

# DEVELOPMENT OF INDUSTRIAL PARK IN NAUBASTA, BANKE

## SALIENT FEATURES

SN	FEATURES	CHARACTERISTICS
<b>GENERAL</b>		
1	Name of Project	Development of Industrial Park in Naubasta, Banke (224.1 hectare)
2	Type	Industrial Park development and operation
<b>PROJECT LOCATION</b>		
1	Province	Province 5
2	Project Location	Baijyanath Rural Municipality, Banke ( <a href="#">Location Map</a> )
<b>PROJECT COMPONENT / TECHNOLOGY</b>		
1	Proposed Site area	224.1 Hectare
2	Proposed number of Plot	111
3	Plot Size	~ 1 to 4 acres
4	Category of industries	Agro based Industries, Forest based Industries, Livestock based Industries, Textiles, Mineral based Industries, Engineering Industries, Chemical Industries
5	Type of Industries	Noodles Industries, Dairy Products Industries, Baby Food Industries, Leather Industry, Herbal Industry, Lentils (Dal), Oil and Ghee, Fruit and Vegetables Juices, Processed and Packaging goods (Food and meat), Textile Industries, Spinning Mills, Iron, Steel, Aluminum and Metal Manufacturing Industries, Cement Factory, Animal Food Industry, Sugar Mills and Distillery, Rice and Oil Mill, Furniture Industry, Drinking Water and Cold Drink Industries, Brick Industries, Soap Industries, Electro Mechanical Works

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### MARKET ASSESSMENT

1	Demand	Land is a primary factor that adds to the cost of doing business in Nepal. Cheap land with accompanying infrastructure has been one of the major demands of industrialists and entrepreneurs. For example: recently, the Request for Proposals called by the Special Economic Zone Authority received an overwhelming positive response from the private sector. Such land is also one of the major requirements of foreign investors.
2	Supply	GoN has formulated and is implementing various place-based policies all directly linked with boosting Nepal's industrial production and exports. The Government is planning to build 14 SEZs with the vision to promote export industry sector. In addition, GoN has committed to establishing industrial estates in each of the seven provinces. However, there are only a few that have been completed and all of them are run by the Government. As of now, no such facility exists that is operated by the private sector.
3	Opportunity	The southern region of Nepal holds an immense potential to be developed as an area of competitive advantage for industry due to connectivity and distance from India. Providing specialized infrastructure for industrial firms to co-locate will help firms reap spillovers from agglomeration effects and make them further competitive. This is especially true for the southern region in Province 5 which already has a bustling industrial scene. There is an opportunity to develop an industrial park that can build on these competitive advantages of the region and further facilitate industrial development.

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#### DEVELOPMENT MODALITY

1	Development modality	Public Private Partnership
2	Role of the Government of Nepal	<ul style="list-style-type: none"> <li>■ Provision of government land, land acquisition, facilitation and project security</li> <li>■ Facilitating legal approvals/permits</li> <li>■ Review &amp; monitoring</li> </ul>
3	Role of the Private Sector	<ul style="list-style-type: none"> <li>■ Plan, design, build, finance and operate the facilities during the Concession Period</li> <li>■ Collection of revenues from the project during the Concession Period</li> <li>■ Handover to the Government after the Concession Period</li> </ul>
4	Development Period	<ul style="list-style-type: none"> <li>a. Pre- Construction Period: 1 year</li> <li>b. Financial Closure: 1 year</li> <li>c. Construction Period: 5 years</li> <li>d. Concession Period: 30 years</li> </ul>

#### INDICATIVE FINANCIALS

1	Total Project Cost	~ USD 77.60 million
2	Interest Rate (including hedging cost)	10%
3	Project IRR	11.83%

# APPLICATION PROCEDURE

## PRE-QUALIFYING CRITERIA FOR THIS PROJECT

- 1) At least five years' experience of developing and managing projects related to industrial infrastructure in Public Private Partnership (PPP) models.
- 2) Net worth equivalent to at least USD 20 million at the time of making the application/proposal.

## APPLICATION PROCEDURE

1. The developer/ investor who meet the above pre-qualifying criteria can make the application for this project.
2. 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, coming together to implement the project.
3. A consortium/JV may fulfil the pre-qualifying criteria in a joint/cumulative manner, except for the number of years of work experience.
4. A fee of NRs 10,000 shall be payable for each application made (with application to one project counting as a single application).
5. The fee must be paid to OIBN (to the OIBN office or a dedicated desk at the Nepal Investment Summit), or by electronic transfer to the following bank account of OIBN:

**Office Code: 301003502**

**Office Name: Office of the Investment Board**

**Revenue Heading: 14229**

**Bank Name: Everest Bank Ltd.**

**Swift Code: EVBLNPKA**

Please use '**Company name\_Project name**' as the reference code for the payment made in the case of an online payment.

6. After payment of the fee is made, the OIBN shall assign an engagement manager and may provide additional documents or information relevant to the project (if available).
7. Applicants should submit the detailed proposal with all required documents by 20th April 2019. Applications shall be submitted in physical copies to the OIBN or emailed to [projects@ibn.gov.np](mailto:projects@ibn.gov.np).
8. The Government of Nepal (OIBN or relevant government agency at the relevant level of government) shall review the proposal and ask additional information if required.
9. The Government of Nepal shall decide on your application by 31st May 2019.

## DETAILED PROPOSAL CHECKLIST

1. Detailed profile of the developers/ investors, including profile of senior management team, annual report and audited financial statements for at least past three years (2015, 2016 & 2017), and consortium agreement or JV agreement or Memorandum of Understanding in the case of consortiums or JV.
2. Project concept, plan, and information on financial, economic, technical and environmental feasibility.
3. Method of project implementation, project development modality and work schedule
4. Business plan with basic financial statements
5. Financial arrangement and source of investment
6. Socio-economic contribution to Nepal
7. Expected support from GoN
8. Other relevant information, if any

**APPLY NOW**



## CONTACT DETAILS



### **Office of the Investment Board**

ICC Complex, New Baneshwor

Kathmandu, Nepal

Phone: 977-1-4475277, 977-1-4475278

Fax: 977-1-4475281

Email: [projects@ibn.gov.np](mailto:projects@ibn.gov.np)