. Poudyal said that Nepal can get rid of perennial shortage of chemical fertilizer, if the country properly utilizes green ammonia made with hydrogen (through electrolysis powered by clean energy) for producing chemical fertilizer.

Mr. Baburam Subedi, a joint secretary at the Ministry of Finance, said that while making a policy on this matter, an in-depth study on the matter would be necessary to ensure that fertilizer production is technically possible in Nepal. He suggested that it would be more appropriate to go into the construction of a model project in the first phase rather than a commercial one. He said that the government has thought of developing a model project related to chemical fertilizer production.

The study from Green Hydrogen Lab of Kathmandu University on green hydrogen potentials from surplus hydro energy in Nepal shows the Hydrogen production costs to US\$1.17/kg against US\$5.5/kg in most geographies of the world.

The two-day Nepal Green Hydrogen Summit was concluded by brainstorming on issues such as the state of hydrogen production technology, investment potential and policy management. Policy makers, foreign and domestic experts and investors discussed the relevance and feasibility of hydrogen production in Nepal by analyzing data from various studies and world practice on the preparation, consumption, and marketing of hydrogen in Nepal in various sessions of the summit.

The summit has drawn the conclusion that Nepal is likely to be able to export hydrogen in just 10 years. Prior to the event, Ms. Jamuna Gurung, cofounder of the MIT Group Foundation paid a courtesy visit to IBN CEO, Mr. Sushil Bhatta on 29th September and discussed various issues for the promotion of green hydrogen technology and establishment of chemical fertilizer plant in Nepal as envisioned by the OIBN since long.

IBN Delegation Participates in PPP Consultation, Holds Meeting with the World Bank in the U.S.



KATHMANDU: The delegation led by the IBN CEO, Mr. Sushil Bhatta comprising the senior management team (SMT) from the Office of the Investment Board participated in the public private partnership (PPP) Consultation Program on 31st October, 2022 in the U.S. capital, Washington D.C.

The program was organized by the Commercial Law Development Program (CLDP), Office of the General Counsel, United States Department of Commerce. The Office of the Investment Board (OIBN), the investment promotion and facilitation agency, has an engagement with the CLDP to improve the legal environment, particularly in investment related policies, laws, and regulations. The CLDP has been working worldwide to improve the legal environment for business.

Investment promotion agencies and Public Private Partnership (PPP) nodal agencies from the different countries, namely, Nepal, Bangladesh, Maldives had also participated in the consultation.

IBN CEO, Mr. Sushil Bhatta delivered opening remarks in the PPP Consultation Program focusing on the project ideation, development, and facilitation during the entire life cycle of the project.

Public-Private Partnership Consultation Program hosted by the CLDP followed by meetings with the U.S. Department of Transportation & the World Bank Group, where discussions were focused on sharing PPP global practices and PPP financing.

OIBN, CNI Join Hands for NIS 2022



KATHMANDU: The Office of the Investment Board Nepal has joined hands with the Confederation of Nepalese Industries (CNI) for organizing Nepal Infrastructure Summit (NIS 2022)— the flagship event of the CNI being regularly organized in cooperation with the government.

IBN CEO, Mr. Sushil Bhatta has delivered his remarks focusing on ‘Governance of Infrastructure Development: Policies, Strategies & Implementation’ on the second day of the 2-day of NIS 2022 on 9th September.

Speaking at the summit, Mr. Bhatta said that the favorable policies for the infrastructure investment have been delivering results in hydroelectricity as well as other physical infrastructures. The Office of the Investment Board— Public Private Partnership (PPP) nodal agency—has been managing and facilitating projects cost Rs 300 billion under implementation and completion, according to Mr. Bhatta. “The probability of the realization of foreign investment commitment has been increasing exponentially. The OIBN has been extending the best handholding for delivering results through managing risk during the entire life cycle of the project.”

Mr. Bhatta highlighted that the OIBN has been gaining the trust of investors and credibility of the institution enhanced over the period of time.

The OIBN has made a presentation on the investment environment in Nepal at a session of NIS 2022. On the second day of the fourth edition of the summit on 9th September the OIBN said there is a high potential for investment in green infrastructure in Nepal.

OIBN Under Secretary, Mr. Ramesh Adhikari said Investors investing in Nepal can secure lucrative returns from the investment projects. ‘There is availability of local financing’, he said and added, ‘along with increasing challenges in urban transport management in Nepal, opportunities have also increased.’ According to Mr. Adhikari, electric vehicles (EVs) have been encouraged in the public transport sector to enhance clean transport. He further said the Board has emphasized green infrastructure projects which have immense potential for attracting investment.

On the occasion, Ms. Pragya Adhikari and Mr. Axit Raj Poudyal, Consultants, Project Development and Management, at OIBN made presentations on the status and potential of foreign investment in Nepal.

Mr. Poudel said that the OIBN has facilitated 10 big projects as green infrastructures across the country. 900 MW Upper Karnali Hydroelectric Project, 350MW Grid Connected Solar Project, 750MW West Seti Hydroelectric Project in Nepal’s Far-Western Development Region (FWDR), 250MW Solar Project, 216MW Upper Trishuli I, 669MW Lower Arun Hydroelectric Project, Venture Waste to Energy (Vw2E) (Trial), 756MW Tamor Storage Hydroelectric Project, 900MW Arun 3 and 327MW Upper Marsyangdi are streamlined in result-based framework, he said.

During the event, it was informed that the OIBN has been seeking investments in hydropower, wind energy, solar energy, biomass and geothermal in the energy sector. Similarly, in the field of transportation, there is a possibility of investment in railways, expressways, tunnels, cable cars, buses, transit, and flyovers.

ADB Vice President Visits OIBN, Discussed PPP Capacity Enhancement



KATHMANDU: A meeting with the Asian Development Bank (ADB) vice president for Private Sector Operations and PPP, Mr. Ashok Lavasa; Country Director for Nepal Resident Mission, Mr. Arnaud Cauchois and the team held in the OIBN premises on 8th September.

Prior to the meeting, Mr. Sushil Bhatta, CEO of the Investment Board Nepal welcomed the ADB vice president and presented a brief synopsis regarding how the OIBN is functioning as public private partnership (PPP) nodal agency in the country.

The meeting with the ADB was focused on Strengthening Capacity of the OIBN for effective execution of PPP projects. ADB expressed its keen interest to provide transaction advisory services as per the requirement.

ADB Vice President, Mr. Lavasa has said that the government can resort on PPP for the effective public service delivery. “For example, quality healthcare at affordable cost is primarily the government’s responsibility; if any party from the private sector comes with an objective of providing public health facilities at affordable cost, the government must facilitate such investment,” he said. “Fortunately, PPP has been initiated since last three decades, you can localize it based on your context.”

ADB appreciates the OIBN’s role in facilitating PPP and private investments in the country and expressed willingness to work together for harnessing better results through effective execution in the local context.

OIBN joint secretary Mr. Amrit Lamsal, Under Secretary Mr. Ramesh Adhikari, Technical Advisor to the CEO Mr. Jayendra Shrestha and other consultants were also present at the meeting.

QSTC CEO Paid a Courtesy Visit to IBN CEO



KATHMANDU: QSTC Inc. CEO Mr. Gurvinder Chohan paid a courtesy visit to IBN CEO Mr. Sushil Bhatta at the Office of the Investment Board premises, on 2nd September.

Investment opportunities and new project ideas were discussed in the meeting. QSTC Inc. provides

advanced space engineering solutions that integrate an innovative proprietary portfolio of satellite technologies and disruptive business solutions to support the domestic and international market through telecommunications, IoT, data science, and additive manufacturing from their facilities in Canada.

QSTC Inc. is a global company that has been offering multiple proprietary space and propulsion systems technologies, materials, and services solutions to develop the most innovative space engineering solutions to solve the most critical challenges.

Chilime Submits Investment Proposals of SR-3 and Budhigandaki Prok to OIBN



KATHMANDU: The Office of the Investment Board has received two investment proposals from the Chilime Hydropower Company to develop 87MW Seti Nadi-3 (SR-3) and 81MW Budhi Gandaki Prok Hydroelectric Projects.

Chilime has submitted two separate investment proposals of Rs19.66 billion for semi-storage type SR-3 and Rs16.45 billion for the run-of-the river type Budhi Gandaki Prok. Nepal Electricity Authority has a majority stake in Chilime.

The SR-3 to be built upstream of West Seti Hydropower Project will be developed in Bajhang district. On August 18, the Investment Board had signed a memorandum of understanding with India's state-owned NHPC Limited to develop the two

projects—West Seti and Seti River (SR6)—joint storage projects totalling 1200MW. The Budhi Gandaki Prok will be developed in Gorkha district.

“The development of SR-3 will encourage the more independent power producers to develop power projects on the Seti corridor,” said Mr. Sushil Bhatta, Chief Executive Officer of the Investment Board Nepal. “The development of this project will also make available necessary power for the development of the West Seti and SR-6.”

Mr. Subhash Kumar Mishra, CEO of Chilime Hydropower Co. has expressed belief that the SR-3 will be a contributor for the development of Seti basin, where two major hydroelectric projects— 750 MW West Seti and 450 MW SR-6 are being developed.

The National Power Grid Company is set to execute 400kV Chainpur-Banlekh-New Attariya 150 km transmission line under the line of credit (LoC) facility of the government of India to evacuate energy generated from Seti River basin. Chilime will also be responsible for installing a 16km transmission line from SR-3 powerhouse to the proposed Chainpur substation and to the nearest substation from the powerhouse of Budhigandaki Prok.

OIBN Holds Meeting with KOTRA

KATHMANDU: A meeting with KOTRA—Republic of Korea Trade—Investment Promotion Agency based in New Delhi, India—held in Kathmandu on 8th September. IBN CEO, Mr. Sushil Bhatta, senior management team (SMT) and consultants of the OIBN participated in the meeting. Likewise, the KOTRA team comprised Mr. Kim Yonggi, second secretary; Mr. Han Chag-hyuk, advisor to the ambassador; Mr. Park Yousung, consul; Ms. Kim Jangwon, senior officer of the Embassy of the Republic of Korea in India; Mr. Lee Inkyu, Director,



South Asia Head Office, KOTRA; Mr. Park Seokchan, Director, Korea Business Development Centre; Mr. Kim Kisang, chief representative, Korea Exim Bank, New Delhi Representative Office and Mr. Young Ho Lee, Chief Representative, Korea International Trade Association were present in the meeting.

The meeting was focused on exploring the scope of Korean investment in Nepal and investment policies and facilitation in the process from the OIBN.

During the meeting OIBN joint secretary Mr. Amrit Lamsal assured that the Korean investors will certainly enjoy their good time for the entire business cycle of their investment projects. Likewise, Mr. Ramesh Adhikari, Under Secretary of the OIBN has

briefly explained about the status of the investment proposal of the Moterx Co. Ltd to establish electric vehicles assembling plant and Nepal Water & Energy Development Company (NWEDC)—developer of Upper Trishuli-1 hydroelectric project.

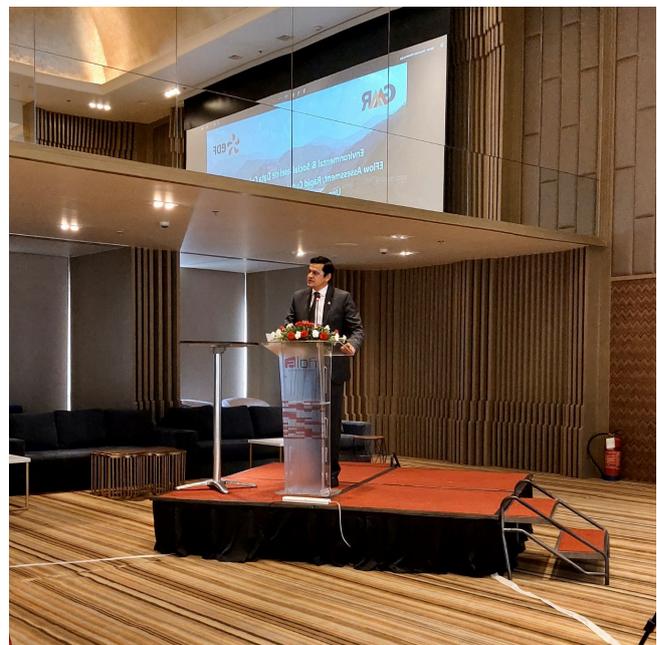
IBN CEO, Mr. Sushil Bhatta concluded the meeting stating the OIBN shall help the investors since the phase of project designing and fast tracking their investment proposals as well as extend facilities as required by the investors for the lifetime of the project. He further urged the delegation to connect more Korean investors citing Nepal is open for business in different verticals and the investment proposals are being evaluated through a more systematic, transparent and evidence-based system.

Sound Balance Between Infrastructure Development and Environment is Key: IBN CEO

KATHMANDU: IBN CEO, Mr. Sushil Bhatta addressed the 2-day Workshop on 'Environmental & Social Baseline Data Collection, Downstream Impact Study, EFlows Assessment & Rapid Cumulative Impact Assessment of Upper Karnali Hydropower Project' organized by GMR Upper Karnali Hydropower Limited.

Addressing the workshop Mr. Bhatta urged for sound balance between infrastructure development and environment, referring to the ongoing Environmental and Social (E&S) studies conducted as per the international good practices, for overall sustainability of the Project.

The GMR Upper Karnali Hydropower Limited is the developer of the 900 MW Upper Karnali Hydroelectric Project.



IBN CEO Delivers Keynote Speech in Youth Entrepreneurship Summit



KATHMANDU: IBN CEO, Mr. Sushil Bhatta has delivered his special remarks in Nepal Youth Entrepreneurship Summit 2022 on 11th September. The event was jointly organized by the Ministry of Industry, Tourism, Forests and Environment of Bagmati Province and National Youth Council.

Delivering his remarks, Mr. Bhatta opined that the youth should play an instrumental role to bring transformative change through entrepreneurship, which will offer sustained growth and stability of the economy. For the stability of the any political system, economic upliftment of the people is a must, according to Mr. Bhatta. “We’ve witnessed laggard growth for a long time in the past due to lack of entrepreneurship and production in the country; though we’ve been able to maintain macro-economic stability and achieved substantial progress in social development.”

He urged the youth entrepreneurs and mentors to be assertive to utilize the next 15-20 years window, which is crucial as the number of dependent populations will surpass the working age population by then. “Nepal’s aspiration to be at the ideal state of development should not be a far-fetched dream,” Bhatta said. “We must reap the benefits of demographic dividend to move forward.”

Mr. Bhatta further said that the 15th periodic plan, Sustainable Development Goals (SDGs), Youth Vision, 2025 have envisioned intervention of youth in all dimensions to achieve the desired goals. Emphasizing

the skill and access to finance, he talked about ample financing opportunities for projects with innovative ideas.

He also highlighted that the Office of the Investment Board Nepal has been facilitating investment and managing Public-Private Partnership (PPP) projects governed by the Public Private Partnership and Investment Act, 2019. “We must have an ambition to grow, to serve and to contribute to the country,” said Mr. Bhatta. “As first reference point for the foreign investment in the country and PPP nodal agency, we aspire to be a PPP Centre of Excellence.”

Stating that the institution building is crucial, he further informed that the OIBN has been performing in a result-based framework under its four-pillar strategy— project development and management, investment promotion, institutional development and collaboration and partnership.

Mr. Bhatta has also shared his experience regarding result-based delivery, which are, dedication on business, holistic approach to drive towards destination, focus on human resource, process simplification and innovation among others.

He further laid emphasis on innovation, skill development, leveraging IT services and developing smooth infrastructures to avail advantage of spillover from rise of neighbouring giants— China and India.

At the end of the Summit, Mr. Bhatta handed over token of appreciation to mentors.

Consultation with Stakeholders on OSS System

KATHMANDU: Office of the Investment Board has organized stakeholder consultation with different sectoral agencies for the development One Stop Service (OSS) System and aligning their roles & services in the system for delivering fast-track services.

During the meeting Under Secretary Mr. Liladhar Adhikari has briefed about the system and sought feedback from the focal persons and representatives from the different stakeholder agencies involved in dealing with the foreign investment like, Ministry of Physical Infrastructure and Transport, Ministry of Forests and Environment, Office of the Company Registrar, Nepal Rastra Bank, Department of Immigration, Department of Labour and Occupational Safety, Inland Revenue Department, Department of Customs,



Department of Mines and Geology, Department of Electricity Development, Nepal Telecommunication Authority, Nepal Electricity Authority, and Department of Industry among others participated in the consultation program.

Investors can submit expressions of interest (EoI) and investment proposals, and they'll also have login access to track the progress regarding their investment proposals through the OSS platform.

IBN CEO Chairs a Session in Int'l Hydropower Conference

KATHMANDU: IBN CEO, Mr. Sushil Bhatta spoke on 'Financing in Hydropower Development of Nepal' in International Conference on Building Back Better & Greener with Sustainable Hydropower organized by Nepal Hydropower Association (NHA), in collaboration with the International Hydropower Association (IHA) held on 13th September in Kathmandu.

He has highlighted the PPP financing modalities in Nepal's hydropower and shared the experience of facilitating large scale projects like 900 MW Arun-3 and other hydroelectric projects.

The conference was focused on promoting consumption of hydropower and green energy to replace the use of fossil fuels to reduce the impact of climate change. The whole South Asia region is struggling with the impacts of climate change. Nepal has been witnessing multi-hazard climate induced risks like erratic monsoon, floods, landslide, avalanches in a frequent manner since last few years.

Addressing the conference Mr. Arun Rajauria, general secretary of the NHA, pointed out that there is no other alternative than green energy, for which hydropower is the first and the ultimate source.



"As Nepal has immense potential for hydropower, we are organizing the conference to draw the attention of global investors," he said.

Key actors of the country's hydropower market, renewable energy sector such as the Government of Nepal, Multilateral Development Banks (MDBs), donor organizations, NGOs, consulting firms, contractors, and manufacturers were gathered to discuss policies, regulations, technological advancements, and the best practices from around the globe.

Five sessions were conducted including the inauguration and final sessions. Several sessions on policies related to hydropower and open regional hydropower trades, issues of hydropower standards, and private sector investments.



SAPDC supports Jalapa Secondary School

The SJVN Arun-3 Power Development Company (SAPDC) has constructed one storied building for Jalapa Secondary School, Chichila Rural Municipality, Sankhuwasabha as a part of their support in community infrastructure. Chichila Rural Municipality had coordinated with the project considering our request and need of safer school building.

The school building has enhanced the safety of the students and contributed to quality education.

We've heard that the project should spend 0.5 per cent of the project cost on the local infrastructure for the benefit of the project affected area people. We'd lack safe buildings to run classrooms in the school before though the school was established long back in 1974. I graduated from the same school, where I'm serving as the headteacher now.

We've around 235 students from Nursery to Grade 10, students from Chichila Rural Municipality ward 3, 2 and 1 come to study in this school.

The building constructed by the SAPDC has four rooms, each room accommodates 40 students.



Nudan Prasad Rai, Headteacher

Construction work of the building was started in July 2021 and completed in March 2022. We've heard from the project officials and the contractors that the cost of the building is around Rs 4.8 million.

We've already started running classes in this building, now the students have classrooms in a safe building. Earlier, we used to run classrooms in brick made blocks. They were supposed to provide furniture as well, however, that has yet to happen.

Apart from this, SAPDC has provided additional support to the school, they've distributed bags to the students and provided a laptop to the computer teacher at our school. I think the contributions from such large-scale projects at the affected area will create harmony, trust, and cordial relations with people at the grassroots. The promises must be executed accordingly.

The large-scale infrastructure projects are important for the country.



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