



NICCI e-Newsflash

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Religious Nepal



Lumbini - the world's centre for peace

Nepal-India Joint Committee on Water Resources

The meeting of the Nepal-India Joint Committee on Water Resources (JCWR) to be held in Kathmandu from January 24 will discuss matters like Nepal-India Power Trade Agreement, development of Naumure storage-based hydropower project, construction of cross-border transmission line and import of additional energy from India, among others. Construction of the Pancheswor Multipurpose Project, continuation of the feasibility study of the Sapta Koshi High Dam Project and problems like flood, inundation and embankment in border areas will also be discussed in the meeting, according to an MoE official.

The Pancheswor Multipurpose Project is expected to generate 6,480MW energy and irrigate 93,000 hectares of land in Nepal and 1.6 million hectares on the Indian side. Although the Mahakali Treaty (signed 16 years ago) had decided to prepare a detailed project report of the project, work to this effect has not moved ahead so far after both the countries sought benefits beyond the provisions of the treaty.

Sriranjan Lakaul, spokesperson for the Ministry of Energy (MoE), said Energy Secretary Hari Ram Koirala will lead the Nepali side, while Secretary of Ministry of Water Resources of India will head the Indian side in the two-day meeting. "The meeting will try to resolve the existing differences between

Nepal and India and will also try to sign agreements that will benefit both the countries," said the official.

Due to the differences, the proposed Pancheswor Development Authority (PDA) has not been set up yet. However, a source said India's Uttarakhand state, which is expected to benefit the most from the project, has urged the central government of India to approve the establishment of PDA.

According to the source, the Nepali side will also try to convince India to develop the 250MW Naumure storage Project 'as per the interest of Nepal' which the Indian government had committed to build during former Prime Minister Pushpa Kamal Dahal's India visit and was in limbo due to indecision over the project mainly due to the Nepal government's plan to irrigate land of Kapilbastu district with the project water and India sought a similar benefit.

On the Power Trade Agreement, the source said: "We will make every effort to convince the Indian representatives for signing the agreement. Without the agreement, we can neither purchase nor sell electricity to India in a larger volume." The meeting will review the progress made on the development of the 400KV Dhalkebar-Mujjaffapur cross-border transmission line and device measures to fast-track the project. ♦

Nepal-India Tourism Mart held in Lumbini to promote domestic religious sites

Minister of Culture, Tourism and Civil Aviation Purna Bahadur Bogati and Indian Ambassador to Nepal Jayant Prasad jointly inaugurated the first ever Nepal-India Tourism Mart 2013 in Lumbini on Tuesday. The two-day event was organized by the Indian Embassy, Kathmandu in association with the ministry and the Nepal Tourism Board.



Inaugurating the mart, Minister Bogati said that it was imperative to promote Buddhist destinations to boost religious tourism in the country for uplifting the livelihood of common people across the country.

Similarly, Ambassador Prasad emphasised the need to develop Lumbini through modern technology and infrastructure that would help prolong the stay of tourists. He added that the Indian government was ready to extend support for infrastructure development in Lumbini.

Meanwhile, tour operators of the two countries gave presentations on development of the Buddhist Circuit. The major objective of the mart is to promote Buddhist sites in the two countries and conduct interactions between tourism entrepreneurs to expand their business network.

Participated by high government officials of both India and Nepal, the first day of Program was the technical session where presentations on Tour Operations between Nepal and India and Development of the Buddhist Circuit were made. Mr. Manoj Kumar Singh, Secretary, Ministry of Tourism, Uttar Pradesh spoke on the initiatives taken by Uttar Pradesh for tourism promotion and offered to promote Lumbini and the Buddhist Circuit by establishing information centers in Buddhist sites of Uttar Pradesh, India. Mr. R. P. Goswami, Special Secretary, Govt. of UP India, Mr Prachanda Man Shrestha,

former CEO of Nepal Tourism Board, Basant Bidari of Lumbini Development Trust, Bikram Pandey, Buddhist tourism entrepreneur, Upaul Majumdar, CEO, Hotel Annapurna and other high level delegates from India and Nepal spoke on the various subjects related with Buddhist Circuit and tourism promotion in Nepal and India.

The Tourism Mart was organized with the main objectives of promoting the Buddhist sites of both the

two countries, interactions between the tourism entrepreneurs of both countries and to expand business network. In addition to Indian participants from Bihar, Delhi and Uttar Pradesh from India, Nepali tourism entrepreneurs from Dhangadi, Nepalgunj, Pokhara, Kathmandu, Chitwan, Lumbini and Bhairawa participated the Mart including business to business session (B2B) among the tourism entrepreneurs of the two countries next day.

The figures provided by immigration office at the Tribhuvan International Airport (TIA) show around 165,000 Indian tourists visited Nepal last year, which was 27.5 percent of the total foreign tourists received by the country.

Though neighboring India receives millions Buddhist pilgrims every year, Nepal, where Lumbini, the birth place of Lord Buddha, lies, does not even receive 10 percent of that crowd, according to the organizer of the event. The package aims to promote major Buddhist religious sites in Lumbini and Kathmandu, as well as Bodhgaya Sarnath, and Kushinagar of India.

To promote Lumbini, Nepal organized Visit Lumbini Year in 2012, during which 509,073 tourists from 92 countries visited the birth place of Lord Buddha. Of this, 113,195 were Indian, 52,671 were Sri Lankan and 28,480 were Thais. ♦

Mechi-Mahakali Railway Project Bardibas-Simara-Birgunj section to cost Rs 99 billion

Construction of the Bardibas-Simara-Birgunj section of the proposed Mechi-Mahakali Electric Railway would cost a maximum of Rs 99 billion, according to a detailed project report (DPR) currently being drafted by a South Korean consultant.

The 136km Bardibas-Simara-Birgunj section is considered as one of the most feasible parts for the construction and operation with two connections with an Indian railway network linking Birgunj and Bardibas, where Janakpur-Jayanagar railway is being extended.

The DPR study shows the cost for the construction for the Bardibas-Simara-Birgunj section would range from Rs 79

billion to Rs 99 billion. "The exact size of the budget required will be known after finalising the type of facility, safety measures, quality and level of service to be incorporated in the railway construction plan," said the source.

On Sunday, consultant is holding final round of presentation to receive inputs and finalise the DPR.

Rajeshwor Man Singh, superintendent engineer at the Department of Railways, said that the presentation and discussion slated for Sunday would help collect suggestions for the section construction. "The consultant will submit us the final DPR based on the feed back from the draft presentation," he said.

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Mechi-Mahakali Railway Project.....

It is estimated that the DPR will be ready within the next two months with its detailed design, estimated cost and bid documents for the construction of the proposed electrical railway. The Bardibas-Simara section will pass through Bhawanipur, Manaharwa, Kumargari, Chocha, Chandranigahapur, Mangalpur, Sukhepokhari and Nawalpur as per the inception report of the DPR released earlier.

Similarly, the Simara-Birgunj link will help connect the proposed Mechi-Mahakali railway with Integrated Check Point and Birgunj Dry port passing through Jitpur and Lalparsa. The feasibility study conducted by RITES India in 2010 had recommended a broad gauge 1,676mm railway system capable of handling loads of 25 tonnes for bridges and 22.9 tonnes for the track with speed of 160km per hour.

The feasibility study had concluded that the 1,317.47 km Mechi Mahakali rail project would cost an estimated Rs 800 billion for connecting Mechi in the East to Mahakali in the West, passing through major junctions starting from Kakarvitta, Itahari, Bardibas, Simara, Tamsariya, Butwal, Kohalpur, Attariya and Gaddachuki in Mahakali. The project also includes Kathmandu-Pokhara, 185km.

The proposed railway project has been on top of the government's priority list for the past three years. South Korea has also been showing interest to undertake Bardibas-Simara-Birjung section, offering a soft loan, according to Railways Department. The government is also preparing to sign an agreement with the South Korean government for support in overall railway sector development in Nepal. ♦

FDI commitment up 60% in 5 months

The foreign direct investment (FDI) commitment went up by an impressive 60 percent in the first five months of the current fiscal year despite the odds faced by the country. Statistics compiled by the Department of Industry (DoI) show FDI commitment topping Rs 29.9 billion in the five-month period to mid-December.

If the entire amount pledged by foreign investors enters Nepal, around 12,000 additional jobs will be created in sectors such as agriculture, manufacturing, tourism and services.

But since the country does not have an effective mechanism to monitor whether the commitment made by foreign investors was fulfilled, many may not know how much of the amount pledged by them actually flowed into the country.

"I don't think all foreign investors fulfill their investment commitments," he said. "But the rise in FDI commitment definitely portrays interest shown by foreigners to come and invest in Nepal, as it costs time and money to register companies here." said Pashupati Murarka, vice president of the Federation of Nepalese Chambers of Commerce and Industry.

The FDI commitment in the energy sector stood at Rs 18.38 billion in the five-month period-up 72 percent than in the same period last fiscal year. "This year, a total of 28 firms expressed commitment to invest in the energy sector, as against 12 in the same period last year," the statistics show.

The response received by the country's service sector was also impressive, as FDI commitment in the sector surged by 53 percent to Rs 2 billion in the five-month period. If this commitment translates into reality, a total of 1,976 new jobs would be added in the service sector alone.

Unlike in energy and service sectors, FDI commitment in the manufacturing sector was not encouraging, as pledges made by foreigners to invest in the sector fell by three percent in the review period.

The sector had attracted Rs 6.3 billion in FDI commitment in the first five months of last fiscal year, which dropped to Rs 6.1 billion in the five-month period this year. If the amount pledged by foreign investors enters Nepal, a total of 4,865 jobs would be created. ♦

Trekking permit system to go online

Foreign tourists planning to trek will soon be able to collect government permits to embark on the journey from the Internet. The online service will be introduced once the Trekking Agencies Association of Nepal (TAAN) and Nepal Tourism Board complete the process of automating Trekking Information Management System (TIMS), through which mandatory permits for most of the trekking routes are issued.

The TAAN is currently testing the new system. "We will formally launch it within a month's time," TAAN CEO Ganga Sagar Pant said. Once the automation is complete, trekkers can file required information and travel itinerary online, upon which applicants will get a unique code. "Using the code, applicants can then collect the trekking permit from TAAN secretariat, NTB or at check posts located at entry points of trekking routes,

Soon, we will also introduce online payment system for the convenience of trekkers," Pant said.

TAAN officials said one of the reasons behind automating the trekking permit issuance system was to control gross misuse of such permits. "We have come across incidents where trekking agencies had sold \$10 permit for \$20," an official said, adding, automation of the system will control such illegal activities.

TAAN officials also said the online registration system would help them create a database of trekkers with personal information such as gender and nationality. "These information can come handy during search operations if trekkers go missing," they said. ♦



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Gol to build Rs 20,000 crore expressway from Ludhiana to Delhi

The government of India announced Wednesday it will build a six-lane expressway, estimated to cost Rs 20,000 crore, between Ludhiana and the national capital. An expressway is a controlled-access highway designed exclusively for high-speed traffic.

"Three states Delhi, Punjab and Haryana today in principle accorded approval to build 357 km Delhi-Ludhiana Expressway, route map for which would be finalised by next month," Road Transport and Highways Minister C P Joshi told reporters here after a meeting with Ministers from three states.

"The cost of the expressway per km would be about Rs 40 crore and Rs 5,000 crore would be incurred on land acquisition," Joshi said. Joshi said townships would develop alongside of the expressway nodes from which traffic would be allowed to exit. "We would discuss the cross subsidy model from real estate for funding the project once the alignment is finalised," he said.

This would be the second expressway after Delhi-Jaipur Expressway, for which the alignment has already been finalised. "The financial model for the Delhi-Jaipur expressway would be ready shortly as we have taken on board the state governments of Delhi, Rajasthan and Haryana," the Minister said.

The government has already decided to build seven expressways under the flagship highways building programme NHDP VI. The remaining five projects are - 400 km Vadodara-Mumbai, 66 km Delhi-Meerut, Delhi-Agra, 277 km Bangalore-Chennai and 334 km Kolkata-Dhanbad. Earlier, Cabinet had accorded approval for building 1,000 km of expressways in the country in October 2011. ♦ PTI - NEW DELHI



India unlikely to hike import duty on vegetable oil soon: Sources

India is unlikely to increase import duties on edible oils, including palm oil, immediately, government sources said on Wednesday, after speculation of an imminent rise to curb a surge in overseas purchases of cooking oils pushed futures higher.

Malaysia, one of India's biggest suppliers, ended Kuala Lumpur's export duty on crude palm oil from Jan. 1 and imports could hit a record in January, a senior industry official has said, prompting calls for retaliation from domestic producers.

India is the world's top vegetable oil buyer and imported 783,091 tonnes of palm oil in December against 614,574 tonnes in November, way beyond trade expectations. More than half of its 16-17 million tonnes of edible oils demand is met via imports with nearly 80 per cent palm oil. A population growing at the rate of about 19 million people a year, along with an increasingly wealthy middle class, continue to push demand higher.

India allows duty free imports of all types of edible oils including palm oil and imposes a flat 7.5 per cent duty on refined oils. Any move by India against Malaysia, the world's No. 2 palm oil producer, would not be the first time New Delhi has faced pressure to change its import taxes. In August, the South Asian country raised its taxable level of refined palm oil cargoes to make the product more expensive and help local farmers and refiners.

That was a response to a cut in 2011 in export taxes on processed grades by top palm oil producer Indonesia, to half of those of crude, to encourage its processing industry and lift earnings from higher value-products.

India is bound by global trade agreements not to raise import duties abruptly or without reason. India buys mainly palm oils from Indonesia and Malaysia and a small quantity of soyoil from Brazil and Argentina. ♦ REUTERS - NEW DELHI

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