



GOVERNMENT OF NEPAL
INVESTMENT BOARD NEPAL

INVESTMENT BOARD NEPAL

Annual Report

2021-2022 AD (2078-2079 BS)



Annual Report
FY 2078/79 (2021-2022 CE)
Published: December 2022



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Office of the Investment Board Nepal, 2022

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CEO'S MESSAGE

Investment Board Nepal (IBN) has taken a significant leap in these 11 glorious years in terms of promoting and garnering private investments, executing projects, and developing the institution as a PPP centre of excellence. Despite the turbulence caused by the Covid-19 pandemic and subsequent economic shocks globally, the IBN has provided effective handholding to investors and expedited necessary works of the pipeline projects uninterruptedly.

Implementation of the IBN's first-ever Strategic Plan and Business Plan (2021/22-2025/26) has streamlined each activity of this institution in a result-based framework. The IBN has presented a demonstrative effect in hydroelectricity development under the PPP framework for domestic consumption schemes and export propositions as well. Hydroelectric projects with a combined capacity of more than 4,000 MW, including the 750 MW West Seti Hydroelectric Project, 450 MW SR6 HEP, 327 MW (PROR) Upper Marsyangdi 2 have already been streamlined in a result-based framework.

Likewise, the commercial operation of the 6,000 and 3,000 TPD capacity Hongshi Shivam and Huaxin Cement Narayani plants, respectively, have had a positive impact on advancing quality and competitive pricing in the Nepali cement industry.

IBN has ensured that the morale and confidence of investors are being maintained. The reinvestment of Dabur Nepal, the country's first-generation FDI project, for product diversification and capacity enhancement and interest lodged by SJVN Limited, the principal sponsor of Arun-3 HEP, to develop 669 MW Lower Arun HEP, are illustrative examples of a favourable investment climate in Nepal.

IBN is determined to provide quality and fast-track services to investors throughout the project lifecycle. Other various initiatives have been taken like a web-based OSS platform, knowledge management platform, project bank management information system, manuals, SOPs and guidelines, to make this institution more functional.



The IBN Project Bank Guidelines is another milestone in project development and management, which envisions the development of a well-conceived, credible, bankable, and sustainable PPP project pipeline and promotes an evidence-based and transparent project procurement process. I believe this will be a tipping point for minimising associated risks during the project execution and attract more FDI in the country and drive us towards realising our goals.

The Annual Report-2022 highlights key achievements, major activities, project development status and lessons learned during FY 2021-22. Finally, I extend my appreciation to the team that worked on producing this report.

Thank you!

A handwritten signature in black ink, appearing to read 'Sushil Bhatta', written over a horizontal line.

Sushil Bhatta
CEO

Investment Board Nepal



Investment Board Nepal

Partnering for Economic Prosperity



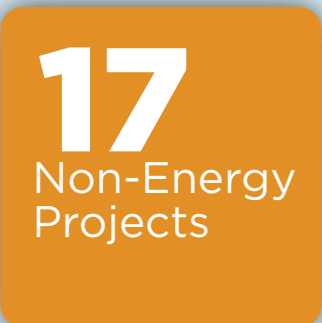
#investinnepal

Unleashing Investment
Potential for Economic
Transformation

IBN Investment Approval



OIBN's Engagement in Projects till date





Invest in Emerging Nepal

We are ready to collaborate
with private investors.

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ACRONYMS

ADB	Asian Development Bank
AGM	Annual General Meeting
CDO	Chief District Officer
CE	Common Era
CII	Confederation of Indian Industry
Co.	Company
DBFOM	Design-Build-Finance-Operate-Maintain
DCIP	Damak Clean Industrial Park Ltd.
DFSR	Detailed Feasibility Study Report
DIT	Department of International Trade
DOED	Department of Electricity Development
DPS	Detailed Project Study
EIA	Environment Impact Analysis
EOI	Expression of Interest
FC	Financial Closure
FCDO	Foreign, Commonwealth and Development Office
FDI	Foreign Direct Investment
FII	Federation of Indian Industry
FNCCI	Federation of Nepalese Chambers of Commerce and Industry
FS	Feasibility Study
FY	Fiscal Year
HEP	Hydroelectric Project
IBN	Investment Board Nepal
IBNPB	Investment Board Nepal Project Bank
ICT	Information and Communication Technology
IEE	Initial Environment Examination
IFC	International Finance Corporation
INC	India Nepal Centre
IPA	Investment Promotion Agency
IT	Information Technology
JICA	Japan International Cooperation Agency
JPJCCPD	Jing-Ping Joint Creation Construction Project Development Co. Ltd.
KVDA	Kathmandu Valley Development Authority
KM	Kilometre
KTM	Kathmandu

Ltd.	Limited
MAN	Management Association of Nepal
MFC	Monitoring and Facilitation Committee
MOF	Ministry of Finance
MOFA	Ministry for Foreign Affairs
MoU	Memorandum of Understanding
MTPA	Metric Tonnes Per Annum
NA	Not Applicable
NIS	Nepal Investment Summit
NPC	National Planning Commission
O&M	Organization and Management
OIBN	Office of the Investment Board Nepal
OPMCM	Office of the Prime Minister and Council of Ministers
OSS	One-Stop Service
PCC	Project Coordinattion Committee
PDA	Project Development Aggrement
PFS	Pre-Feasibility Study
PHDCCI	Punjab, Haryana, and Delhi Chamber of Commerce and Industry
PIA	Project Investment Aggrement
PIN	Project Idea Note
PMU	Project Monitoring Unit
PPA	Power Purchase Aggrement
PPD	Passengers Per Day
PPP	Public-Private Partnership
PSA	Power Sales Aggrement
PSAT	Project Screening and Analytics Tool
RACIQ	Responsible, Accountable, Consulted, and Informed Quality
RFP	Request for Proposal
SAPDC	SJVN Arun-3 Power Development Company
SDGs	Sustainable Development Goals
SEJON	Society of Economic Journalists-Nepal
SEZA	Special Economic Zone Authority
SMT	Senior Management Team
TEU	Twenty Equipment Unit
UK	United Kingdom
UNDP	United Nations Development Programme
UNIDO ITPO	United Nations Industrial Development Organization Investment and Technology Transfer Office
USD	United States Dollar
VfM	Value for Money
WAPPP	World Association of PPP Units and Professionals
WBG	World Bank Group

CHAPTER 1

INTRODUCTION

1

INVESTMENT BOARD NEPAL

Investment Board Nepal is a high-level government agency chaired by the Rt. Honorable Prime Minister. The other members of the Board are the Minister for Finance, who serves as the Vice Chairperson, Minister for Industry, Commerce, and Supplies, Minister for Forests and Environment, Minister for Energy, Water Resources and Irrigation, Vice-chairperson of NPC, Governor of NRB and the Chief Secretary of GoN. The CEO of IBN is member secretary of the Board.

The IBN was established in 2011 and was first governed by the

Investment Board Act, of 2068. In 2019, that act was replaced and IBN is now governed by the Public Private Partnership and Investment Act (PPPIA) that was passed the same year.

PPPIA has granted IBN the mandate to approve and implement large projects. Any energy project with a minimum capacity of 200 MW or any non-energy project with a minimum investment amount of Rs. 6 billion falls under the purview of the Board.



Table 1: Composition of the IBN

1.	Prime Minister	Chairperson
2.	Finance Minister	Vice Chairperson
3.	Minister for Industry, Commerce and Supplies	Member
4.	Minister for Forests and Environment	Member
5.	Minister for Energy, Water Resources and Irrigation	Member
6.	Minister related to the project	Member
7.	Vice-Chairperson of the National Planning Commission	Member
8.	Governor of Nepal Rastra Bank	Member
9.	Chief Secretary of Government of Nepal	Member
10.	Three persons, including at least one woman, nominated by the Board from amongst the experts in industries, tourism, infrastructure development, commercial law and finance sectors	Member
11.	The Chief Executive Office of the Office	Member-Secretary

Mandate of the IBN

The IBN has two broad mandates, as specified in the PPPIA. The first is investment promotion and the second is the approval, development and management of projects that meet an appropriate threshold value.

Projects that fall under IBN's purview as defined by the second mandate can be implemented either as PPP or as private investment. In either case, the threshold for IBN to be involved is a capacity of 200 MW in the energy sector or an investment of Rs. 6 billion in the non-energy sector.

According to the PPPIA, IBN's main areas and scope of concern can be classified into four groups.

Project Development and Management:

1. Identify the projects to be implemented through PPP or private investment.
2. Conduct all procedures in process of purchasing the PPP project.

3. Make arrangements for unsolicited proposals for PPP projects.
4. Monitor the approved projects.
5. Recommend GoN for financial and non-financial incentives for the developer.
6. Approve PDA and PIA.
7. Provide prompt solutions to the problems raised in approved projects.

Investment Promotion

9. Develop Nepal into a destination for foreign investment by creating an investment-friendly climate.
10. Advise GoN to conduct bilateral investment agreements and double taxation avoidance treaties.
11. List the successful or pre-qualified investors.
12. Maintain good coordination and collaboration with Nepali embassies abroad for investment promotion.

Institutional Development

13. Formulate policies on PPP and private investment.

14. Provide necessary expert service to the GoN agencies about the implementation of PPP projects and private investment.
15. Approve annual programmes and budget of the Board.
16. Operate a one-stop service.

Coordination, Collaboration and Partnership

17. Coordinate and facilitate the purchase and lease of the required land for the project.
18. Coordinate and facilitate with concerned government agencies for permission, licence, or approval in line with the implementation of the project.
19. Maintain coordination among all ministries, concerned provinces, local level or government, and private sector relating to project development, investment and project implementation.

PPPIA has mandated the creation of a Monitoring and Facilitation Committee (MFC) which is to be

chaired by the Vice Chairperson. The MFC's role is to implement, monitor and facilitate projects that are related to the Board.

The Office of the Investment Board is the Secretariat of IBN. The Office is responsible for project identification, survey, implementation of the approved projects, and selection of the developer for PPP projects using transparent and established criteria. The office is responsible for facilitating both PPP as well as private sector projects. The Office is responsible for ensuring that there are no hurdles until the project is implemented and often it needs to coordinate with other government agencies to achieve this end.

The Office also has an advisory role and it advises the Board on how to optimally implement projects in view of their financial structure, the legal and socioeconomic impacts of implementation and its economic impact. The Office, can,

Table 2: Composition of the Monitoring and Facilitation Committee

1.	Vice Chairperson of the Board	Convener
2.	Secretary, Office of the Prime Minister and Council of Ministers (Economic and Infrastructure Development)	Member
3.	Secretary, Ministry of Forests and Environment	Member
4.	Secretary, Ministry of Agriculture, Land Management and Cooperatives	Member
5.	Secretary, Ministry of Urban Development	Member
6.	Secretary, Ministry of Industry, Commerce and Supplies	Member
7.	Secretary, National Planning Commission	Member
8.	Secretary, Ministry related to the project	Member
9.	Chief Executive Officer	Member
10.	Chief, Public Private Partnership Unit, Investment Board	Member-Secretary

The Office is responsible for project identification, survey, implementation of the approved projects, and selection of the developer for PPP projects through the appropriate process of negotiation.

for example, advise the Board on whether a project is necessary or not, if changes need to be made to its current form, or of the range of benefits to be given to the developer.

Rationale of the Report

The Board is mandated by the PPPIA to produce an annual report that highlights key indicators such as expenditures and how fully targets have been achieved.

The Good Governance Act, 2008 also requires all federal government agencies to prepare annual reports on their activities.

This Annual Report 2021/22 shows the progress made in meeting the goals set out in the annual budgetary plan of the OIBN for fiscal year 2021/22 and the achievements made against the indicators set out in the PPPIA as described earlier.

Structure of the Report

The report contains five chapters. The first chapter provides an introduction to the structure and workings of the Board and its members.

The second chapter highlights the major decisions taken by IBN and MFC.

The third chapter describes IBN's activities in more detail by categorising them in terms of the IBN's Strategic Plan and how the activities contributed to meeting the different categorical targets.

The fourth chapter provides lessons learned by OIBN and the consequent actions that were taken.

The fifth chapter describes initiatives that can be taken in the future.

Finally an annex is added to this report to provide more information about OIBN's activities and processes.

CHAPTER 2

HIGH-LEVEL MEETINGS

2

HIGH-LEVEL MEETINGS

Four Board meetings of IBN and two MFC meetings were held in 2021/22.

Board Meetings

Four Board meetings of IBN were held during the fiscal year 2021/22. Despite the Covid-19 pandemic, IBN managed to hold the 48th, 49th, 50th, and 51st meetings, and

41 decisions were made in those meetings.

During the fiscal year 2021/22, IBN approved investment worth Rs. 122.69 billion for 6 projects. Among these 6 investment projects, 4 investment projects are hydroelectric projects with an indicative capacity of 195.8 MW.



Table 3: Major Decisions taken by IBN (2021/22)





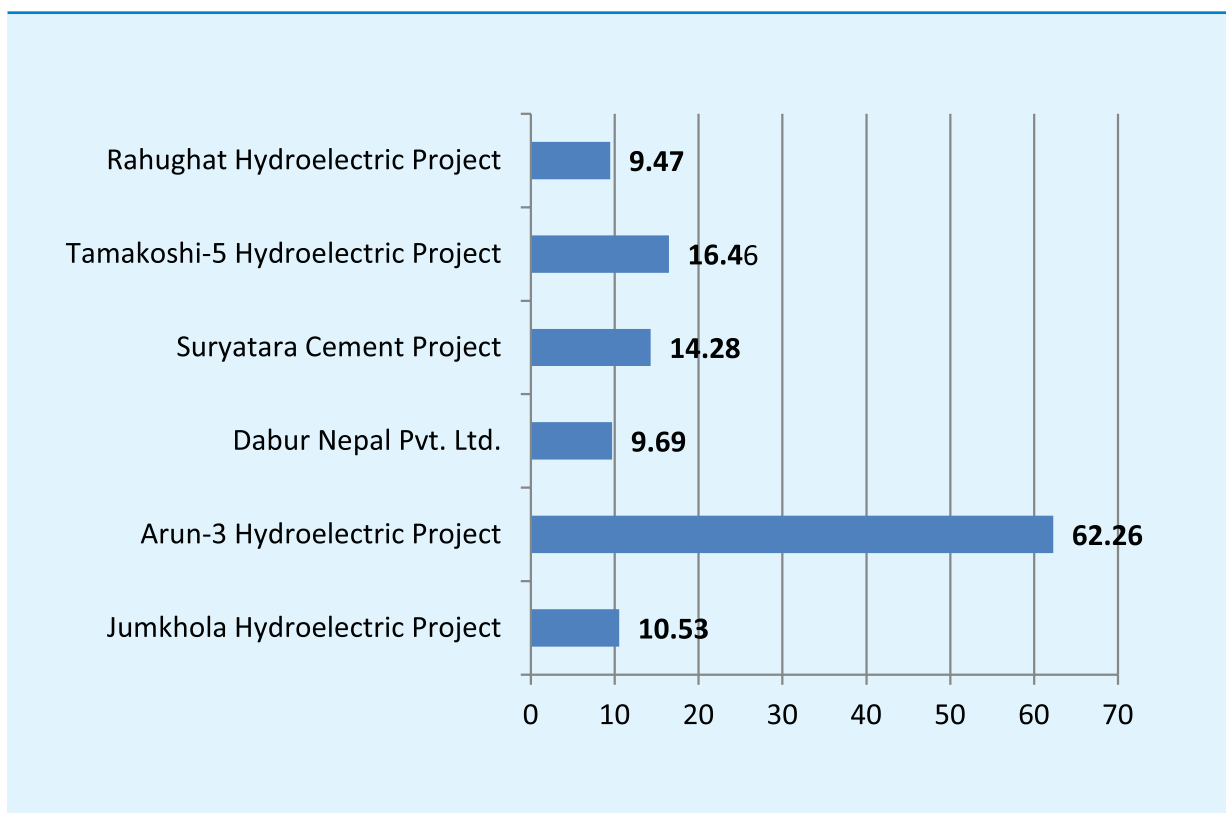
 <p>2021 October 9 48th Meeting</p>	<ul style="list-style-type: none"> • The meeting approved investment of Rs. 10.53 billion for Jumkhola Hydroelectric Project and a capital increment of Rs. 62.26 billion for Arun-3 Hydroelectric project. • The meeting formed a committee to conduct a study on time extension of the Financial Closure of Upper Karnali Hydroelectric Project. • The Board took the initiative to facilitate Samrat Cement and Upper Trishuli-1 HEP. • The meeting formed a steering committee under the convenorship of the Finance Minister and Vice-Chair of IBN, Mr. Janardan Sharma 'Prabhakar', for the implementation of the Strategic Plan and Business Plan of IBN.
 <p>2022 February 8 49th Meeting</p>	<ul style="list-style-type: none"> • The meeting approved investment of Rs. 9.68 billion for Dabur Nepal Pvt. Ltd. • The Board decided to issue a study licence for the proposed Solar Energy Project (350 MW) at Silgadhi and Amargadhi. • The meeting approved the Inception Report of Lower Arun Hydroelectric Project and paved the way for OIBN to facilitate the DPR. • The Board initiated to facilitate Arun-3 Hydroelectric Project and acquire membership in the World Association of PPP Unit and Professionals (WAPPP).
 <p>2022 April 10 50th Meeting</p>	<ul style="list-style-type: none"> • The meeting approved investment of Rs. 24.27 billion for Suryatara Cement Project. • The board decided to issue a licence for the study of the Chemical Fertiliser Project in Nepal. • The meeting approved the DPR of Lower Arun Hydroelectric Project with conditions. • The meeting formed a committee to study the development and investment model regarding Nijgadh International Airport Project.
 <p>2022 June 6 51st Meeting</p>	<ul style="list-style-type: none"> • The meeting approved investment of Rs. 16.46 billion for Tamakoshi-5 Hydroelectric Project and Rs. 9.47 billion for Rahughat Hydroelectric Project. • The Board recommended the GoN on the development and implementation of West Seti and SR-6 projects through negotiations and time extension of the Financial Closure of Upper Karnali Hydroelectric Project. • The Board took the initiative to facilitate the Vehicle Manufacturing and Assembly Project, Suryatara Cement, and Dang Cement.

Table 4: Investment Approval in FY 2021/22

S.N.	Date of Board Meeting	Board Meeting	Project	Approved Investment (In billion Rs.)
1.	2021 October 9	48th	Jumkhola Hydroelectric Project	10.53
2.	2021 October 9	48th	Arun-3 Hydroelectric Project	62.26
3.	2022 February 8	49th	Dabur Nepal Pvt. Ltd.	9.69
4.	2022 April 10	50th	Suryatara Cement Project	14.28
5.	2022 June 6	51st	Tamakoshi-5 Hydroelectric Project	16.46
6.	2022 June 6	51st	Rahughat Hydroelectric Project	9.47
			Total	122.69

A total of Rs. 122.69 billion was approved in FY 2021/22.

Figure 1: Investment Approval in FY 2021/22

MFC Meetings

Two meetings were held in fiscal year 2021/22. Table 5 summarises the major decisions taken by MFC.



Table 5: MFC Meetings

<p>2022 March 9 7th Meeting</p>	<p>The meeting took the initiative for the implementation of Arun-3 Hydroelectric Project and development of the Multi-Model Logistic Park and Private Freight Terminal and Bulk Handling Project, Khaptad Integrated Tourism Project, Tamor Storage Hydroelectric Project, Vehicle Manufacturing and Assembly Project, and Huaxin Cement Project.</p>
<p>2022 April 24 8th Meeting</p>	<p>The meeting took the initiative for the facilitation of the Vehicle Manufacturing and Assembly Project, Upper Marsyangdi Hydroelectric Project, and Suryatara Cement Project.</p>

IBN and MFC Meetings Management Tools

OIBN has adopted a model for conceptualisation, sorting, prioritising, and presenting a proposal to the Board and MFC. All the pertinent issues will be sorted and presented to the Board or MFC under the scope of IBN or MFC.

The Decision Implementing Tracking Tool has been developed to monitor the implementation of the decisions taken by IBN. The tool shall be adopted to track the implementation of decisions taken by MFC as well.

IBN PROJECTS

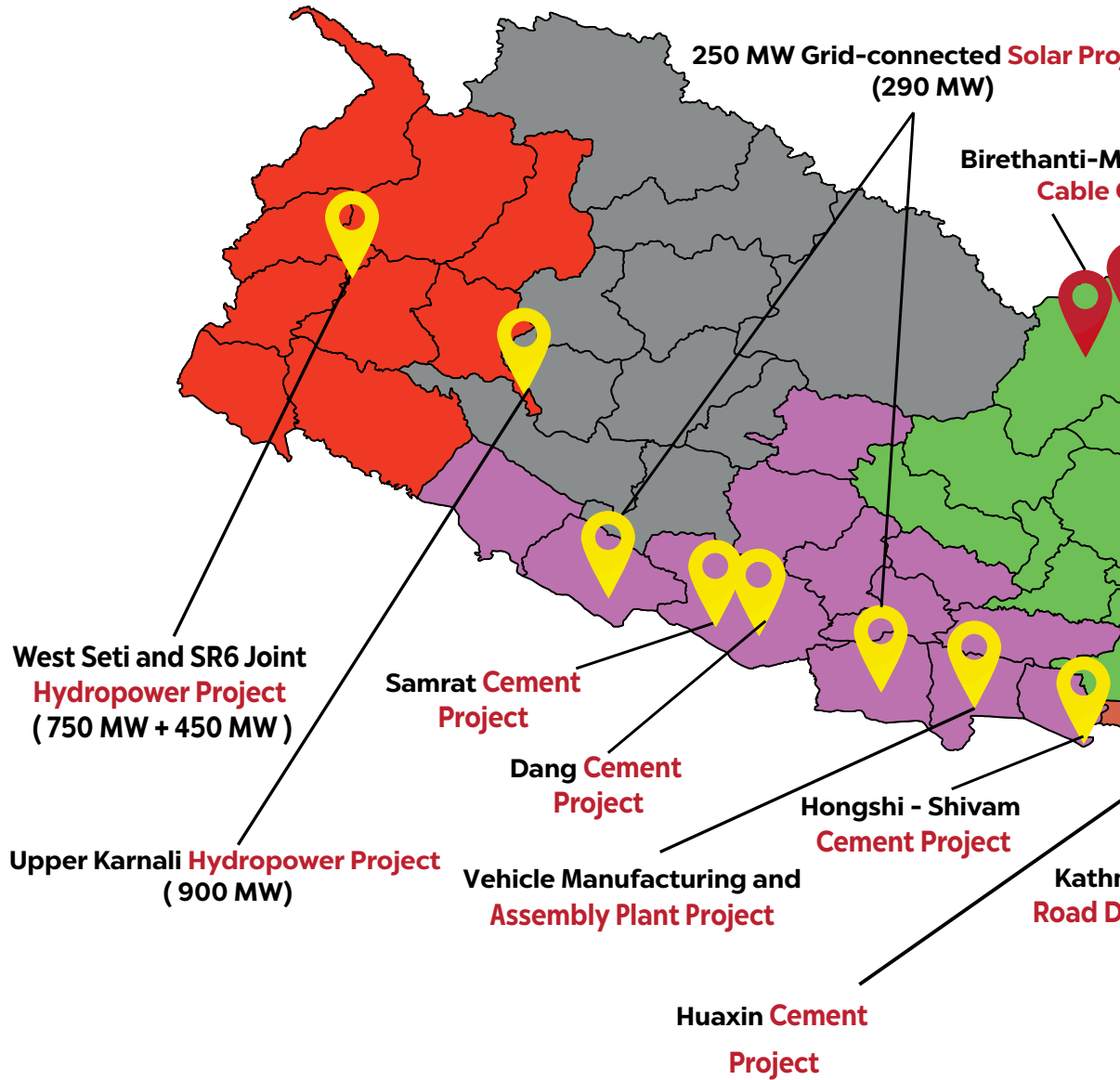


FIGURE 4: MAP OF IBN PROJECTS

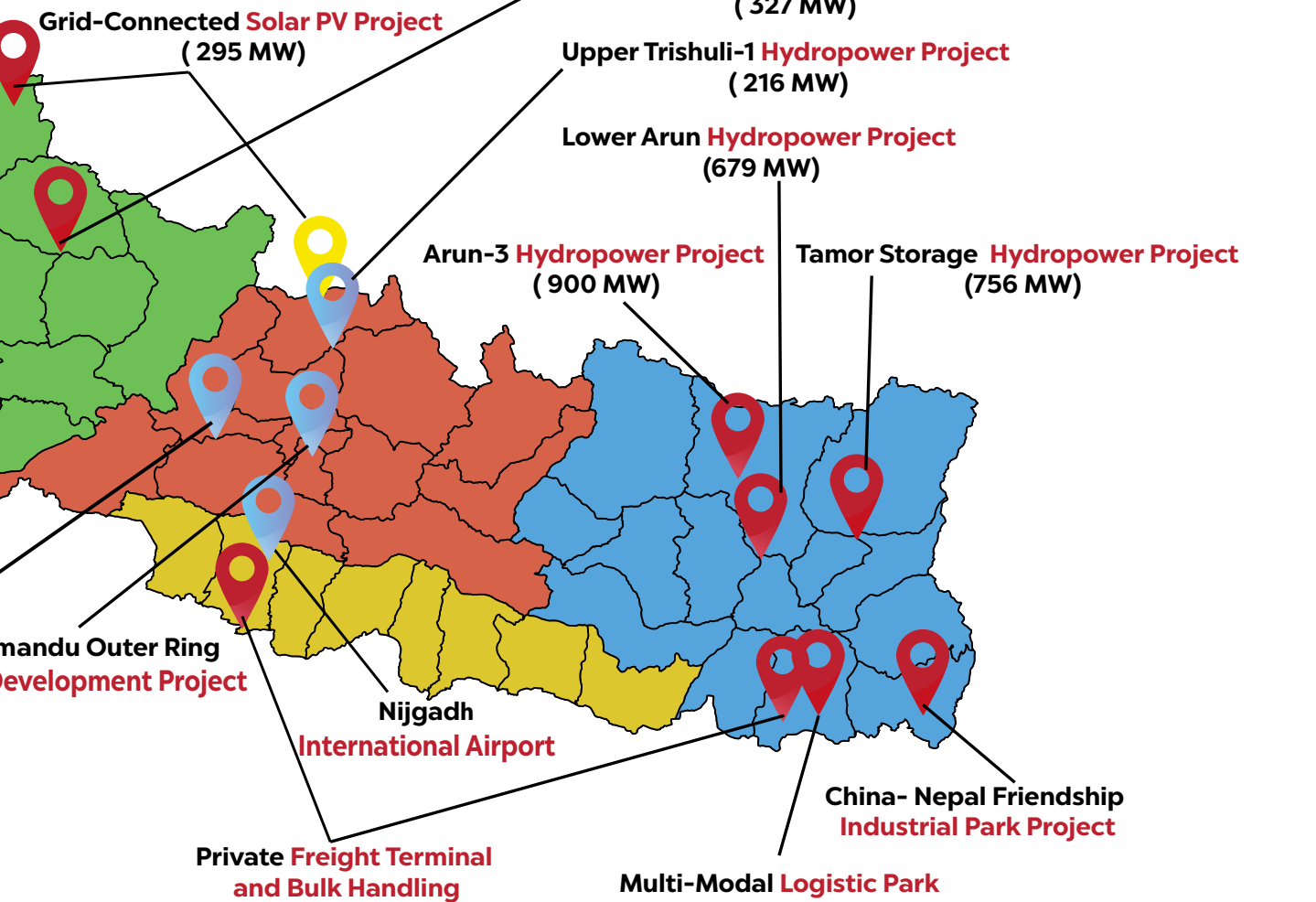
Sudurpash
Province



CHINA

ject

uktinath
Car



- Seti Province
- Karnali Province
- Lumbini Province
- Gandaki Province
- Bagmati Province
- Madhesh Province
- Province 1

CHAPTER 3

OVERVIEW OF ACTIVITIES 2021/22



OVERVIEW OF ACTIVITIES 2021/22

The Strategic Plan of IBN has figured functions, duties and power of IBN as four pillars of strategic goals. IBN and MFC have taken many decisions in terms of project development and implementation, investment promotion, institutional development and coordination, cooperation and partnership. Hence, OIBN has made many efforts in implementing

decisions taken by IBN and MFC and taken initiatives for ongoing projects that are facilitated and implemented by IBN, and also for investment promotion, and institutional development.

This report presents all the activities of OIBN according to the four pillars of the Strategic Plan.



ENERGY PROJECT UPDATES

IBN HAS APPROVED A TOTAL OF **RS. 725.17 BILLION** IN THE ENERGY SECTOR.

Project Development and Management

OIBN is involved in developing and managing various projects under its jurisdiction. The projects are in different stages of the project cycle. The following projects are being developed and implemented by OIBN under the decision and guidance of IBN.



ENERGY PROJECTS

Study Licence Approved

IBN has approved the issuance of the study licence to M/s Central Electronics Limited for the study of the Solar Energy Project (350 MW) in Sudurpashchim Province. MoU with the proponent is being prepared in the process of issuing the licence.

DPR Prepared

SJVN India Limited has submitted the DPR report of Lower Arun HP Project and the Board has approved the report with conditions.

Negotiation Committee Formed

A committee was formed under the convenorship of the CEO to negotiate with NHPC Limited in the process of development and implementation of West Seti and SR-6 HP projects.

Time Extension of Financial Closure

GoN has extended the timeline of book closure by 2 years with conditions for GMR India Ltd., developer of Upper Karnali HP Project (900 MW).

A. Projects Under Ideation

In FY 2021-22, OIBN prepared Project Idea Note for the following energy projects. These projects will proceed towards further development process if it seems viable as per different analysis tools.

1. Pumped Storage Hydro Project
2. Airport Solar Project (Kathmandu)
3. E-waste/Solar Panel Recycling Plant (Birgunj or similar industrial area)
4. Energy from Waste (EfW) Project
5. Green Hydrogen and Green Ammonia Plant Project
6. 240 MW Large-Scale Hybrid System of Solar and Wind Farms Project (in Karnali & Gandaki Province)

Table 6: Energy Projects under OIBN

S.N.	Energy Projects	Capacity	Project Cost
1.	West Seti and SR-6 Storage HP Project	750 MW+450 MW	1320 Million USD+800 Million USD
2.	Tamor Storage HP Project	756 MW	1200 Million USD
3.	Upper Marsyangdi-2 HP Project	327 MW	647.16 Million USD
4.	Solar Energy Project (Doti and Dadeldhura)	350 MW	Rs. 22,400 Million
5.	Grid-Connected Solar PV Project	295 MW	200 Million USD
6.	Lower Arun HP Project	679 MW	1300 Million USD
7.	Solar Energy Project (Kohalpur and Banganga)	290 MW	189.50 Million USD
8.	Arun-3 HP Project	900 MW	Rs. 144 Billion
9.	Upper Karnali HP Project	900 MW	1049.9 Million USD
10.	Upper Trishuli-1 HP Project	216 MW	647.4 Million USD



PROJECTS UNDER INITIAL PHASE

1. West Seti Hydroelectric Project and SR-6 Hydroelectric Project



Timeline

Current Status

The negotiation committee is in negotiation with the applicant and a positive result is likely to come.

15 March
2019

The 35th meeting of IBN decided to showcase the project at the NIS.

As instructed by the 35th meeting of IBN, the West Seti+SR-6 projects were showcased at Nepal Investment Summit (NIS).

29-30 March
2019

The 44th meeting of IBN approved companies shortlisted for developing the project: Nebras Power (with Qatar Holding LLC) through MATRIX Enterprises Pvt. Ltd., Fuji Electric Co. Ltd. (Japan), General Electric (GE Energy USA) and West Seti Hydro Pvt. Ltd. with SMEC (Australia).

23 September
2019

The 47th meeting of the IBN Board decided to cancel all the processes and procedures for selecting the developer for this project. The meeting, considering the shortlisted company failed to provide the necessary documents for further process, formed a committee headed by the Vice-Chairman of the National Planning Commission to recommend a development and investment framework for the project.

6 June
2022

The report prepared by the committee is presented to IBN. And the 51st meeting of the Board recommends that GoN develop the project through negotiations as per the application submitted by NHPC Limited.

22 June
2021

15 July
2022

The GoN formed a committee to negotiate with the applicant, i.e. NHPC Limited.

2. Tamor Storage Hydroelectric Project



Timeline

Current Status

The project is being facilitated by OIBN.

**15 March
2019**

The 35th meeting of IBN decided to showcase the project at the NIS.

As instructed by the 35th meeting of IBN, the Tamor Storage HP project was showcased at Nepal Investment Summit (NIS).

**29-30 March
2019**

The 41st meeting of IBN approved the selection of a JV of Power China and HIDCL as developers. The meeting also formed a Technical Committee to identify the project boundary and assess the impact on other irrigation projects in the area.

**11 October
2019**

The IBN signed MoU with a consortium of Power China and HIDCL.

An MoU was signed between the JV of Power China and HIDCL to develop the project.

**13 October
2019**

**19 January
2020**

A Technical Committee Report was endorsed by the 47th meeting of IBN. The 47th meeting of the IBN Board instructed the Ministry of Energy, Water Resources and Irrigation to sort out the legal complications pointed out by the Technical Committee for issuing a survey licence to the developer.

**22 June
2021**

**9 March
2022**

The Monitoring and Facilitation Committee recommended submitting a proposal regarding issuing a survey licence to the next IBN meeting after an SPV is registered by the developer.

3. Upper Marsyangdi-2 Hydroelectric Project



Timeline

Current Status

As per the decision taken by the M&F Committee, OIBN and the developer are exchanging the draft MoU for the study of the project and OIBN is providing necessary facilitation to the developer.

DoED issued a survey licence for the 600 MW export project.

30 November
2009

The 5th Board meeting brought this project under IBN.

26 May
2012

The 44th meeting of IBN approved an investment of Rs. 78.65 billion (USD 647.16 million).

19 May
2021

24 April
2022

The Monitoring and Facilitation (M&F) Committee decided to enter into an MoU with the developer regarding the issuance of study and survey licences and recommended necessary facilitation.

4. Solar Energy Project (350 MW), Doti and Dadeldhura



Timeline

Current Status

A draft MoU regarding issuing the survey licence is shared with the developer for comments.

**1 December
2020**

The developer has registered an unsolicited proposal for project development at OIBN.

**13 April
2021**

An Evaluation Committee was formed for the evaluation of the project.

**13 April
2021**

A Technical Sub-Committee was formed for the evaluation of the project.

**9 July
2021**

The Evaluation Committee acknowledged the report presented by the sub-committee.

**8 February
2022**

The 49th meeting of IBN decided to issue a study licence for the project.

5. Grid-Connected Solar PV Plus Battery Project



Timeline

Current Status

The approval of new project sites is under consideration of IBN.

**17 July
2018**

The 31st meeting of IBN approved FDI worth USD 200 million.

Survey
Licence
issued.

**4 April
2019**

Suspension of the Survey Licence of Lo Manthang and the developer asked for an alternate site.

**2 August
2019**

The developer applied for Dang and Kanchanpur as alternate sites.

**11 April
2020**

The sub-committee submitted a report.

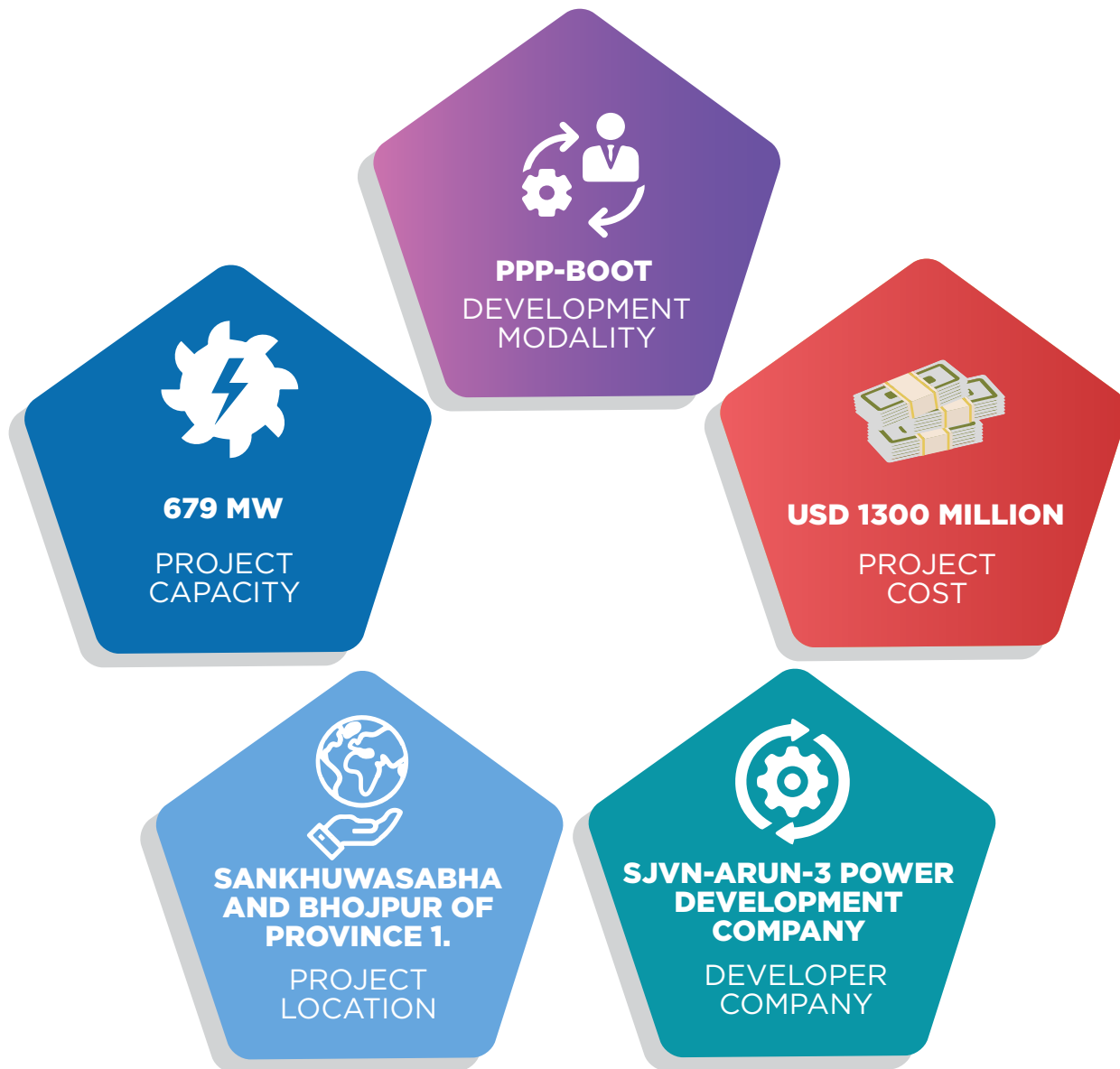
**28 December
2021**

OIBN formed a Technical Sub-Committee to study the technical and legal aspects of the project.

**March
2022**

PROJECT UNDER STUDY PHASE

6. Lower Arun Hydroelectric Project



Current Status

Ministry of Forests and Environment granted permission to conduct Supplementary EIA of the project. Supplementary EIA is in process.

OIBN appointed panel of sectoral experts to review the DPR. Panel of experts visited project site and exchanged their views on DPR with the developer in the presence of OIBN. OIBN is facilitating other areas for the project.

Timeline

**15 March
2019**

The 35th meeting of IBN decided to showcase the project at NIS.

As instructed by the 35th meeting of IBN, Lower Arun HP project was showcased at Nepal Investment Summit (NIS).

**29-30 March
2019**

The 44th meeting of IBN formed a Proposal Evaluation Committee led by the Honorable Minister for Energy, Water Resources and Irrigation.

**23 September
2019**

The 47th IBN meeting approved the draft of the MoU to be signed between IBN and SJVN India Ltd.

**29 January
2021**

The 46th IBN meeting decided to approve the proposal of SJVN India Ltd. to develop the project under the BOOT model.

**22 June
2021**

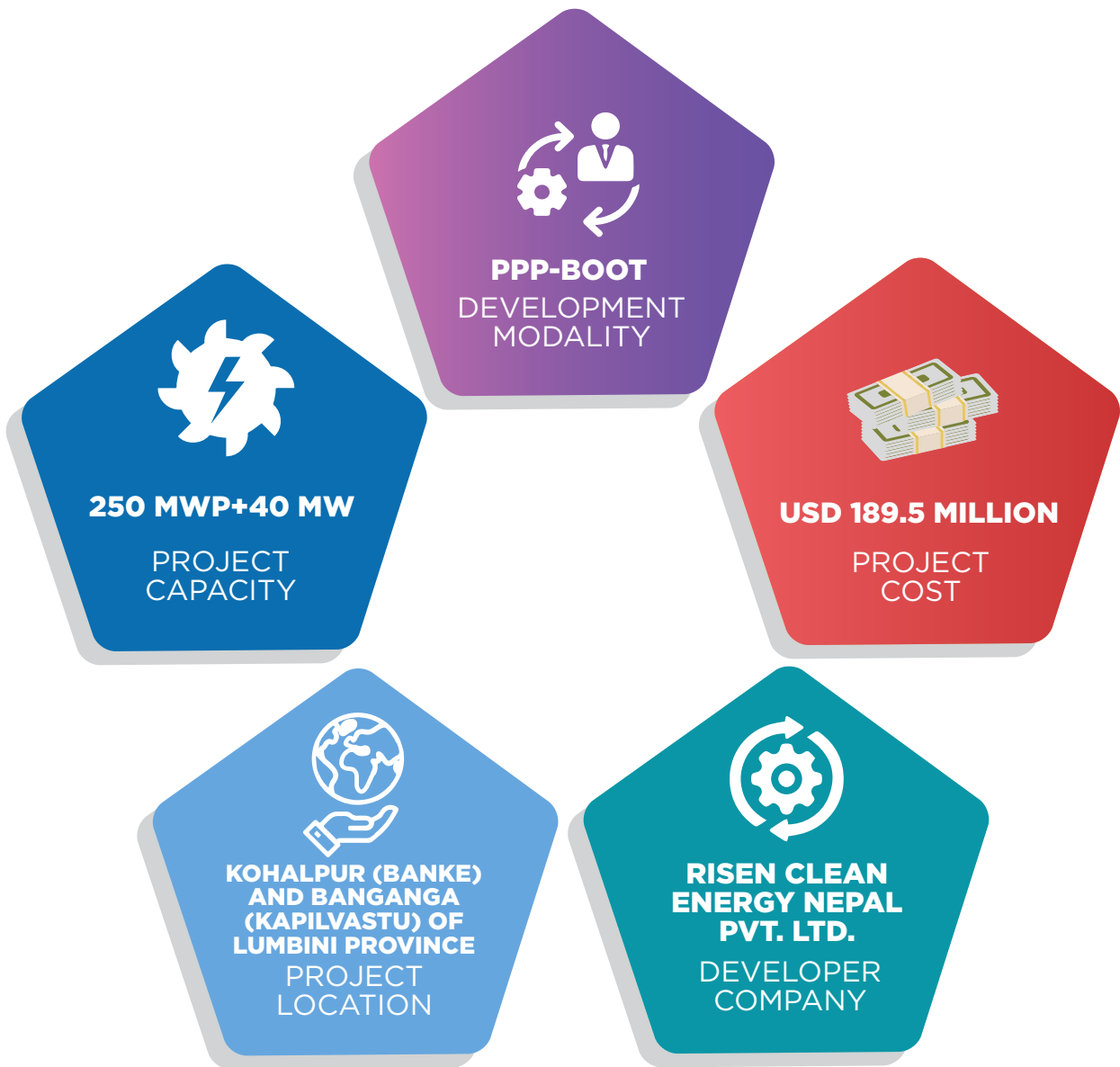
The 50th meeting of IBN approved the DPR with conditions to incorporate the comments of experts.

**11 July
2021**

The IBN and SJVN India Ltd. signed the MoU to conduct a detailed project study (DPS) and prepare the DPR of the project.

**31 March
2022**

7. Solar Energy Project (250 MW) at Kohalpur and Banganga



Timeline

Current Status

The developer is preparing the DFSR of the project

19 June
2020

The 44th meeting of the IBN approved Risen Energy Singapore Pte. Ltd. for conducting a study to develop and operate the project in Kohalpur and Banganga.

MoU signed between IBN and the developer company for a feasibility study.

26 January
2021

The developer submitted an inception report to OIBN.

24 October
2021

The OIBN approved the developer to proceed with the DFSR of the project.

20 December
2021

The OIBN approved the developer to proceed with the DFSR of the project.

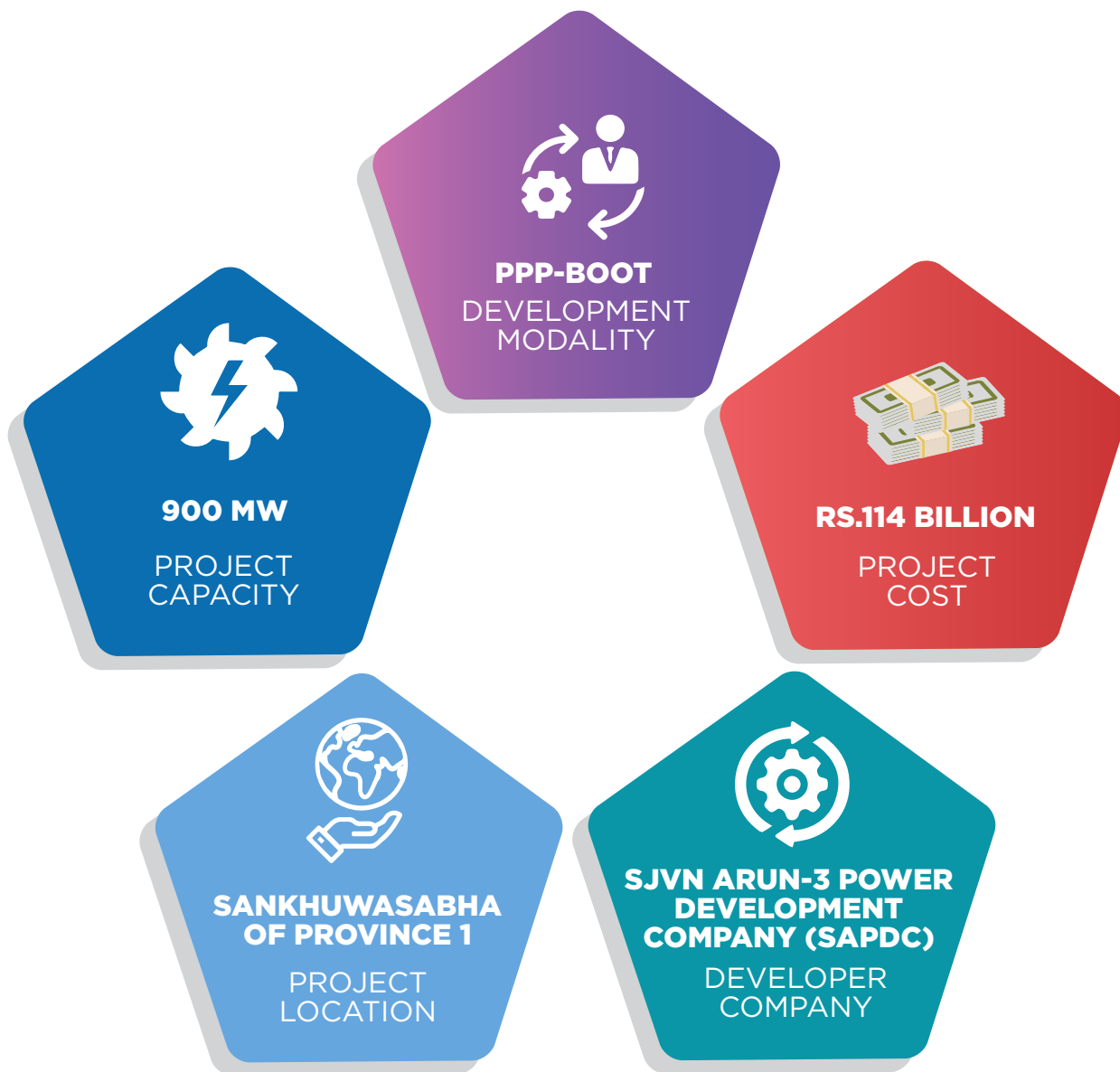
31 December
2021

The developer submitted a pre-feasibility study report to OIBN.

29 March
2022

PROJECT UNDER **IMPLEMENTATION PHASE**

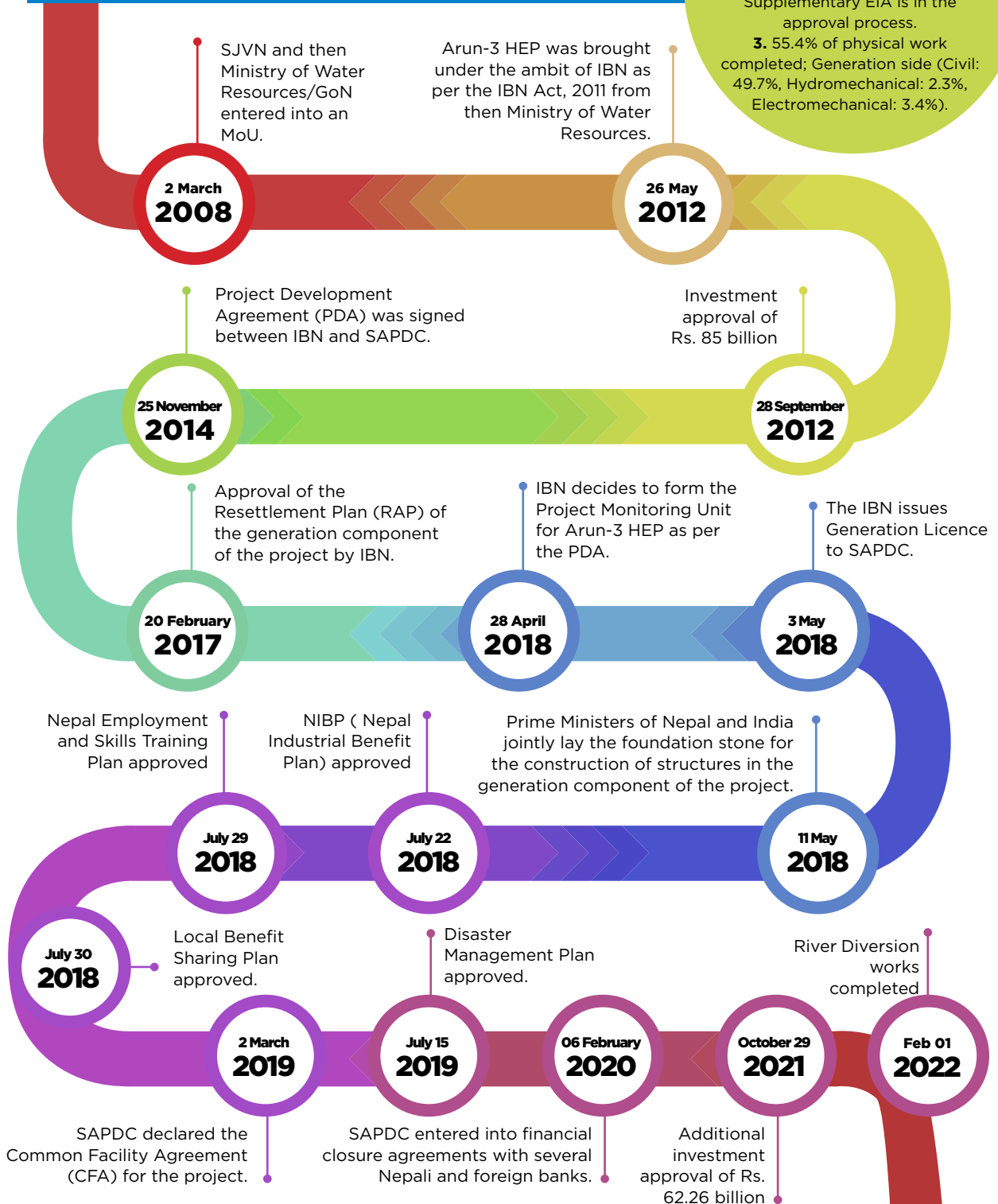
8. Arun-3 Hydroelectric Project



Timeline

Current Status

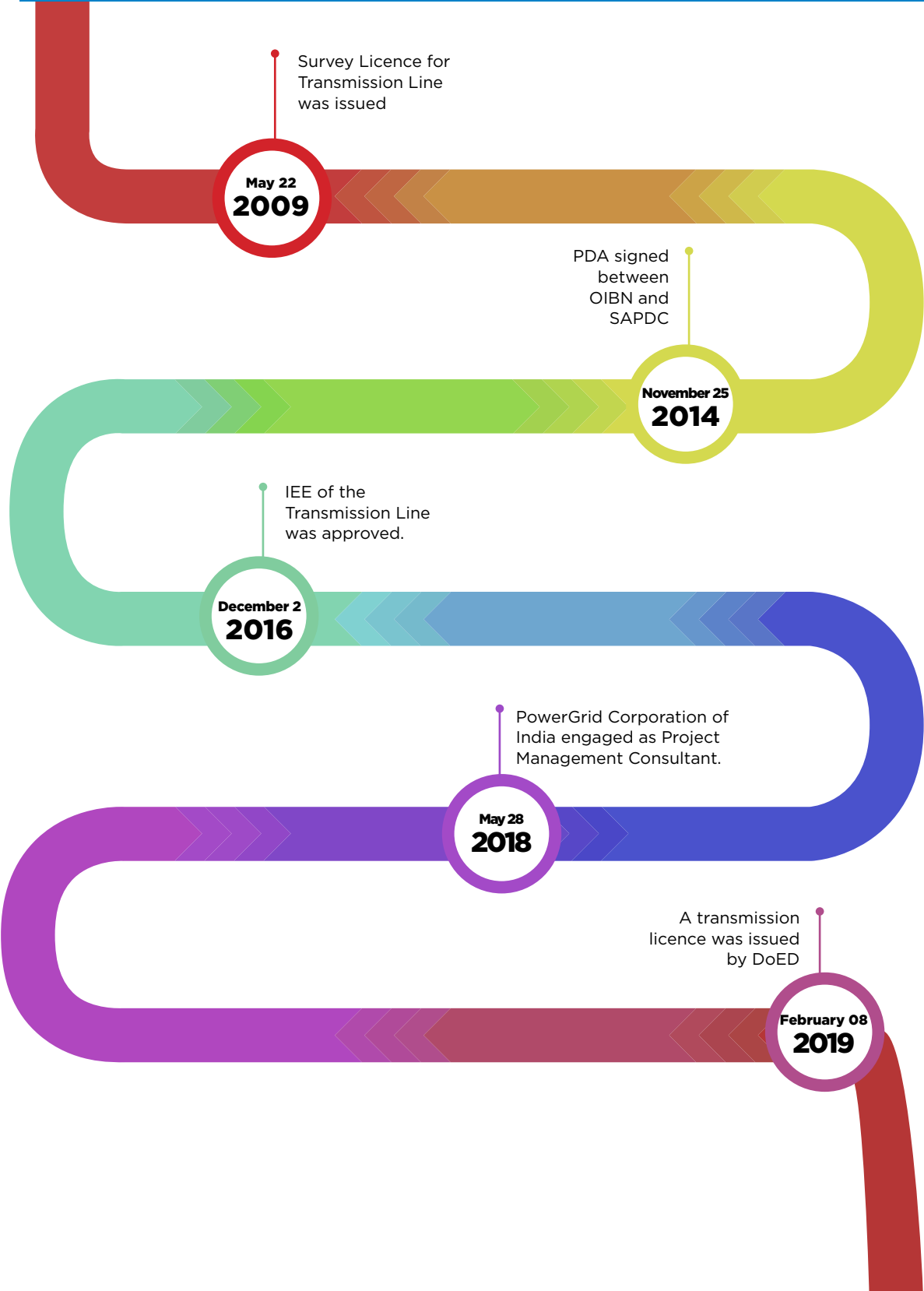
1. Construction activities at the dam site, powerhouse, and tunnel are at full capacity.
2. Revised Environment Management Plan (EMP) of Supplementary EIA is in the approval process.
3. 55.4% of physical work completed; Generation side (Civil: 49.7%, Hydromechanical: 2.3%, Electromechanical: 3.4%).



TRANSMISSION COMPONENT



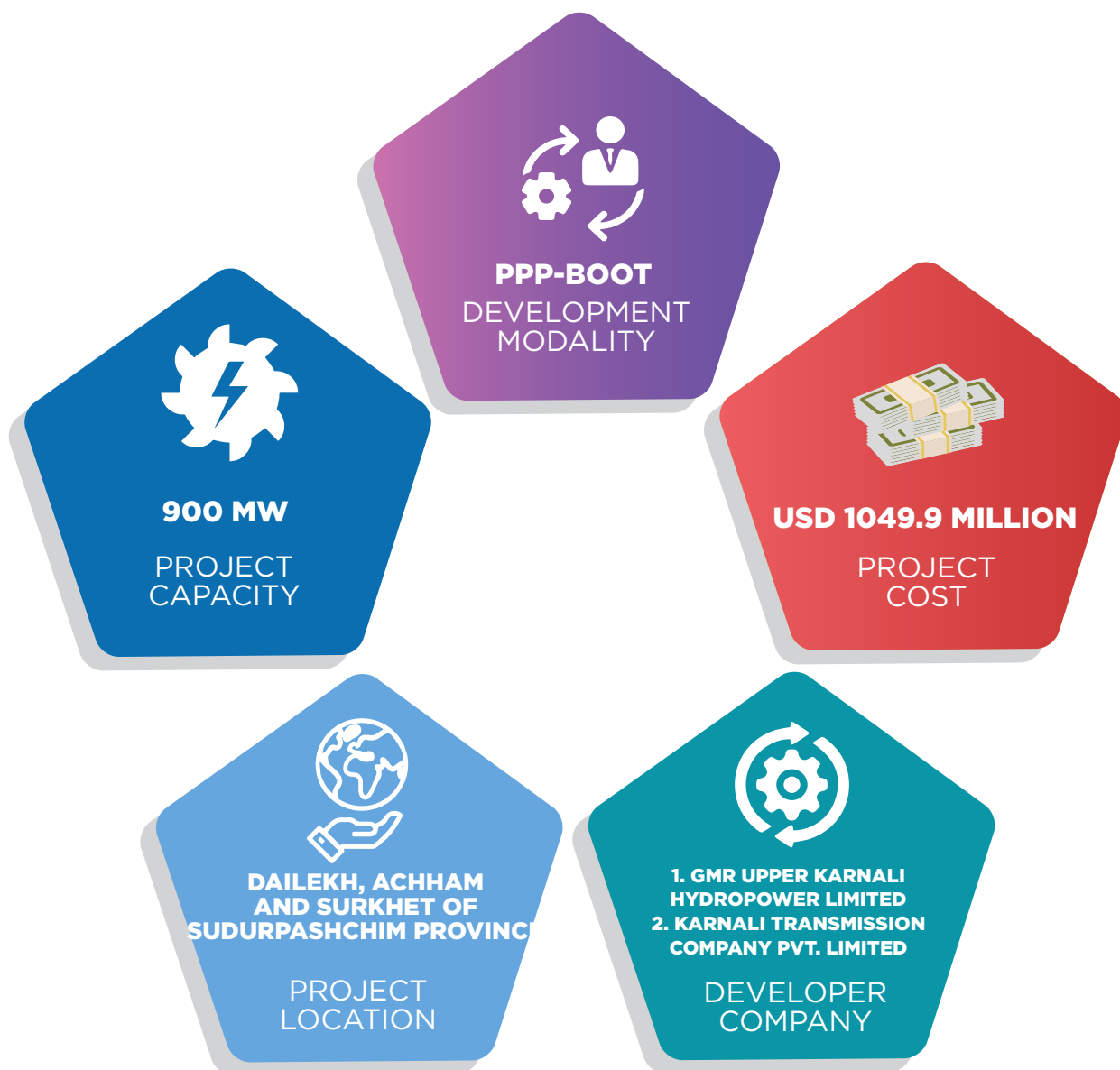
Timeline



Current Status

1. Revised IEE ongoing and under finalisation. 12.35% of physical work completed for transmission component.
2. Check survey has been completed
3. Disclosure of Resettlement Action Plan (RAP) along with the Financial Awareness Programme for the recipients of compensation in Dhanusha and Mahottari districts have been completed with the support of OIBN.
4. Compensation Determination Committee (CDC) has decided on compensation for land acquisition for 300 tower pads out of 597 towers. Compensation for acquired land for tower foot is being distributed.
5. Rate determination for RoW has been finalised in Siraha and is near completion in Mahottari district. Compensation for RoW and other property is being distributed.
6. Land marking has been completed and is under approval process at Survey Department
7. 12.4 % of work is completed in the transmission line component.
8. Works related to the construction of the tower pad, tower erection, and conductor stringing are in full swing.
9. OIBN is coordinating and facilitating the smooth implementation of the project.
10. The project is expected to be completed by 2023. The transmission line will be completed by then.
11. Financial awareness programmes for recipients of compensation are being conducted.
12. OIBN which is fully focused on facilitation and coordination for the construction of transmission lines, organised several high-level meetings (with the Chief Secretary as Chief Guest), and conducted stakeholder engagement programmes rigorously.

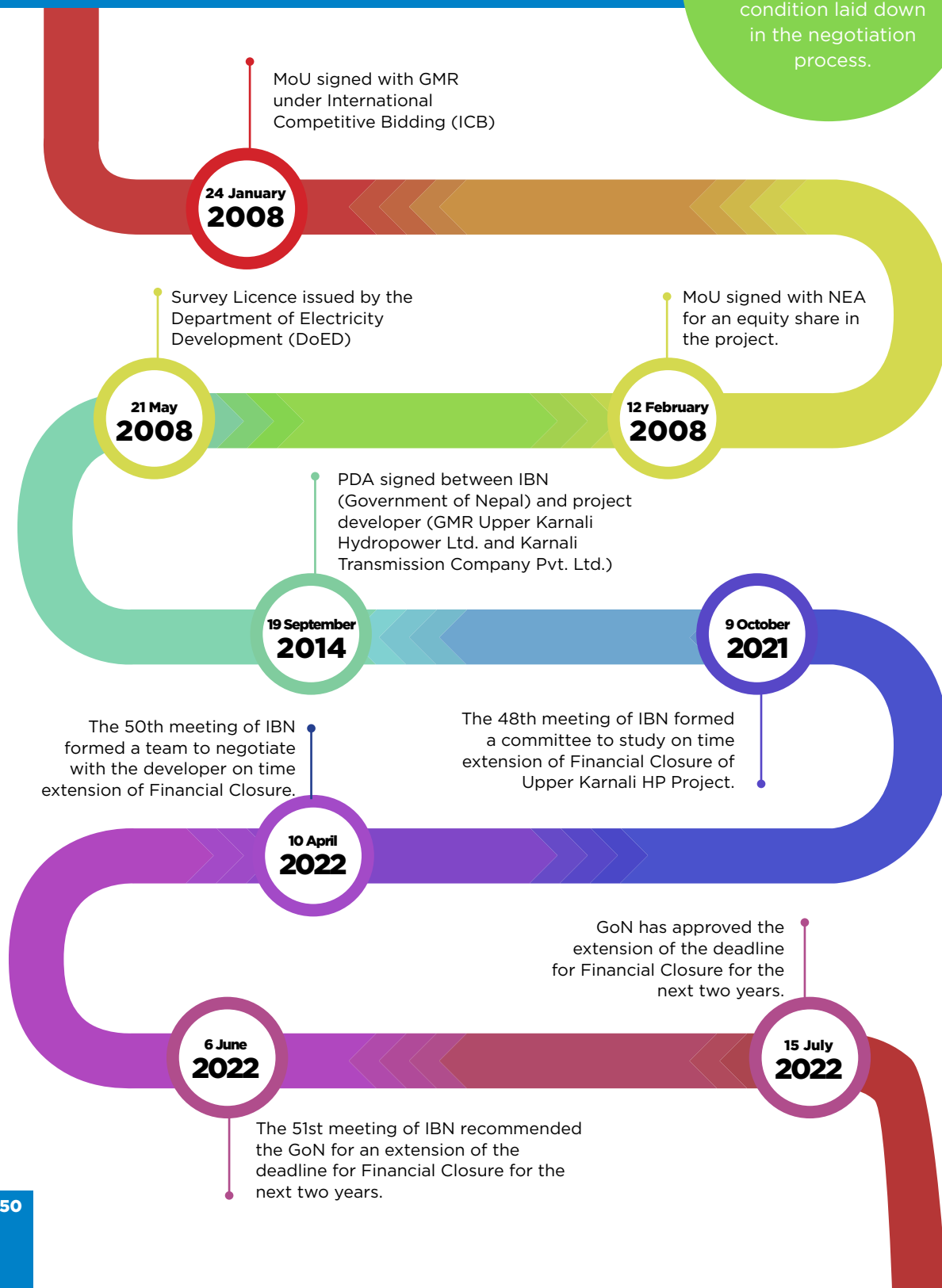
9. Upper Karnali Hydroelectric Project



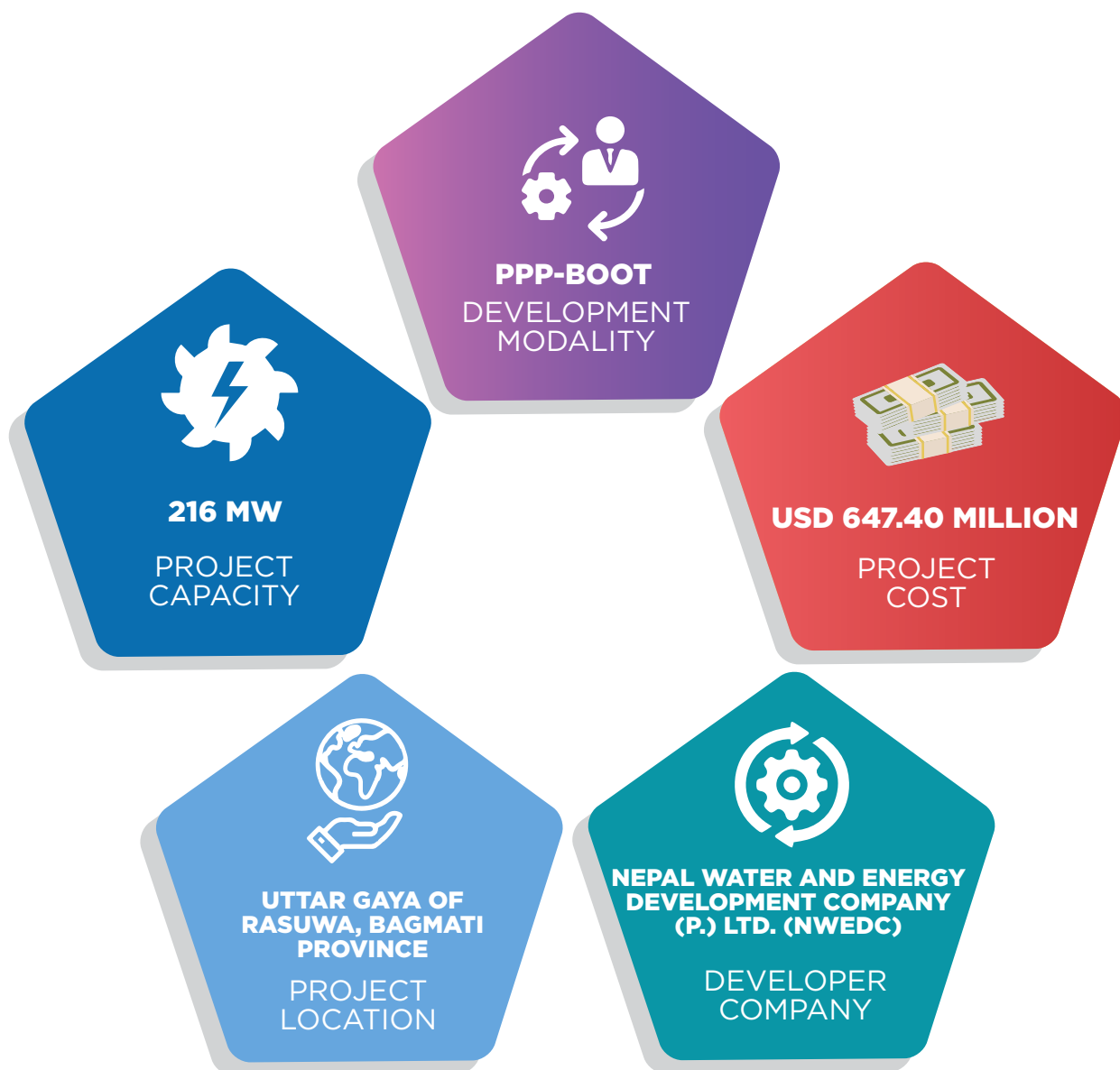
Current Status

The developer is in the process to meet the condition laid down in the negotiation process.

Timeline

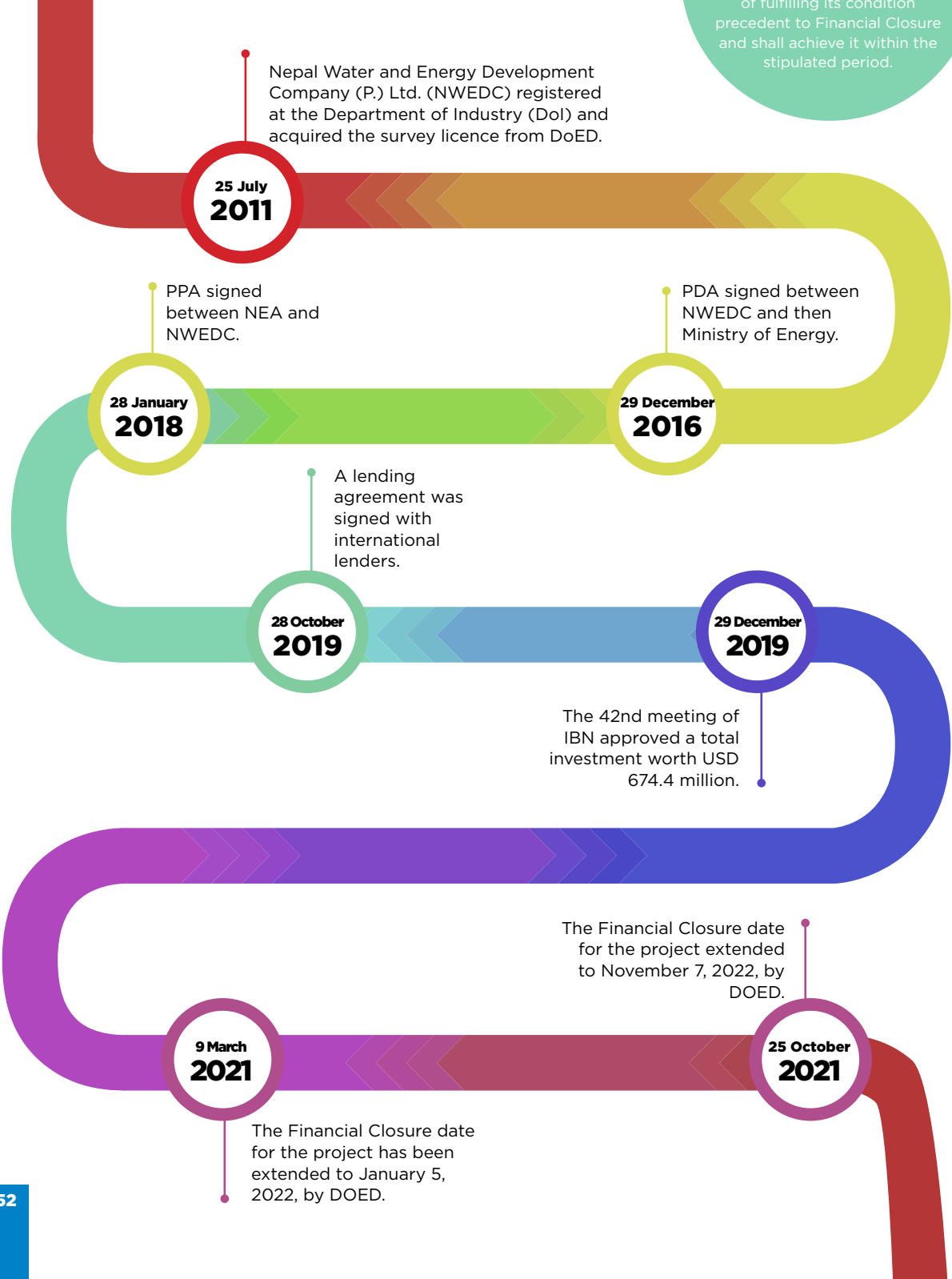


10. Upper Trishuli-1 Hydroelectric Project



Current Status
 OIBN is facilitating the project. The developer is in the process of mobilising resources in pre-construction activities. The developer is in the process of fulfilling its condition precedent to Financial Closure and shall achieve it within the stipulated period.

Timeline





NON-ENERGY PROJECTS

MoU Signed for Preliminary Survey

An MoU was signed between OIBN and JICA for the development of Instant Digital Payment Platform Project. preliminary survey of the project on 23 June 2022.

Table 7: Non-Energy Projects Under OIBN

S.N.	Project
1	Khaptad Integrated Tourism Project
2	Instant Digital Payment Platform Project
3	Chemical Fertiliser Plant Project
4	Nijgadh International Airport Project
5	Kathmandu Bus Rapid Transit Project
6	Suryatara Cement Project
7	Samrat Cement Project
8	Kathmandu Outer Ring Road Development Project
9	Birethanti-Muktinath Cable Car Project
10	China-Nepal Friendship Industrial Park Project (Damak)
11	Multi-model Logistic Park (Biratnagar)
12	Private Freight Terminal and Bulk Handling Project (Birgunj and Bhairahawa)
13	Dang Cement Project
14	Hongshi Shivam Cement Project
15	Huaxin Cement Narayani Project
16	Vehicle Manufacturing and Assembly Plant Project
17	Waste to Energy Project (Dharan)

A. Ideation of the Project

OIBN has prepared the Project Idea Note for the following non-energy projects. These projects will proceed forward for the further development process if they seem viable as per different analysis processes.

1. Karnali Public Transport Project
2. Fast-charging station for e-mobility
3. IT park at Godavari Municipality, Sudurpashchim
4. Chandragiri-Chitlang-Palung-Chitwan Expressway
5. Chitwan-Rampur-Butwal Expressway
6. Chitwan-Rampur-Pokhara Expressway
7. Brownfield investment project
8. Drinking water (export quality) processing plant
9. Amusement Park project in Chitwan/Hetauda
10. Public transport project in Province 2
11. Greater Lumbini Tourist Circuit Transportation Project
12. Transit Hub in Hetauda
13. Autoland in Bharatpur/KTM
14. West Seti Town Planning Project

B. Pre-Feasibility Study of Projects

OIBN managed the pre-feasibility study of the following projects: (Issue 52)

1. Tal Talai Multipurpose Project, Itahari
2. Janaki Heritage Hotel and Cultural Village, Dhanusha
3. Film City, Dolakha
4. International Convention Centre, Pokhara
5. Gautam Buddha Maternity Hospital, Rupandehi
6. Integrated Herbal Processing, Karnali Province
7. Interstate and Intrastate Public Transportation, Sudurpashchim Province

C. Project in the Initial Phase

1. Khaptad Integrated Tourism Project



Timeline

Current Status

The Ministry of Forests and Environment had concerns about this project as some of the works listed in the Annex of the ToR are against the provision of prevailing laws. OIBN received the comments from the Ministry of Forests and Environment on 2019/04/31 and they have been already incorporated in the ToR and the revised ToR has been shared with the senior management team.

15 March
2019

The 35th meeting of IBN decided to showcase the project at the NIS in 2019.

The project is showcased during NIS-2019.

29-30 March
2019

The GoN announced the development of the project as a tourist destination and sanctioned the budget accordingly.

29 May
2021

Draft ToR for the pre-feasibility of the project is shared with all concerned GoN agencies for their comments and feedback. After the finalisation of ToR, accommodating the comments and feedback received, a pre-feasibility study will be conducted.

19 July
2021

2. Instant Digital Payment Platform Project



Timeline

Current Status

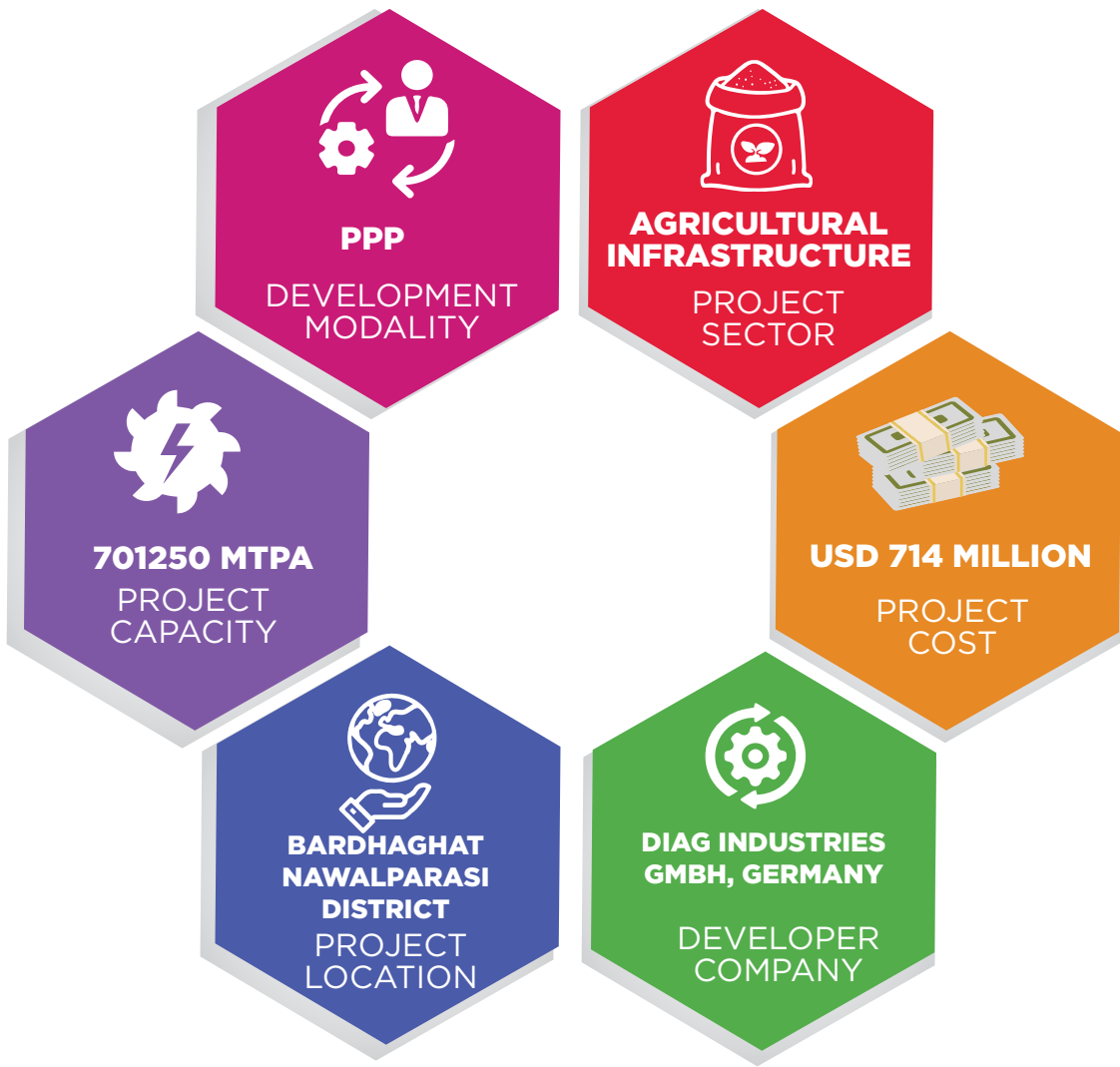
JICA is preparing an inception report of the project.

JICA applied for the preliminary survey of the project.

An MoU was signed between OIBN and JICA for the preliminary survey of the project.

23 June
2022

3. Chemical Fertiliser Plant Project



Timeline

Current Status

OIBN is in the process of signing an MoU with the proponent for the study of the project.

18 June
2020

DIAG Industries GmbH Germany submitted an unsolicited proposal to develop the project.

The 50th meeting of IBN decided to issue a licence for study on the Chemical Fertiliser Project in Nepal.

10 April
2022

4. Nijgadh International Airport Project



Timeline

Current Status

The committee is studying the development and investment model of the project.

The 35th meeting of IBN decided to showcase the project at the NIS in 2019.

**15 March
2019**

The project is showcased at NIS-2019.

**29-30 March
2019**

The 40th meeting of IBN directed OIBN to issue an RFP to Zurich Airport International which had been selected among the applicants for the development of the project.

**23 September
2019**

Pre-bid meeting held.

**15 September
2020**

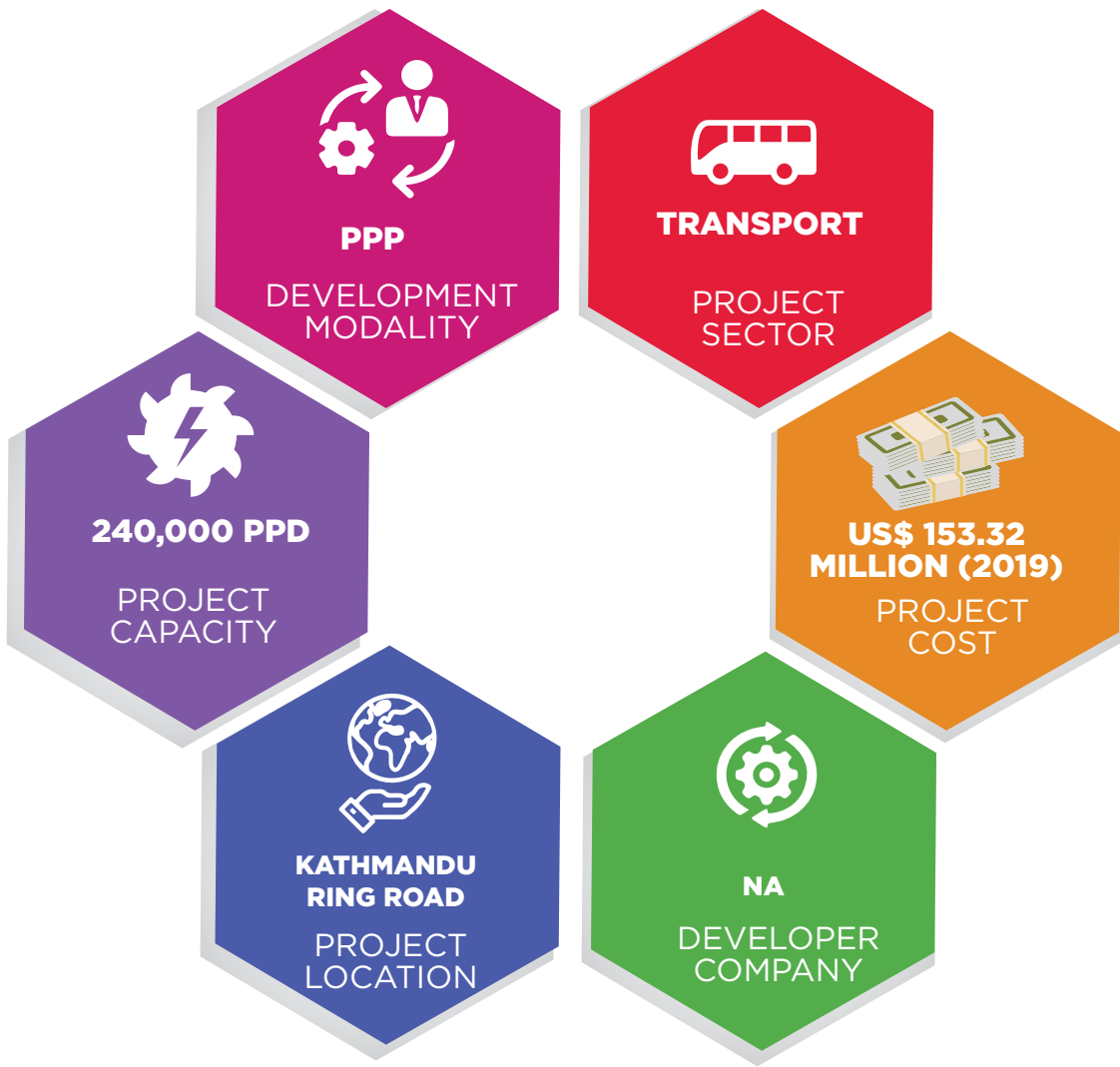
RFP submission deadline.

**30 September
2020**

As the only shortlisted company did not submit the proposal in the stipulated time, the 50th meeting of IBN cancelled all the processes and procedures followed in line with the development of the project and formed a committee to study the development and investment model regarding the Nijgadh International Airport Project.

**10 April
2022**

5. Kathmandu Bus Rapid Transit Project



Timeline

Current Status

The IBN is planning to call for EOI for the feasibility study of this project.

15 March
2019

The 35th meeting of IBN decided to showcase the project at the NIS in 2019.

29-30 March
2019

The project is showcased at NIS-2019.

6. Suryatara Cement Project



Timeline

Current Status

The project is being facilitated by OIBN.

10 April
2022

The project and investment are approved by IBN.

The 51st meeting of the Board approved the proposal for a change in the location of the project.

6 June
2022

7. Samrat Cement Project



Timeline

Current Status

OIBN has sent letters to Samrat inviting them to negotiate for MoU for PIA according to the decision of the Board but Samrat has not responded.

Company
Registration.

20 March
2013

Industry
Registration

6 May
2014

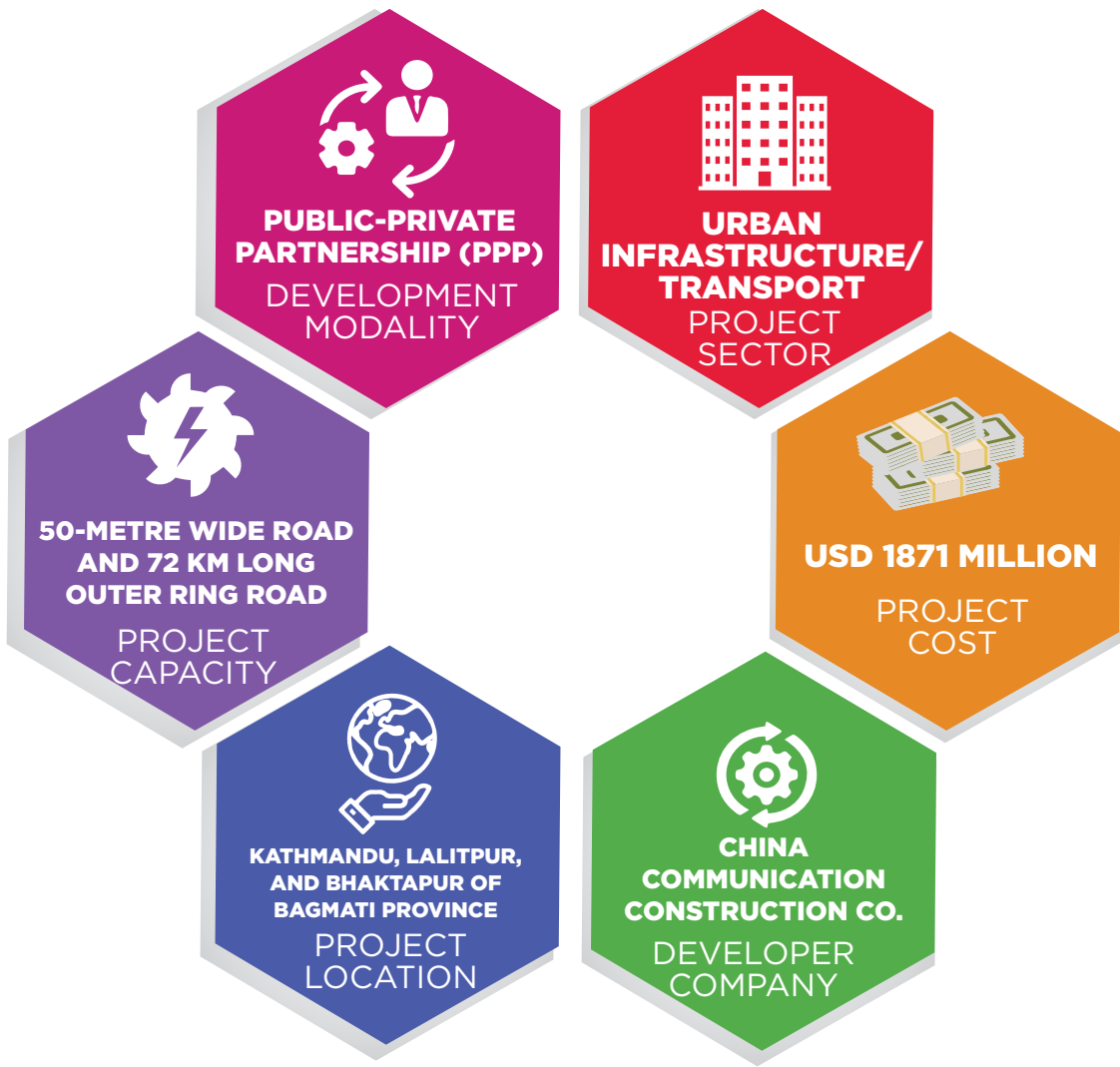
Mine Exploration
Licence Issued

26 July
2019

The 44th meeting of the Board
approved the investment worth
Rs. 15,068 million.

19 June
2020

8. Kathmandu Outer Ring Road Development Project



Timeline

Current Status

Request for proposal (RFP) has been delayed due to a lack of clarity on the alignment of the ORR. IBN has requested the Kathmandu Valley Development Authority (KVDA) for clarity on the road's alignment.

The RFP will be issued upon finalisation of the ORR alignment by KVDA.

The 35th meeting of IBN decided to showcase the project at the NIS in 2019.

15 March
2019

The project is showcased at NIS-2019.

29-30 March
2019

The 40th meeting of IBN shortlisted the developer (China Communication Construction Co.)

23 September
2019

D. Project Under Study Phase

9. Muktinath Cable Car Project



Timeline

Current Status

OIBN is working on the scoping and ToR for the EIA of the project.

Offered/Applied for Cable Car development and operation.

22 November
2017

The 30th Board meeting approved the project.

28 April
2018

MoU signed between IBN and the developer.

12 September
2018

Inception Report Presented

21 December
2018

DPR is received and is under evaluation process.

29 December
2020

10. China-Nepal Friendship Industrial Park Project



Timeline

Current Status

PDA is under drafting process.

**2 August
2019**

Investment approved
by the 39th meeting of
the Board

**3 October
2019**

MoU signed
for the
development of
the project.

**14 December
2020**

Submission
of final DPR

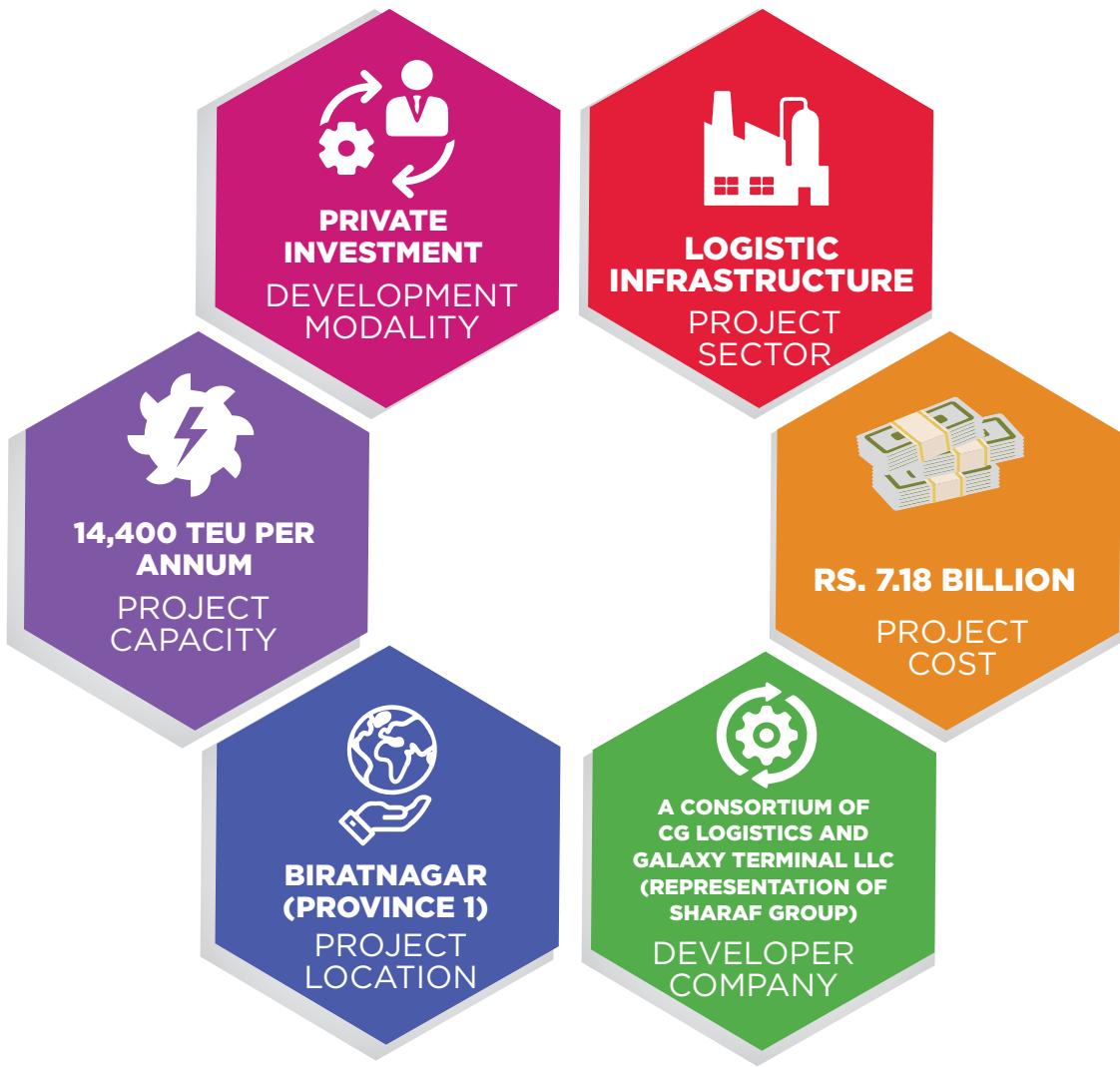
**22 May
2021**

The 47th meeting of the
Board approved the DPR

**28 May
2021**

The foundation stone laid
by then Rt. Honorable
Prime Minister of Nepal.

11. Multimodel Logistic Park Project, Biratnagar



Timeline

Current Status

The DFSR is under evaluation process.

OIBN is coordinating with the Ministry of Industry, Commerce and Supplies for the project's smooth development.

**12 May
2019**

The investor submitted the proposal.

**2 August
2019**

The 39th meeting of IBN approved the project and granted permission for carrying out a feasibility study.

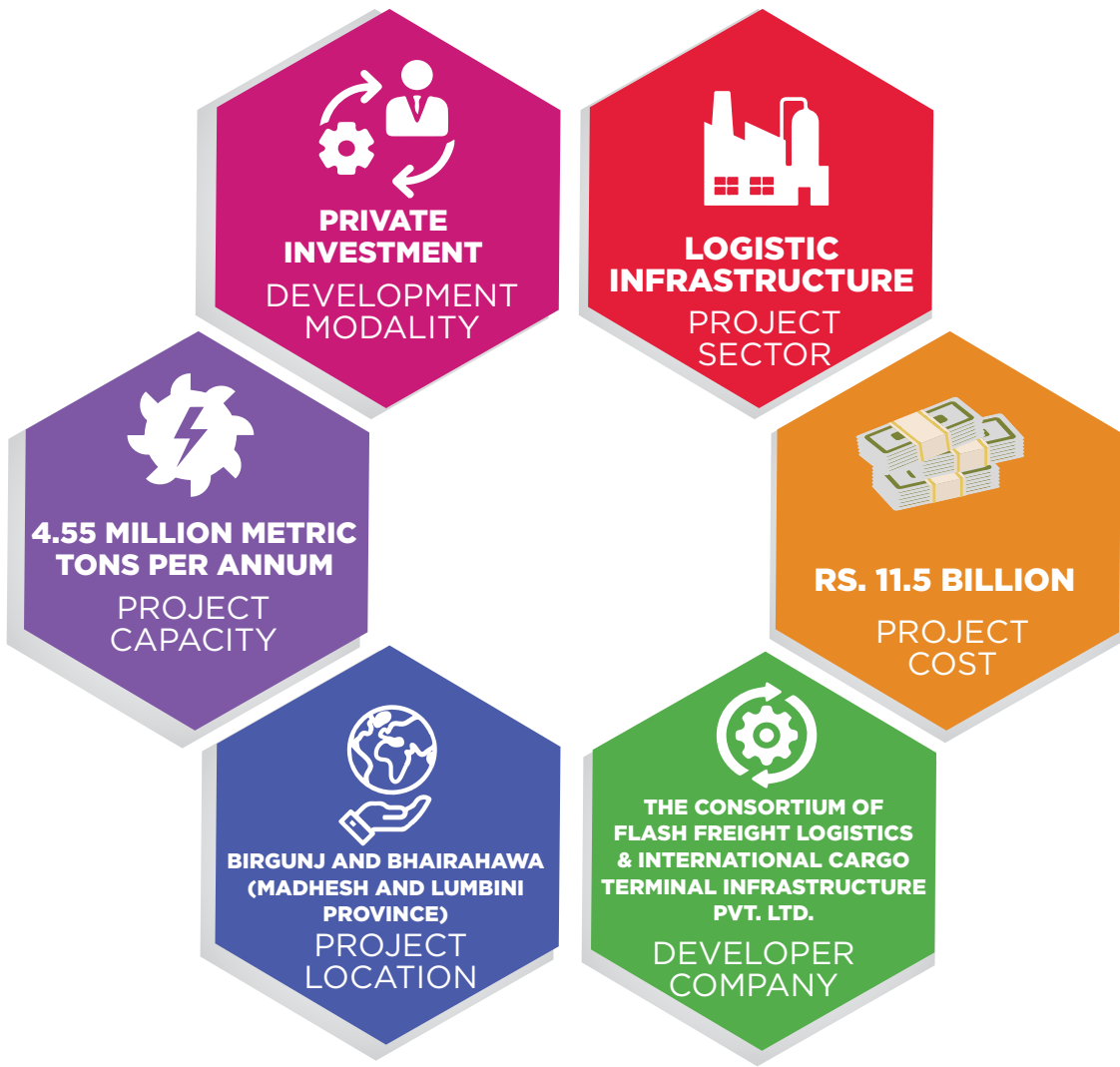
**15 December
2019**

An MoU was signed between IBN and the consortium of investors.

**15 December
2020**

The investor submitted the DFSR.

12. Private Terminal and Bulk Handling Project, Birgunj and Bhairahawa



Timeline

Current Status

The evaluation of DPR is under process.

OIBN is coordinating with the Ministry of Industry, Commerce and Supplies for the project's smooth development.

**29 April
2019**

The investor submitted the proposal.

**2 May
2019**

The 38th meeting of IBN approved the company's request to conduct a feasibility study.

**17 July
2019**

An MoU was signed between IBN and the consortium of investors.

**15 December
2020**

The investor submitted the DFSR.

13. Dang Cement Project



Timeline

Current Status

The 52nd Board meeting decided to extend the deadline for PIA with the company for 1 more year effective from 2079/03/5 B.S.

Company
Registration

27 May
2003

Industry
Registration

27 March
2005

The 44th meeting of the
IBN Board approved the
investment worth
Rs. 32,500 million.

19 June
2020

The 47th meeting
decided to extend the
deadline for PIA with the
company for 1 more year.

22 June
2021

The 51st meeting of
IBN approved the
revised share purchase
agreement.

6 June
2022

E. Project Under Implementation Phase

14. Hongshi Shivam Cement Project



Timeline

Current Status

OIBN is facilitating the project in accessing work permits, visas for foreign workers, and remittance facilities for technology transfer.

The 18th IBN Board meeting approved the investment for the project.

**28 July
2015**

Company
Registration

**23 September
2015**

Industry
Registration

**14 December
2015**

Land ceiling
waiver approved.

**12 January
2017**

Project Investment
Agreement (PIA) signed
between IBN and the
investor company.

**3 September
2017**

Production in the first
phase commences in full
capacity.

The first phase is in
operation and the plant
construction of the second
phase is being done.

**19 November
2018**

**July end
2022**

15. Huaxin Cement Narayani Project





Current Status

OIBN is facilitating the project for smooth implementation and the company will soon get its quality approved from Nepal Bureau of Standards and Metrology leading to the completion of its COD.

Facilitation of visa recommendations for the company is being done by OIBN.

Timeline

**26 August
2015**

The 19th IBN Board meeting approved FDI worth USD 140 million.

**20 January
2016**

Company Registration

**15 December
2015**

Industry Registration

**20 June
2018**

Project Investment Agreement (PIA) signed between IBN and the investor company.

**31 January
2019**

Construction commenced

**17 December
2018**

Amendment Agreement No.1 to PIA was signed.

**21 February
2019**

The IEE of the project was approved.

16. Vehicle Manufacturing and Assembly Plant Project



Current Status
A PIA negotiation meeting was held with the investor along with the relevant Government entity to finalise the fiscal and non-fiscal incentive provisions of the PIA.

Timeline

15 March
2019

35th Board meeting approved an investment of Rs. 10.54 billion and mandated for preparation of a Project Investment Agreement.

The 46th IBN Board meeting decided to activate the PIA negotiation committee and negotiate on fiscal incentives as requested by the investor in collaboration with the Ministry of Finance to make the project conducive to the national economy and make the project environmentally friendly.

29 January
2021

The 51st IBN Board meeting instructed OIBN to carry out negotiations with the investor on the condition that the project shall produce only electric vehicles. The meeting delegated power to M&F Committee for necessary decisions in case of any facilitation required.

6 June
2022

17. Waste to Energy Project



Timeline

Current Status

The project is in operation.

2 August
2017

Investment approved
by the 27th IBN
Board meeting.

30 November
2017

Registration at
the Department
of Industry.

Construction
Started.

Investment Promotion

Investment promotion is one of the objectives of IBN. The IBN is responsible for developing Nepal into a destination for foreign investment and securing an investment-friendly climate. It has the mandate to maintain effective coordination and collaboration with Nepali missions abroad for investment promotion.

In line with the responsibilities of the IBN, the OIBN has conducted several investment promotional activities within and outside the country. The OIBN has coordinated and partnered with different agencies and conducted a series of extensive meetings and discussions.

The whole investment promotion activity can be classified as follows:

Organised and Participated in Promotional Activities

- IBN CEO, Mr. Sushil Bhatta, addressed the "Invest in Emerging Nepal" conference organised by the Embassy of Nepal in the United Kingdom targeting prospective foreign investors. Mr. Bhatta emphasised the reform initiatives taken by the GoN, the facilitation provided by OIBN, and the investment opportunities in Nepal. During the visit to the UK, Mr. Bhatta and the Senior Management Team (SMT) visited the Department for International Trade, UK Export Finance, and Private Infrastructure Development Group (PIDG) and discussed different dimensions of investment opportunities in Nepal. Likewise, the IBN and British International Investment signed an MoU to facilitate investments in large infrastructure projects in Nepal.





- OIBN marked IBN's 10th anniversary as a mini investment summit in the presence of Rt. Hon'ble Prime Minister and Chairperson of IBN, Mr. Sher Bahadur Deuba. During the programme, ministers of different ministries, high-ranking officials of the GoN, ambassadors, and representatives of different foreign diplomatic missions in Nepal, business community, and investors actively participated in the programme.
- Two thematic sessions, namely, 'Development of Sustainable Infrastructure in Nepal', and 'Developing and Managing PPP for Nepal's Economic Development', were conducted on the occasion.
- IBN CEO, Mr. Sushil Bhatta, participated in a talk programme titled 'Promoting Foreign Investment in Nepal' organised by MAN and spoke on the current status of FDI in Nepal, government initiatives on legal and policy reforms, and the role of IBN in promoting FDI and facilitating development and implementation of infrastructure projects.
- IBN CEO, Mr. Sushil Bhatta, interacted with Nepal-based international media personnel and put forward the investment gap issues for infrastructure projects and the need for foreign investment in Nepal. He highlighted the role of OIBN, reforms made in the past few years, investment climate in Nepal, and other pertinent issues related to investment.
- IBN-NCC PHDCCI web conference on 'Nepal-India Investment and Development Partnership Summit 2021' was held with the participation of key policymakers and other key stakeholders of bilateral economic cooperation between India and Nepal. The conference concluded with



the realisation of the need for sustained collaboration between Nepal and India and relevant institutions for partnership, investment, and development.

- IBN and FNCCI held an interaction on cooperation and collaboration on investment promotion in Nepal. During the interaction, IBN CEO Mr. Sushil Bhatta, FNCCI President Mr. Shekhar Golchha, and Joint Secretary of the Ministry of Industry, Commerce and Supplies Mr. Narayan Paudel expressed their views.
- Rt. Honorable Prime Minister and Chairperson of IBN, Mr. Sher Bahadur Deuba, addressed the Indian investors and urged them to invest in Nepal in a programme organised by CNI during his visit to India. The IBN CEO was also a team member led by the Prime Minister and elaborated on the potential sectors for profitable investment in Nepal.
- IBN CEO, Mr. Sushil Bhatta, addressed the AGM of FNCCI on the occasion of Industry and Commerce Day and elaborated on the FDI opportunities and challenges in Nepal.
- OIBN and FNCCI signed an MoU to establish an FDI Help Desk at FNCCI. In the presence of the Honorable Finance Minister, Mr. Janardan Sharma 'Prabhakar', IBN CEO Mr. Sushil Bhatta, and FNCCI President Mr. Shekhar Golchha, inked the MoU.
- IBN CEO, Mr. Sushil Bhatta, delivered the keynote speech as Chief Guest at the Nepal-India Business Expo & Summit and stressed the importance of Business to Business (B2B) collaboration and partnership between Nepal and India for investment promotion.
- A workshop on investment promotion was organised by the Commercial Law Development Programme for OIBN staff. IBN CEO, Mr. Sushil Bhatta, addressed the programme and emphasised the need for FDI in Nepal to meet its development aspirations.
- IBN CEO, Mr. Sushil Bhatta, held a discussion with Ms. Anupa Rimal Lamichhane, Green Climate Fund, Regional Manager, Asia-Pacific on the potential areas for cooperation on green investment in Nepal.
- OIBN and the British Embassy in Nepal organised the 'UK-Nepal Energy Transition and Countdown to COP26' with the support of the Department of International Trade. Honorable Finance Minister and Vice-Chairperson of IBN, Mr. Janardan Sharma 'Prabhakar', urged international investors to invest in Nepal, and IBN CEO, Mr. Sushil Bhatta, informed about the reforms taken to build a conducive investment climate in Nepal for green infrastructure.

- OIBN conducted an interaction on investment promotion in coordination with the Nepali Embassy in UAE in the United Arab Emirates.

Engagement with Potential Investors

- IBN CEO, Mr. Sushil Bhatta, held a meeting with a team of Russian trade representatives. IBN Under-Secretary, Mr. Ramesh Adhikari; Chief of Protocol, Embassy of the Russian Federation, Mr. Nikolay Kapustin; Trade Commissioner of Russia in India, Dr. Alexander Rybas and Trade Representative of Russia in India, Ms. Anastasia Grivana participated in the discussion. The meeting focused on competitive areas of investment in Nepal like hydropower, solar energy, aviation, railways and other means of transport.
- A webinar on investment opportunities was organised

by OIBN in collaboration with UNIDO ITPO and the Embassy of Nepal in Japan. The webinar was targeted to attract Japanese investors seeking investment opportunities in Nepal.

- A delegation of FII, led by Director General Mr. Deepak Jain, held a meeting with IBN CEO, Mr. Sushil Bhatta, and discussed investment ideas on vehicle manufacturing and assembly, readymade garments, hospitals, and medical colleges.
- IBN CEO, Mr. Sushil Bhatta, addressed the programme titled 'Investment and its Procedures in Nepal' organised by IBN, Ministry of Industry, Commerce and Supplies, and the Office of Consulate General of Nepal, Hong Kong jointly organised an interaction programme and highlighted the investment procedures in Nepal, including the reform initiatives taken recently to enhance the investment climate in Nepal.



Table 8: Investment Approval in 2021/22

S.N.	Date of Board Meeting	Board Meeting	Project	Approved Investment (In billion Rs.)
1.	2021 October 9	48th	Jumkhola HP Project	10.53
2.	2021 October 9	48th	Arun-3HP Project	62.26
3.	2022 February 8	49th	Dabur Nepal Pvt. Ltd.	9.69
4.	2022 April 10	50th	Suryatara Cement Project	14.28
5.	2022 June 6	51st	Tamakoshi-5 Hydroelectric Project	16.46
6.	2022 June 6	51st	Rahughat Hydroelectric Project	9.47
			Total	122.69

- A delegation led by Mr. K.V. Rajan, former Ambassador of India to Nepal and Chair of India-Nepal Centre, PHDCCI met IBN CEO, Mr. Sushil Bhatta, and discussed business and investment opportunities in Nepal. They agreed to carry out different activities to create a positive and forward-looking business ecosystem jointly.
- IBN CEO, Mr. Sushil Bhatta, called on German investors to invest in potential sectors in Nepal, i.e., hydroelectric power, tourism, agriculture, and information technology, among others.

Engagement with Existing Investors

- OIBN organised an interaction programme with representatives of IBN-facilitated projects in the presence of Honorable Finance Minister and Vice-Chair of IBN, Mr. Janardan Sharma 'Prabhakar'. Mr. Sharma encouraged the

project-related representative to inform the GoN agencies about the problems so that they could be resolved in time. The IBN CEO expressed his commitment to resolving the existing problems.

Partnership for Economic Diplomacy

- IBN CEO, Mr. Sushil Bhatta, addressed the ambassadors and heads of diplomatic missions of Nepal deployed abroad in a programme organised by MoFA. During the programme, the IBN CEO stressed the need for continued coordination and communication among government agencies, embassies, consulates, private sector, and the Nepali diaspora to attract investment from abroad.
- IBN CEO, Mr. Sushil Bhatta, addressed the newly appointed Nepali ambassadors and urged them for effective implementation of economic diplomacy.



Publication of Promotional Materials

OIBN has published 'Nepal Investment Guidelines-2021' and 'Coffee Table Book' as promotional materials for investors.

Investor Database

OIBN has developed a roster of existing and potential investors and categorised them by country and sectors of interest. OIBN updates the roster on a regular basis, planning to establish an investors' portal.



Investment Policy Study

OIBN has completed some studies in terms of investment promotion. Some of them are:

1. Investment Promotion Best Practices
2. Priority Sector for FDI
3. Investors' Satisfaction and Motivation
4. Constraints Related to FDI in Nepal

Digital Initiatives

OIBN has taken various digital initiatives for project development and management.

Table 9: Digital Initiatives

S.N.	Digital Initiatives	Status
1.	One-Stop Service (OSS) Centre	OSS system is an application submission portal that serves as a single-entry point for investors to submit their application online and track the status. The OSS system is widely targeted for the investor/company, facilitating them in most of the aspects thereby enhancing the investor experience in terms of the duration and number of the processes included. OIBN has operated this system for internal purposes and will launch it for investors and concerned agencies after the completion of the Standard Operating Manual (SOP).
2.	Knowledge Management Portal (KMP)	This portal will systematically manage the knowledge and information obtained by OIBN. It is the repository knowledge gained to the office. This is a developing portal. The information related to Hongshi Shivam is available on this portal. Shortly, information related to Huaxin Cement Project and Arun 3 HEP will be made available after the digitisation process is over.
3.	Project Bank Management Information System (IBN PBMIS)	This application is intended to smoothen the management of the projects listed in the project bank. This is now in use for internal purposes and shall be implemented in a full-fledged manner when IBN PB Guideline comes into practice. This system will be integrated with OSS after its full-fledged development.
4.	Project Monitoring Dashboard	Both of these applications are used for project monitoring.
5.	Project Progress Monitoring System	Arun-3 Hydroelectric Project is being monitored by this application. This application will be applied to monitor other projects in the near future.
6.	Project Infrastructure Mapping System	This application is used to locate the project sites managed by IBN. The concept note is prepared and data and maps are purchased for the implementation of this application.
7.	Board Decision Tracking Tool	This tool is to be designed to track the implementation status of the Board decisions. A preliminary tool has been developed using an excel application.
8.	Query Management System	The concept note has been prepared for the development of this application.

Institutional Development Strategic Plan

- IBN Strategic Plan and 5-Year Business Plan: Right Honorable Prime Minister and Chairman of IBN, Mr. Sher Bahadur Deuba, unveiled IBN Strategic Plan along with the 5-Year Business Plan. This plan targets investment approval worth USD 10 billion, management of PPP projects worth USD 6 billion, creation of employment opportunities for 100,000 individuals, and the development of IBN as a Centre of Excellence for PPP by FY 2023/24. The Plan has four strategic pillars: development and management of projects; investment promotion; institutional development; coordination; collaboration and partnership.
- IBN Strategic Plan Implementation Steering/Direction Committee, formed under the chairmanship of the Honorable Minister for Finance and Vice-Chairperson, Mr. Janardan Sharma 'Prabhakar', held its first meeting. The meeting directed OIBN to focus on the development of green and transformational projects.

Infrastructure Development

- Honorable Finance Minister and Vice-Chair of IBN, Mr. Janardan Sharma 'Prabhakar', inaugurated the 'Investors' Lounge' at OIBN. This facility is a step forward to facilitate investors.

IBN PB Guideline

- OIBN has prepared IBN Project Bank Guidelines for the development of the projects under its jurisdiction. OIBN has also prepared the Project Prioritisation Guidelines for the ranking of the projects in an appropriate manner.

OIBN conducted a two-day validation workshop on the development of the IBN Project Bank Guidelines and Framework in collaboration with the World Bank Group. The workshop was focused on discussing the Project Screening and Analytics Tool and Value for Money Component of the IBNPB Guidelines.

Human Resources Management

- O&M Survey: OIBN conducted an O&M survey, and the O&M Survey Report was submitted to OIBN. Several consultation meetings were held with the consultants in line with the preparation of the report.
- Effective task allocation and evaluation

OIBN has adopted RACIQ for effective task allocation and evaluation among the employees. The RACIQ was developed with the active participation of the employees.

Training:

- The staff of OIBN participated in a training programme on 'The Value for Money' organised by the World Bank. The training

- programme was fruitful for determining whether any project is preferable or not.
- OIBN organised a two-day Risk Allocation Workshop in collaboration with the Commercial Law Development Programme (CLDP) focused on risk assessment, risk allocation, roles, and responsibilities of parties in agreement, key bankability, and risk allocation principles, structuring tariffs, and climate risk.
 - OIBN organised a knowledge-sharing workshop on strengthening the transaction and procurement processes in collaboration with ADB. The workshop was focused on the rights and obligations of each party in the procurement process, the applicable legal framework, and legal documentation related to the procurement process.
 - A two-day training on the Project Screening and Analytics Tool (PSAT) was organised for the staff of OIBN.
 - IBN and IFC organised an online workshop on Transaction Advisory for the effective delivery of infrastructure projects.
 - A notice was published seeking experts to be enlisted in the roster of OIBN so that OIBN can utilise their expertise. All experts can enrol themselves in the roster by browsing the IBN website.

Legal and Policy Reforms

Completed

- Guidelines for Recruitment, Management, and Regulations of Trainee, 2078 is approved.





- Blended Finance
- Standard Operating Procedures
- Guideline for Design, Build, Finance, Operate and Maintain (DBFOM)

Study on Legal Framework

- A Study report is prepared on the revision of PPIA and PPIR.

Establishment of IBN Fund

The IBN Fund bank account is in operation now.

Research and study

OIBN conducted some studies to enhance the knowledge of the institution. Some of the studies are:

- Guidelines for Formation of Expert Committee or Task Force and Appointment of an Expert, Remuneration and Allowances/ Facilities, 2078 is approved.

New initiatives

- Transaction Advisory Guideline
- Guidelines for the Swiss Challenge

- An Assessment of Policies for Improving the Investment Climate in Nepal.
- Best Practices on PPP Implementation.
- A high-level discussion was held on the 'IBN Fund and PPP modalities' and Design, Build, Finance, Operate and Maintain (DBFOM).





- A brief report on a comparative study of the available technologies for the establishment of the chemical fertiliser is published.

Coordination, Collaboration and Partnership

Interaction with Sub-national Agencies

- The Honorable Chief Minister of Sudurpashchim Province, Mr. Trilochan Bhatta, and IBN CEO, Mr. Sushil Bhatta, expressed their views on mutual coordination and collaboration for the development of PPP projects at a programme held in Dhangadhi.
- IBN CEO, Mr. Sushil Bhatta, held a meeting with Honorable Chief Minister, Mr. Trilochan Bhatta, and

discussed possible collaboration and cooperation in the areas of project concept and ideation; development and investment.

- IBN CEO, Mr. Sushil Bhatta, held a meeting with Mayor of Kathmandu Metropolitan City, Mr. Balendra Shah, and exchanged views, experiences and efforts made by OIBN in solid waste management.

Engagement with Development Partners

- Honorable Finance Minister and IBN Vice-Chair, Mr. Janardan Sharma 'Prabhakar', and IBN CEO, Mr. Sushil Bhatta, held a meeting with the delegates led by British Ambassador to Nepal, Her Excellency Nicola Pollitt, and held discussions on institutional strengthening and sustainability



of IBN and FCDO's plan for support to IBN.

- IBN CEO and the team held a meeting with ADB officials along with Ms. Helen Steward, Principal PPP Specialist, and discussed potential support for IBN on project development, investment promotion, and institutional development.
- British Ambassador to Nepal, Her Excellency Ms. Nicola Pollitt, visited IBN CEO, Mr. Sushil Bhatta, at OIBN.
- A team from JICA Nepal met IBN CEO, Mr. Sushil Bhatta, and discussed the development process of the Instant Digital Payment Platform Project.
- IBN CEO, Mr. Sushil Bhatta, held a meeting with His Excellency Mr. Marten Van Den Berg, Ambassador of the Kingdom of the Netherlands to Nepal, India and Bhutan. The meeting focused on IBN's structure and role in attracting foreign investment. The overall investment climate and opportunities to invest in Nepal, possible areas of collaboration between IBN and the Embassy of the Netherlands, sustainable development, and climate change were the other issues discussed at the meeting. The Dutch Ambassador expressed interest in investing in food and agriculture, IT, and tourism sectors in Nepal.
- OIBN and UNDP signed an MoU for cooperation and collaboration. The MoU has concentrated on cooperation and collaboration on



investment promotion, public-private partnerships, and the achievement of SDGs.

- IFC Country Manager held a meeting with IBN CEO, Mr. Sushil Bhatta, and discussed areas of cooperation for investment promotion and making infrastructure projects commercially viable.
- An ADB Mission led by Ms. Helen Steward, Principal PP,P Specialist, and IBN CEO, Mr. Sushil Bhatta, met and discussed streamlining ADB support for accelerating PPP projects. During the meeting, OIBN sought the APMG PPP Certification Programme for IBN staff, knowledge sharing from international experts, and a framework for drafting DBFOM directives, among others.
- IBN CEO, Mr. Sushil Bhatta, held talks with Mr. Arnaud Cauchois, Country Director,

Asian Development Bank, on the prospects of cooperation for the development of PPP projects and the need to strengthen the institutional capacity of OIBN.

- IBN CEO, Mr. Sushil Bhatta, spoke on 'The Importance of Investment Facilitation for Nepal and the Need for Capacity Building' while participating in the 'High-Level Regional Roundtable on Investment Facilitation for Development: How Asian and Pacific Economies will Benefit' organised by the International Trade Center (ITC), United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP).

Coordination to Facilitate Projects

Arun-3

- In line with the facilitation of the construction of the transmission line of the Arun-3 HP Project, OIBN organised a meeting with CDOs of the Arun-3 Transmission Line-related districts in the presence of the Chief Secretary, Mr. Shanker Bairagi, as chief guest. The meeting urged the CDOs to resolve all the problems and obstacles to the implementation of the project, realising it is a GoN Project and has offered different benefits to the nation and local communities. The IBN CEO stressed the need to complete the project in the stipulated time by maintaining the quality. The project is facing a demand for a change in the alignment and higher compensation for acquired land and RoW.

- OIBN organised a meeting with CDOs of seven districts concerned with the transmission line of the Arun-3 JP project, representatives from the developer, and other government officials. The meeting was a facilitation move aimed at collaborating among concerned ministries, OIBN, and CDOs to create a favourable environment for the smooth implementation of the transmission component of Arjun-3 HP Project.
- OIBN organised a field visit to the Arun-3 HP Project site for members of the Foreign, Commonwealth, and Development Office (FCDO) and consultants of the office to observe the project's progress. The team held a meeting with the local government, developer, contractor, and people of the community to resolve the problems that have arisen.
- OIBN conducted an interaction programme in coordination with the District Administration Office, Sankhuwasabha with all concerned stakeholders of Arun-3 HP Project to resolve problems related to the compensation for the acquired land.
- OIBN held a consultation with representatives of political parties and stakeholders of Bhojpur district regarding the construction of the transmission line for Arun-3 HP Project. The consultation was focused on making local people aware of GoN's commitments and responsibilities in the project, the need for land acquisition, and its process.
- OIBN held an interaction with stakeholders of the transmission line in Udayapur.

Solar Energy (250MW)

- OIBN organised a local stakeholder engagement and field observation regarding the development of the Solar Power Project (250MW) in Banke and Kapilvastu districts.

Private Freight Terminal and Bulk Handling Facility Project

- OIBN organised a local stakeholder engagement and field observation regarding the development of the Private Freight Terminal and Bulk Handling Facility Project in Birgunj. The OIBN team visited Birgunj Inland Clearance Depot, railway lines, warehouses, and other supporting infrastructure, and interacted with officials of the developer company, SEZA officials, elected representatives at the local level, and SEZA Support Committee members.

Cement Projects

- OIBN conducted stakeholder mapping of Dang Cement and Samrat Cement Projects.

Coordination with Media

- OIBN organised an interaction programme with SEJON. The interaction concluded with cooperation to promote Nepal as one of the best countries for investment.

Partnerships with Different Agencies

- IBN CEO, Mr. Sushil Bhatta, addressed the CEO Conference



organised by MAN. The conference was conducted with the theme 'Reengineering Management, for Survival, Revival, and Growth'. As a panellist at the Infrastructure Session, he talked about infrastructure, challenges, opportunities, and initiatives taken by IBN.

- IBN CEO, Mr. Sushil Bhatta, and Nabil Bank Ltd. CEO, Mr. Anil Keshary Shah, signed an MoU to promote foreign direct investment and cooperation for the enhancement of partnerships among domestic and foreign companies.
- IBN CEO, Mr. Sushil Bhatta, addressed a programme to mark the Industry Day organised by FNCCI on the occasion of its AGM and elaborated on challenges and opportunities to attract FDI in Nepal.
- IBN CEO, Mr. Sushil Bhatta, participated in the Start-up World Cup Nepal Regional-2021 jointly organised by Start Hub Nepal and World Trade Group Nepal.

CHAPTER 4

LESSONS LEARNED



LESSONS LEARNED

OIBN has been engaged in facilitating the implementation of large scale projects since its inception in 2011. In the 11 years of its operations, it has gained a wealth of experience and has learnt many valuable lessons.

Project Development and Management

In practice, there are many difficulties in implementing large projects. There are physical, financial and social challenges that IBN has faced over the years.

Project Development

In the past, project development was hampered by lack of baseline information regarding the project. Pre-feasibility and feasibility studies are useful for garnering that information.

The Board has rectified that shortcoming by commissioning feasibility/prefeasibility studies. Currently, seven prefeasibility studies have been commissioned. Further studies will be undertaken if needed.

Project Management

The lessons that IBN has learnt on management of projects have been on such issues as the right of way, compensation, land acquisition, social-environmental concerns,

facilitation, and cooperation with concerned government agencies, organisations and stakeholders.

These are complex issues that can often hamper project development. Hence, IBN has developed practical, field level knowledge of solutions to these issues.

The lessons learned could be helpful in making policy reforms.

Investment Promotion

IBN has used various strategies to promote investments in the past. Domestic and foreign investors need to be differentiated and separate strategies utilised for each.

In this line, OIBN has negotiated with FNCCI, and FNCCI is convinced of the need for FDI in Nepal. Now FNCCI has established a Help Desk at its secretariat to facilitate foreign investors.

Programmes, Visits, and Meetings

For investment promotion, there is no substitute to interacting directly with potential investors. That is why IBN has undertaken a range of activities, both inside and outside the country, to promote investments.

To promote Nepal as an investment destination, OIBN officials have undertaken trips to important foreign countries in which they interacted with political and business leaders of those countries. The Office has also organised investment summits in Nepal and has interacted with Nepali ambassadors of different countries to discuss with them ways and means of improving economic diplomacy.

Other efforts include making public the Investor's Guide-2021, and table calendar as promotional materials.

Institutional Development

Institutional development of any organisation is necessary for meeting its medium and long-term objectives. IBN has a concrete plan to do this as it has created many guiding documents such as the Strategic Plan, Business Plan and the Project Bank Guideline.

Other ways and means for institutional development are to bind the organisation closely to national plans and policies and increase transparency and legal compliance.

In Nepal, investors need to follow many complex legal processes. IBN has already been successful in codifying previously separate laws on investment. However, there are challenges remaining in streamlining these laws even further.

To rectify this problem, OIBN has drafted a report, with the direction of

the IBN, on reform of legal provisions to smoothen the operation of OIBN and handle large-scale projects.

This will ensure that legal provisions are simplified and are investor-friendly while also ensuring there is no compromise of full legal compliance.

Steps have also been taken to increase financial autonomy, to design a future workforce that is more capable of addressing pressing needs, and in creating a standard operating procedure that will enable the Office to function uniformly and systematically.

Finally, the Office has taken the required initiatives to increase the use of technology throughout. Using technology could go a long way in increasing productivity and efficiency. It could also be a 'force-multiplier' in enabling investors to easily communicate with the Office, and help IBN coordinate more effectively with other agencies.

Hence, OIBN has initiated ICT for its well functioning. One-Stop Service Centre (OSS), Investors Information System (IIS), Investment Board Nepal Management Information System (IBNPBMIS), Knowledge Management System (KMP), Query Management System (QMS), Board Decision Tracking Tool, Project Progress Monitoring System (PPMS), Project Infrastructure Mapping System (PIMS), and Investor Relationship Management System (IRMS) are being implemented at OIBN in the near future.

Coordination, Cooperation and Partnership

The goals of project management, investment promotion, and institutional development can be achieved through coordination, cooperation, and partnership. Consequently, the Office has focused on developing good relations with relevant agencies and organisations and on collaborating with them as much as possible.

In this regard, important milestones have been achieved. These include the MOU that was

signed between FNCCI and Nabil Bank Ltd. to facilitate FDI, and participating in joint meetings with the Chief Secretary, other government agencies and concerned stakeholders.

Coordination with the country's leading trade association and one of its leading banks will help in further cementing links with the domestic private sector. OIBN has also maintained good relations with foreign diplomats to ensure both institutional development and to attract FDI.

CHAPTER 5

THE WAY FORWARD

5

THE WAY FORWARD

As discussed in the previous section, IBN has gained a wealth of experience and knowledge as a result of being operational for more than a decade.

The knowledge and experience that were gained will allow it to chart a way forward that will ensure that its goals, as laid out in the Strategic Plan, are achieved as much as possible.

Here are some tasks in the near future.

Project Development and Management

1. Make the responsibility clear between the GoN and the proponents.
2. Study the projects having PCN is developed.
3. Deploy Digital Initiatives for project development and management.
 - IBN PBMIS
 - Web-based OSS
 - KMP
 - QMS
 - PIMS
 - Board Decision Tracking Tool
4. As Hydroelectric Projects are feasible and attractive, advocacy



for proper PPA and PSA is a must.

Investment Promotion

1. Expedite investment promotion activities as an ongoing process.
2. Advocate for economic diplomacy.
3. Keep close coordination with the private sector,
4. Reach out to potential investors abroad.
5. Recommend for sovereign rating.

Institutional Development

1. Effective implementation of the Strategic Plan and Five-Year Business Plan.
2. Implementation of O&M report.
3. Effective Implementation of IBN Fund.
4. Empowerment of OIBN for the study of projects.

5. Recommend policy reforms and amendments in legal provisions, including PPPIA and PPPIR, in line with attracting FDI.
6. Approval and Implementation of various guidelines
 - Transaction Advisory Guidelines
 - Viability Gap Funding Guidelines
 - Swiss Challenge Guidelines
 - Blended Finance Guidelines

Coordination, Collaboration and Partnerships

1. Effective coordination with GoN, developer/investor, and stakeholders for project development and smooth implementation.
2. Cordial partnership with development partners for technical assistance to enhance the effectiveness of the office.





CHAPTER 6

KEY INFORMATION FOR INVESTORS



KEY INFORMATION FOR INVESTORS

INVESTMENT BOARD NEPAL (IBN)

Legal Provisions



Mandates

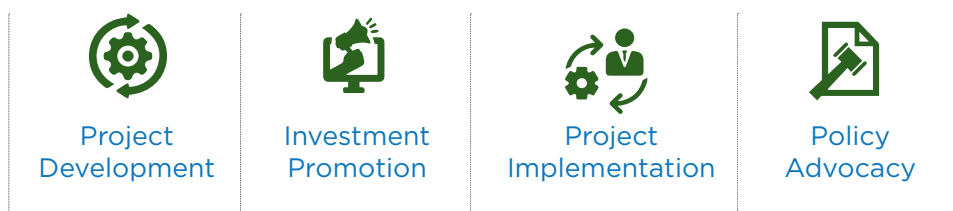


INVESTMENT APPROVAL
(Project Cost \geq NRs. 6 Billion)



PROJECT IMPLEMENTATION
Energy Projects
(Capacity \geq 200 MW)
Other Infrastructure Projects
(Project Cost \geq NRs. 6 Billion)

Functions



PUBLIC-PRIVATE PARTNERSHIP SOLICITED PROJECTS

Project Bank/List

Expression of Interest (EOI)

Request for Proposal (RFP)

Letter of Approval/Survey License
(MoU to conduct study/survey
for the project)

Investment Approval

Permits/Approvals/Registration
(for business establishment, visa,
trademark, environmental clearance, land
acquisition, et. al.)

Project Development Agreement (PDA)

DOCUMENTS REQUIRED

For EOI

1. Details of Individual/Company/Organisation
2. Financial & technical capability and capacity to develop project
3. Project business plan
4. Financial sources to implement project
5. Economic, social, technical, and environment soundness of project (if feasibility study not done)
6. Other necessary information

For RFP (Financial and Technical documents to be submitted in a different sealed envelope)

1. Preliminary feasibility study
2. Engineering design and sustainability
3. Estimated project cost
4. Financial source
5. Project business plan
6. Preliminary environmental study (if completed) or study plan
7. Fees/rates to be collected from customers/end users
8. Royalty to be submitted to government as per Annex 2 of PPPI regulations, if energy project
9. Royalty to be submitted to government for other projects
10. Benefits/economic benefits accruing to/ Incentives expected from the government
11. Proposed duration of agreement

PUBLIC-PRIVATE PARTNERSHIP UNSOLICITED PROJECTS

Proposal Submission

Evaluation

**Letter of Approval/Survey Licence
(MoU to conduct study/survey for the project)**

Investment Approval

**Permits/Approvals/Registration
(for business establishment, visa, trademark, environmental clearance, land acquisition, et. al.)**

Project Development Agreement (PDA)

DOCUMENTS REQUIRED

1. Details of project
2. Profile of the proponent along with financial and technical capacity
3. Preliminary feasibility report of project
4. Proposed business plan
5. Technology to be involved in the project
6. Details of benefits accruing from project
7. Documents meeting criteria stated below:
 - Project not listed in project list or identified by agencies concerned
 - Use of innovative concepts, exploration, and technology
 - National priority projects stated in government's policy and programmes targeted for public benefits
 - Agree to bear all liabilities of feasibility study of project
 - Use of proprietary items available only to private sector
 - Project identified as strategically important by the board or Government of Nepal, on the recommendation of the Board

PUBLIC-PRIVATE PARTNERSHIP

DIRECT NEGOTIATION PROJECTS

Application/Proposal Submission

Evaluation

Negotiation

**Letter of Approval/Survey Licence
(MoU to conduct study/survey
for the project)**

Investment Approval

**Permits/Approval/Registration
(for business establishment,
visa, trademark, environmental
clearance, land acquisition, et.al.)**

Project Development Agreement (PDA)

DOCUMENTS REQUIRED

1. Investor/s name and address
2. Company's name, address, establishment year, organisation structure, ownership and main office (in case the proponent is a company)
3. Name of the intended project and its brief description
4. Description of project's feasibility and its significance
5. Details of proponent's financial and technical capability along with experience
6. Details of available/required machinery, human resources and technology

PRIVATE INVESTMENT PROJECTS

Application Submission

Project Approval

**Memorandum of Understanding (MOU)
(for project implementation)**

Detailed Project Proposal

Investment Approval

**Permits/Approvals/Registration
(for business establishment, visa,
trademark, environmental clearance, land
acquisition, et. al.)**

Project Investment Agreement (PIA)

DOCUMENTS REQUIRED

1. Project's name, nature, location, and concept
2. Details of estimated cost of the project
3. Details of proposed financial sources including percentage of domestic/foreign investor's debt and equity
4. Project's business plan
5. Project implementation timeline
6. Updated share structure of the company

ADDITIONAL BENEFITS

1. Capital subsidy on equipment required for project construction
2. Partial subsidy on electricity tariff during project implementation
3. Providing government land on concession lease rate or for free
4. Additional concession on tax or export subsidy
5. Concession on customs duty and other tax/fees for import of equipment required for project construction
6. Concession on lease rental rates
7. Use of government-owned infrastructure for free or at a subsidised rate
8. Bank guarantee facility or concession on customs duty for non-consumable machinery and equipment used for project implementation
9. Economic and other benefits as specified by the Board

FACILITATION

One-stop service for:

1. Business Registrations,
2. Approvals/Permits/Licences/Clearances,
3. Land Acquisition,
4. Project Security,
5. Visa Recommendation,
6. Repatriation

VIABILITY GAP FUNDING (VGF)

1. Operationalisation and management by the Board.
2. Be made available as capital and operational grant or loan to:
 - a. National pride projects
 - b. Transformative or national priority projects
 - c. Multipurpose storage hydro projects as identified by GoN,
 - d. Transport infrastructure projects,
 - e. Projects that modernise agriculture sector,
 - f. Waste-to-energy projects,
 - g. Drinking water treatment or waste-water treatment projects
 - h. Other projects specified by the Board.



Investment Board Nepal Chief Executive Officer, Mr. Sushil Bhatta, and Senior Management Team (SMT) during the briefing regarding the Investment Board Nepal's Strategic Plan and Business Plan with Rt. Hon'ble President, Ms. Bidya Devi Bhandari, at the President's Office, Shital Niwas.

FEES

PPP PROJECTS

Particular	Fees (NRs.)
Submission of solicited project proposal	150,000
Submission of unsolicited project proposal	250,000
Application fee for project proposals to be implemented through negotiation	250,000
Performance Guarantee for approval of study (Investor required to submit bank guarantee equivalent to the amount at the time of submission)	0.5% of estimated project cost
Signing Fee (to be provided upon completion of negotiation and prior to signing of PDA/concession)	0.2% of total project cost
Performance Guarantee under PDA (to be provided prior to entering into an agreement)	0.1% of total project cost

PRIVATE PROJECTS

Particular	Fees (NRs.)
Submission of project proposal	150,000
Signing Fee (to be provided upon completion of negotiation and before signing of the PIA)	0.2% of total project cost
Performance Guarantee under PIA (to be provided before entering into an agreement)	0.1% of total project cost

RFP PURCHASE FEES*

Estimated Project Cost	Fee (NPR)
< 6 Billion NRs.	100,000
6-10 Billion NRs.	150,000
10-15 Billion NRs.	200,000
15-20 Billion NRs.	250,000
20-30 Billion NRs.	300,000
> 30 Billion NRs.	350,000

SURVEY LICENCE

A. HYDROELECTRICITY		
Capacity (MW)	NRs./year	Renewal fees/year
200 - 500	5,000,000	Same as approval
> 500	6,000,000	Same as approval

B. ALTERNATIVE ENERGY	
Particulars	NPR/MW
Solar/Wind/Mineral/Coal/Biomass/Waste to energy	10,000

C. OTHER INFRASTRUCTURE PROJECTS	
Estimated Project Cost	Fee (NRs.)
< 6 Billion NRs.	300,000
6-10 Billion NRs.	500,000
10-15 Billion NRs.	1,000,000
15-20 Billion NRs.	1,500,000
20-30 Billion NRs.	2,000,000
> 30 Billion NRs.	2,500,000

*FOR PPP PROJECTS ONLY

INVESTMENT PROCESS IN NEPAL



FIGURE: INVESTMENT PROCESS IN NEPAL

ANNEXES

ANNEX 1: FINANCIAL STATEMENTS

Recurrent Expenditure

Budget Code	Particulars	Total Budget	Total Expenditure
21111	Remuneration (Employees)	10,900,000.00	9,449,797.70
21112	Remuneration (Office Bearers)	3,900,000.00	3,575,000.00
21121	Uniform	200,000.00	160,000.00
21132	Dearness Allowances	400,000.00	356,000.00
21134	Meeting Allowance (Employees)	1,700,000.00	1,273,500.00
21139	Other Allowances	100,000.00	43,025.00
21212	Contribution-Based Pension and Gratuity Fund Expenses	100,000.00	-
21213	Contribution-Based Insurance Fund Expenses	100,000.00	-
22111	Water and Electricity	1,300,000.00	741,424.52
22112	Communication Charges	1,100,000.00	264,820.00
22211	Fuel (Office Bearers)	400,000.00	398,470.00
22212	Fuel (Office)	1,100,000.00	1,063,938.26
22213	Vehicle Maintenance	1,100,000.00	1,034,762.18
22214	Insurance Premium and Renewal	900,000.00	681,265.88
22221	Machinery and Tools (Maintenance and Operations) Expenses	500,000.00	479,370.20
22231	Maintenance of Built Public Properties	700,000.00	670,371.66
22311	Stationery and Office Materials	3,000,000.00	2,320,594.90
22314	Fuel- For other use	100,000.00	21,972.00
22315	Newspaper, Printing and Notice Publication Charge	1,900,000.00	1,403,943.00
22411	Contract Service Charge	13,000,000.00	610,300.00
22413	Contract Service Charge	9,900,000.00	6,473,553.72
22511	Training Expenses	1,300,000.00	462,000.00
22522	Organising Programme	164,300,000.00	31,867,326.56
22522	Organising Programme	88,000,000.00	2,791,620.00
22611	Expenses on Monitoring and Evaluation	900,000.00	899,807.99
22612	Travel Allowances	200,000.00	20,500.00
22711	Miscellaneous	1,600,000.00	1,175,818.01
28142	House Rent	14,400,000.00	12,569,589.86
	Total	323,100,000.00	80,808,771.44
Capital Expenditure			
31122	Machinery and Tools	1,000,000.00	752,015.00
31122	Machinery and Tools	2,900,000.00	1,809,972.50

Budget Code	Particulars	Total Budget	Total Expenditure
31123	Furniture and Fixtures	800,000.00	518,730.00
31123	Furniture and Fixtures	1,800,000.00	1,452,347.95
31134	Computer Software (Design and Purchase)	21,200,000.00	4,792,705.90
31134	Computer Software (Design and Purchase)	14,000,000.00	5,467,198.50
31161	Reform of Structure of the Building	1,400,000.00	1,352,714.50
31161	Reform of Structure of the Building	2,300,000.00	1,425,076.31
31171	Public Construction (Capital Expenditure for Reform)	-	-
31171	Public Construction (Capital Expenditure for Reform)	500,000.00	309,670.67
Total		45,900,000.00	17,880,431.33

Revenue Collection

S.N.	Revenue Title	Total Revenue
14229	Other Administrative Fees	1,580,000.00
15111	Undeclared	-
Total		1,580,000.00

ANNEX 2: Investment Approval by IBN (Upto 2079 Asar-end)

Energy Projects

S.N.	Project Name	Amount (Rs. in Billion)
1.	West Seti Hydropower Project	156.80
2.	Grid Connected Solar Photo Voltaic Plus Battery Storage (Dolma) Project	21.60
3.	Marsyangdi Besi Hydropower Project	11.78
4.	Upper Trishuli-3B Hydropower Project	8.23
5.	Upper Trishuli-1 Hydropower Project	73.16
6.	Aankhu Khola Hydropower Project	6.31
7.	Myagdi Khola Hydropower Project	10.32
8.	Kaligandaki Gorge Hydropower Project	28.07
9.	Isuwa Khola Hydropower Project	13.57
10.	Upper Marsyangdi-2 Hydropower Project	78.31
11.	Ghunsa Khola Hydropower Project	17.62
12.	Himchuli Dordi Hydropower Project	10.62
13.	Dudh Khola Hydropower Project	10.44
14.	Upper Tamor Hydropower Project	63.72
15.	Lower Manang Marsyangdi Hydropower Project	33.41
16.	Jum Khola Hydropower Project	10.53
17.	Arun III Hydropower Project	144.76
18.	Tamakoshi 5th Hydropower Project	16.46
19.	Rahughat Hydropower Project	9.47
	GRAND TOTAL	725.17

Non-Energy Projects

S.N.	Project Name	Amount (Rs. in Billion)
1	Dangote Cement	56.28
2	Reliance Cement	39.76
3	Huaxin Cement Narayani Pvt. Ltd.	14.83
4	Vehicle Manufacturing and Assembly Plant Project	10.54
5	Hongshi-Shivam Cement Pvt. Ltd.	37.35
6	Kathmandu Valley Waste Management Project (Package I)	4.87
7	Kathmandu Valley Waste Management Project (Package II & III)	0.80
8	Venture Waste to Energy, Dharan	0.24
9	Hotel Project (Dahachowk)	13.99
10	China-Nepal Friendship Industrial Park, Damak	64.90
11	Dang Cement	32.50
12	Samrat Cement Company	15.06
13	Dabur Nepal Pvt. Ltd. (Capacity Enhancement and Product Diversification)	9.69
14	Suryatara Cement Project	14.28
	GRAND TOTAL	315.08

PHOTO GALLERY



⏏ The 49th Board meeting of Investment Board Nepal held on February 8, 2022, under the Chairpersonship of Rt. Hon'ble Prime Minister and Chairperson of IBN, Mr. Sher Bahadur Deuba.



⏏ Investment Board Nepal Chief Executive Officer, Mr. Sushil Bhatta, giving a presentation on the execution of the earlier decisions of IBN and its current agendas during the 50th Board meeting held on March 31, 2022.



Investment Board Nepal Chief Executive Officer, Mr. Sushil Bhatta, and Senior Management Team held a meeting with newly elected Mayor of Kathmandu Metropolitan City, Mr. Balendra Shah, regarding sustainable solid waste management solutions at the Office of the Investment Board Nepal, on June 7, 2022.



Investment Board Nepal Chief Executive Officer, Mr. Sushil Bhatta, held a meeting with the Country Director of Asian Development Bank, Mr. Arnaud Cauchois, at the Office of the Investment Board Nepal.



⚡ A high-level team of the Government of Nepal including Chief Executive Officer of Investment Board Nepal, Mr. Sushil Bhatta, inspected sites of vital structures of the proposed West Seti and Seti River 6 (SR6) hydroelectric projects from September 17 to September 19, 2021.



⚡ A two-day validation workshop held on Development of IBN Project Bank (IBNPB) guideline and framework held in collaboration with the World Bank Group in June 2022.



⚡ Signing ceremony of the memorandum of understanding between the Office of the Investment Board and Nabil Bank Ltd.



⚡ Meeting of the IBN Strategic Plan Implementation Steering Committee chaired by Hon'ble Minister of Finance, Mr. Janardhan Sharma "Prabhakar".



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