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VIEWPOINT
Prabal Adhikari



ENVIRONMENT
Batu Uprety

NEW SPOTLIGHT

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FORTNIGHTLY

ENERGY TRANSITION Nepal's LPG Import Decline

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IFAD/ MOICS SAMRIDDI

Returnee Migrants Find New Beginnings



DR. ANANDA BAHADUR THAPA

Death of a legendary figure



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Commercialization of Agriculture
Reintegrates and Retunes Migrants

सर्पले डसेमा ध्यान दिनुपर्ने कुराहरु

- सर्पले डसेका व्यक्ति आत्तिन सक्छन्, सान्त्वना दिऔं,
- आफ्नो नजिक सर्पदंश उपचार केन्द्र कहाँ छ ? जानकारी राखौं।
- सर्पले डसेका व्यक्तिलाई तुरुन्त अस्पताल वा सर्पदंश उपचार केन्द्र पुऱ्याऔं,
- सवारी साधनमा घाईतेलाई बसाएर सर्पले टोकेको ठाउँलाई मिलेसम्म मुटुको सतहभन्दा तल पारी लैजाऔं,
- झारफूकलगायतका गलत परम्परागत उपचार विधितिर नलागौं,



नेपाल सरकार
विज्ञापन बोर्ड



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Prime Minister Pushpa Kamal Dahal Prachanda can now breathe a sigh of relief following the approval of the budget by the House of Representatives. With the current political landscape, there seems to be no immediate danger to Prime Minister Prachanda's position. Despite some disagreements regarding key judicial and ambassadorial appointments, Prime Minister Prachanda and CPN-UML leader Oli have managed to reconcile their differences. Nevertheless, the government's stability will hinge on two crucial events: political conflicts within the Rastriya Swatantra Party and the CPN-UML. At present, the Nepali Congress is not expected to make any attempts to form a new government. Prime Minister Prachanda has recently hinted at possessing some political tricks up his sleeve and has expressed his commitment to serving the full five-year term. The effectiveness of his strategies in the future remains uncertain. This week, our cover story will delve into Nepal's energy transition.

Over the past three years, the Nepal Electricity Authority has successfully accomplished numerous transmission lines and distribution systems in urban areas, which hold significant strategic importance. In line with his commitment during his second term, Kul Man Ghising, the Managing Director of NEA, has brought about a remarkable transformation in the power supply and load shedding system, leading to enhanced electricity quality and consistency. Consequently, there has been a substantial surge in the utilization of electricity for cooking and transportation purposes. As a result, the import of petroleum products has experienced a consecutive three-year decline. This progress clearly demonstrates Nepal's transition from fossil fuels to clean energy sources.

Keshab Poudel

Editor

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Nepal And China Are Closer To Sign BRI Implementation Plan

Nepal and China have reached an understanding to finalise and sign the BRI implementation plan at the earliest. The understanding was made during the meeting between Deputy Prime Minister and Foreign Minister Narayan



Kaji Shrestha and Chinese vice minister of foreign affairs of the People's Republic of China at the Foreign Ministry in Singha Durbar on Wednesday.

According to the ministry, discussions centred on Nepal-China relations, mutual interests, and cooperation projects. DPM Shrestha expressed gratitude for China's support in Nepal's development efforts and expressed confidence in continued collaboration in the future.

He also expressed happiness over the successful conclusion of the 16th meeting of Diplomatic Consultation Mechanism and its decision to establish a ministerial level consultative mechanism.

In response, Vice Foreign Minister of China, Sun, lauded Nepal's firm commitment to One China Principle, and expressed commitment for continued Chinese assistance for Nepal's socio-economic development.

During his three-day visit to Nepal, Vice Minister Sun Weidong attended the 16th meeting of the Nepal-China Foreign Secretary-level Diplomatic Consultation Mechanism leading the Chinese delegation. He departed for Beijing on .

Pakistani Embassy In Kathmandu organizes Essay And Speech Competition

The Embassy of Pakistan, Kathmandu has organized an essay writing and speech competition 2023/24 today.

According to a press release of the Embassy of Pakistan, it has organized award giving ceremonies of 11th Annual Ambassador of Pakistan Essay Writing Competition and 7th Annual Ambassador of Pakistan Speech Competition. Prof.



Dr. Bhola Thapa, Vice Chancellor, K a t h m a n d u University was Chief Guest. He gave awards to the students.

This year, the topic of Essay Writing competition was

“Regional Connectivity is Essence of the Economic Development and Social Uplift - Prospects for South Asian Countries”. Students securing first, second and third position in the Essay Writing Competition were presented gold, silver and bronze medals along with Souvenir and cash prizes. The next twelve best students were also presented with special cash prizes.

In their speeches, both male and female students, passionately advocated on indispensable “Role of Women in Economic Development of South Asia”. Top three adjudicated students were given medals along with Souvenirs & cash prizes. The next thirteen best students also received Souvenirs & cash prizes. A good number of Nepalese students from 35 Higher Secondary School to University students participated in the two competitions. The competitions were concluded in phased manner over last two weeks in this event.

Speaking at the occasion, Prof. Dr. Bhola Thapa appreciated Pakistan for its continued support and advancing technical support especially in the field of education. He expressed hope that Pakistan's support would go a long way in reminding the youth of the two countries about shared vision; an educated youths is beneficial for all. He lauded that a sizeable alumni of Pakistan was contributing to Nepal's development.

Ambassador Abrar H Hashmi in his concluding remarks appreciated the students for their critical thinking on important issues. The Ambassador stated that imbibing, solution based, and forward-looking thinking process in students was vital for the future and termed youth interaction between the two countries as the abiding bridge.

KOICA Supports UNFPA For Safety Of Girls

The Korea International Cooperation Agency (KOICA) Nepal and the United Nations Population Fund (UNFPA) Nepal signed an agreement for the project “Safe and enabling environment for adolescent girls and young women (SAFE-Girls)”.

Jeong-eun Song, Senior Deputy Country Director of KOICA Nepal, and Won Young Hong, UNFPA Country Representative for Nepal, signed the agreement, according to a joint statement issued by KOICA and UNFPA.

For this project, the Government of the Republic of Korea through KOICA is contributing USD 6 million with an additional 10 per cent (USD 626,503) from UNFPA.

“This joint effort aims to provide a total of US\$6.6 million to support adolescent teenagers and young women in Nepal over the next four years,” read the statement.

The project will be implemented by UNFPA partnering with local authorities in Lumbini, Madhes and Sudurpashchim provinces, the Ministry of Health and Population, the Ministry of Education, Science and Technology and the Ministry of Women, Children and Senior Citizens in Nepal. The main objective of the project is to provide gender-based violence response and strengthen preventive measures.

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The project will enhance digital technology that shall strengthen the monitoring and reporting systems related to gender-based violence and harmful practices, and comprehensive sexuality education by collecting real-time data on social behaviour changes among adolescent girls, young women and community members through



the safe space programme, and increase digital skills of girls and women to be able to access to services and lead social, read the statement.

Speaking at the signing-in ceremony, Jeong-eun Song, Senior Deputy

Country Director of KOICA Nepal stated that the initiative to empower adolescent girls and young women in Nepal stands as a beacon of hope in the fight against harmful practices and gender-based violence.

Similarly, Won Young Hong, UNFPA Country Representative for Nepal, said, “This partnership between UNFPA and KOICA is a crucial addition to our efforts to accelerate the ICPD Agenda.” She continued to recognise the key role of partnerships, both with KOICA and the federal and local governments. “This partnership can be a catalyst for change on so many levels. It is crucial that we build on the strong results achieved by the government so far and we continue to have strong support from federal and local governments that realise the potential of adolescent girls and young women as change agents,” she said.

It is important to note that KOICA successfully implemented a similar project from 2016-2022 titled “Empowering Adolescent Girls and Young Women through the Provision of Comprehensive Sexuality Education and a Safe Learning Environment in Nepal”. That project was a flagship programme announced by the Korean Government titled “Better Life for Girls”.

The ceremony also commemorated the 50 years of diplomatic ties between Nepal and Korea. Emphasising that the event holds special significance as Korea and Nepal celebrate the 50th anniversary of the establishment of diplomatic ties and Korea would remain as the best partner of Nepal, continuously supporting Nepal.

Save the Children Organizes Learning and Sharing Event to Discuss Results of Global Fund Grant

Save the Children, as the Principal Recipient (PR) of the Global Fund grant, organized a learning and sharing event to discuss the results and impact of its HIV, TB, and Malaria programs, highlighting key accomplishments and lessons learned from the implementation of the grant.

The event was attended by officials from the Ministry of Health and Population (MoHP), provincial health secretaries and directors, the development partners, civil society organizations (CSOs), and media. Save the Children

has been the PR for the Global Fund New Funding Model 3 grants since March 16, 2021.

Speaking at the event, Tara Chettry, Country Director of Save the Children Nepal, stated: “The collaborative leadership and guidance from the Nepal government, civil society organizations, and partnerships with local partners and communities are key reasons why Save the Children’s performance in Global Fund implementation has consistently been rated as ‘good’ or better.

Together with national programs, we have reached more than eight million people affected by HIV, TB, and Malaria through a program spread across all 77 districts of Nepal.” Strategic intervention in malaria programming has resulted in a 64% reduction of malaria hotspots, leaving only 15 active foci in 2023. Furthermore, 16 indigenous cases of malaria were identified in 2023, marking significant progress towards achieving the national goal of reducing cases to zero.

The case notification of TB has increased by 35%, and the treatment success rate has risen from 89% to 92% compared to 2020. Program implementation has helped close the gap in the 95-95-95 targets, linking those diagnosed with HIV to the treatment, care, and support.

The national program with support from the Global Fund grant has identified 94% of the total estimated People Living with HIV (PLHIV), and linked 87% to ART treatment, of which 74% have suppressed viral loads. The cash transfer program for children living with HIV (CLHIV) has also been key in ensuring 100% ART enrolment for CLHIVs. Speaking at the event, Dr. Tanka Barakoti, Additional Secretary of the Ministry of Health and Population, said, “We need to take stock of these learnings and continue the impact and progress being made. The Nepal Government is proud to work together with Save the Children to fight HIV, TB, and malaria.”



SAARC Secretary General addresses ACD Ministerial Meeting

The Secretary General of SAARC Ambassador Md. Golam Sarwar addressed the Nineteenth Meeting of the Foreign Ministers of the Member States of Asia Cooperation Dialogue being held in Tehran.

In his statement, Ambassador Sarwar made a point that regional cooperation is more of a necessity than a choice for greater prosperity of Asia. The cost of lack of cooperation or less cooperation will be much higher than our imagination, he said, this has become more true today, especially because we face more challenges than ever before.

In his remarks, the Secretary General stated that as the largest and most populated continent of the Earth, Asia had



always enjoyed a rich history and cultural diversity. He further stated that about a third of the Earth's landmass and almost two thirds of the world population, mostly young and energetic, Asia today is a promising

combination of economic strength, demography and unique value system that accords primacy to social well-being over individual, self-centered pursuits.

Underlining that the establishment of ACD in 2002 marked a historic development, providing a common forum for dialogue for the countries in Asia in forming a prosperous Asian Community through active collaboration in different areas, the Secretary General expressed his confidence that this Ministerial Meeting would add further momentum to the implementation of the "ACD Blueprint-2030".

Ambassador Sarwar defined SAARC as essentially a people-centric organization, created to promote the welfare of the people and to improve their quality of life through regional cooperation. The Secretary General stated, SAARC today encompasses every sphere of development activities having bearing on the lives and livelihood of the people of South Asia.

In the quest of a fruitful journey towards effective regional integration, SAARC is always eager to learn from other regional and international organizations with similar aims and purposes, the Secretary General said, SAARC and ACD have common objectives and their initiatives complement each other, thereby spurring the possibility of active engagement between the two organizations.

LOVE YOUR EYES A Children Activity Book Remind Of FHF-TIO Friendship Through Mithila Arts

Australia's Ambassador to Nepal, HE Felicity Volk and Dr Reeta Gurung, Chief Executive Officer from Tilganga Institute of Ophthalmology (TIO) launched an important new resource to promote eye health in children. One thousand copies of a children's activity book that delivers important messages about eye care, will be available in pediatric facilities at TIO. As young patients wait for treatment, they will now enjoy activity-based learning about eye health and the partnership between Dr.Sanduk Ruit of TIO and Australia's Dr.Fred Hollows to support health services in Nepal.

With funding from the Australian Embassy, the book was designed by Australia-based social entrepreneur and Rotar-

ian, Ms. Sandra Fiedeldy and a team of Mithila artists from Relative Nepal. It continues a partnership among the Australian Embassy, TIO and Relative Nepal, that is employing traditional arts to promote both eye health and indigenous cultural arts.

Ambassador Volk said, "This book is both an appealing educational tool and a celebration of an enduring partnership between renowned eye specialists in Nepal and Australia, Dr. Ruit and Dr. Hollows, between TIO and the Fred Hollows Foundation and between the people of Nepal and the people of Australia. Also, she added "I commend Sandra Fiedeldy, the humble Australian behind this project. Sandra is determined to be of service to the people of Nepal – children, artists and health professionals alike. She is an important part of the human bridge between our countries."

Representing the artists, Executive Director of Relative Nepal, Mr.Jay Prakash Mandal thanked the Fred Hollows Foundation, TIO, the Australian Embassy and Sandra Fiedeldy for supporting Janakpur's Mithila artists. He said, "Opportunities like these bring traditional Mithila arts to a global audience and help artists earn a living from their artistic practice."



Dr. Reeta Gurung, Chief Executive Officer of TIO thanked the Australian Embassy, Relative Nepal and Sandra Fiedeldy for the books and hoped Nepal-Australia friendship will be stronger in the days to come.

FAO And AFU Signed MoU To Strengthen Agriculture Research And Development

The Food and Agriculture Organization of the United Nations (FAO) and the Agriculture and Forestry University (AFU) in Nepal have signed a Memorandum of Understanding (MoU). This collaboration aims to leverage the expertise, knowledge, networks, and resources of respective organizations to enhance agricultural productivity, uplift farmers and farming communities, address climate action in agriculture and contribute to agrifood systems

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transformation and food security and nutrition in Nepal.

Through research, knowledge development and exchange, provision of technical expertise, and capacity development of young professionals in the agriculture sector, this partnership endeavors to make meaningful steps towards sustainable agricultural practices and improved livelihoods in Nepal.

Ken Shimizu, FAO-Representative for Bhutan and Nepal, and Prof. Dr. Punya Prasad Regmi Vice Chancellor of Agriculture and Forestry University (AFU) signed the MoU in the presence of the Right Honorable Prime Minister and Chancellor of Agriculture and Forestry University (AFU) Pushpa Kamal Dahal “Prachanda”.



FAO and AFU have a strong collaboration, marked by joint events, learning sharing and implementation of projects. This MoU provides the strategic foundation to solidify this long

standing partnership, underscoring a mutual commitment to transforming agrifood systems in Nepal.

The MoU broadly covered key areas of collaboration: Joint Project Design and Implementation, which focuses on combining expertise to execute impactful agricultural projects, and the promotion of knowledge development, aiming to enhance academic and research capabilities through shared insights and technologies. Additionally, Information Exchange will facilitate the sharing of data, research findings, and best practices to inform evidence-based decision-making and policy development in agriculture, forestry, fishery and livestock sectors.

President Paudel Held Official Meeting With German President Dr. Steinmeier

Ramchandra Paudel, President of Nepal and Dr. Frank Walter Steinmeier, the President of the Federal Republic of Germany, held the Official Bilateral Meeting at Schloss Bellevue in Berlin.

President Paudel is currently in an official visit to Federal Republic of Germany. During the official meeting between President Paudel and President Steinmeier, both leaders discussed on issues of mutual interest and development.



Federal Republic of Germany is a major development partner of Nepal providing financial support to Nepal in various sectors including energy, agriculture and other areas.

The Foreign Minister of Sri Lanka reaffirms Sri Lanka's unwavering commitment to SAARC

The Secretary General of SAARC Ambassador Golam Sarwar, visited Sri Lanka from 10-14 June 2024. During the visit, Secretary General Sarwar paid courtesy call on Minister of Foreign Affairs Ali Sabry on 14 June 2024 at the Ministry of Foreign Affairs in Colombo.

Discussions focused on ways to further enhance the SAARC process. The Secretary General provided an update on ongoing initiatives and the challenges of SAARC, seeking Sri Lanka's support for advancing and further energising the process.

Moreover, he sought the guidance of the Minister, recognizing his esteemed position as a member of the SAARC Council of Ministers, in propelling the SAARC process forward. Foreign Minister Sabry, acknowledging the progress achieved and appreciating the Secretary General for his efforts, underscored the need for the Association to take further strides in strengthening regional cooperation.



Recognizing the significant potential of SAARC as a regional forum, Minister Sabry emphasized its capacity to facilitate extensive regional cooperation in mutually agreed-upon domains and assured Sri Lanka's unflinching commitment for the SAARC process.

He stressed the imperative of devising strategies to enhance SAARC's relevance, thereby garnering widespread support from the populace across the region. The Secretary General provided assurance of his commitment to meet the expectations of the Member States and uphold the high standards set by his predecessors in fulfilling his duties and responsibilities.

Krishnaman Pradhan's Recommendation To The Election Commissioner

Krishnaman Pradhan has been recommended as the Commissioner of the Election Commission.

Council Member Deputy Speaker Indira Rana informed that the Constitutional Council meeting held on Sunday recommended the Commissioner to Pradhan.

Having gained expertise in good governance and electoral system, he was the executive director of Nepal Law Society for 24 years continuously.



He graduated in Political Science from Tribhuvan University and was active in the movement of women's society and various campaigns.

He was also active in the election monitoring organization GEOC and the Constitutional Monitoring Group.

He is also a member of the Asian Network for Free Elections (ANFREL). He is also a member of the National Judicial Institute.

The council chaired by Prime Minister Pushpa Kamal Dahal Prachanda has opposition party leader Sher Bahadur Deuba, Speaker Devraj Ghimire, National Assembly Speaker Narayan Dahal, Chief Justice Vishwambhar Prasad Shrestha and Deputy Speaker Rana as members.

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Nepal and Korea Education Cooperation: 10th Anniversary of Tribhuvan University MBA Global Leadership and Management Program

Tribhuvan University (TU) and Handong Global University (HGU) of the Republic of Korea commemorated the significant milestone of the 10th anniversary of their collaborative "MBA Global Leadership and Management" program.

Prof. Dr. Dev Raj Adhikari, Chairman of University Grants Commission (UGC), Mr. Dipak Kaphle, Secretary of the Ministry of Education, Science and Technology, Park Tae-Young, Ambassador of the Republic of Korea to Nepal, Prof. Dr. Keshar Jung Baral, Vice Chancellor of TU, and Prof. Dr. Dosoung Choi, President of HGU, were present in the ceremony.

Under the auspices of UNESCO UNITWIN program, initiated

with the support of Ministries of Education of the two nations, this joint two-year MBA curriculum has aimed at nurturing talent with a multidisciplinary approach, fostering creative and innovative solutions to Nepal's societal issues. Graduates of the program have gone on to become leaders in various fields, contributing significantly to Nepal's sustainable development, particularly through ventures in social entrepreneurship. The slogan of the program, "Social Creatinnovation for the Sustainable Future of Nepal," encapsulates its ethos of fostering innovation for societal progress.

During the ceremony, UGC Chairman Dr. Adhikari stated that the TU MBA GLM program empowers students to innovate and launch startups, aligning with job market demands. He also highlighted that collaborations with foreign universities help internationalize Nepal's higher education. Additionally, the attending Secretary, Mr. Kaphle, stressed that the joint program has been instrumental in fostering innovative leadership and addressing societal challenges in Nepal, conveying appreciation for Korea's invaluable support in strengthening education capabilities in Nepal.

The 10th-anniversary celebration holds particular significance as it coincides with the 50th year of diplomatic relations between Korea and Nepal. Ambassador Park, in his address, congratulated the program on its milestone achievement and the enduring partnership between the two universities. Furthermore he highlighted the Korean government's commitment to the development in Nepal's education and vocational training sector. He affirmed that such initiatives align with Korea's enduring support to Nepal as a steadfast development partner.

Having designated Nepal as a "Priority Cooperation Country" for 15 consecutive years in development cooperation, the Korean government has consistently provided diverse assistance in key areas, including education & vocational training, health, agriculture, rural development, and energy.

Education and vocational training are among Korea's top prioritized sectors in Nepal. The Korean government has provided substantial support to Nepal, including USD 200.01 million allocated through KOICA since 1991. Besides this, the Korean government has supported talented individuals from Nepal through the Global Korea Scholarship program, providing scholarships for degree programs. Additionally, through the Leading University Project for International Cooperation, Korean universities share their academic systems and curriculums with Nepalese universities, including Tribhuvan University and Kathmandu University, contributing to the enhancement of higher education capacity.



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Chandra Dhakal, FNCCI President, Urged The OPEC Fund For More Investment In Nepal

Chandra Prasad Dhakal, President of the Federation of Nepalese Industries and Commerce, said that there is a lot of potential for investment in Nepal and urged the OPEC Fund to expand the investment.



During a meeting with OPEC Fund President Dr. Abdulhamid Alkhalifa and

Vice President Tarek Sultan on Tuesday in Vienna, Austria, President Dhakal said that there is a huge investment potential in Nepal and that Nepal can become a new and big investment destination for OPEC Fund.

He said that due to Nepal's strategic location between China and India, the largest economies in the world, Nepal can take advantage of the market, tourism and development of these two countries. He pointed out that the government has recently amended some laws that are considered to be obstacles for investment and mentioned that Nepal is becoming a comfortable environment for investment.

Nepal has great potential for investment in tourism, energy, infrastructure, agriculture, and information sectors, he said. Similarly, the Bilateral Investment (BIA) framework has been prepared on the initiative of the Federation and has been approved by the Council of Ministers. This will also help in the security of foreign investment and the creation of an investment environment, he said.

Nepal Can Achieve 7 Percent In GDP Growth: Finance Secretary Marasini

Finance Secretary Madhukumar Marasini has said that the economic growth rate can be increased to 7 percent. He



made this claim while speaking at a discussion program on the management of risky assets in the Nepali banking sector organized by the Nepal Economic Journalists Association (NAFIZ) on Sunday.

Marasini said, "Since the economy is improving recently, the economic growth rate can be increased to 7 percent. "We have only set a target of 6 percent, and an environment is being created where we can achieve more than that."

He said that now the economy is moving in the right direction and economic activity has become a situation to increase. However, he said that it is necessary to improve the current commentary in order to speed it up and improve the economy.

Finance Secretary Marasini said, "the current comment should be changed, the economy will also run on confidence." There may be a situation where you have to do business even by looking at your face. Banker friends should also think about this matter.

Similarly, he shared his experience of seeing Bank's auction notices in the newspapers and feeling sad recently. He said that to solve this problem, we should move forward through the cooperation of everyone.

He opined that in terms of per capita income, Nepal is a bit behind in Asia, but ahead of other countries in terms of financial stability and basic indicators. Marasini said that most of the people believe in the monetary policy rather than the budget, which has added to the worries and challenges.

World Bank Announces New Country Director for Maldives, Nepal, And Sri Lanka

David Sislén is the World Bank's new Country Director for Maldives, Nepal, and Sri Lanka, effective July 1, 2024. Sislén succeeds Faris Hadad-Zervos, who will be taking on a new World Bank assignment. Sislén, a dual national of the US and Italy, joined the Bank in 2001 as an Economist in the Urban Cluster Unit and has since held various operational and managerial positions in different regions. His most recent assignment is as Practice Manager for Urban, Disaster Risk Management, and Land in the Latin America and Caribbean Region, based in Washington DC.



"I am looking forward to my new role and meeting with all our stakeholders and partners soon," said Sislén. "My key priority will be to lead the strategic dialogue to shape and implement operational engagements in line with the Bank's focus on speed, scale, and impact, working closely with the government, development partners, and diverse stakeholders."

Sislen will oversee the World Bank portfolio in Maldives, Nepal, and Sri Lanka of around \$4.8 billion.

Global IME Bank to borrow \$20.5 Million From OPEC Fund To Spend On Small Businesses

Global IME Bank is taking a loan of 20.5 million dollars from OPEC Fund to spend on small businesses / In this regard, the bank has entered into an agreement with OPEC Fund.

The agreement was signed by OPEC Fund President Dr. Abdulhamid Alkhalifa and Chief Executive Officer Ratnaraj Bajracharya on Tuesday.

According to the agreement, the loan will be mobilized to increase the capacity of businesses run by women, the bank

said in a press release on Wednesday.

More than 95 percent of the total registered businesses in Nepal are micro, small and medium enterprises.

But micro,

small and medium enterprises have been suffering from lack of investment.

Bajracharya, the Bank's Chief Executive Officer, said the loan will play an important role in achieving sustainable development goals and filling resource gaps in climate and gender finance.

Seven Financial Institutions Agree To Invest 11.13 Billion To Construct 66.30 MW Middle Kali Gandaki Project

Seven financial institutions are going to invest about 11.13 billion rupees in the 66.30 MW Mid-Kali Gandaki hydropower project. The project will be constructed on

the Kali Gandaki River located in Annapurna Rural Municipality of Myagdi which is promoted by Hydro Support Pvt. Ltd under the

leadership of Nabil

Bank Limited, Everest Bank Limited, Nepal Investment Mega Bank Limited, Nepal Bank Limited, Rastriya Banijya Bank Limited, Prabhu Bank Limited and Hydro Electricity and Investment Company Limited (H IDCL) will invest the

money.

Company President Chandra Prasad Dhakal and Nabil Bank's Chief Executive Officer Gyanendra Prasad Dhungana signed the investment agreement.

Nabil Bank will invest 3.12 billion, Everest Bank 2 billion rupees, Nepal Investment Mega 2 billion rupees, Nepal Bank 1 billion rupees, Banijya Bank 1 billion rupees, Prabhu Bank 1 billion rupees and HIDCL 1 billion rupees.

It will be built on the ratio of 75 percent loan and 25 percent equity investment. Based on this, the cost per megawatt of the project comes to about 22 crore 38 lakh rupees.

Nabil Bank's Chief Executive Officer Dhungana said that the bank is enthusiastic to invest due to attractive and profitable projects and agile management group. "The reputation of the bank is also linked to being able to invest in the IME group, which brings the income of foreign workers safely into the country," he said.

Similarly, Dhakal, the chairman of the promoter company, who is also the chairman of IME Group, said that the project is attractive because of the access road, transmission line and other facilities. The way to export the remaining electricity has also been opened.

On the other hand, in an environment where even 30 percent of annual energy can hardly be produced from run-of-river (ROR) in winter, it is said that 32 percent is produced from the project. It has been said that the goal is to generate electricity within 4 years of the start of construction.

According to the company, except for the dam and intake, the entire structure will be built on surface. Nepal Electricity Authority has signed a Power Purchase Agreement (PPA) to buy electricity at Rs 8.40 per unit in winter and Rs 4.80 per unit in rainy season.

The company has informed that the project will earn 1.9 billion rupees and 1.33 billion rupees respectively from the energy produced from 130 gigawatt hours (130 million units) in winter and 277 gigawatt hours (277 million units) produced in the rainy season.

The electricity produced by the project will be evacuated through 7 km transmission and connected to 220 kV transmission line's Dana substation in Myagdi and connected.

Dhakal informed that after the construction of this project, the 86 megawatt another 86 MW cascade project will be constructed.

Dr. Ram Prasad Dhital Appointed As Chairperson of Electricity Regulatory Commission

Dr. Ram Prasad Dhital's appointment as the chairperson of the Electricity Regulatory Commission was confirmed during the cabinet meeting held on Friday.

With extensive experience in the energy sector, Dr. Dhital



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previously held the position of chief executive officer at the Alternative Energy Promotion Center.



Dr. Dhital, who has dedicated his entire career to renewable energy, also previously held a position as a member of the commis-

sion. The decision was made by the cabinet on Friday, as stated by Minister of Law Padma Giri.

There Is A Lot Of Potential For Investment In Nepal: President Dhakal

Chandra Prasad Dhakal, President of the Federation of Nepal Chamber of Commerce and Industry, has called upon the non-resident Nepalis in Australia to invest, stating that there is a huge potential for investment in Nepal.



Addressing a program organized by Nepal Rastra Bank, Federation of Nepal Chamber of Commerce and

Industry and Non-Resident Nepalese Association, Australia on Saturday in Sydney, President Dhakal urged the non-resident Nepalis to invest in Nepal as there is a huge investment potential in Nepal and the investment environment is also improving.

President Dhakal stated that the Nepal government's recent budget statement for the next financial year included the issue of establishing an investment company with a capital of 10 billion rupees and investing in various potential proj-

ects in Nepal, and urged them to take this as an opportunity

He said that a separate FDI Dex has been established in the Federation of Nepal Chamber of Commerce and Industry for the promotion of foreign investment and said that he is always ready to provide the necessary support and facilitation to bring in both domestic and foreign investment in the country.

Deputy Governor of Nepal Rastra Bank Bom Bahadur Mishra mentioned that there is no problem for any foreigner and non-resident Nepalis to take their profits out of the country when they invest in Nepal and said that Nepal Rastra Bank will facilitate this.

Ratnaraj Bajracharya, Chief Executive Officer of Global IME Bank Limited, said that there are many investment opportunities and possibilities in Nepal and said that banks can provide loans to raise the necessary capital if they come up with potential projects to turn those opportunities into reality.

Anil Pokharel, President of Non-Resident Nepalese Association of Australia, said that non-resident Nepalis are looking for investment opportunities in Nepal if a suitable environment is created in Nepal.

WB's Senior MD Trotsenburg Calls On Prime Minister Prachanda

The World Bank's Senior Managing Director (MD), Axel van Trotsenburg, paid a courtesy call on Prime Minister Pushpa Kamal Dahal Prachanda at the latter's official residence in Baluwatar this evening.

According to the PM's secretariat, the two discussed the issues of Nepal's development, the World Bank's support to Nepal's development endeavors and other aspects.

The World Bank's Senior Managing Director Axel van Trotsenburg arrived in Kathmandu on Monday on his official visit to Nepal to chair the Third Replenishment Meeting of



the World Bank's fund for low-income countries, the International Development Association (IDA).

On the occasion, the PM said that the World Bank, as a stable development partner, has been providing reliable resources for Nepal's development and financing for the past six decades.

Saying that his government has initiated the steps for economic reforms through the new budget and policy document, the PM assured the World Bank's Senior Managing Director of favourable environment for foreign investment and prudent financial management.

The PM shared that energy, tourism, agriculture business and information technology are the key sectors of comparative advantages in Nepal.

Stating that Nepal has been seriously impacted by the climate change, PM Prachanda said Nepal has been regularly advocating for climate justice in the international forums and hoped that the World Bank will have a crucial support for Nepal in this effort.

On the occasion, Trotsenburg pledged the World Bank's support to Nepal's economic development.

Trotsenburg is scheduled to chair the Third IDA21 Replenishment Meeting hosted by the government in Kathmandu on June 18-21.

The International Development Association (IDA) is working with donors and borrowing countries to replenish resources that will be used to deliver on global development goals, according to the World Bank.

MCA-Nepal Signs Second 400kV Substation Construction Contract

MCA-Nepal has awarded and signed a contract with Techno Electric and Engineering Company Ltd., India to construct a 400 kV Substation at Ratmate in Belkotgadhi Municipality -7 in Nuwakot district as part of implementing Millennium Challenge Corporation (MCC) Nepal Compact.

The 400 kV Gas Insulated Switchgear (GIS) substation will be constructed within the contract duration of 39 months. Once completed, Ratmate Substation will have a capacity of 1000 Mega Volt Ampere making it one of the largest substations in the country. The new US\$51.6 million Ratmate Substation will serve as a critical interconnection of power transmission between the Lapsipedi and New Hetauda Substations.

Khadga Bahadur Bisht, Executive Director at MCA-Nepal, and Rajiv Agarwal, Director- Commercial at Techno Electric and Engineering Company Ltd., India signed

and exchanged the contract in the presence of MCC and MCA-Nepal officials.

With the execution of this contract, MCA-Nepal has signed two of the three substations construction contracts planned under the MCC Nepal Compact.

NEA Managing Director Mr. Kulman Ghising congratulated the MCA-Nepal team and stated, "The 400 kV Ratmate Substation, as envisioned in the Transmission System Development Plan of Nepal (TSDPN) is a critical component of Nepal's national power transmission system and yet another milestone in MCC Nepal Compact's contribution to the energy sector in Nepal."

Congratulating MCA-Nepal on the achievement, Ms. Diane L Francisco, Resident Country Director, Millennium Chal-

lenge Corporation (MCC) said, "The signing of the Ratmate Substation, the second of the three substations marks a significant stride forward as the MCC

Nepal Compact builds momentum in its implementation. Over the next few years, we are confident that the progress of the MCC Nepal Compact will provide critical contributions to Nepal's growing energy sector, helping meet Nepal's evolving needs, bolstering Nepal's immense potential, and bringing prosperity to the Nepali people."

MCA-Nepal Executive Director Khadga Bahadur Bisht shared, "MCA-Nepal is expediting all works for the construction of the substations and transmission lines under the Electricity Transmission Project funded by the U.S. Government's Millennium Challenge Corporation (MCC) and the Government of Nepal. The contract for the third substation in Damauli is in the pipeline and the bids for the 18 km cross-border line are under evaluation. We are also at the final stages of the procurement process to invite bids for the construction of the remaining portion of the transmission line as well."

The 400kV Ratmate Substation will also have evacuation capacity of around 3,200 MW of power from hydropower projects and substations. The reliable power at various voltage levels at the substation will be available for distribution in Nepal to enhance industrial and commercial activities.



LAPA Internalised As Conceived In 2011



BY: BATU UPRETY

Essence of the National Framework on Local Adaptation Plan for Action (LAPA) - an operational instrument to localise climate change adaptation - has been internalised in the local planning process through local policies and programmes in programme areas of the Nepal Climate Change Support Programme (NCCSP) in the Karnali Province. Inaugurating the NCCSP2: Learning Reflection Workshop with Local Government (Palikas), held at Surkhet on 7-8 June 2024, Hon'ble Durg Bahadur Rawat, Minister for Industry, Tourism, Forests and Environment appreciated NCCSP (phase 1 & 2) efforts in preparing and implementing LAPAs to address the needs of the climate vulnerable poor people in several municipalities of the Karnali Province. Stating satisfaction on the outcomes of NCCSP2, Hon. Minister expressed his confidence and ownership over the LAPA process and his strong willingness to support in scaling-up people-centric adaptation interventions through LAPAs in the Province and urged for expanding its coverage in other climate vulnerable Palikas and communities.

The Government of Nepal has implemented NCCSP2 in 42 Palikas of Karnali, Sudur Paschim and Lumbini Provinces (34 Palikas in Karnali Province) through 'on-budget, on-treasury approach' during 2019-2023 with support from the UK Government and technical assistance of Mott MacDonald. Its first phase (2013-2017) was also funded by the UK Government and the European Union, and was implemented with technical support from UNDP. NCCSP2 supported to preparing long-term climate-resilient development plans, improving and making climate finance transparent in Palikas', and supporting the livelihoods of the climate vulnerable communities through adaptation services.

NCCSP2: Learning Reflection Workshop was attended by Mayors, Deputy Mayors, Chairs and Vice-Chairs of Palikas of the Karnali and Lumbini Provinces along with government officials and NCCSP staffs. NCCSP2 supported to formulate and implement 36 LAPAs, prepared

28 disaster maps, and 24 climate profiles taking note of 24 climate stations in the NCCSP areas. This Programme has also supported to develop, implement and monitor climate resilient plans and projects as per the local planning processes. NCCSP provided direct benefits to over 5 Laks climate vulnerable people, with over 50% women. This Programme has promoted joint-investment and contributed to internalising adaptation into local policies, plans, programmes and projects (4Ps). In the workshop, policy, programme and legal initiatives of the provincial ministry on forests and environment, and stakeholder's roles



and responsibilities on climate services were shared by the concerned senior government officers along with the progresses of NCCSP's 4 clusters - Humla, Jumla, Bheriganga and Rukum.

Leaders of the Local Governments appreciated the support in internalising climate adaptation into local plans and projects and regretted the federal government in delaying the process and finally showing inability to channel additional grant support from the UK Government for adaptation interventions in the NCCSP areas. With the hope of additional funding, several Palikas prioritised ad-

adaptation interventions, conducted surveys, prepared detail plans, and even contracted for implementation in Palikas. Local executives face difficulties in managing contracts due to lack of additional funds.

Works of NCCSP - the flagship adaptation programme of Nepal - was recognised under the Nairobi Work Programme (5 programmes selected out of 170 submissions) at Paris, France in 2015 during the adoption of the Paris Agreement on climate change. Its work was recorded as 'people's champion' and 'honourable mentions' on the global photo competition, organised by the Adaptation Fund Board in 2016.

In remote and climate vulnerable Karnali Province, NCCSP has been instrumental in localising adaptation options, mainstreaming climate change into local policies and plans, creating awareness, improving livelihoods through income-generating adaptation interventions, protecting water, land, forests and property from climate-induced disasters, and institutionalising a process of identifying, prioritising and implementing most urgent adaptation options. Local governments urged for additional support for the preparation and implementation of 'LAPAs, LAPAs, and LAPAs'.

Based on sharing of good practices in the workshop and observations of adaptation interventions on the way to Rara lake, NCCSP has contributed to meet its twin objectives of preparing and implementing standalone LAPAs and in integrating adaptation into local planning processes, as conceived in 2011. The following few examples convinced to realise the translation of a LAPA framework into action:

1 In Humla district, the policy and programme (FY 2023/24) of the Kharpunath Rural Municipality commits to, inter alia, implement adaptation actions while that of Sarkegad Rural Municipality provisioned for climate-resilient growth, and enhance Palika's adaptive capacity and encourage low emission development pathway along with awareness raising activities on adaptation, and implementation of LAPA-centric prioritised plans. The budget and programme (FY 2023/24) of the Simkot Rural Municipality has prioritised for mitigation of climate change impacts.

2 In addition to the implementation of location-specific LAPAs, the Chandannath Municipality in Jumla has issued a Procedure in 2023 to green the infrastructure projects. The Procedure approved by the Executive Council of the

Municipality and prepared with support from NCCSP ensures plantation in infrastructure projects by allocating 10 percent of the total cost of each infrastructure scheme for plantation and monitoring. The Procedure provisions to provide 60 percent of the total plantation cost to the User Committee to enhance community ownership in advance and remaining 40 percent after monitoring and ensuring minimum survival of 50 percent of planted species. This nature-based approach is expected to enhance aesthetic and environmental services, social and economic benefits, reduce infrastructure-induced disasters, move towards sustaining the community and public infrastructures, and make the municipality green and healthy. The Procedure prohibits to use this cost for environment conservation to other purposes and provides list of species for plantation in and around the infrastructure site(s).



3 In a move towards promoting nature-based solutions and plantation of income-generating species, NCCSP support for Samaj Bikash Multipurpose PhalfulBuruwa Nursery, operated by a cooperative, at Khadachakra-6, Kalikot deserves 'special mention' as it is providing saplings of walnut, peeper, lemon, orange, guava and devdar etc. to address climate vulnerability, reduce risks through vegetative methods, and generate income of a cooperative and people planting fruit species.

4 The Bheriganga Cluster has linked its adaptation interventions with income-generating activities by providing irrigation facilities, supplying drinking water, rainwater harvesting,

and reducing climate-induced disasters by supporting for stream/riverbank protection through embankments. It urges Palikas to continue mobilisation of necessary budget for climate adaptation activities in the years to come.

5 The Rukum Cluster considers water source conservation and management a direct benefit to local people which ensures continued supply of drinking water, helps to operate number of water mills, provides irrigation facilities to increase agriculture production, and improves livelihoods of the climate vulnerable communities. NCCSP initiatives in enhancing understanding and supporting to prepare and implement people-centric LAPAs has contributed to internalise climate change into local policies and programmes. For example, the Gadhawa Rural Municipality, in its 2023 policy and programme, committed to manage and make the activities effective related to disaster preparedness, reduction, response and rehabilitation by preparing disaster risk reduction and management, and climate-re-

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silient plans. In 2023, the Banphikot Rural Municipality committed to prepare and implement climate adaptation plan (LAPA). The policy and programme of the Bagchour Municipality (FY 2023/24) planned to implement climate change response plan for impact mitigation and adaptation.

The above selected examples and sharing in the Surkhet workshop inform that annual policies and plans of NCCSP supported Palikas have prioritised implementation of adaptation options to make the development schemes climate-adaptive and resilient. Local governments have further realised the adverse impacts of climate change and have made public commitment to respond them through annual policies, programmes and budget allocation.

Existing practice of construction and expansion of public and private buildings and infrastructure by encroaching the riverbanks has increased investments for embankment construction for their protection. One could observe at Sija, Jumla where Palika building is constructed close to the Hima Karnali and NCCSP support was used to protect buildings as prioritised by the Palika. It seems that construction of irrigation and drinking water schemes, and embankments/protection wall for flood and landslide control is highly prioritised adaptation interventions of several Palikas. Such future interventions should be linked with nature-based solutions to increase efficiency and ensure sustainability.



In a nutshell, NCCSP has been instrumental in generating awareness, preparing and implementing people, resources and property protection-centric LAPAs, inspiring, influencing and supporting for commitments of the Local Governments in preparing and implementing standalone LAPAs and integrating LAPAs into local planning processes and reflecting in annual policies and programmes in its programme areas, including formulation and implementation of greenery infrastructure development procedure(s). Concerns, interests, willingness, commitments and 'hopes' of the Local Government executives call for attention to promote climate-friendly, adaptive and resilient socio-economic and infrastructure development in the Karnali Province.

Translation of this 'hope' into action requires more funding and capacity enhancement/skill development to implement location-specific activities. Decisive role of the Ministry of Finance in accessing and mobilising grant-

based climate finance from climate change regime and multilateral sources, and bilateral grants and Ministry of Forests and Environment - the climate change focal point - for timely proactive role are very important. It is necessary to realise the 'cost of delay decision' to save the 'face' of the local executives in supporting the climate vulnerable poor and disadvantaged communities.

Recognising the global commitment of preparing and implementing climate-resilient and gender-responsive LAPAs in all 753 Palikas by 2030 as included in the second Nationally Determined Contribution (NDC, 2020), the 16th Plan (2024/25-2028/29) informs 263 LAPAs under implementation. The 16th Plan has realised, inter alia, the challenge of promoting climate adaptation and mitigation by linking adaptation programmes with budget and has adopted a transformative strategy to increase adaptive capacity of the climate vulnerable communities, make public and private investments

environment-friendly and climate-sensitive, mobilise climate finance and establish climate fund, ensure partnership and collaboration between the three-tiers of the government, and identifies, inter alia, the local adaptation promotion programme (to prepare and implement LAPAs in all Local levels), and climate-induced loss and damage reduction programme.

The current policy and programme of the federal government commits to implement existing national policies and action plans including on adaptation and intends optimal use of climate finance. The budget statement of the Hon. Minister for Finance informs for utilising funds received from carbon trade for developing adaptation capacity. However, legal complications on carbon trade limit it significantly. Hon. Minister has allocated NRs 9.5 Arba (0.51% of the total) for climate change adaptation under SDG-13, and commitment for President Climate Management Programme, including construction of climate adaptive physical infrastructure is expected to internalise climate change adaptation in other parts of the country.

Let us hope that the government will explore and utilise multiple opportunities to access and mobilise grant-based climate finance for adaptation interventions. It is expected that the Ministry of Finance and Ministry of Forests and Environment will not repeat their 'inaction' for fund channelling of grant climate finance for NCCSP2 in 2023/24 as voiced by the workshop participants.

ENERGY TRANSITION

Nepal's LPG Import Decline

The decrease in Nepal's LPG imports can be attributed to the enhancement of electricity supply. The recent commissioning of the 400 kV Inaruwa-Dhalkebar transmission line by the Nepal Electricity Authority (NEA), along with the ongoing progress in the Dhalkebar-Hetauda section, is set to improve the overall power supply quality in the nation. Consequently, the import of LPG, which began two years ago, is anticipated to witness a further decline in the upcoming year.

By KESHAB POUDEL

The recent release of data indicating a reduction of Rs. 20 billion in the import of petroleum products and a significant decrease in the import of LPG highlights the positive impact of NEA's improved transmission and distribution system in providing reliable and high-quality electricity. This achievement can be attributed to the efforts of Kul Man Ghising, the Managing Director of NEA. After successfully eliminating load shedding during his first tenure, MD Ghising began his second tenure by prioritizing the enhancement of electricity's reliability and quality. His vision, expressed three years ago in front of the media, is now becoming a reality. Over the past three years, the country has witnessed notable improvements in strategic transmission

lines and distribution systems, resulting in increased electricity availability for cooking and transportation purposes.

The decline in LPG and gasoline imports, which began two years ago amidst soaring petroleum product prices, has continued for the third consecutive year. This year's decrease in imports is particularly significant when compared to the previous two years.

Furthermore, with the completion of multiple transmission lines and the enhancement of distribution systems, Nepal's electricity consumption has also risen. The urban population, especially in major cities like Kathmandu Valley, has increasingly shifted towards using electricity for cooking, leading to a decline in the demand for

LPG.

Recently, the Dhalkebar-Inaruwa 400 kV transmission line was inaugurated, marking a significant milestone in enhancing electricity transmission within Nepal and facilitating the export of surplus electricity to other countries. Thanks to the relentless efforts of MD Ghising, the Hetauda-Dhalkebar section of the transmission line has also been successfully energized.

In a positive trend, Nepal has witnessed a decline in the import of petroleum products for the second consecutive fiscal year. As per the data released by the Department of Customs, the value of imported petroleum products in the fiscal year 2022/23 stood at Rs. 300.28 billion, compared to Rs. 322 billion in the previous fiscal year 2021/22.



Manoj Kumar Thakur, the spokesperson for Nepal Oil Corporation (NOC), attributed this decline in petroleum consumption to the notable improvement in electricity supply in recent years, particularly in the industrial sector. Furthermore, the increased accessibility to electricity among citizens and the growing utilization of electric stoves have contributed to a decrease in the import of cooking gas. Despite a slight volume increase during the review period, the consumption growth rate of LPG has diminished, especially in urban areas where electric stoves are widely adopted.

He stated that with the enhancement in electricity provision, consumers are being drawn towards the utilization of electric stoves, which has aided in managing the escalating demand for cooking gas.

Regarding quantity, he mentioned that the import of diesel has risen during the evaluation period in comparison to the corresponding period of the previous fiscal year. However, the import of petrol, kerosene, and aviation fuel has experienced a decline.

According to the data, the import cost of LPG has witnessed a 6 percent decrease during the initial 11 months of

the current fiscal year when compared to the same period of the previous fiscal year.

Throughout the review period, the country imported 481,625 tons of LPG valued at Rs. 51.07 billion. In the first 11 months of the previous fiscal year, approximately 474,057 tons of LPG worth Rs. 54.32 billion were imported.

The consumption of petroleum products has decreased during the previous fiscal year, resulting in a decline in their import. The consumption of petroleum products, particularly diesel and petrol, experienced a significant decrease in the country during the previous fiscal year due to a substantial increase in petroleum product prices, sluggish development progress, and improved electricity supply.

Similar to the previous fiscal year, the import of petroleum products has decreased in the initial 11 months of the current fiscal year. The import of petroleum products in terms of quantity has decreased by 3.56 percent during the review period compared to the same period of the previous fiscal year.

According to the latest trade statistics released by the Customs Department, the country imported petroleum products, including petrol, diesel, kero-

sene, aviation fuel and liquefied petroleum gas (LPG), worth about Rs. 264 billion from India during the first 11 months of the current fiscal year.

According to statistics, about 1.251 million kiloliters of diesel worth Rs. 129.20 billion and 630,063 kiloliters of petrol worth Rs. 62.87 billion were imported during the first 11 months of the current fiscal year.

Similarly, the country imported 184,066 kiloliters of aviation fuel worth Rs. 19.47 billion and 11348 kiloliters of kerosene worth Rs. 1.19 billion during the period under review.

About 1.22 million kiloliters of diesel worth Rs. 137.6 billion, 621,127 kiloliters of petrol worth Rs. 61.38 billion, 1,244,161 kiloliters of aviation fuel worth Rs. 18.93 billion and 11,444 kiloliters of kerosene worth Rs. 1.32 billion were imported during the first 11 months of the last fiscal year.

He further said that it is a must to promote the use of electric vehicles and electric stoves to increase the consumption of electricity in the country to save huge amount of money spent on import of fossil fuel.

The use of electric cookers and electric vehicles has also been increasing



in the country for the last three years.

Charged Of Dhalkebar-Inaruwa 400 KV transmission line

With the charging of the Dhalkebar-Inaruwa section of the Hetaunda-Dhalkebar-Inaruwa 400 kV transmission line, the quality of electricity supply will be drastically improved. Related decade for 132 kV transmission line, the quality and reliability of power supply has always been poor.

The 154 km 400 kV double circuit transmission line from Dhalkebar in Dhanusha to Inaruwa Substation located in Bhokraha Narsingh Rural Municipality-4 in Sunsari has been charged and commissioned.

With the commissioning of the Dhalkebar-Inaruwa section, transmission of 400 kV power has started for the first time in the country. Earlier, electricity was imported and exported through the Dhalkebar-Muzaffarpur (India) international transmission line at 400 KV. Now electricity has been started in the country through 400 KV transmission lines.

Kul Man Ghising, Managing Director of Nepal Electricity Authority, said that with the commissioning of the Dhalkebar-Inaruwa section, an important achievement has been made

in improving the voltage of electricity supply especially in the Terai districts of Koshi Province, making the country's transmission system as a whole quality and reliable, and increasing the volume of electricity trade between Nepal and India. The transmission line can carry about 4,000 megawatts of electricity.

MD Ghising mentioned that since the transmission infrastructure is not ready, the amount of electricity import and export can now be increased

through the Dhalkebar-Muzaffarpur International Transmission Line, which is currently operational. At present, the volume of power import and export between the two countries is only 800 MW.

He said that the power coming to Inruwa substation through Koshi corridor can be consumed in this area and in case of surplus, it can be taken to Dhalkebar through Inruwa transmission line and exported to India.

The construction of the 288 km transmission line from Hetaunda Substation to Inaruwa Substation at Thanabhyang in Hetaunda Subdivision-11 of Makwanpur has been divided into two sections and the construction has started. The transmission line is divided into two sections Hetaunda-Dhalkebar 134 km and Dhalkebar-Inaruwa 154 km. The Hetaunda-Dhalkebar section is under construction.

Inauguration of 400 KV substations in Hetaunda

Prime Minister Pushpa Kamal Dahal 'Prachanda' inaugurated Nepal's third largest 400-220-132-11 KV Hetaunda Substation.

The 400 kV Hetaunda Substation



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was inaugurated at Makwanpur-11 Thanabhyang in Hetaunda sub-district to strengthen and expand the power transmission and distribution system in the country.

Speaking at the inaugural program, Prime Minister Prachanda said that a tripartite agreement will soon be signed among the power trading agencies of the three countries to export about 40 megawatts of surplus power consumed in Nepal during the rainy season to Bangladesh and then Nepal will start exporting power to Bangladesh. He mentioned that the day the electricity export to Bangladesh starts will be more important for Nepal's energy development and electricity market expansion.

"I request the local people to be an instrument rather than an obstacle in the construction of such a strategically important transmission line. I also direct the concerned parties to complete the remaining works immediately by addressing the legitimate demands of the local people. I also request the relevant authorities, including the local government and administration, to provide the necessary support and facilitation for the development work.

In the program, Minister for Energy, Water Resources and Irrigation Shakti Bahadur Basnet said that the work has progressed with the plan to increase the electricity consumption capacity in the country and export the saved electricity to become energy self-sufficient. Minister Basnet mentioned that to solve the problem of right of way in the construction of the transmission line, a legal arrangement will be made to provide shares to the affected people as in the case of hydropower project.

Ghising, Managing Director of NEA, said that in the last 7-8 years, Tulan

has made a qualitative leap in the field of power generation, transmission and distribution. He mentioned that the amendment to the Land Acquisition Act through an ordinance has complicated the issue of land acquisition for the construction of transmission lines and requested that the amended provision be given special attention in the enactment of a law by the Parliament.

Dalgayu Kumar Shrestha, Deputy Managing Director of the Transmission Line Directorate of the authority, said that with the completion of the construction of the Hetaunda substation, the infrastructure structure capable of supplying about 4,000 megawatts of electricity has been prepared.

He mentioned that after the completion of the construction of the Het-

to the Hetaunda substation. The necessary infrastructure has been constructed at the Hetaunda Substation.

Hetanda, Dhalkebar Inaruwa 400 kV under the National Electricity Development Decade Program with the joint investment of the government and the authority. Substation expansion project started. Construction of all three substations under the project was completed.

In December 2018, the contract for the construction of the Hetaunda 400 kV substation was awarded. In De-

cember 2018, a contract agreement was signed for the construction of 220-132-11 KV Hetaunda substation, which was constructed by the Nepal India Electricity Transmission and Trade Project with the investment of the government and the authority and the concessional loan of

the World Bank. The estimated cost of 400, 220 and 132 KV Hetaunda substations is three billion rupees.

132 kV Sandhikharka-Tamghas

The construction of 132 kV double circuit transmission line from Sandhikharka Municipality-6 of Phuwang in Arghakhanchi to Resunga Municipality-7 of Unaychaur in Gulmi has been completed.

Besides, construction of 132 kV



aunda-Dhalkebar-Inruwa 400 KV transmission line project, 4000 megawatts of electricity can be transmitted from Dhalkebar east to west, thus strengthening the internal electricity supply and further expanding the electricity trade with India.

Shukar Devkota, the project manager, said that the Hetaunda substation has been built in such a way that it can be expanded in the future as required.

The 400 kV double circuit transmission line to be built by the Millennium Challenge Corporation (MCC) from Ratmate in Nuwakot will be connected

Tamghas Substation has also been completed at Unaychaur under the same transmission line.

Nepal Electricity Authority has completed the construction of 16 km long 132 kV double circuit transmission line from Sandhikharka to Tamghas and 132 kV Tamghas Substation and put them into operation from Wednesday.

There are 132/33 kV, 30 MVA and 33/11 kV, 16 MVA power transformers in the substation, NEA said. About 200 megawatts of electricity can flow through the transmission line.

According to NEA, three feeders of 33 kV and four feeders of 11 kV have been constructed for local power supply from the substation. Of these, two feeders each of 33 kV and 11 kV have been commissioned and power has been supplied locally.

Managing Director of NEA, Ghising, said that after the commissioning of the transmission line and substation, the power supply, especially in Gulmi district, would be reliable and of high quality and the technical losses would also be reduced.

“When the 33 kV line was too long, there were problems such as tripping



and low voltage. Now that the 132 kV line and substation are supplying electricity locally, the problem will be solved and the electricity supply will be sufficient, reliable and of high quality,” he said.

“A tender has been issued for a 40 megawatt solar project, which will be supplied by the same transmission line. Since other private sector hydro-electric projects will also be connected, this transmission line is the trunk line of the area.”

The power was supplied to Palpa, Arghakhanchi and Gulmi through a 33 kV transmission line from Butwal. Under the Burtibang-Paudi-Amara-

hi-Tamghas-Sandhikharka-Gorusinge 132 kV transmission line project, the Sandhikharka-Tamghas transmission line and the Tamghas substation were constructed.

NEA State-of-the-art International Data Center

Nepal Electricity Authority (NEA) has commissioned a state-of-the-art data center of international standard. In order to provide services to commercial companies in the future, the authority has commissioned an international data center with state-of-the-art facilities along with the load dispatch center at Suchatar in Kathmandu.

Built with a concessional loan from the Asian Development Bank, the center is the first of its kind to have all kinds of data related to power supply.

The ground floor of the three-storey building, constructed using prefabricated containers, houses the monitoring, control and safety operations room of the Kathmandu Valley’s underground power distribution system. The first floor houses the office and network operations room and the top floor houses the data center.

The data center has been built in accordance with the Tier 3 international



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standards prescribed for data centers. Built under the Digital NEA program, the data center of this model is the first in Nepal to fulfill the purpose of the authority to make its service delivery digital and modern. The data center will store all data, including servers, related to the information technology of the authority in an integrated manner.

Mr. Ghising, Executive Director of NEA, said that with the data center up and running, the authority will now create its own private cloud for data storage. Executive Director Ghising mentioned that the process of setting up a disaster recovery center at the new Butwal Substation in Sunwal, Nawalparasi, for data security has progressed.

Till the construction of the disaster recovery center, the old data center at the headquarters of the department is being operated as a recovery center. There are 40 IT racks in the new data center that has been commissioned.

It has 36 servers and 4 network racks. Uninterruptible power supply (N-plus-one power supply), humidity (cooling), automatic fire control, CCTV monitoring, continuous monitoring of operation and security, etc. have been arranged to meet the requirements of Tier 3 standards.

Considering the reliability of UPS, lithium-ion battery is used. The center does not need to be closed for maintenance and equipment replacement.

From the center, it is possible to manage, monitor and control the power distribution system that reaches

the customer's home below 11 KV. A charging station has also been installed on the premises of the data center, allowing three electric vehicles to be charged at the same time.

220 kV substation completed in Barhabise

The construction of 220/132 kV substation in Barhabise township of Sindhupalchowk has been completed. There are power transformers of 220/132 kV, 160 MVA and 132/11 kV,



5 MVA in Barhabise Substation.

According to Nepal Electricity Authority (NEA), the testing of all the equipment of the substation based on Gas Insulated Switchgear (GIS) technology has been completed. Another 400 kV substation is under construction in Barhabise.

Power from the 102-megawatt Madhya Bhotekoshi Hydropower Project, which is being built in Sindhupalchowk under the leadership of Chilime Hydropower Company, a subsidiary of Nepal Electricity Authority, will be connected to this substation.

After the production of electricity from the Madhya Bhotekoshi Hydro-

power Project starts, the Barhabise Substation will be charged with the same electricity. After the construction was completed, during the testing of the structures and equipment to start the power generation from Madhya Bhotekoshi, the tunnel leaked and the tunnel is currently being repaired. The repair work is being done with an aim to complete it by August this year.

Managing Director of the board Kul Man Ghising on Saturday inspected the substation, transmission line and

repair of tunnel of Madhya Bhotekoshi and urged the project management and contractors to complete the entire work before the stipulated time.

He stated that with the completion of the Barhabise substation construction, there are no issues in supplying the power generated by the Madhya Bhotekoshi Hydro-

power Project. Previously, there was a situation where the power couldn't be connected to Madhya Bhotekoshi due to the incomplete substation construction.

However, now that the construction of the 220 kV substations has been finished, multiple options have been created to connect the power to the project. MD Ghising is dedicated to moving forward with a personal commitment. The consumers in Nepal are gradually shifting towards clean energy, relying on electricity for cooking and electric vehicles for transportation. The progress achieved by NEA must be sustained. Any disruption in the supply of quality electricity could potentially lead to setbacks.

FROM STATEHOOD TO REGIONHOOD: Expediting Nepal-Bangladesh Power Trade



BY: PRABAL ADHIKARI

According to the Bangladesh Economic Review 2023 Report, the total installed capacity of Bangladesh was 26,700 MW, as of January 2023, out of which the maximum generation is around 15,000 MW. If we turn to earlier Power System Master Plan (PSMP) 2016 of Bangladesh, it is found to have outlined the generation target of 40,000 MW by 2030 and 60,000 MW by 2041. When we compare Nepal and Bangladesh in terms of per capita electricity consumption, the figures do not show a sharp contrast since Nepal looms at 380 kilowatt-hours and Bangladesh stands at 464 kilowatt-hours. It demonstrates that the two countries, despite a huge difference between installed capacities or power demands, are almost on the same page as both of them represent to be energy-poor countries since the per capita consumption of modern energy is less than 1,000 kWh. While saying so, this is also important to unfold that Nepal's power sector is hundred percent renewable-based, mostly driven by hydropower, whereas Bangladesh's electricity generation is dominated by natural gas and furnace oil. Out of 15,000 MW generation, gas-fired plants contribute 6,000 MW in Bangladesh. The reality of domestic fuel shortage is so harsh that even for this much power generation, the import of gas corresponding to 1,000 MW of power is unavoidable for the country.

So far as Bangladesh's renewable commitment is concerned, the Prime Minister of Bangladesh announced during the COP26 in Glasgow, UK, in November 2021 that they hoped to have 40% of their energy from renewable sources by 2041.

It is also learnt that Bangladesh, besides the global scenario of hard economic times, is chiefly undergoing two types of difficulties in power sector: dollar crisis to import primary energy for power generation and transmission constrains to import more power from the neighboring countries.

The Latest Master Plan

Bangladesh has formulated Integrated Energy and Power Master Plan (IEPMP) 2023 as a long-term plan up to 2050 by incorporating the concept of "S plus 3E" representing Safety, Energy Security, Economic Efficiency and Environment as the central pillars of planning. The Plan also comprised the objective of use of imported hydropower and solar power from India, Nepal and Bhutan. The Plan envisaged to import 15,700 MW of renewable energy (14%) of the total fuel mix in the timeframe of 2050 and the import proportion represents to be the third highest after gas and Liquefied Natural Gas (LNG) at the first place and the wind

power at the second place. It can be concluded that cross border transmission facilities between Bangladesh and the neighboring countries should be developed aggressively and expeditiously to turn the objective of the Master Plan into reality.

In addition to seasonal and daily complementarity between Nepal and Bangladesh, there is geographical benefit for Bangladesh to import electricity from Nepal and Bhutan since this import is expected to avoid the situation of transmitting a huge quantum of power to the northern region from the south where large power plants are considered in its coastal areas. The latest Master Plan has also mentioned that there will be 12 connection points with the neighboring countries enabling the power import exceeding 10 GW accounting for 14% to 20% of the total demand of between 50 GW and 70 GW projected for the 2041 timeline. The optimal interconnection points for the cross-border power trading between Bangladesh and the neighboring countries should be explored through techno-economic studies including system security studies.

Power Import/Export Agenda at Centre

Bangladesh and India have discussed about the tripartite investment of Bangladesh, India and Bhutan in the hydropower projects in Bhutan and transfer the power to Bangladesh via the Indian territory in the 21st Joint Working Group/ Joint steering Committee (JWG/JSC) Meeting held on 3-4 May, 2023. Since the eastern and the north-eastern regions of India have already been connected to Bhutan through power transmission and further interconnections between the two countries may be explored to bring more Bhutanese hydropower to India and further supply it to Bangladesh since Bhutan is land-bordered to India as the case of Nepal to reach Bangladesh through India alone. Bornagar Substation in Assam (North-Eastern Region, India) and Katihar Substation in Bihar (Eastern Region, India) may be connected to Parbotipur/Barapukuria (Parbatipur- about 6 km north of Barapukuria) through Bornagar-Parbotipur-Katihar 765 kV transmission line to be initially charged at 400 kV which is being discussed at Bangladesh-India JWG/JSC meeting as a main agenda item.

In addition to the request made by the Bangladesh side for the import of power from Nepal and Bhutan, the implementation of the proposed high-capacity 765 kV line through a suitably structured joint venture for a Special Purpose Vehicle was also emphasized in the India-Bangladesh Joint

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Statement issued during the state visit of H. E. Prime Minister of Bangladesh to India during September 5-8, 2022. This 765 kV line can be useful to supply power not only from India and Bhutan to Bangladesh, but also from the Eastern region to the north-Eastern region within India itself. Further, Bangladesh H. E. Prime Minister, Sheikh Hasina, reiterated her country's willingness to import hydropower from Bhutan through India to the Bhutanese H. E. Prime Minister, Dasho Tsering Tobgay, when they recently met each other in New Delhi during the swearing-in ceremony of H. E. Narendra Modi as the Prime Minister of India for a third consecutive term. It shows how much importance Bangladesh has given to the power import from the neighboring countries.

It is noteworthy also to recall the following text of the Joint Statement between Bhutan and Bangladesh on the occasion of the state visit of His Majesty Jigme Khesar Namgyel Wangchuck, King of Bhutan, to Bangladesh from 25 to 28 March, 2024:

“The power and energy sector provides an important area for cooperation between Bhutan and Bangladesh. In this regard, both sides underscored the importance of strengthening subregional cooperation among Bhutan, Bangladesh and India.”

It, of course, reflects the spirit of the Integrated Energy and Power Master Plan (IEPMP) 2023 formulated by Bangladesh with regard to the renewable power import from the neighboring countries. However, it could not be understood why and how, despite having named other three countries of the BBIN sub-region, Nepal was missing in the statement while the importance of the subregional cooperation in energy and power sector was considered. It could be interpreted as a minor lapse in tailoring the text, but avoiding the lapse could have been a feather in Bangladesh's cap.

A precedence likely to be remembered here is that, while releasing India-Nepal Joint Vision Statement on Power Sector Cooperation on April 2, 2022 during the official visit of the Prime Minister of Nepal to India, the two Prime Ministers of Nepal and India, as mentioned in the Joint Statement, agreed to expand mutually beneficial cooperation to include their partner countries under the BBIN framework subject to mutually agreed terms and conditions between all involved countries. It has considered the BBIN countries as the partner countries and this spirit should be materialized through initiatives of long-term collaboration for cross

border electricity trade in the least integrated South Asia region.

Bangladesh has also planned to import a huge quantum of power from Nepal by developing hydropower projects on its own like Sunkoshi 3 HEP (683 MW). This project is currently under discussion in Nepal-Bangladesh JWG/JSC meetings for developing it through a joint venture company between the concerned entities of the two countries, with the thought to bring India also on board if India will be interested. In this context, it has been agreed in the earlier Nepal-Bangladesh JWG/JSC meeting to request India for providing consent to transmit the power generated to Bangladesh through the Indian territory.

Nepal-Bangladesh Long-Term Connectivity



For cross border power trading between Nepal and Bangladesh, robust, high-capacity transmission interconnections, preferably the dedicated synchronous ones, between the two countries are unavoidably necessary. Their development needs the understanding among the three countries - Nepal, Bangladesh and India - and the creation of mechanisms like tripartite JWG and tripartite JSC would be a convenient way to discuss and resolve it. A dedicated transmission link between Nepal

and Bangladesh connecting Anarmani in Nepal and Panchagarh/Thakurgaon in Bangladesh through the Indian territory could be a solution as indicated in the meetings of Nepal-Bangladesh JWG/JSC in the past. The decision makers on Nepal side should know that Anarmani-Panchagarh (total aerial distance 49 km) route is a better option since Nepal requires to build a shorter transmission segment by 22 km in terms of areal distance up to Nepal-India border than that in the case of the next option of Anarmani-Thakurgaon route (aerial distance 83 km), whereas Bangladesh will have no substantial difference between the two options as the Bangladesh portion of the line is shorter only by 3 km in case of the Anarmani-Panchagarh option. The pictorial representation for the same can be made as follows:

Likewise, since Nepal and India are close to agreeing on the modality for the implementation of Inaruwa (Nepal)-Purnea(New) (India) 400 kV D/c transmission line for its commissioning in the 2027/28 timeline, another long-term solution for Nepal-Bangladesh power trading could be to construct the transmission line between the sub-stations in Purnea (New) (India) and Barapukaria (Bangladesh) which

is about 83 km away from Thakurgaon in terms of the aerial distance. The pictorial representation for the same can be made as follows:

However, more can be said only after hearing India's version whether India will be affirmative for the Purnea (New) (India) -Barapukaria (Bangladesh) 400 kV transmission line or not in the backdrop of Bornagar- Parbotipur- Katiyar 765kV transmission line already planned to connect India's Eastern and North-Eastern regions to Barapukaria/ Parbotipur in Bangladesh.

Nepal's recent policy initiatives are poised to be supportive towards the target of power import envisaged by the Bangladesh's Master Plan. Ministry of Energy, Water Resources and Irrigation, Government of Nepal, has formulated a comprehensive, visionary plan called "Energy Development Roadmap and Action Plan, 2023-2035" for Nepal's power sector. It envisages the power export of 10,000 MW to India and 5,000 MW to Bangladesh by 2035. Of course, the approaches taken by both Governments of Nepal and Bangladesh are in line with emphasizing regional energy cooperation and optimum utilization of clean energy resources lying in the South Asia region. With the backdrop of accelerating concerns on climate change in line with the Paris Agreement 2015, the concept of importing electricity from the neighboring countries including Nepal and Bhutan which are rich in hydro-power, while executing the Master Plan by Bangladesh, will mainly help it to meet the growing electricity demand in the following two ways:

It will address the scenario of fuel shortage to run its own plants to some extent;

It will maximize the utilization of lower-cost clean energies bolstering low carbonization efforts to catch up a global trend.

However, what we see as worrying is that high-capacity cross border transmission interconnections required for the huge quantum of power transaction between Bangladesh and the hydro-rich neighboring countries like Nepal and Bhutan may find geopolitical issues on the way as a major barrier to cope with since Bangladesh, Nepal and Bhutan are commonly land-bordered with India and can hence be interconnected via India only while developing cross border transmission infrastructures. Needless to say, robust transmission interconnections are the must for seamless power trading to take place among these countries.

Graduation to Higher Income Countries

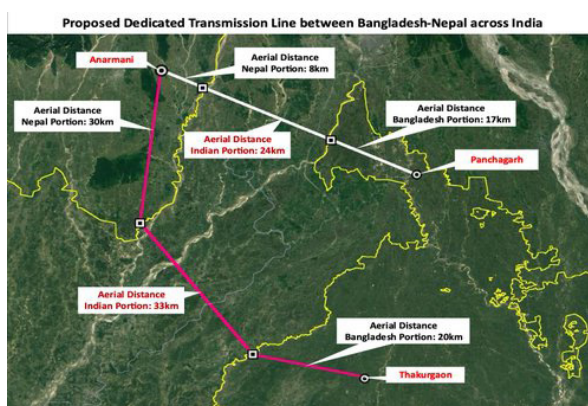
Nepal aims to transform itself to a middle-income country by 2030 as the same was highlighted in the international seminar: Envisioning Nepal 2030. The report published by National Planning Commission of Nepal has pointed out that Nepal needs to introduce gradual sector reforms that include institutional efficiency enhancement through an independent regulator, separation of transmission and liberalization of distribution services, whereas cross border power trading is mentioned as the area that, inter alia, requires better infrastructure capacity and a proactive engagement in sub-regional and bilateral agreements. Of course, it will not be possible without prioritizing the power sector for enough investment.

In this regard, the opinion of Aliena B. Teplitz, the former US Ambassador to Nepal, as expressed in her article on the Kathmandu Post on November 24, 2017, seems to be relevant: "Achieving Nepal's energy and economic goals—including becoming a middle-income nation by 2030—will require massive investments in generation, transmission, and distribution. The United States' Millennium Challenge Corporation (MCC) has estimated that the required investment to make this dream a reality would amount to at least USD 3 billion a year." This figure matches with the one worked out as the total

fund requirement of USD 46.5 billion for the time horizon till 2035 by Ministry of Energy, Water Resources and Irrigation, Government of Nepal, while formulating the Energy Development Roadmap and Action for Nepal's power sector. Likewise, Vision 2041 of Bangladesh Government has made the aim to reach the status of the upper middle class by 2030 and a high economic nation by 2041 and, to achieve the same, it has prioritized power and energy sector as a key booster to the economy.

40 MW Deal as a Gate Opener

After an MoU was signed on Cooperation in the Field of Power Sector between Nepal and Bangladesh on August 10, 2018, the two countries have been regularly deliberating on the power sector issues related to them. In this series, the 5th JWG/JSC meeting between Nepal and Bangladesh held on May 15-16, 2023 at Patuakhali, Bangladesh, had agreed that Tripartite Power Sales Agreement for sale of power up to 40 MW from Nepal to Bangladesh by using the Indian grid will be signed at the earliest possible after completing the administrative procedures including the finalization of the tariff. Before it, the 10th JWG/JSC Meeting between Nepal and India held on February 18, 2023 in Mount Abu,



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Rajasthan, India, had paved the way for the Agreement by stating that the Designated Authority of India would examine the proposal regarding the power transfer from specific generator(s) within the framework of Import/Export (Cross Border) Guidelines- 2018 of India.

When this power trading starts between Nepal and Bangladesh, it will be an inaugural version of power trading marked by a remarkable transition from bilateralism to trilateralism and its importance lies in the fact that it can be considered as a gate-opener to future deals between the two countries for any large quantum of power trading. Since the diplomatic relations in 1972, Nepal and Bangladesh have traveled a long journey in power sector cooperation to arrive at this point of power trading through the following chronological events:

The draft Tripartite Power Sales Agreement (TPSA) had already been agreed except the electricity tariff and the trading margin by the three concerned entities – Nepal Electricity Authority (NEA), Bangladesh Power Development Board (BPDB) and NTPC Vidyut Vyapar Nigam (NVVN) on behalf Nepal, Bangladesh and India respectively in July 2023. After many months, Bangladesh has moved one step forward by making a decision about it according to the Bangladeshi media. The decision was reportedly made by the Cabinet Committee on Government Purchase on June 11, 2024 to approve the proposal for importing 40 MW of hydropower from Nepal at the rate of Tk 8.17, comprising the applicable energy tariff of US Cents 4.6 per unit payable to NEA, a trading margin of INR 0.0595 per unit payable to NVVN and other non-negotiable grid-related charges. These charges include all open access and transmission charges including but not limited to applicable ISTS charges and losses, scheduling charges, operating charges of RLDC/SLDC, NOC/Settlement Nodal Agency (SNA) charges, and application charge or any other charges as may be applicable in accordance with CERC Regulations of India. Likewise, transmission losses from the delivery point of Muzaffarpur to the drawl point of Baharampur as per the CERC Regulations shall be applicable to the period of the monthly invoice.

The decision of Bangladesh Government as informed to the national media by Mahmudul Hossain Khan, the Cabinet Division (reforms and coordination) Secretary, has paved the way to sign the Agreement among the concerned entities of the three countries in near future. As per the TPSA to

be signed, 40 MW of power export by Nepal on Round-the-Clock basis will take place from June 15 to November 15 every year for the period of 5 years from the date of signing the Agreement. Since the power transfer is to take place via the Indian grid, it falls within the ambit of Government of India's Guidelines for Import/Export (Cross Border) of Electricity – 2018, the subsequent CERC Regulations 2019 and DA's Procedure 2021. That is why the Tripartite Agreement needs to be signed by the entities of three countries. The Agreement will be matter of writing a new history between Nepal and Bangladesh because, with it, the two countries will be starting an era of power trade-based relations through Nepal's hydropower, no matter what quantum.

After the Agreement is signed, the following steps are required to be accomplished before the commencement of the power export from Nepal to Bangladesh by using 400 kV Dhalkebar (Nepal)-Muzaffarpur

(India) Cross Border Transmission Line, 400 kV Baharampur (India) - Bheramara (Bangladesh) Cross Border Transmission Line and the Indian grid between the two Substations at Muzaffarpur and Baharampur in India:

Tripartite Agreement signing

Submission of complete documents along with TPSA and necessary details of specific hydropower projects to NVVN

Submission of complete application set to Designated Authority of India (Member, Power System, Central Electricity Authority, India)

Approval from the Designated Authority of India

Submission of the required forms and documents to Central Transmission Utility of India for grant of General Network Access

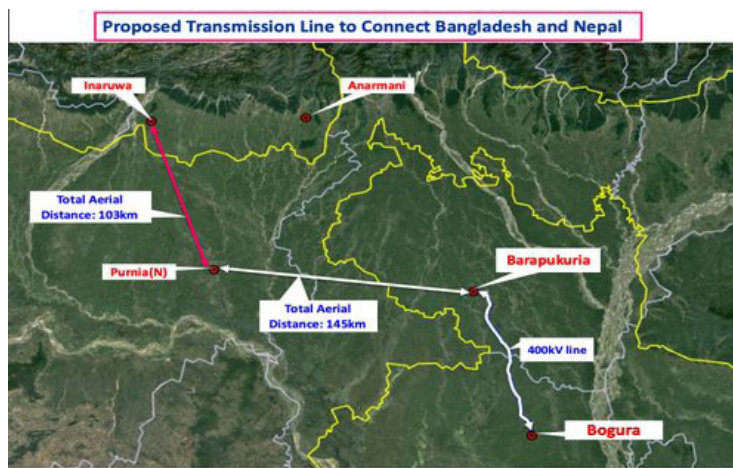
Approval of Open Access for using the Indian grid

Scheduling, dispatch and booking of transmission corridor, and finally

Commencement of power supply.

Electricity Pricing

Further, market studies need to be performed to examine



whether the price of electricity Bangladesh offers to Nepal is more attractive than the one we are or can be offered by the Indian entities. If Bangladesh really wants to purchase Nepal's electricity in future, it should be willingly ready through the avoided cost principle, too, so that Nepal could feel the price agreeable to export electricity to Bangladesh.

According to Bangladesh Power Development Board (BPDB) Annual Report for the fiscal year 2022/23, the average cost of power generation per unit was Tk 8.54 in fiscal year 2021-2022 and Tk 11.02 in fiscal year 2022-2023. Likewise, as for the price of electricity in India, CERC Annual Report for the fiscal year 2022/23 has revealed that Weighted Average Price of electricity transacted through traders, Weighted Average Price of Electricity transacted through various markets of Power Exchanges and Average Price of Electricity transacted through Deviation Settlement Mechanism (DSM) were, in INR/kWh, 5.85, 6.25 and 5.39 respectively.

When Nepal plans to export more power to Bangladesh, the familiarity with such rates of electricity in addition to the assessment of generation and power purchase cost in Nepal will be useful in tariff negotiation in future. A study on Economic Benefits of Bangladesh-India Electricity Trade carried out by Integrated Research and Action for Development (IRADe) modelling the 2030 and 2045 scenario has pointed out that that power import from India is the second most economical option for meeting future demand in Bangladesh. It is advisable that Nepal conduct similar studies without ignoring the transmission service charges for associated Nepal-India cross border transmission lines with regard to Nepal-Bangladesh electricity trade to avoid tariff negotiations on an ad-hoc basis in future.

Tripartite Understanding

Having considered the deal of 40 MW of power export from Nepal to Bangladesh as a gate opener, how far we can go and succeed depends on how the trio of Nepal, India and Bangladesh will be working together and understanding one another in future. Of course, all of us need to function in line with the broader spirit of power sector cooperation. For this to happen, India's role is crucial, critical and pivotal because neither Bangladesh nor Nepal can export or import a large quantum of power between the two if India is not willing to cooperate as India geographically lies between them and robust transmission interconnects are inevitably required in the Indian territory to be built.

This being a reality, our roles to instrumentalize various degrees of diplomacy and strategic actions are extremely important here. Building dedicated transmission systems between Nepal and Bangladesh through a tripartite understanding is always better than to rely on the use of the Indian transmission networks by paying the associated wheeling charges, operation charges and the trading margins. Unless trilateral and multilateral power trading is ensured, there is always the risk of one country's monopoly to prevail and the concept of regional power sector cooperation will illusively end in a fiasco. Hence,

the choiceless situation should not come that Nepal is bound to sell all of its surplus power to India alone at low prices and that India will be further selling the same to the third country at its own discretion regarding every matter including the price.

Geopolitics: Obstacle or Opportunity?

Of course, Nepal wishes that the development in cross border trading of power would flower out into the prosperity and poverty alleviation of South Asia in future although uncertainty looms large attributable to geopolitical issues. But let us hope that politics will no longer prevail finally over humanity which is the only truth, the only way to rid all people of distress and misery, no matter where they are born. In this spirit, our country leaders should have no less courage and the magnanimity to realize and embrace the same. They should understand that every fight or friction will weaken their internal strength alone. The spirit of solidarity, of common well-being and of becoming South Asians should touch the politicians of this region. This all, with the changing times, calls for collaboration built on the foundation of mutual trust and openness. Coming to Nepal, the root cause of our poor economic achievement is that the leaders who are and were in the hot seats of the country could not deeply perceive the importance of sustainably utilizing our principal resources - Himalayas, rivers, forests, mountains, plains and many more which many other countries don't have.

In fact, South Asian geopolitics can be used by Nepal as an opportunity to build Nepal and bolster its economy by adhering to strategic and dialogue-based approaches, instead of reactive and reactionary steps, with our neighboring countries. Let us hope that collaboration will grow among us and we will be making the timely use of our resources to take advantage of them in national, sub-regional and regional context. The only way to meet the aspiration is to do it now by avoiding aggressive nationalism and to consider our wealth of water resources, specifically if not generally, for production of power and its equitable distribution preferably in the domestic market and alternatively in the neighboring markets. Such markets for surplus electricity we produce from our water resources may be found in India, Bangladesh and other countries, which can be reached through cross border interconnections, in the interests of the nation subject to geopolitics, grid availability and electricity pricing.

Without a disregard to energy security, let us consider electricity generation and consumption from purely a market-based perspective as a means of far-reaching economic revolution required Nepal for long. If we forget to listen to the vibes and the vibrations of a live power market, both inside and outside the country, it will repel investments from hydropower industries and the economy will ultimately start to decay leading to a continuous disconnection with the resources.

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IFAD/ MOICS SAMRIDDHI

Returnee Migrants Find New Beginnings

Implemented jointly by the International Fund for Agricultural Development (IFAD) and the Ministry of Industry, Commerce, and Supply (MOICS), technical skill training provided by Helvetas-Nepal, a partner of the Rural Enterprises and Remittances Project (RERPP) Samriddhi, has demonstrated that equipping returnee migrants with skills can successfully facilitate their reintegration. Under the Decent Job initiative, Helvetas-Nepal offers Technical and Vocational Education and Training (TVET), integrating three key skill areas. Annually, around 500,000 Nepalese return home seeking employment, and TVET under the Decent Job initiative offers a viable solution for their integration.

By KESHAB POUDEL

As the RERP- Samriddhi is closing within a month, it will be remembered by many as a life-saver. Among the hundreds of beneficiaries, Birendra

Chimauria of Chandrapur Municipality Ward 9 and Maheshwor Acharya and Birendra Chaudhary of Itahari Sub-Metropolitan are notable examples of how the project has transformed lives.

After spending nearly seven years working in Malaysia and Qatar, Chimauria, Acharya, and Chaudhary respectively returned to Nepal three years ago in the midst of the COVID-19 pandemic. Despite their

savings and determination to start anew, they lacked the skills needed in the local job market and wandered in search of employment.

Turning Point

Information from their respective ward offices about Vocational Skill Training (VST) for the maintenance of air conditioners and refrigerators proved to be a turning point.

Acharya and Chaudhary applied for the training and were selected due to their status as returnee migrants. This opportunity marked a significant shift in their lives.

Before the training, both Acharya and Chaudhary faced frustrations in their job searches, having remained unskilled laborers despite their long work experience abroad.

Like many Nepali migrant workers, they left and returned as unskilled laborers. However, after completing the three-month training, they were employed by the training provider in a refrigerator, air conditioner, and TV maintenance shop in Itahari.

Path to Entrepreneurship

The training program required providers to engage the trainees in practical work. After working for over five months and earning a monthly salary of around Rs. 16,000, Acharya and Chaudhary decided to start their own maintenance shop.

Before the training, both Acharya and Chaudhary faced frustrations in their job searches, having remained unskilled laborers despite their long work experience abroad. Like many Nepali migrant workers, they left and returned as unskilled laborers. However, after completing the three-month training, they were employed



by the training provider in a refrigerator, air conditioner, and TV maintenance shop in Itahari.

Knowing some clients during their job, Acharya and Chaudhary started receiving calls for maintenance and installation of air conditioners. As the temperature rose, almost all households called on their support to install AC units. “We are so busy that each day we install five to six units, earning Rs. 15,000.00 (USD 110) per day. In the last three months, each of us has earned around Rs. 300,000.00 (USD 2,200),” said Acharya. “Even on normal days, we earn Rs. 3,000.00 (USD 25). This earning is much higher than what we used to make in Qatar,” echoed Chaudhary.

In the newly emerging towns of Koshi Pradesh, such as Itahari, Dubhi, Inaruwa, and Urlabari, AC and refrigerator maintenance is a crucial part of urban life.

Employment is more or less secure for both Acharya and Chaudhary. “We receive two to three calls daily for maintenance of ACs and refrigerators, which is enough to earn a monthly income of around Rs. 40,000.00 (USD 300),” said

Acharya, who invested around Rs. 200,000 (USD 1,500) of his savings from Qatar to purchase the necessary equipment.

“We are very grateful to the RERP-Samridhi Project and Helvetas-Nepal for providing us with skills that have helped us reintegrate into the country with viable employment,” said Acharya and Chaudhary.

Birendra Chimauria's Journey

Birendra Chimauria, a returnee migrant from Malin Tole of Chandra-pur Municipality Ward 9 in Madhesh Province, faced a desperate situation after having to cull 2,000 chickens due to bird flu. With the help of his ward office, he enrolled in the Village Animal Health Worker (VAHW) Level 1 training.

The 390-hour skill training was a game changer in Chimauria's life. With the training, he learned the complexities and benefits of operating a poultry farm. Before resuming his farm, he visited larger and mid-scale poultry farms in Chitwan and had water samples tested in a lab there.

With newfound skills and knowledge, Birendra Chimauria invested



in 2,500 broiler chicks two years ago, leading to great success and recovery from the damage he incurred three years ago.

I have repaid all my loans and have savings of around Rs 900,000 (USD 6,000)," said Chimauria.

before starting the poultry business, I wouldn't have had to go through such a difficult situation," he reflected.

"There is a great demand for broiler chickens in the area. I don't have any problems with the market. I realized that starting this type of business on my land in my village would enable me to earn a good income," he said. He sells chicken meat at Rs 350 per kilogram.

Chimauria realized the importance of skills in starting any venture. "Had I learned the necessary skills

With the 390-hour skill training recognized by CTVT, Chimauria is now a certified veterinary worker with the authority to administer vaccines

Having worked in a grocery store delivering household goods in Malaysia, Chimauria had a basic understanding of marketing but lacked the technical skills required to run a poultry farm.

"I invested Rs 500,000 (USD 3,500) saved from Malaysia in the first year. Unfortunately, the loss in the first year was devastating. With my remaining savings and a loan from a cooperative, I resumed the business, which then produced a bumper yield. Now, in the fourth year of business,



to chicks and chickens and other primary medicines. He credits the training for his current success and stability in the poultry business.

“By learning these skills, I can take precautionary measures to prevent another bird-flu tragedy like the one four years ago. If I notice any of my chickens or chicks showing abnormal behavior, I immediately isolate them and administer primary medicines,” said Chimauria, a father of two sons and a daughter who are pursuing education in a boarding school in Hetauda.

The success stories of Acharya, Chaudhary, and Chimauria highlight the importance of skill training for returnee migrants to successfully reintegrate into both off-farm and on-farm ventures.

Like these three, over 450,000 Nepalese workers migrate to various countries each year. According to data from the Ministry of Labor, Employment, and Social Services (MoLESS), 74.5% of these migrants are unskilled workers, 24% are semi-skilled, and only 1.5% are skilled.

Nepal is currently experiencing a demographic dividend, with 40% of the population under the age of 20 and over 70% in the working-age group. Despite this, over 33% of the workforce is illiterate, and over 50% have only completed secondary education.

To address this issue, the Nepalese government is promoting skill development programs and opening technical schools in all municipalities to increase accessibility. However, many of these schools are not yet operational.

In this challenging context, the skill training provided by Helvetas-Nepal under the RERP-Samriddhi Project has been highly significant. With around 11% of the population unemployed, many youths are forced to migrate abroad. Skill training for returnee migrants and unemployed



youth, especially those from economically and educationally disadvantaged backgrounds, is crucial for improving their prospects and reintegrating them into the local economy.

“When things were not going well and state was breaking stage two years ago, I took a big risk to continue work with RERP-Samriddhi as a partner to provide skill training under Decent job. As the project nears its closure, the Decent Job Components have significantly contributed to achieving the project’s targets. Working in close collaboration and partnership with the Ministry of Industry, Commerce and Supply and RERP’s officials and IFAD, Helvetas-Nepal’s team has successfully fulfilled its role as a partner. On behalf of Helvetas-Nepal, I would like to thank the officials from the Ministry, the IFAD team, and the RERP-Samriddhi Project for their support,” said Dr. Prabin Manandhar Country Director of Helvetas-Nepal.

Providing skill training has proven to be a comprehensive measure that helps returnee migrants find viable employment options. Although the RERP covered only a small part of local-level governments in three provinces, replicating the successful strategies learned through the Decent Job will help many unemployed and returnee migrants find employ-

ment back home.

“Decent Job is a major component of the project aimed at addressing unemployment and skill gaps. The project promoted decent jobs through TVET programs, job placements, and apprenticeships through Federation of Nepalese Chamber, Commerce and Industry (FNCCI). It followed an outcome-based approach to vocational skills, creating gainful employment and encouraging local-level governments to develop a Technical and Vocational Training (TVET) policy,” Saroj Prasad Guragain, the project manager. “The Nepal government will share these learnings with all three tiers of government.”

The three successful cases of skilled workers who are satisfied with their jobs also tend to be in better physical and mental health. Experience has shown that skilled workers can continue their careers in similar occupations after returning home, reducing the likelihood of repeated migration.

The Sustainable Development Goals (SDG) 2030 recognize skills development and migration as key drivers of sustainable economic development, bringing significant benefits to migrants and their communities through the transfer of skills and financial investments in their coun-



tries of origin. The RERP-Samriddhi Project's achievements support Nepal's commitment to achieving these SDGs.

"Under the Decent Job initiative, RERP-Samriddhi has produced 29,321 apprenticeships and VST graduates in 208 local governments across 16 districts and three provinces of Nepal. These programs were conducted in collaboration with 139 local governments in Koshi, Madhesh, and Bagmati Provinces, as well as the FNCCI-Koshi Province," said Sandip Paudel, Team Leader of Helvetas-Nepal. "A positive sign of sustainability is that 12 municipalities have already developed guidelines, two municipalities have endorsed the policy, and four municipalities have created TVET Strategic Plans. Despite the challenges, we are concluding the project having achieved all our targets."

"Our experience shows that developing the skills of migrants does not promote further migration; instead, it protects young people from risking their lives by going abroad without any skills," Paudel added. "Another important lesson from the project is the need to incorporate business skills alongside vocational training

to promote self-enterprise."

In 2023, Nepal received USD 12 billion in remittances. Compared to other labor-sending countries like the Philippines, India and Sri Lanka, this amount is relatively low, partly because most Nepali workers are unskilled.

According to the World Bank's report "Understanding the Skills Needs of Migrant Workers from Nepal," the average earnings of migrants with training were considerably higher compared to those without training. Most Nepali migrants work in low- and semi-skilled occupations abroad, such as laborers, construction workers, security guards, and drivers, with skills often acquired informally.

Few migrants had undergone any formal skills training prior to their migration episodes. The areas in which training was desired included semi-skilled occupations such as driver, electrician, cook, and computer operator. The most commonly desired durations for training were three months, followed by six months.

"We have achieved significant suc-

cess through the project interventions across various sectors. Many valuable lessons have been learned in the areas of cooperative capacity building, gender equality, decent jobs, and integrating returnee migrants while working closely with local governments," said Sanjeev Kumar Shrestha, National Consultant (Value Chain & Markets) at the International Fund for Agricultural Development (IFAD).

Under the Decent Job initiative, the Vocational Skill

Training (VST) provided to the agricultural sector supply chain has increased production and productivity. The enhancement of technical skills and knowledge has led to higher incomes for returnee migrant farmers like Chimauria.

The Decent Job component of RERP-Samriddhi has demonstrated the powerful impact of vocational training in transforming the lives of women, youth and returnee migrants from poor and marginalized communities' returnee migrants.

The project's success stories underscore the importance of skill training in providing sustainable economic opportunities and improving the well-being of returnees in Nepal. The project's learnings will continue to inform Nepal's efforts to enhance skills development and support sustainable economic growth.

OBITUARY

DR. ANANDA BAHADUR THAPA

Death Of A Legendary Figure

The demise of Dr. Ananda Bahadur Thapa, a renowned personality celebrated for his profound expertise in Nepal's water resources and his significant contributions towards their development, occurred at the age of 85.

By KESHAB POUDEL

Dr. Ananda Bahadur Thapa, a distinguished expert on the Koshi River, recently passed away at the age of 85. Throughout his career, he dedicated himself to studying and documenting the behavior of Nepal's powerful Koshi River. Dr. Thapa's extensive research and insights on the Koshi River and Nepal's water resources have left a lasting impact. Despite his specialization in the Koshi River, he possessed a deep understanding of the hydrology and characteristics of other major rivers such as Karnali and Gandaki. During his time at the Ministry of Water Resources, particularly at the Water and Energy Commission Secretariat (WECS), Dr. Thapa authored numerous articles on the Koshi River and Nepal's water resources. Upon his retirement as the Secretary of WECS, Dr. Thapa's legacy as a technical expert with unwavering views, unaffected by political influences, remains unparalleled.

Since 1998, in his articles, he has consistently issued warnings about the potential bleaching in spur no. 5 of the Koshi River and the resulting devastation it could cause in Nepal and India. He has provided technical explanations to support his views. Eventually, the Koshi River experienced bleaching from spur 5, leading to extensive damage to land and the loss of over 100 lives in Nepal and India.

As a technical expert, the late Dr. Thapa firmly believes that the Koshi River, often referred to as the "sorrow" of

Nepal and the Indian state of Bihar, similar to China's Yellow River, must be regulated to prevent such devastation. The outdated barrage in Koshi, currently filled with sediment, poses a potential threat whenever the river floods at its maximum capacity.

The Koshi River has a history of flooding that is five times higher than the current optimal flood level. Dr. Thapa believes that a severe flood, which is



likely to occur, could have catastrophic consequences for both India and Nepal.

Dr. Thapa emphasized the necessity of diverting water in Siraha and Saptari through the construction of the Sunkoshi high dam and a dam in the Saptakoshi river. He firmly stated that the only viable option for irrigating the lands in Saptari and Siraha is the construction of the Sunkoshi high dam. Despite facing criticism from some of his colleagues and water resources experts, Dr. Thapa remains steadfast in his technical stance, always presenting his views based on thorough study and factual evidence. His unwavering commitment to independent

technical views often leads him down a solitary path, unaffected by political or non-technical arguments that may arise in the media. Following his retirement, the late Dr. Thapa authored a book highlighting the contributions and sacrifices of Bhakti Thapa, a revered warrior and historical figure in Nepal's expansion history. Bhakti Thapa, who perished in battle against British generals during the Nepal-British war of 1814, was praised for his courage and valor in the face of adversity.

Nevertheless, Bhakti Thapa's bravery went unrecognized by the Nepalese state for a limited period of time. Through the publication of articles highlighting his contributions to Nepal, the late Dr. Thapa.

Dr. Thapa succeeded in elevating Bhakti Thapa to the status of a national hero. Following the annexation, Bhakti Thapa, who served as the general of Lamjung, joined the Gurkha army.

Dr. Ananda Bahadur Thapa, with the support of his wife Laxmi Thapa, was able to reshape the course of history. Dr. Thapa, who left behind his wife Laxmi Thapa, his son Poshan Thapa, an architect engineer, and his daughter Dr. Mona Thapa, a psychiatric doctor, possessed a rare and exceptional character, unwavering in his convictions and steadfast in the face of any adversity. Although he is no longer with us,

Dr. Thapa, a renowned expert in water resources and the Koshi River, will forever be remembered for his invaluable contributions to Nepal's water resources sector.

Commercialization of Agriculture Reintegrates and Retunes Migrants

With technical skills, knowledge, and grant support for purchasing tunnels, seeds, and fertilizers provided by the Rural Enterprise and Remittance Project (RERP) SAMRIDDHI, a joint initiative of the International Fund for Agricultural Development (IFAD) and the Ministry of Industry, Commerce, and Supply (MoICS), returnee migrants from Urlen, Ward 14 of Diktal-Rupakot-Majuwagadhi Municipality in the Khotang district are transforming their living standards. With women taking on leadership roles, these returnees are now earning more income than they did in foreign employment. At a time when the Nepalese government is seeking ways to reintegrate returnee migrants into society, the lessons learned from RERP in Khotang offer a viable solution. Migrants, who had left Nepal with a bleak future and subsistence-based agricultural practices, are now benefiting from RERP's on-farm program. Implemented in the Koshi, Madhesh, and Bagmati provinces, this program demonstrates how the commercialization of agriculture can reintegrate returnees, enhancing their income and living standards.

By KESHAB POUDEL

Chhatra Man Rai, 42, returned from Malaysia after seven years of work, has experienced significant changes in his life over the past four years. Returning with a debt of over Rs. 200,000, Rai, a resident of Urlen village, Ward 14 of Diktal-Rupakot-Majuwagadhi Municipality, 500 kilometers east of Kathmandu, was unsure how to start a new life and generate income to meet his family's needs. His primary concern was repaying the loan, which carried an annual interest rate of 36 percent.

Recognizing the high demand for seasonal vegetables in local markets and the district headquarters of Diktal, Rai, along with eight colleagues—Aviraj Thulung, Madan Wahadur Rai, Ramesh Rai, Cham Kumar Rai, Deepak Rai, Anchal Rai, Sunil Rai, and Major Rai—started vegetable farming with their per-

sonal investments.

For all the men involved, the support from women has been crucial. The women now play a vital role in marketing the products and managing the savings.

Many youths like Rai, who left the village seven years ago with no hope of achieving economic prosperity through subsistence farming, now see a brighter future through the commercialization of agriculture.

Chhatra Man Rai shared that he initially went abroad with the hope of keeping his farming family happy, educating his children in good schools, buying new clothes, and appearing prosperous in village society. However, none of these dreams materialized. "My earnings in foreign countries were just enough to feed myself and pay interest. I occasion-

ally sent money back home," he said.

After not finding easy work or an adequate salary as expected in foreign countries, their old dreams were shattered. They returned to their village at different times, unable even to repay the loan.

According to Jiban Shrestha, Migration Coordinator at the RERP (SAMRIDDHI) Project Management Office (PMO), a total of 6,333 migrant families and returnees have benefited from the supply chain out of the total 11,522 beneficiaries. He emphasized that the Agriculture Supply Chain plays a crucial role, encompassing programs such as cluster-based initiatives, market-led commercial production, and enabled business and technical services. Additionally, the Agri Policy Strategy is highlighted as a key focus area of the project.

Overall, 181,133 individuals have benefited from the project in various aspects including supply chain improvements, access to decent jobs, rural financing, and migration support. Among these beneficiaries, 39,585 are migrant families and returnees.

Turning a Will into a Way

As the saying goes, “Where there is a will, there is a way.” Roaming around the district headquarters and Diktel Municipality, Chhatra Man Rai and his group connected with the RERP SAMRIDDHI project, which became a game-changer for them.

Their contact with the experts from RERP-SAMRIDDHI marked the first step toward prosperity. The uncertainty they faced began to dissipate, and they were able to double their profit margin, recovering the losses from their first year.

Jointly implemented by IFAD and MoICS, one of the key objectives of the project is to promote self-employment and small businesses, as well as micro-enterprises, that can generate better incomes for migrant returnees and women from poor and marginalized communities. Rai and his group fit perfectly into this target demographic.

With technical skills, knowledge, and other support from SAMRIDDHI, including market chain connections, Rai and his group made significant prog-



ress. They doubled their production and sales, earning substantial income from the market.

The support of the PRSP SAMRIDDHI Project’s green vegetable supply chain program has transformed the lives of Rai and his colleagues, demonstrating that success is achievable in their village.

In just four years, each family began earning around Rs. 500,000 (\$3,000) and saving up to Rs. 200,000 (\$1,300) annually. This newfound financial stability has convinced them to abandon plans of working abroad permanently. Some earn slightly less, depending on the size of their farming operations.

“When you can earn such substantial income at home, there’s no reason to consider going abroad for work,” said Rai, who plans to expand their farming areas and increase production in the coming

years.

Cham Kumar Rai, a group member, now earns between Rs. 500,000 and Rs. 700,000 (\$3,000-\$4,000) per year by cultivating vegetables on 12 ropanies (0.6 hectares) of land.

Learning and Growing

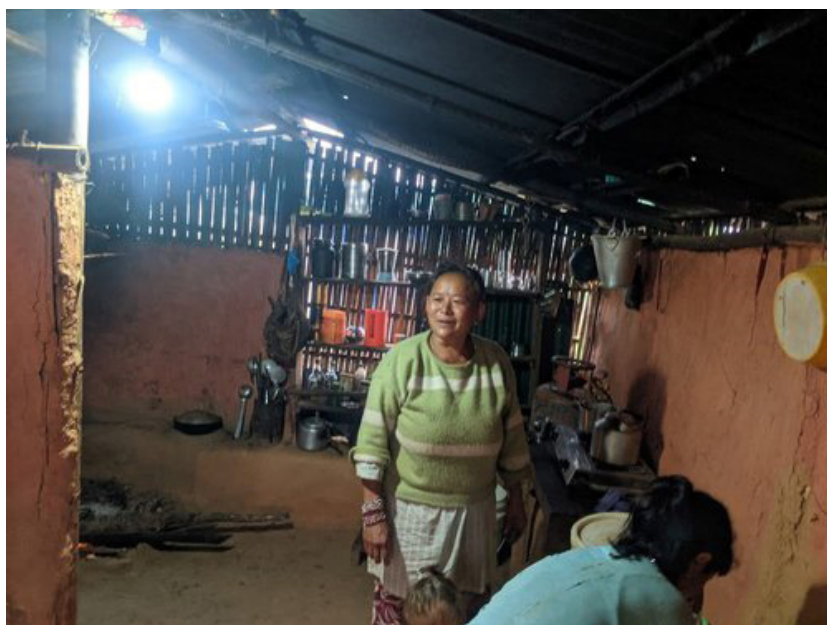
In the first year, Chhatra Man Rai and his group learned that technical knowledge and farming skills are prerequisites for the commercialization of agriculture. By using high-quality seeds, homemade organic fertilizers, and strategic cropping patterns and timing, their production significantly increased. They discovered that productivity improved by utilizing self-made solutions and organic fertilizers, moving away from traditional farming practices that relied solely on cattle manure and conventional seeds.

The RERP provided not only technical support but also market linkage. Despite producing vegetables, the farmers initially struggled to get proper prices due to unhealthy competition, often undercutting each other to sell the cheapest produce.

Formation of a Group

To achieve fair prices and market access, Rai and other producers from nearby villages explored the possibility of collective farming and marketing. Facilitated by RERP, the producers and market rep-





representatives signed mutual agreements. Five localities with potential for water and vegetable production were formed into clusters to start collective production and marketing.

Recognizing the importance of collective farming and the need for a more formal group, Rai established the Urbara Krishak Samuha, a group comprising 20 returnee migrants from the village. Working in a group provided numerous benefits, including access to concessional loans for expanding land, a health welfare fund for treatment, and vehicles for transporting vegetables to the market.

With support from the SAMRIDDHI project, Urleni in Diktel-Rupakot-Majhuwagadhi Municipality, Ward 14, has transformed from a subsistence-based area into a hub for commercial vegetable farming. The area now supplies over 80 percent of the vegetables required in the district headquarters up to Haleshi.

Success Breeds Growth

“Having seen our success over the last four years, other villagers are also growing vegetables. From the initial 9 families, there are now 50 families involved. Our group has grown to 25 members, including 15 women and 10 men,” said Rai.

Since partnering with RERP, awareness

among farmers has increased. The group has enhanced its trading power, facilitation, coordination, and technical skills.

As their farming areas expanded, the group began recruiting local youths, providing both full-time and part-time employment as helpers and laborers.

Grateful towards RERP

Learning from the cash crunch in the first year and the high interest rates on external loans, Urbara Krishak Samuha established an emergency fund. Each member contributes Rs. 125 (\$1) month-

ly, and 20 percent of the total vegetable sales also go into the fund.

These two emergency funds serve different purposes: one for individual needs and the other for group expenses, such as paying employee salaries.

The Urbara Krishak Samuha fund now holds Rs. 500,000 in savings, owns a three-wheeler worth Rs. 500,000, and has purchased 10 Dhur (0.0016929 hectares) of land in Itahari last year for Rs. 700,000 (\$5,500).

“We use the three-wheeler to transport vegetables from the village to the market and also rent it out. Since we don’t have other investment avenues, we have invested in real estate in the Terai, hoping to double our investment,” said Rai.

Among the eight groups, Urbara Krishak Samuha is the first and most successful group of returnee migrants, unemployed youths, and women in Khotang.

These groups have demonstrated how the commercialization of agriculture can reintegrate returnee migrants into their families, generate substantial income, and provide jobs to unemployed youths and women.

The Journey of Urbara Krishak Samuha

For discussing market strategies, mem-



ber needs, and production plans, Urbara Krishak Samuha holds a group meeting on the 5th of every month. During these meetings, they address collective questions and review income and expenditure reports. Each member takes turns performing labor tasks according to a rotational schedule. Rai has implemented an accounting system in every household to manage income and expenses, minimizing wasteful spending.

“Using tunnels, sprinkle irrigation, high-value seeds, and other modern techniques, I earned Rs. 500,000 (\$3,000) in the first year. It felt like a miracle. The land, which rarely produced enough food to feed my family for six months, generated such a huge income. I paid off Rs. 300,000 in loans to local lenders and gave Rs. 200,000 to my wife for savings,” said Rai. “Over the last four years, my journey has been quite satisfactory. My son and three daughters are now living in a rented room and pursuing bachelor’s and higher secondary education.”

Listening to her husband’s story, Januka Rai added, “When my husband was abroad, my bank account had no savings. The money he sent wasn’t even enough to buy food, let alone pay for our children’s school fees. Growing vegetables has drastically increased our income, benefiting women as well.”

With RERP’s support, effective accounting systems and a farmers’ welfare fund have been established. The group’s goal is to encourage young people who went abroad to return to the village and become professionals in agriculture.

Rai emphasizes that SAMRIDDHI is not just about money but also about the courage to become professionals. Collective farming has gained significant attention, and the local government has honored the project and its staff with letters of appreciation.

****Reintegrating Returnees: The Impact of RERP on Nepalese Migrants****

According to the Department of Foreign Employment, around 700,000 Nepalese are returning from foreign employment. Rai is among the few who have successfully reintegrated into their families, while tens of thousands of returnees remain unaccounted for. In this context,

the lessons learned from the Rural Enterprise and Remittance Project (RERP) can be a game changer for other migrant returnees.

“The Ministry is working to introduce a scheme to reintegrate returnee migrants and provide jobs to the spouses of migrant workers. Both will support the federal government’s target to minimize the investment of remittances in unproductive sectors,” said Madan Dahal, Joint Secretary at the Ministry of Labor, Employment, and Social Security. “The Ministry can consider implementing good practices and lessons from RERP.”

IFAD’s Rural Enterprises and Remittances Project (SAMRIDDHI) works with migrant families to develop and improve on-farm and off-farm enterprises in rural areas. It also helps young people enter the labor market by facilitating the acquisition of technical and vocational skills, apprenticeships, access to finance, and entrepreneurial aspirations. As a result, it is well-positioned to support the government in managing returning workers.

“As the project nears completion, over 200,000 poor women and marginalized communities, including returnee migrants, have benefited. The training and skills provided ensure long-term sustainability. The credit for the project’s success also goes to IFAD’s headquarters and the Nepal country team for their regular guidance and unwavering support. The supervision and guidance of IFAD’s mission team have been instrumental in achieving our targets,” said Saroj Kumar Guragain, Project Manager.

Insights from IFAD’s RERP

“The project has shown that reliable market access enhances productivity, increases incomes, and strengthens food security. If appropriate measures are taken to reduce market risks and unequal market power, poor farmers could great-



ly benefit,” said Sanjeev Kumar Shrestha, National Consultant (Value Chain & Markets) at the International Fund for Agricultural Development (IFAD).

At a time when many rural producers face significant challenges in accessing markets to sell their goods, farmers in remote rural Khotang are securing proper prices for their produce.

Despite being constrained by their remote location, high transportation costs, limited knowledge, and a lack of business skills and effective organization, farmers in Khotang are able to reap benefits.

Nepal is the top recipient of remittances as a share of GDP in South Asia and the fifth-most remittance-dependent economy (28.6 percent) in the world. Remittances to Nepal have dramatically increased over the last decade, from US\$2.54 billion to US\$12 billion. One of the objectives of the SAMRIDDHI project is to support returnee migrant workers in reintegrating into society.

RERP’s experiences in districts like Khotang and Bhojpur have shown that an overwhelming number of returnees are not willing to go back to foreign employment. Instead, they are interested in engaging in agriculture for livelihood opportunities.

Khotang’s returnees have demonstrated that skills training, access to finance, technology, and market linkages are prerequisites for making agriculture a successful venture.

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