

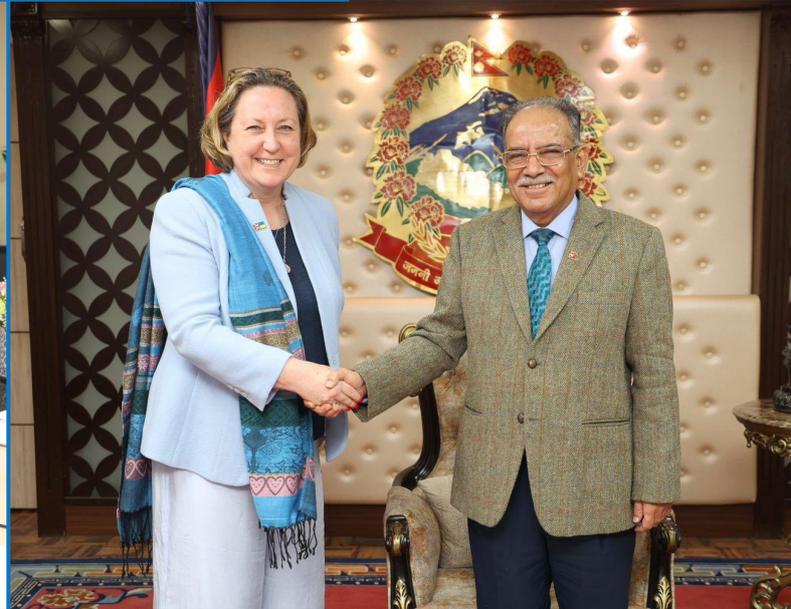
MARCH-APRIL 2023

IBN DISPATCH

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INVESTMENT BOARD NEPAL



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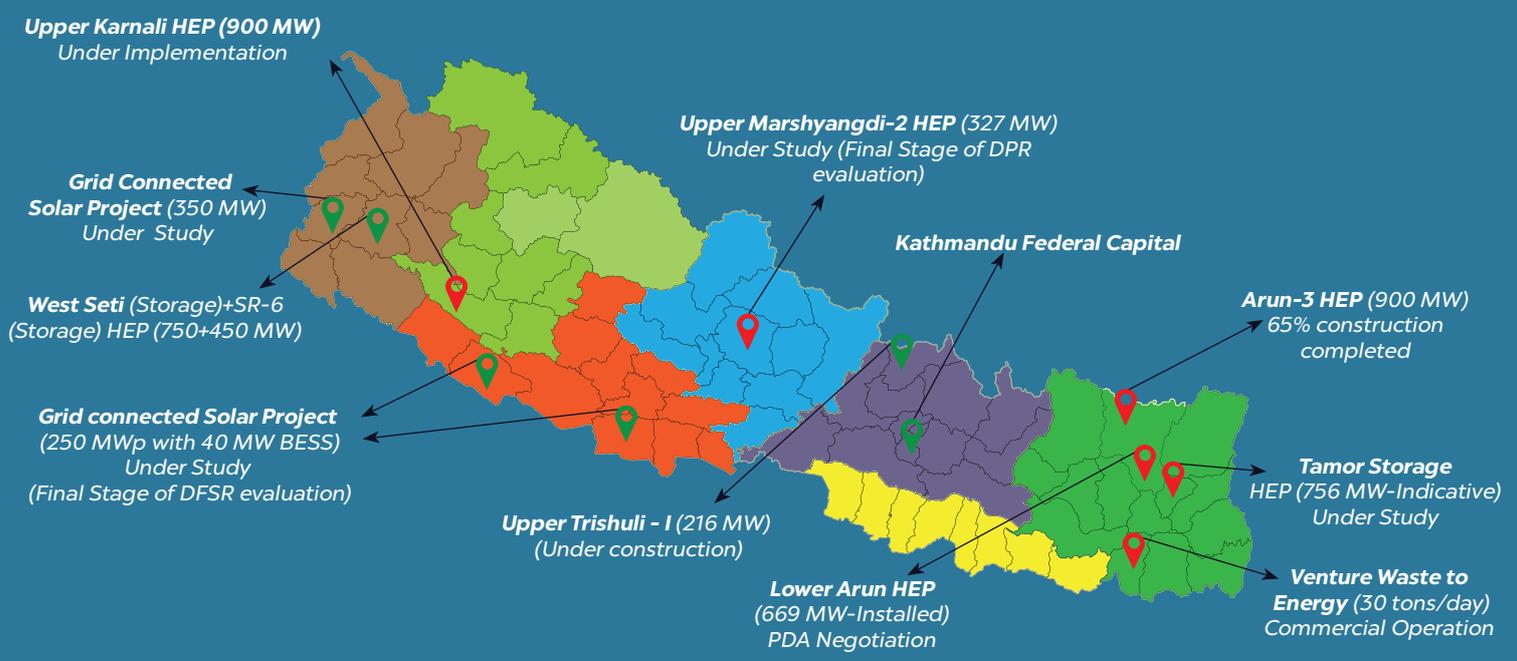
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 **HYDRO**
4,968 MW

 **SOLAR**
600 MW



IBN PROJECTS UNDER STUDY



53rd Meeting of Investment Board Approves Investment Worth NPR 167.57bn



KATHMANDU: The 53rd Board meeting of the Investment Board Nepal (IBN) chaired by the Rt. Hon'ble Prime Minister Mr. Pushpa Kamal Dahal 'Prachanda' held on April 13 at the Office of the Investment Board premises has approved investments worth Rs 167.57 billion for five hydroelectric projects, including Rs 146.2 billion in foreign direct investment (FDI) and Rs 21.37 billion in domestic investment.

Along with providing approval for investment worth Rs 92.68 billion proposed by the developer of the 669 MW Lower Arun Hydroelectric Project, the Board has decided to form a negotiation committee convened by the Chief Executive Officer (CEO) of the Investment Board Nepal to prepare a consensus document of Project Development Agreement (PDA) after negotiating with the developer and submit it to the Board.

Likewise, other hydroelectric projects that received IBN's approval comprise the 102 MW Upper Marsyangdi-1 (Rs 33.19 billion); 70 MW Dudhkoshi-2 Jaleswor (Rs 20.35 billion); 70.3 MW Simbuwa Khola (Rs 13.44 billion) and 43 MW Upper Madi-0 (Rs 7.93 billion).

The Board has approved the memoranda of understanding (MoUs) to be signed with DIAG Industries GmbH Germany to issue survey licence to establish a chemical fertiliser plant and Dabur Nepal

for capital increment to execute production capacity enhancement project in Nepal. Similarly, the Rt. Hon'ble Prime Minister led Board granted permission to Malaysia-based reNIKOLA Sdn Bhd to conduct a study on establishing Green Calcium Ammonium Nitrate (CAN) fertiliser plant in the country.

Moreover, the Board has noted the initial study report of West Seti HEP submitted by NHPC Ltd, a Government of India enterprise, and instructed the developer to prepare the Detailed Project Report (DPR) as prescribed in the MoU that was signed with the latter on August 18, 2022.

In addition, the progress of Tamor Storage Hydroelectric Project, Logistics Projects and Vehicle Manufacturing Assembly Plant were presented to the Board.

Further, the Board endorsed the concept note of Nepal Investment Summit (NIS) and authorised the OIBN to initiate necessary preparations to successfully convene the summit.

During the meeting, the Rt. Hon'ble Prime Minister instructed the concerned stakeholders to carry out effective coordination and collaboration to deliver results. Citing a few barriers that are responsible for cost

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and time overruns in projects such as land acquisition and local benefit sharing, among others, the Rt. Hon'ble Prime Minister urged for continued coordination and collaboration among concerned ministries and agencies for the timely completion of projects.

In the meeting, IBN CEO, Mr. Sushil Bhatta, delivered a comprehensive presentation covering a wide range of issues concerned with project facilitation and progress on the decisions made by the previous Board meeting. He said the OIBN is highly determined to deliver results in project development and facilitation as instructed by the Board.

Hon'ble Minister of Finance and Vice-Chairperson of IBN, Dr. Prakash Sharan Mahat; Hon'ble Minister of Energy, Water Resources and Irrigation, Mr. Shakti Bahadur Basnet; Hon'ble Minister of Industry, Commerce and Supplies, Mr. Ramesh Rijal; Hon'ble Minister of Agriculture and Livestock Development, Dr. Bedu Ram Bhusal; Chief Secretary of the Government of Nepal, Mr. Shanker Das Bairagi; Governor of Nepal Rastra Bank, Mr. Maha Prasad Adhikari, private sector representatives Ms. Bhawani Rana, Mr. Hari Bhakta Sharma and Mr. Rajesh Kazi Shrestha, and other high-ranking government officials were present in the meeting.

First Meeting of the PDA Negotiation Committee Held

KATHMANDU: The first meeting of the Project Development Agreement Negotiation Committee convened by the Chief Executive Officer (CEO) of the Investment Board Nepal to negotiate with the developer of 669 MW Lower Arun Hydroelectric Project – a cascade of 900 MW Arun-3 Hydroelectric Project – was held at the Office of the Investment Board on April 16. The committee was formed as per the decision of the 53rd Board meeting of the Investment Board on April 13.

The PDA negotiation committee is mandated to prepare a consensus document of Project Development Agreement (PDA) after negotiating

with the developer, Satluj Jal Vidyut Nigam (SJVN) Limited, India.

The PDA negotiation committee convened by the CEO of the Investment Board Nepal comprises of Joint Secretaries from the Office of the Prime Minister and Council of Ministers; Ministry of Finance; Ministry of Law, Justice and Parliamentary Affairs; Ministry of Energy, Water Resources and Irrigation; Office of the Investment Board, Nepal (OIBN) and Deputy Managing Director of Nepal Electricity Authority as members. Likewise, the undersecretary of OIBN, designated by the CEO, shall act as the member secretary of the PDA negotiation committee.

Rt. Hon'ble Prime Minister Interacts with Investors at the OIBN



KATHMANDU: The Office of the Investment Board, Nepal has briefed the Rt. Hon'ble Prime Minister and Chairperson of the Investment Board Nepal, Mr. Pushpa Kamal Dahal 'Prachanda', about the progress of public-private partnership and private investment projects facilitated by the Investment Board Nepal (IBN). Subsequently, the Rt. Hon'ble Prime Minister held an interaction with the developers of those projects on March 17.

Welcoming the Rt. Hon'ble Prime Minister, Chief Secretary of the Government of Nepal, and other dignitaries at the premises of the Office of the Investment Board, Nepal, CEO of IBN, Mr. Sushil Bhatta, briefed the Rt. Hon'ble Prime Minister on project development and management, investment promotion, institutional development, and coordination, collaboration and partnerships in line with the Public Private Partnership and Investment Act, 2019 and Strategic Plan of IBN.

During the interaction, the developers of Arun-3 and Lower Arun Hydroelectric Projects; Hongshi Shivam Cement Project, Huaxin Narayani Cement Project, Upper Karnali Hydroelectric Project, Upper Trishuli-1 Project, Upper Marsyangdi-2 Peaking Run of the River (PRoR) Hydroelectric Project, West Seti Storage and Seti River-6 PRoR Hydroelectric Project, Dabur Nepal, China-Nepal Friendship Industrial Park Project, Risen Nepal Solar Energy Project and Muktinath Cable Car briefed on the progress implementation status and key challenges.

At the end of the programme, the Rt. Hon'ble Prime Minister assured the developers that the Investment Board and Government of Nepal will extend all necessary support and coordination to accelerate project implementation for timely completion of the projects. The Rt. Hon'ble Prime Minister also gave special instructions to the Office of the Investment Board, Nepal to achieve outstanding performance in the future.



OIBN Issues Survey Licence of SR-6 to NHPC Ltd.



KATHMANDU: The Office of the Investment Board, Nepal has issued the Survey Licence of 450 MW Seti River-6 (SR-6) Hydroelectric Project to NHPC Ltd., a Government of India enterprise, as prescribed by the MoU signed with the latter on August 18, 2022. The Survey Licence of SR-6 HEP was issued on March 16.

The OIBN agreed to issue Survey Licence for West Seti and SR-6 Hydroelectric Projects within 45 days

and 6 months, respectively, following the signing of the MoU.

NHPC had applied for the Survey Licence of SR-6 with a performance bond worth Rs 509.68 million or 0.5% of the indicative project cost and paid Rs 310.9 million for previous studies carried out by the IBN and the Department of Electricity Development (DoED). The DoED had conducted a feasibility and environmental study of the SR-6 Hydroelectric Project.

NHPC shall submit the inception report of SR-6 HEP to the Investment Board Nepal within three months and DPR within 24 months of the issuance of the Survey Licence. IBN has already obtained the inception report of the West Seti Hydroelectric Project.

OIBN Officials, Consultant Take Part in Exchange Visit to Kazakhstan

KATHMANDU: A team of OIBN officials and consultant along with a delegation from Nepal participated in a week-long peer-to-peer exchange visit on renewable energy auctions in Kazakhstan on April 16-21. The delegation held a meeting with officials of the Ministry of Energy of Kazakhstan and other governmental and non-governmental energy sector stakeholders of Kazakhstan.

Officials from the Ministry of Energy, Water Resources and Irrigation (MoEWRI), Office of the Investment Board, Nepal, Department of Electricity Development and Nepal Electricity Authority participated in the exchange visit to Kazakhstan. Joint Secretary from MoEWRI, Mr. Sandip Kumar Dev; Deputy Director General of DoED, Mr. Sanjay Dhungel; Mr. Suresh



Bhattarai, Director and Ms. Mandira Adhikari, Assistant Manager at NEA were part of the delegation from Nepal.

Likewise, the team from the Office of the Investment Board, Nepal comprised of Mr. Sagar Raj Goutam, Senior Divisional Engineer; Mr. Raju Prasad Guragai, Under Secretary (Legal) and Mr. Tapendra Chand, Project Development and Management Consultant.

UK State Minister Pays Courtesy Call on Rt. Hon'ble Prime Minister, Visits 900 MW Arun-3 Project Site



KATHMANDU: British Foreign, Commonwealth and Development Minister of State (Indo-Pacific), the Rt. Hon'ble Anne Marie Trevelyan, visited the 900 MW Arun-3 Hydropower Project under construction in Sankhuwasabha on March 9. While observing the powerhouse and transformer bay of the project, she said Nepal is moving towards achieving great success in clean and renewable energy production.

“The UK is working with the Office of the Investment Board, Nepal to support their clean energy commitments. The Arun-3 Hydropower Project in Province 1 in the North East is testament to Nepal’s clean energy future,” the dignitary said after observing the project.

The Minister was accompanied by the CEO of Investment Board Nepal, Mr. Sushil Bhatta; Her Excellency Ambassador of the UK to Nepal, Ms. Nicola Pollitt; Development Director of FCDO in Nepal, Ms. Pippa Bird; Joint Secretary of the Ministry of Energy, Water Resources and Irrigation, Mr. Madhu Prasad Bhetwal and Under Secretary of the Office of the Investment Board, Mr. Ramesh Lamsal.

On the occasion, CEO of Investment Board Nepal, Mr. Bhatta, said the 900 MW Arun-3 Hydropower Project is a milestone in the development of Nepal’s energy sector. He further added that the Board facilitated all the necessary steps to accelerate project implementation even during the difficult times of the Covid-19 pandemic.

Similarly, Joint Secretary of the Ministry of Energy, Water Resources and Irrigation, Mr. Madhu Prasad Bhetuwal, said large hydropower projects currently under construction in Nepal will play an important role in addressing the demand for electricity in this region. He pointed out the need to speed up the construction of international transmission lines between South Asian countries to make regional electricity trade a reality.

Arun-3 Hydropower Project is being developed by SJVN Arun-3 Power Development Company, which is mainly owned by Indian developer company SJVN. Arun Dhiman, CEO of the company, informed the high-level visiting team about the progress of the project. According to him, the physical progress of the project so far stands at 61.2 per cent. The company is constructing a 253-km-long inland transmission line of 400 KV capacity from the project’s powerhouse in Sankhuwasabha (Pukhuwa), and which will traverse through Dhalkebar, Bathnaha to Sitamarhi in India. The project is targeted to be completed by 2023.

The Rt. Hon'ble Anne Marie Trevelyan visited Nepal to mark the 100th anniversary of the UK-Nepal Treaty of Friendship. On another occasion, she had paid a courtesy call on the Rt. Hon'ble Prime Minister, Mr. Pushpa Kamal Dahal ‘Prachanda’, who is also the Chairperson of Investment Board Nepal.

Nepal, World Bank Discuss Strengthening Management of Fiscal Risks in PPPs



KATHMANDU: The need for robust fiscal management to manage the government's PPP-related fiscal risks, or fiscal commitments and contingent liabilities (FCCLs), was discussed in the recently held workshop on strengthening PPP-related fiscal risks organised on March 27 by the World Bank Group.

The workshop was attended by representatives from the Ministry of Finance, Public Debt Management Office, National Planning Commission, Office of the Prime Minister and Council of Ministers and Office of the Investment Board, Nepal.

As the PPP nodal agency, IBN has been enhancing its institutional capacity to deliver results. The Government of Nepal aims to deliver \$6 billion infrastructure investments through public-private partnerships (PPPs) as part of its 15th Plan (2019-20 to 2023-24). In this regard, mobilising private sector financing and mitigating fiscal risks are always a key priority of the Government of Nepal. The workshop provided a platform to share knowledge and guide policy actions in the management of risks going forward.

One of the main benefits of PPPs is that they can relieve some of the pressures on the government's

budget by providing an alternative source of financing for infrastructure. However, the nature and extent of government support needs to be carefully structured in terms of allocating risks to balance requirements from investors and lenders to ensure the commercial feasibility and bankability of the project, potential for efficiency gains, and affordability of the government support mechanisms required to implement PPP projects.

Mr. Mark Giblett, Senior Infrastructure Finance Specialist at the World Bank, made a presentation on key elements of a robust FCCL framework. These include limiting the overall exposure from PPP-related FCCLs, specifying procedures for extension of fiscal support for PPPs, and clearly identifying the responsibilities of government authorities.

"The World Bank is committed to support the Government of Nepal in its endeavour to formulate a comprehensive framework to manage fiscal risks," said Mr. Peter Mousley, Lead Private Sector Specialist at the World Bank. "At the heart of this are key reforms to help designate authority to quantify and manage FCCL related risks and have a ready pipeline of credible PPP projects to enable proactive management of FCCL exposures by the government."

OIBN Receives Chairman and Managing Director of NHPC Ltd.



KATHMANDU: The Office of the Investment Board, Nepal (OIBN) received a delegation led by the chairman and managing director (CMD) of NHPC Ltd. on April 19. Mr. Rajeev Kumar Vishnoi, Chairman and Managing Director; along with Director (Technical), Mr. Y.K. Chaubey; and executive director (SBD & C Division), Mr. Rajat Gupta; General Manager and Head of Project (West Seti and SR-6), Mr. Prakash Upadhyay; Deputy General Manager (Civil), Mr. Ashok Kumar Joshi and GSM (E), Mr. Ashish Ranjan paid a courtesy visit at OIBN and interacted with Chief Executive Officer of the Investment Board Nepal, Mr. Sushil Bhatta, and the Senior Management Team.

Prior to that, the delegation had paid a courtesy call on Rt. Hon'ble Prime Minister and Chairperson of Investment Board Nepal, Mr. Pushpa Kamal Dahal 'Prachanda', and apprised the Rt. Hon'ble Prime Minister about NHPC's initiatives in Nepal.

Chairman and Managing Director of NHPC Ltd. has offered NHPC's expertise to harness the untapped hydropower potential in Nepal and requested for greater opportunities for NHPC in Nepal. NHPC is currently engaged in West Seti and SR-6 Hydroelectric Projects in the country.

Dabur Nepal Pvt. Ltd. Signs MoU with IBN to Reinvest Rs 9.68 billion



KATHMANDU: The Investment Board Nepal has signed a memorandum of understanding (MoU) with Dabur Nepal Pvt. Ltd. to take forward the product diversification, operation and management project to be implemented by the latter. Dabur Nepal Pvt. Ltd. will make reinvestment of Rs 9.68 billion to enhance production capacity and capital increment of the company.

The MoU was signed on April 27 at the Office of the Investment Board premises in the gracious presence of Hon'ble Minister of Industry, Commerce and Supplies and member of the Investment Board Nepal, Mr. Ramesh Rijal. The memorandum was signed by CEO of Investment Board Nepal, Mr. Sushil Bhatta, and Business Head of Dabur Nepal Pvt. Ltd., Mr. Harkirat Singh Bedi.

The 49th Board meeting of Investment Board Nepal held on February 8, 2022 had approved reinvestment proposal submitted by Dabur Nepal Pvt. Ltd. to make reinvestment worth Rs 9.68 billion – Rs 7.74 billion from retained earnings and reserves, and Rs 1.93 billion through loans that will be raised from national and international markets.

Speaking at the MoU signing ceremony, Mr. Bedi said it was a proud moment for a multinational company like Dabur to reinvest from retained earnings of its Nepal footprint to expand production capacity.

Similarly, CEO of Investment Board Nepal, Mr. Sushil Bhatta, underscored that the reinvestment decision of Dabur Nepal Pvt. Ltd. is an example of investors' trust and faith in the country and the ample opportunities that are present for investors to operate their businesses in Nepal.

Hon'ble Minister, Mr. Ramesh Rijal underpinned that Dabur Nepal's reinvestment shall convey a loud and clear message among foreign investors with regard to making their investment decisions. Dabur Nepal Pvt. Ltd. will submit the Detailed Project Report (DPR) of its capacity enhancement project within the prescribed timeframe to the Investment Board Nepal and the Project Investment Agreement (PIA) will be signed with the latter following the evaluation and endorsement of the DPR.

IBN Expedites Facilitation of 900 MW Arun-3 Transmission Line



KATHMANDU: The Investment Board Nepal has made efforts to facilitate the 400kV Arun-3 transmission line to be installed from Sankhuwasabha (Pukhuwa Powerhouse of 900-MW Arun-3)-Dhalkebar (substation)-Bathnaha of Mahottari to Sitamarhi of India. The 217-km section of the 253-km long cross-border transmission line falls within Nepal.

However, the developer has been facing problems in taking forward the transmission line project smoothly due to various obstacles created by the locals dissatisfied with the land compensation. Likewise, right of way compensation and leasing land of the forest area are yet to be settled.

Against this backdrop, a meeting was held on March 12 which was led by Chief Secretary, Mr. Shanker Das Bairagi. The meeting included Secretaries of the Ministry of Home Affairs; Office of the Prime Minister and Council of Ministers; Ministry of Energy, Water Resources and Irrigation; Ministry of Forests and Environment; and Ministry of Land Management, Cooperatives and Poverty Alleviation. Similarly,

other participants of the meeting included CEO of the developer company SAPDC Pvt. Ltd., Chief District Officers (CDOs) of the six concerned districts, Director General of the concerned departments. The meeting reviewed the progress of the transmission line and drafted an effective facilitation work plan for the timely completion of the transmission line that is being built to evacuate power from the 900 MW Arun-3 Hydroelectric Project.

The meeting held at the Office of the Investment Board, Nepal premises has endorsed a timebound action-matrix to complete the transmission line project within the stipulated timeframe. Private land acquisition for the tower pads – Sankhuwasabha (48), Khotang (21) and Udayapur (29) – will be carried out by a team led by the CDOs abiding by the Land Acquisition Act, 1977 at the earliest possible time. Likewise, the Chief Secretary-led meeting urged the CDOs of the concerned districts to determine right of way compensation of the land as per the details submitted by the developer as authorised by the Electricity Act, 1992.

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Similarly, the Ministry of Forests and Environment has been urged to lease out around 296 hectares of land for the national priority project. Likewise,

the Ministry of Land Management, Cooperatives and Poverty Alleviation will lease out public land for the transmission line project and also arrange land beyond the land ceiling limit that will be acquired by the Arun-3 Hydroelectric Project.

The authorities who participated in the meeting agreed to execute the action-matrix endorsed by the Chief Secretary-led meeting to ensure needful facilitation to address the roadblocks being faced by the developer to complete the big-ticket FDI financed project in a timely manner.

EIB Delegation Pays Courtesy Visit to IBN CEO



KATHMANDU: A delegation from the European Investment Bank (EIB) along with Dr. Marco Gemmer, Head of Cooperation European Union Delegation to Nepal, paid a courtesy visit to IBN CEO, Mr. Sushil Bhatta, and held discussions regarding projects in the IBN project bank pipeline as well as EIB financed hydroelectric projects in Nepal on April 24.

The EIB delegation that visited the Office of the Investment Board Nepal comprised of Ms. Maria Shaw-Barragan, Director of Global Partners Department within EIB Global; Mr. Edvardas Bumsteinas, Head of Public Sector Operations, Asia and Pacific; Ms. Heloise Gornall-Thode, Senior Loan Officer, Public Sector Operations, Asia & Pacific, and Ms. Nina Fenton, Head of Regional Representation for South Asia.

OIBN Team Visits Transmission Line Project Site, Takes Part in Public Interaction



KATHMANDU: Officials and consultants from the Office of the Investment Board, Nepal, visited the 900 MW Arun-3 Hydroelectric Project Transmission Line Project site in Khotang and Bhojpur districts on April 2-4.

The team led by OIBN Joint Secretary, Mr. Amrit Lamsal, comprised of Mr. Sagar Raj Goutam, Senior Divisional Engineer, OIBN; Mr. Prakash Sigdel, Environment Inspector, OIBN; Mr. Bharat Lamichhane, Engineer (Hydropower), Department of Electricity Development; Mr. Praveen Khanapgee, Engineer, Nepal Electricity Authority; Mr. Kshatra Bahadur Bhandari, Consultant, Land Acquisition, OIBN and Mr. Ghanashyam Khatiwada, Consultant, Social Safeguard Expert, OIBN.

The team interacted with the affected people in Khotang and Bhojpur, where people are demanding 100% compensation for right of way (RoW). Currently, 20% of the value has been

determined as compensation against private land for RoW. An interaction was held with affected locals of Sakela Rural Municipality and Diprung Chuichumma Rural Municipality in Khotang and Tyamkemaikum Rural Municipality in Bhojpur. Towers have already been erected in Shadananda and Bhojpur Municipalities. There are altogether 100 towers (78 on private land and 22 on forest land) to be erected in Bhojpur. As of April, physical work for 24 towers to be located in Tyamkemaikum Rural Municipality of Bhojpur district could not commence due to public obstruction demanding re-routing of the transmission line and 100% compensation for RoW.

The interactions and meetings held at the transmission line project site decided to share the details of land compensation with the concerned rural municipalities to facilitate determining land compensation at the earliest as per the prevailing laws.

IBN Explains Investment Policies and Procedures to Investors

KATHMANDU: The Office of the Investment Board Nepal explained the investment policies and procedures of investing in the energy sector to the participants of the Power Summit 2023 held on April 18-19 in Kathmandu. The summit was hosted by the Independent Power Producers' Association, Nepal (IPPAN). Policy makers, investors, lenders, development partners, power utilities, experts and various other stakeholders including international delegates participated in the event.

Addressing the inaugural session of the Power Summit, Rt. Hon'ble Prime Minister and Chairperson of the Investment Board Nepal, Mr. Pushpa Kamal Dahal 'Prachanda', said that Nepal will be a net exporter of electricity by 2024 and there will be no need for imports even during the dry season. He stressed the country must celebrate the achievements in the energy sector and keep focus on continuously expanding the market for green energy generated in Nepal.

The theme of the Power Summit was 'Broadening Green Energy Markets'. Memoranda of Understanding (MoUs) were signed between generation projects in Nepal and power utilities of India for the purchase of electricity from Nepal to pave the way for market opportunities.

Similarly, CEO of IBN, Mr. Sushil Bhatta, chaired the session titled, 'Opportunities and Challenges for Mobilising Investment in Regional Energy Projects in South Asia and Institutionalising the South Asia Forum on Energy Investment (SAFEI)'. He laid emphasis on platforms like the South Asia Forum on Energy Investment to facilitate investment in regional energy projects. "Such platforms will be appropriate to showcase regional power projects, which will help all countries in the region move towards economic growth by integrating the available resources in South Asia," he shared.



Participants at the session discussed issues around regional energy investments in South Asia, such as mobilising investments and creating forums for regional energy trade. In his presentation on 'SAFEI and International Best Practices', Mr. Rajiv Ratna Panda, Power Market Specialist, USAID's SAREP, explained the nature of Regional Energy and Cross Border Electricity Trade (CBET) Project, its uniqueness and risks. He presented a combination of de-risking strategies, risk mitigation instruments, innovative financing instruments, and emphasised on the need for a regional forum to create the required ecosystem to mobilise investments.

Ms. Monali Zeya Hazra, Regional and Clean Energy Specialist, USAID India, reaffirmed USAID's commitment to institutionalise the investment facilitation forum, SAFEI, to improve the investment environment in South Asia. She also invited interested stakeholders to join SAFEI.

Likewise, CEO of the Investment Board Nepal, Mr. Bhatta interacted with the audience at the Power Summit 2023, following the presentation on 'Investment Opportunities in Energy Sector in Nepal', delivered by Joint Secretary of IBN, Mr. Amrit Lamsal, on the second day of the summit hosted by IPPAN.

OIBN, CLDP Organise Capacity Enhancement Workshop



KATHMANDU: A two-day workshop on project lifecycle cost analysis (LCCA) for PPP professionals was organised jointly by the Office of the Investment Board, Nepal (OIBN) and Commerce Law Development Programme (CLDP) under the US Department of Commerce on March 23-24, in Kathmandu.

Officials and consultants from the Office of the Investment Board, officials from Ministry of Physical Infrastructure and Transport, and high-

ranking officials from Nepal Infrastructure Bank Ltd. participated in the capacity enhancement workshop.

Addressing the event, IBN CEO Mr. Sushil Bhatta stressed that lifecycle cost analysis and Value for Money (VfM) are critical for PPP and private investment projects.

OIBN has been collaborating with the CLDP for the capacity enhancement of PPP professionals.



Public Hearing on Lower Arun's Supplementary EIA Held



KATHMANDU: The Office of the Investment Board, Nepal (OIBN) facilitated the public hearing of the 669 MW Lower Arun Hydroelectric Project's supplementary Environmental Impact Assessment (EIA) held on April 17-18 at the project affected area.

The public hearing was organised in Khandbari Municipality and Chichila Rural Municipality

of Sankhuwasabha district and Shadananda Municipality of Bhojpur district. Along with affected locals, representatives of the concerned local governments, District Coordination Committee, and representatives of Nepal Electricity Authority and developer company, among others, participated in the public hearing. The 669 MW Lower Arun Hydroelectric Project is a cascade of 900 MW Arun-3 Hydroelectric Project.

Sukuk/Halal Fund Offers Financing for Mega Projects

KATHMANDU: A meeting between Sukuk/Halal Fund and the Office of the Investment Board, Nepal (OIBN) was held on April 10. The fund has offered financing for mega infrastructure projects in Nepal.

The meeting was held in coordination of the Non-Resident Nepali Association, International Coordination Council (NRNA, ICC). NRNA ICC President, Mr. Binod Kuwar, General Secretary, Ms.

Janakee Gurung, office bearers and advisors of the NRNA ICC were present in the meeting along with Chairperson of Korea Asia Economic Association, Dr. Lee Nam Kee, who represented the Sukuk/Halal Fund. He stated that Sukuk/Halal Fund is interested in financing any transformational infrastructure projects related to clean energy, public transport, highways, airports, trade logistics, hospitals and other projects related to public sector delivery.

Rt. Hon'ble Prime Minister, IBN CEO Address Nepal-China Business Forum



KATHMANDU: The Right Hon'ble Prime Minister and chairperson of Investment Board Nepal, Mr. Pushpa Kamal Dahal 'Prachanda', addressed the inaugural session of 'Nepal-China Investment and Business Forum' hosted by the Confederation of Nepalese Industries (CNI), where IBN CEO Mr. Sushil Bhatta spoke on investment policies, incentives and sectoral opportunities.

The 'Nepal-China Investment and Business Forum', which was held on March 14, had participation of delegates from China Council for the Promotion of International Trade (CCPIT) and China Chamber of International Commerce (CCOIC) along with the Nepali business community and policy makers.

Addressing the inaugural session of the event, the Rt. Hon'ble Prime Minister urged the business community of both countries to strengthen business ties by exploring new investment avenues. China accounts for 14 per cent of Nepal's foreign trade and is the largest source of Foreign Direct Investment (FDI) in Nepal. The Rt. Hon'ble Prime Minister sought mutual recognition agreement (MRA) and accreditation of labs to boost Nepal's exports to China taking into consideration the insignificant volume of exports to the northern neighbour. The Rt. Hon'ble reiterated that FDI including technology transfer and outbound tourist from China are critical for Nepal's accelerated economic development.

Likewise, CEO of Investment Board Nepal, Mr. Sushil Bhatta, mentioned about the laws, regulations, processes and opportunities to invest in Nepal.



GMR Provides Vocational Training for Project Affected People



KATHMANDU: GMR Upper Karnali Hydropower Ltd. – developer of 900 MW Upper Karnali Hydroelectric Project – organised a residential vocational training for 23 individuals (16 boys and 7 girls) of the project affected area at the Vocational Training Institute (VTI) in New Delhi, India. The programme was organised as a part of its local development plan.

Participants of the training programme were selected through a transparent written test and interview conducted by project officials along with members from VTI Delhi. Fifty-two youths from Aathabis Municipality (former Sattala V.D.C, Singaudi V.D.C) of Dailekh district and Turmakhand Rural Municipality (former Bhairabsthan V.D.C) had applied for the training and 23 were selected for

the programme. The local municipalities were also informed about the training.

The courses of the residential programme were held in Delhi from January to March for a period of 3 months. Trainees obtained basic computer course (4 individuals), basic electrical and house wiring (6 individuals), basic welding and fabrication (2 individuals), excavator operator (3 individuals) and multi-cuisine cook (8 individuals), according to GMR Upper Karnali Hydropower Ltd.

The Upper Karnali Project is located in a remote region where locals have limited access to proper education facilities. Considering the situation, the project has aligned the activities under its local development plan for capacity enhancement of the locals of the project affected area.



Interaction cum Capacity Enhancement Programme with Journalists Held

KATHMANDU: The Office of the Investment Board, Nepal (OIBN) in collaboration with USAID Urja Nepal Programme organised an interaction cum capacity enhancement programme with journalists on April 27-28, in Dhulikhel, Kavre.

The programme was inaugurated by the CEO of Investment Board Nepal, Mr. Sushil Bhatta, and Mr. Robert Kremer, Chief of Party, USAID Urja Nepal Programme. Emerging concepts in public-private partnership (PPP) projects, minimising risks in PPP financing projects, project lifecycle cost and value for money were discussed including provisions of the Public Private Partnership and Investment Act, 2019 and Public Private Partnership and Investment Regulation, 2020. Likewise, opportunities and challenges of development and financing of large power projects were discussed during the interaction. Altogether, 24 journalists from various media houses were present at the interaction and capacity enhancement programme including officials and consultants from the Office of the Investment Board and representatives from USAID Urja Nepal Programme.





MR. HUM BAHADUR SARU,
PUBLIC AFFAIRS COORDINATOR,
HONGSHI SHIVAM CEMENT

Community Issues are Duly Taken Care of by Hongshi Shivam Cement

I am Mr. Hum Bahadur Saru, 35, serving as the Public Affairs Coordinator of Hongshi Shivam Cement. Hongshi Shivam Cement is a foreign investment company, which commenced operations from 2019. The factory is located in Nawalparasi with its mine located in Palpa. The company has the capacity to produce 6,000 tonnes of cement every day. The factory has installed cutting-edge technology that is environment-friendly including waste to heat energy utilisation within the factory.

I joined Hongshi Shivam Cement in October 2019. I mostly engage with the community at the mine and factory sites and help facilitate and resolve issues raised by the community/public. Community issues are duly taken care of by the company.

I am from the settlement which was relocated from the mine area to Binayi-Tribeni Rural Municipality-4, about five years back. Around 26 families have been relocated from Nisdi Rural Municipality-7, Jyamire and 9 individuals are employed at Hongshi Shivam Cement. The settlement developed by the factory offers all basic facilities including electricity, drinking water, road access and sewage system, among others and people are living happily there.

Being a project beneficiary, I have witnessed the transformative change brought by mega investment projects, including Foreign Direct Investment (FDI). Investment is vital for a country like Nepal to address critical challenges such as low productivity and unemployment. Hongshi Shivam Cement has been offering quality cement products at a competitive market price. Moreover, the company has done a lot for the community. Under its corporate social responsibility

(CSR), Hongshi Shivam Cement has donated Rs 1.8 million to construct classrooms in Sero Devi Primary School in Nisdi Rural Municipality-7. Similarly, Rs 1 million has been donated to Dipendra Secondary School and a health post has been constructed in Binayi-Tribeni Rural Municipality-4 at a total cost of nearly Rs 6 million. The ward office building was also constructed by Hongshi Shivam Cement at a cost of Rs 2.85 million.

Before such large cement plants were established, a majority of the cement plants were based only on grinding and they used to import clinker from India. Currently, Nepal is reliant in cement and clinker production.

Prior to joining Hongshi, I used to work at the ward office secretariat in Jyamire-7, currently in Nisdi Rural Municipality. I have previously also worked as a social mobiliser for Local Governance and Community Development Programme (LGCDP). Since joining Hongshi Shivam Cement, I have been involved in work of a similar nature and have utilised my previous experiences. While working with this company I have learnt a lot regarding the need to maintain workplace discipline and required standards of work. All the work we do are as per the set schedules and procrastination is not permitted. We are around 400 staffs working for Hongshi Shivam Cement.

I completed my Master's degree from Tansen Multiple Campus in Palpa and have been engaged in community work since the beginning of my career. I live with my wife and son. My son studies in grade 8 in a local school called Janata Basic School located in Binayi-Tribeni Rural Municipality-4, Sardi. I have quite an enriching life at the moment. I am happy working with Hongshi Shivam Cement at present. It has been a great experience and opportunity to enrich my skillsets as I am working in a foreign investment company in Nepal.



INVESTMENT BOARD NEPAL

Office of the Investment Board

ICC Complex, New Baneshwor, Kathmandu, Nepal

Tel: +977-1-4475277, 977-1-4475278 | Fax: +977-1-4475281

Email: info@ibn.gov.np | Website: www.ibn.gov.np | Twitter: @IBNOffice

