



Nepal Investment Summit 2024



**Government of Nepal
Investment Board Nepal**

Request for Expression of Interest (EOI)

Project Name: Daiji Industrial Park Project

EoI No.: NIS2024/IBN/EoI-11

First Date of EoI Publication: 28th April 2024



ABBREVIATIONS

DOI	Department of Industry
EOI	Expression of Interest
GoN	Government of Nepal
IBN	Investment Board Nepal
JV	Joint Venture
NIS	Nepal Investment Summit
OIBN	Office of the Investment Board Nepal
PPP	Public-Private Partnership
RfP	Request for Proposal



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1. BRIEF DESCRIPTION

Investment Board Nepal is a high-powered agency chaired by Rt. Hon. Prime Minister established as a nodal agency for Public Private Partnership (PPP) and investment promotion in Nepal. Since its establishment, IBN has played an instrumental role in implementing transformative infrastructure projects fundamental to bolstering socio-economic development of the country. IBN has provided investment approvals – for both Public-Private Partnership and direct Private Investment projects. Being guided by the long-term vision (2043), the 15th Plan, and other subsequent policies of the Government of Nepal; and international commitments such as Sustainable Development Goals, IBN has been developing credible and bankable projects to garner investment.

The Third Nepal Investment Summit is scheduled for 28th & 29th April 2024. The main objective of the Summit is to promote Nepal as a promising investment destination and to attract domestic and foreign direct investment in various sectors. The summit is expected to bring together prominent national and international speakers, dignitaries, sector specific experts and high-level government officials. During the Summit, various projects shall also be showcased to existing and new investors and developers.

A rigorous exercise has been undertaken to collect, evaluate, screen, and prepare projects for solicitation through EoI, market sounding, and showcasing other projects at different stages in pipeline. This expression of interest is issued at NIS 2024 as per the Clause 16 of the Public Private Partnership and Investment Regulation 2077. The summit will also be an opportune venue for developers to meet potential investors for equity and debt portions in projects.

Among the projects selected for solicitation, Daiji Industrial District is also one. The project related studies were carried out by Industrial District Management Limited/Ministry of Industry, Commerce and Supplies (MoICS). This project is a visionary initiative aimed at accommodating various government offices affiliated under different ministries of Government of Nepal. The proposed industrial district has been envisioned to establish and facilitate industries and expedite the industrialization process in Sudurpaschim province. Daiji industrial district plans to develop 100 plots for establishing industries specifically in agriculture, minerals, electronic and electrical industries. The project aims to encourage industrial investors by providing developed land, buildings, water, electricity, access roads, drainage and other industrial infrastructure to operate their industries. This Industrial District will improve industrial output and productivity, make use of local expertise, available resources, and promotes exports.

A brief introductory description of the projects is attached to this document.

2. BIDDING PROCESS SCHEDULE

The OIBN shall adhere (tentatively) to the following schedule to evaluate and shortlist from the EOI received for the Request for Proposal.

EOI issue Date: 28th April 2024

Last date of submission of EOI: 2nd June 2024, 12:00 Noon (Nepal Standard Time)

EOI opening date and place: 2nd June 2024, 1:00 PM (Nepal Standard Time), OIBN

Application Evaluation result: 4th August 2024

Interested parties are requested to submit their EOI along with all necessary documents online at www.eoi.investinnepal.gov.np.



Contact Details:

Name of Agency: Office of Investment Board Nepal
Address: ICC Complex, New Baneshwor, Kathmandu
Phone no.: +977-01-4575277, +977-1-14575278; Fax: +977-1-4575281
Email address: info@ibn.gov.np; website: www.ibn.gov.np

The details of the project structuring will be done before the RfP is issued and the details will be provided with the RfP document. OIBN reserves the right to shortlist or not to shortlist any or all of the applicant(s) without assigning any reason whatsoever. A pre-bid conference shall be held only at the RfP stage.

3. PRE-QUALIFYING CRITERIA

The applicants must meet the following pre-qualifying criteria to be considered for further evaluation and shortlisting:

- a) Minimum of 10 years of experience of the applicant or lead partner (in case of JV/consortium) in developing or constructing or operating an industrial park project in Public Private Partnership (PPP) model.
- b) Must have completed development or construction of at least one industrial park project in the past 5 years whose project cost is not less than NPR 3.5 billion. The applicant/JV should have completed at least 3 of such projects in overall in the past 20 years.
- c) Net worth of the applicant or lead partner (in case of JV/consortium) should be equivalent to at least NPR 3.5 billion at the time of making the application/proposal. In the case of JV/Consortium, the net worth will be calculated based on the percentage share as mentioned in the JV agreement or MOU.

Note: The currency exchange rate of the first date of EOI publication will be considered for conversion of net worth and project scale if reported in currency other than Nepali Rupees.

4. APPLICATION PROCEDURE

The developer/investor who meets the above pre-qualifying criteria can make the application for the project.

- a) Application may be made by a single entity or a group of entities (Consortium or JV) comprising up to three different companies/parties including a lead member.
- b) A consortium/JV may fulfil the pre-qualifying criteria in a joint /cumulative manner, except for the number of years of work experience.
- c) A non-refundable fee of NPR 150,000 shall be payable for each application (PPPIR 2077, Clause 17 (3)) at the time of making the application. Any application submitted without the proof of payment of the fee will be considered non-compliant.
- d) The fee must be deposited or electronically transferred to the following bank account of OIBN:

Account No.: 1420100102100001
Account Name: OFFICE OF THE INVESTMENT BOARD
Bank name: Rastriya Banijya Bank (RBB)

Bank Branch: Baneshwor
SWIFT Code: RBBANPKA



- e) Please use "Company name_Project name" as the reference code for the payment made in the case of the online payment.
- f) After payment of the fee is made, the OIBN shall assign a focal person and may provide additional documents or information relevant to the project (if available).
- g) Applicants should submit the EOI with all required documents online by 2nd June 2024 (12:00 PM Nepal Standard Time).
- h) The Government of Nepal (OIBN or relevant government) shall review the proposal and ask additional information if required.

Note: If the corruption case is being filed to Court against the Natural Person or Board of Director of the firm/institution /company or any partner of JV, such Natural Person or Board of Director of the firm/institution /company or any partner of JV such consultant's proposal shall be excluded during the evaluation.

5. CHECKLIST

Clause 17 of the PPPIR 2077 mentions that the interested investor shall acquire the request for expression of interest from the concerned agency or website and submit the documents as mentioned in the request for proposal document. Following documents and information must be submitted while submitting the EoI.

1. Notarized copy/ies of VAT/PAN registration certificate (for national developer) and official company registration certificate (for international developer).
2. Detailed profile of the developers/investors, including profile of senior management team, and annual report audited financial statements for at least past three years, latest tax clearance certificate.
3. Where the interested party is considering potential consortium partners, an indication of such intention and details of potential consortium partners (to the extent known). The interested party should clearly state the role of the consortium members and detail the scope they would intend to deliver, for example, design services, construction and commissioning services, facilities management services.
4. Evidence of power of attorney.
5. Project concept, plan, and information on financial, economic, social, technical, and environmental feasibility.
6. Method of project implementation, project development modality and work schedule.
7. Business plan with basic financial statements
8. Financial arrangement and source of investment
9. Self-declaration letter on validity and accuracy of the projects and details submitted and corruption charges and against corruption charges.
10. Expected support from GoN, if any.
11. All the documents need to be properly signed and stamped.
12. Other relevant information, if any.

Brief Project Description

1	Project Name	Daiji Industrial District
2	Background	<p>Brief Description:</p> <p>The proposed industrial district has been envisioned to establish and facilitate industries and expedite the industrialization process in Sudurpaschim province. Daiji industrial district plans to develop 100 plots for establishing industries specifically in agriculture, minerals, electronic and electrical industries. The project aims to encourage industrial investors by providing developed land, buildings, water, electricity, access roads, drainage and other industrial infrastructure to operate their industries. This Industrial District will improve industrial output and productivity, make use of local expertise, available resources, and promotes exports.</p> <p>Sector: Industry</p> <p>Location: Ward 2 and 3, Bedkot Municipality, Kanchanpur, Sudurpaschim province</p> <p>Land area required: Approx. 240.34 hectares</p> <p>Objectives for developing the project:</p> <ul style="list-style-type: none"> ▪ Provide supporting infrastructure for industrial development ▪ Promote investments in agriculture, mineral, electric and electronics industries ▪ Increase use of local resources and expertise ▪ Diversification of economic activities in the region
3	Salient Features	<p>Salient Features:</p> <ul style="list-style-type: none"> ▪ 100 Industrial Plots in 71.2 hectares ▪ Administrative and Office Areas in 3.70 hectares ▪ Residential Area in 9.37 hectares ▪ Administrative and Services areas in 3.70 hectares ▪ Buffer zone and recreation areas in 63.11 hectares
4	Project Components	<ul style="list-style-type: none"> ▪ 100 Industrial Plots ranging from 0.46 -13.64 ha ▪ Administrative Block ▪ Helipad ▪ Access Roads ▪ Petrol pumps ▪ Heavy vehicle parking ▪ Weighing station ▪ Water supply and firefighting system ▪ Storm water system ▪ Waste water network and treatment system ▪ Electrical system

5	Benefits	<ul style="list-style-type: none"> ▪ Employment Opportunities ▪ Economic Growth ▪ Promotion of Local Resources ▪ Infrastructure Development ▪ Diversification in industry development ▪ Technical capacity enhancement 								
6	Project Outcome	<p>Synergy and collaboration between government offices</p> <p>Cost savings of government offices</p> <p>Convenience for citizens</p> <p>Improvement in infrastructure</p> <p>Economic stimulus</p> <p>Employment generation</p>								
7	Financial Indicators	<table border="1"> <tr> <td data-bbox="536 763 999 887">Estimated Project Cost (NPR)</td> <td data-bbox="999 763 1394 887">NPR 8.6 billion USD 64.6 million (1USD = 132.99 NPR)</td> </tr> <tr> <td data-bbox="536 887 999 931">Financial IRR (%)</td> <td data-bbox="999 887 1394 931">12.95 (Discount Rate: 12%)</td> </tr> <tr> <td data-bbox="536 931 999 976">Pay-back period (years)</td> <td data-bbox="999 931 1394 976">22.03</td> </tr> <tr> <td data-bbox="536 976 999 1021">Benefit Cost Ratio</td> <td data-bbox="999 976 1394 1021">1.29</td> </tr> </table>	Estimated Project Cost (NPR)	NPR 8.6 billion USD 64.6 million (1USD = 132.99 NPR)	Financial IRR (%)	12.95 (Discount Rate: 12%)	Pay-back period (years)	22.03	Benefit Cost Ratio	1.29
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8	Project Implementation Modality	<p>Public Private Partnership (PPP)</p> <p>Build, Operate & Transfer (BOT)</p> <p>Role of Private Party:</p> <ul style="list-style-type: none"> • Design and construction • Financing • Operation and maintenance • Commercial space management <p>Role of Government:</p> <ul style="list-style-type: none"> ▪ Provision of land for development ▪ Provision of supporting infrastructure like roads, electricity, communication etc. ▪ Facilitating legal approvals/permits 								
9	Project Implementation Timeline	<p>A Detailed Project Report has been prepared.</p> <p>EIA completed in 2020.</p>								
10	Relevant Agencies	<ul style="list-style-type: none"> ▪ Industrial Districts Management Limited ▪ Ministry of Industry, Commerce and Supplies ▪ Sudurpaschim Provincial Government ▪ Relevant Local Agencies ▪ Investment Board Nepal 								