

Source: My Republica, July 26, 2020

Tourism entrepreneurs seek 50 percent waiver on electricity bills

KATHMANDU, July 26: As the tourism business continues to take the COVID-19 generated blow, tourism entrepreneurs have sought a 50 percent waiver on their electricity bills.

A COVID-19 Tourism Business Disaster Coordination Committee formed by tourism entrepreneurs has submitted a memorandum to the Minister for Energy, Water Resources and Irrigation, Barshaman Pun, asking for the exemption. Tourism related businesses in Thamel and other major tourist areas have not been operating after the government decided to enforce nationwide lockdown following the fear of the spread of COVID-19 in the country.

However, tourism entrepreneurs have been complaining that they are obliged to pay the demand charge to the Nepal Electricity Authority (NEA). “We are required to pay the amount despite being unable to use the service which has posed a problem to our financials,” the committee said issuing a statement. “We request the authorities concerned to exempt the businesses of the demand charge and allow us to pay the amount as per the unit used.” The committee has asked the government to provide a 50 percent exemption from the time of the enforcement of the lockdown to at least two years from then.

“The government is positive about our proposal and the minister validated our concern,” Bhabishwar Sharma, vice president at Thamel Tourism Development Council (TTDC) told Republica. The memorandum was handed

to the ministry on Friday. Sharma who leads the committee said that the minister has assured the tourism entrepreneurs to look into their problems.

Different organizations including TTDC, Trekking Agencies Association of Nepal (TAAN), Nepal Association of Tour and Travel Agents (NATTA), Nepal Mountaineering Association (NMA), Nepal Freight Forwarders Association (NEFA), Hotel Association of Nepal (HAN), Nepal Association of Rafting Agents (NARA), Tourist Bus Association of Nepal (TBAN), Foreign Exchangers' Association of Nepal (FEAN) and Export Council of Nepal, among others have collectively requested the waiver.

Nepal's tourism and aviation sector has incurred an estimated loss of Rs 41 billion since the country was put under the nationwide lockdown on March 24. The worldwide travel restriction and suspension of international flights have hampered the tourism sector. According to a report produced by a government-formed committee after the study of the impact of COVID-19 on the tourism and aviation sector, the sector had incurred an average loss of Rs 10 billion per month since the country went into the lockdown.

The government on July 21 decided to lift the nationwide lockdown and allow hotels, restaurants and travel agencies to open from July 30.

Source: My Republica, July 27, 2020

Capacity of Damak and Bardaghat substations increased

KATHMANDU, July 27: Nepal Electricity Authority (NEA) has increased the capacity of its substations at Damak in Jhapa and Bardaghat in Nawalparasi to make the power supply systematic, reliable and effective.

Bajrabhusan Chaudhary, deputy managing director of the Transmission Directorate of NEA, informed Republica that a 132/33 kV, 63 MVA power transformer that was added at Padajungi substation of Damak and came into operation from Saturday. There used to be a 30 MVA transformer and now with the new addition, the transformer's capacity has reached 93 MVA. He said now the power supply to the Damak area will be reliable.

Similarly, a 132/11 kV, 22.5 MVA power transformer has been installed to increase the capacity of the Bardaghat substation in Nawalparasi. The 7 MVA transformer has been replaced with a 22.5 MVA one. Now the capacity of the transformer has reached 45 MVA.

The NEA has been running a campaign of constructing new substations, improving distribution systems and expansion across the country for quality and reliable supply of electricity to increase access.

The government has taken up the policy of constructing high capacity transmission lines for regular supply of electricity to the industrial estate and corridors that already exist and also scheduled to come into operation. According to NEA, the authority is working to upgrade and strengthen the

capacity of the substations and construct new transmission lines and substations.

Source: My Republica, July 27, 2020

Construction of East Chitwan 132 KV substation completed

KATHMANDU, July 27: The construction of the East Chitwan 132/33/11 KV substation for the supply of electricity to the area through the Hetauda-Bharatpur transmission line has been completed. The construction of the East Chitwan 132/33/11 KV substation was initiated to make power supply to Ratnanagar, Khairhani, Rapti and Kalika municipality area reliable.

Managing Director of Nepal Electricity Authority (NEA) Kulman Ghising informed Republica that the electricity flowing through the 132 KV transmission line from Hetauda in Makwanpur district to Bharatpur of Chitwan has been Line In Line Out (LILO) to and from the East Chitwan substation and has been successfully charged. "One of the two 132/33 kV, 30 MVA power transformers where the substation is placed, has been charged at no load, now it will be charged by loading," said Ghising. "A 33/11 kV, 16.6 MVA power transformer was charged on Sunday to supply electricity to the local consumers. We are working with the aim of operating the substation automatic system and distributing electricity from the 11 kV feeder within a week." Currently, electricity to the eastern region of Chitwan is being supplied from 132 kV substation through a 21 kilometre 33 kV line and 33/11 kV Chainpur substation. There used to be problems like line breakage, tripping, low voltage and technical leakage of electricity due to the lack of long line and capacity. The load at Bharatpur substation is expected to be reduced after the electricity is supplied from the East Chitwan substation.

The project was constructed with an estimated investment of US dollar 5.4 million from the government at Rapti Municipality-6, Hardi. The construction started from the fiscal year 2015/16 and the project was expected to come into operation by mid-April but the impact of COVID-19 delayed the project completion date. A 10 kilometer 33 kV double circuit transmission line and an 11 kV distribution line have also been constructed from Hardi to Parsa substation for local power supply.

Source: My Republica, July 27, 2020

Cooperative action through a power developers' forum recommended for safeguarding environment, people's livelihoods on the Trishuli River Basin

KATHMANDU, July 27: A new study conducted by the International Finance Corporation (IFC) calls for cooperative action through a Developers' Forum to safeguard the environment and people's livelihoods with all hydropower development on the Trishuli River Basin (TRB).

The year-long study, Cumulative Impact Assessment and Management: Hydropower Development in Trishuli River Basin in Nepal, which was supported by the governments of Australia, Norway and Japan, recommends a holistic and basin-wide approach to address the environmental and social challenges associated with infrastructure development. There are over 36 hydropower projects in various stages of development or planning in the TRB, which covers an area of 32,000 square kilometers.

The study found the TRB is already impacted by hydropower and other development projects, with the effects compounded by other stresses such as climate change, slope instability, sand mining and urbanization. It shows that, without action, the river and its fish could be seriously, to critically, affected, with adverse impacts on people's livelihoods and the future of the already globally endangered Golden Mahseer.

The study also warns that there is also likely to be an increase in sand-mining activities while exacerbating the displacement impacts associated with land-

acquisition if no management measures at TRB are implemented. It would require at least 640 hectares of land should all the projects currently planned for the TRB be implemented.

“In the absence of a basin-wide environmental and social approach, individual efforts at the project-level to mitigate impacts will likely fall short and as a result biodiversity, people’s livelihoods and ecosystem services could be significantly impacted,” a press statement quoted Global Environmental and Social Hydropower Lead of IFC Pablo Cardinale as saying.

“This assessment is part of IFC’s deep commitment to promote a holistic, beyond-individual-projects’, approach to environmental and social risk management practices in Nepal, with the clear aim to minimize any accumulated harm to the environment and communities through multiple development projects in the same river basin.”

The study recommends the proposed Trishuli Hydropower Developers’ Forum to include developers, lenders, the Nepal Electricity Authority, environmental and social regulators, and other relevant government agencies. Under the recommended high management scenario, hydropower developers across the basin would need to sign on to a cumulative impacts management charter that goes beyond the usual compliance requirements of environmental and social management plans of individual hydropower projects.

“The importance of hydropower for Nepal cannot be overstated and the country truly has the potential to be the next regional powerhouse,” the statement quoted IFC’s Country Manager for Nepal, Bhutan and Bangladesh Wendy Werner as saying. “But to exploit the natural endowments without

taking a bird's-eye view of the potential negative consequences throughout the entire river basin could do more harm than good in the long-run. And for that reason, all of us have to work together to understand and mitigate cumulative impacts from multiple projects to ensure a sustainable development pathway for the energy sectors in Nepal.”

According to the statement, the study was an integral part of the World Bank Group Board of Directors' approval of the \$650 million for the 216 MW Upper Trishuli-1 Hydropower Project (UT-1), located in the upstream of the Trishuli basin. IFC is leading a consortium of eight international lenders in financing UT-1. High environmental and social standards have been put in place for UT-1 and it is the first project in Nepal to undertake a consent process with affected indigenous communities.

Source: The Rising Nepal, July 27, 2020

Hydropower Project Ignores Environment Conservation

Mangalbare, July 28 : The Super Mai Hydropower Project which is under construction in Ilam has ignored the environment. The locals here have blamed that the project dried up the river and its tributaries.

The locals have been united and voicing against the project that it was not paying heed to environmental concerns. Even the small stream and tributaries to Mai River were usurped by the project, said Kush Bahadur Thebe, adding that although it was not big concern in the rainy season, the river and tributaries would be dry in winter season.

Once the major river and feeding streams go dry, it has direct impact on irrigation and use of water for cattle, he argued. Now, the locals have decided that they would not allow the hydropower project to use the water from Ingla and Samaha streams.

The struggle committee has further urged the project to immediately stop the structures being made to supply water from Ingla and Samaha streams to the hydropower. Although the locals raised voice against the project, their demands were not addressed.

The struggle committee further said the project needs to bear social responsibility, but there was no transparency of budget use under this scheme. Secretary of the struggle committee, Man Bahadur Gurung, warned if their demands were not addressed, the committee would launch organized protests.

Source: The Himalayan Times, July 27, 2020

House panel seeks Khimti Hydropower Project study report

Earlier too on July 19, the committee had written a letter asking the energy ministry for documents related to the PPA and Project Development Agreement (PDA) of the project.

Meanwhile, Purna Kumari Subedi, chairperson of the committee, has formed a sub-committee to study all the documents related to Khimti project. “We have sought details on the management, operation and transfer of rights of Khimti in the study,” she informed.

According to the PPA and PDA of Khimti Hydropower Project signed with Himal Power Ltd — the project developer — 50 per cent ownership of the project needs to be acquired by Nepal Electricity Authority (NEA) after 20 years of operation. As per the same provision, the PPA was completed on July 10.

NEA had formed four sub-committees to study the new PPA, transfer of ownership and management of the project. The study report was submitted to the MoEWRI earlier.

The energy ministry had previously formed a team led by Joint Secretary Prabin Aryal, and comprising of officials of NEA to facilitate the ownership transfer process and form a joint venture company to operate the project.

However, there has been no tangible progress in forming the company yet.

Citing the difficulties created by the outbreak of the coronavirus pandemic, both NEA and MoEWRI have been delaying in inking the new agreement.

Meanwhile, NEA has yet to fulfil the set preconditions before taking 50 per cent ownership from Himal Power Ltd (HPL), which currently has 100 per cent ownership of the project. HPL has been tasked with developing the project under a 50-year lease contract with government.

As per the Project Development Agreement, a joint venture (JV) company needs to be formed. The JV company will then determine and certify the valuation of the project site, undertake share distribution, and determine new power purchase rate. Likewise, the company will also form a new board of directors, set up a management team and integrate employees, among others.

NEA had initially signed the PPA with Khimti at 5.2 US cents per unit, which was later revised to 5.9 cents. The authority is buying power at up to Rs 21 per unit of electricity generated from the project as the price of the dollar has surged massively.

Source: The Himalayan Times, July 28, 2020

Government finalises investment modality of Bheri-Babai diversion project

The government has finalised the investment modality of the Bheri-Babai Diversion Multipurpose (Irrigation/ Hydropower) Project. The Ministry of Energy, Water Resources and Irrigation (MoE- WRI) has decided to take the project forward by adopting the company model as its investment modality under the 'Nepal's Water, People's Investment' scheme.

Minister for Energy, Water Resources and Irrigation, Barsha Man Pun, had held a meeting on Monday with concerned stakeholders, including Mahendra Bahadur Shahi, chief minister of Karnali Province, to discuss on the investment modality of the project. In the meeting, Minister Pun had proposed an investment modality whereby investments would be made by the federal, province and local bodies, project-affected locals as well as the general public.

Rabindranath Shrestha, secretary at the MoEWRI, informed that a pact has been reached on the investment proposal made by minister.

According to Madhu Prasad Bhetwal, coordinator of the Bheri-Babai Diversion Multipurpose Project and joint secretary at the energy ministry, the government will have 51 per cent investment in the project with 26 per cent of it being contributed by the federal government, 20 per cent by the Karnali provincial government and five per cent by the local level governments.

Similarly, 29 per cent investment will be collected from general public across the country, 10 per cent from people in Karnali Province and 10 per cent from residents of project-affected areas, said Bhetwal. He also added that the investment will be made through shares.

Earlier, the Department of Irrigation, under the MoE- WRI, had set a target of irrigating 51,000 hectares of land in Banke and Bardiya through the project throughout the year. The project will be constructed by diverting 40 cubic metres of water per second from Bheri River and will also generate 46.8 megawatts of electricity.

Currently, the tunnel construction work of the project has been completed and the construction of headworks and power house has started.

Minister Pun said that the government has set a target to complete construction of the project in fiscal 2022-23.

The responsibility of project construction has been assigned to the Department of Water Resources and Irrigation under the MoEWRI.

Once the project is completed, it will be managed and operated by a company with shareholders, representatives of the federal, provincial and local governments and the general public.

For the aforementioned purpose, a public company called 'Bheri-Babai Diversion Hydropower Company' will be established under the ownership of the government.

The revised cost of the project at present stands at Rs 33.19 billion. Of this total investment, 40 per cent will be allocated for civil construction work, 35 per cent for tunnel construction, two per cent for tunnel construction consultancy services and 11 per cent for electromechanical construction of transmission line. The remaining amount has been earmarked for other official expenses.

Source: My Republica, July 30, 2020

Supreme Court issues a show-cause order on tax rise on electric vehicles

KATHMANDU, July 30: The Supreme Court on Wednesday issued a show-cause order against the government decision to raise the taxes on electric vehicles.

The government, through its budget for 2020/21 has increased the customs duty from 10 to 80 percent and excise duty from five percent to 80 percent. In the revised rate, the cost of electric vehicles has surged multifold, according to the traders.

A single bench of the Supreme Court Justice Ananda Mohan Bhattarai issued a show-cause order showing concern on the tax hike in electric vehicles as a serious matter. This came in response to a writ petition filed by Jury Nepal, a non-government organization, against the government move, stating that the rise in tax had made electric vehicles unaffordable to the general people.

The provision to raise tax on electric vehicles has drawn widespread criticisms as this seeks to discourage the use of environment-friendly automobiles. The government move has also been criticized on the ground that it will hit the aspiration of making the country self-reliant in energy supply and reduce the ballooning trade deficit.

However, the government has been defending its move saying that it was compelled to revoke the scheme to check misuse of the government package in surging imports of luxury cars. In addition, the government also put forth

that it had to revisit the tax rates to finance Rs 11.62 billion that the budget has announced in subsidies to the electricity users.

Source: The Kathmandu Post, July 31, 2020

Wendy Werner: The IFC is looking to scale up investment in Nepal

The country manager of International Finance Corporation on the institution's strategy for Nepal, how it is assessing Nepal in the wake of the Covid-19 pandemic and how it wants to support the country in its recovery.

Wendy Werner is the country manager of International Finance Corporation (IFC) for Bangladesh, Bhutan and Nepal, based in Dhaka. She implements IFC's strategy to expand financial inclusion, sustainable infrastructure, and support competitiveness through investment and advisory services. Werner manages IFC's committed investment portfolio of over \$1.3 billion in Nepal, Bangladesh and Bhutan, alongside a \$59 million advisory programme. Prior to her current role, Werner was IFC's Manager for Trade and Competitiveness Advisory Services for the East Asia Pacific region. She has worked in Tajikistan and the Western Balkans. In an email interview with **the Post's Sangam Prasain**, Werner describes IFC's short-, medium- and long-term plans in Nepal's financial and economic sector and response to the Covid-19 pandemic situation to help the country with more financing.

As a result of the Covid-19 pandemic, it's the private sector that got hit far more quickly and harder. As an international financial institution that offers investment, advisory and asset management services to encourage private-sector development in less developed countries, how do you assess the overall situation? Do you have any rescue plan?

This is a pandemic that has delivered multiple blows—which then has had a domino effect across economies. The effect is evident in key pillars of Nepal's economy—the services sector, remittances and tourism are already hard hit. Though remittance figures for June are surprisingly high, we think this is an aberration. Economic growth is expected to fall in Nepal to a range between 1.5 and 2.8 percent in the fiscal year 2019-20. And the early results from a recent survey of over 500 businesses in Nepal, by IFC, clearly indicates that businesses have been severely impacted by the pandemic.

The hospitality industry employs about over a million people. Over half a million jobs were directly dependent on tourism arrivals last year. Initial

estimates from tourism entrepreneurs suggest that the loss to the sector could be already over \$1.6 billion. About 31.2 percent of Nepal's population are estimated to live between \$1.9 and \$3.2 a day. They face significant risks of falling back into extreme poverty.

Globally, IFC has put in place a package of measures—worth a total of \$8 billion—to help sustain economies and protect jobs around the globe. Our short-term goal is to help cushion the blow of the economic crisis. Overall, IFC and its sister organisation, the World Bank, are deploying a \$14 billion fast track financing package to respond to immediate health and economic needs.

In Nepal, we have just invested \$25 million in NMB Bank to support small and medium-sized enterprises (SMEs) and green projects, and there are more under discussion with other clients. Despite the market uncertainties, the fiscal year 2020 has been a record year for us—as we were able to commit \$563 million.

The tourism industry is the worst hit sector by the ongoing crisis, and investment worth billions is at risk. Is the industry on your priority list? If yes, what are the plans?

You are quite right. Tourism has been really hit hard. We are in close discussion with both our private sector clients and government agencies on leveraging IFC support to help in the relief, repositioning and in the resilient recovery of the tourism sector. Tourism is indeed in our priority list. The first phase of IFC's global response was focused on financial institutions to ensure an abundance of liquidity in the financial system for businesses and SMEs to pay their suppliers and workers. The second phase of our global response will be sectoral, and we are looking for ways to leverage IFC's global facility for our tourism and other sectors in Nepal.

On the advisory side, we are already planning support in the immediate response phase by bringing together key stakeholders to develop an integrated communication strategy, including a pilot assessment to understand key market recovery scenarios, flight connections, and insurance coverage, among other things.

Subsequently, IFC's recovery efforts will focus on improving standards for accommodation, including hygiene around food preparation while identifying business propositions which may support access to finance for upgrading facilities in lodges.

As a lead lender to the 216 megawatt Upper Trishuli-1 Hydroelectric Project, could you tell us about the status of the project? When will construction begin?

Upper Trishuli-1 is a flagship project for us. IFC and the World Bank have worked on the project development for years to ensure its viability. Infrastructure projects are complex even in normal circumstances. Our client Nepal Water Energy Development Company is in the process of finalising the Engineering Procurement and Construction contract. Like everything else, the pandemic has affected the timeline for bringing a contractor on board. We expect construction to begin later this year. IFC remains committed to ensuring that the project is completed at the earliest possible time while delivering electricity to millions and providing tangible development benefits to the affected indigenous population.

Are you investing in solar projects?

IFC-backed SME Fund, Bo2, has invested in small scale solar projects. IFC is looking to scale up solar investment in Nepal. IFC is exploring different investment options and pursuing market creation activities.

While hydropower is abundant in Nepal, the country needs some energy mix for energy security as hydropower projects only run at 40 percent capacity during dry seasons. Energy portfolio diversification is also critical for reliable electricity supply, particularly during disasters such as earthquakes.

IFC's overall strategy envisions an investment of \$800 million to \$1.2 billion in Nepal by 2023. Currently, half of that amount has been invested. Based on the current situation, will it be realised? How would you plan to invest the amount in the next three years?

We have an ambitious strategy of investing between \$800 million to \$1.2 billion, and all hands are on deck to ensure that our goals are met. Our fiscal year 2020 ending in June was a record year for us. Our committed portfolio grew to \$563 million. If you compare that with the previous year, our portfolio stood at \$75 million. In fact, both 2019 and 2020 have been record years for us. We are actively looking into several sectors to invest and we expect to reach the target of \$800 million by 2023, and clearly infrastructure will be a big part of our investment strategy.

IFC is also working with the government agencies to promote public-private-partnership projects to ease the burden on the

public sector in infrastructural development. What achievements have been made?

Even before the pandemic, Nepal faced a significant funding gap in the public infrastructure space. IFC has been advocating for increased foreign direct investment involvement of private developers, particularly in the power sector, and public private partnerships (PPP) as a viable alternative to narrowing the funding gap in this sector. PPPs involve risk and burden sharing between the public and private sectors. Without some assurance of profitability, the private sector would not want to risk their investment.

IFC has been in discussion with the government of Nepal for the last 10 years to develop large and important infrastructure projects through the PPP model. IFC has also signed a memorandum of understanding with the Investment Board of Nepal and the Ministry of Energy to provide a framework for such collaborations.

We have engaged with the government side on several potential projects like the development of a Special Economic Zone at Simara, power transmission lines, hydropower projects, affordable housing and airports operations. IFC has also supported the government in developing the viability for the private sector participation for some of these projects.

Recently, IFC announced a \$25 million loan to NMB Bank to boost financing for green projects and SMEs. How much support are you planning to give to the financial institutions, how many of them are seeking funding and for what purposes?

IFC's investment in NMB Bank is part of our broader strategy to strengthen SME banking in Nepal—which involves supporting regulatory reforms and providing up to \$170 million of loans, specifically focused on SME lending to several banks over the next two years. We can't reveal the names of our potential clients just yet, but we are in discussion with several of them.

SMEs are a priority sector for Nepal and represent more than 99 percent of registered businesses in the country. Pre-Covid-19, SMEs contributed about 83 percent of industrial jobs, and about 80 percent of the industrial sector's contribution to Nepal's GDP.

IFC is also working with Nepal Rastra Bank and the Ministry of Finance to help SMEs develop by strengthening the credit bureau in Nepal and improving

the regulatory framework. In its current form, the credit information bureau in Nepal only covers 1.7 percent of the adult population.

Will IFC's involvement in financing banks to meet their liquidity needs encourage other international lenders to eye the Nepali banking sector as a good market? Could Nepali banks get good deals from other international lenders?

IFC's investment in Nepali banks has already paved the way for other international lenders. As you mentioned above, our recent support to NMB Bank was our second investment. IFC has invested in NMB since 2015 through a Global Trade Finance Program facility; and in 2018, IFC extended a working capital solution loan. Following the IFC investment, CDC invested \$15 million in NMB last year.

As you alluded in your question, given the inability of international institutions to lend in local currency, often the terms of investment for the local companies may not appear very attractive at first glance. But there is more value add to IFC's investment than just liquidity. We invest in first mover projects and projects that deliver tangible development impacts—summoning the tools and facilities of the World Bank Group and wider donor communities in support of such projects.

We are certainly looking into options on leveraging good deals in support of the private sector in Nepal. As mentioned before, for our investments into the two microfinance institutions, we will undertake a process to provide those funds in local currency.

What is the specific development in issuing local currency bonds for Nepal?

Nepali Rupee (NPR) offshore bond is part of our investment plan into two micro-finance institutions in Nepal. We are in the process of finalising the terms of agreement with the micro-finance institutions. Once we commit the investment, we will then begin the process of issuing offshore bonds. Clearly our timeline has been affected by the massive global economic disruptions caused by the pandemic. We are assessing the market conditions and will roll out the process when the time is right. Since this will be NPR's debut in the international market, we are conscious of the need to ensure a good benchmark so that it sets a positive precedent for other issuers of NPR bonds in future.

How difficult will it be to raise funds for Nepal as the global economy is in the doldrums? If the response is poor, won't it hit Nepal's image as a good investment destination? As a private sector lender, what specific suggestions do you have to improve the overall investment climate in Nepal?

In times of crisis like the Covid, liquidity is a global issue as there has been a massive decline in revenue for both the public and private sectors. But given IFC's triple A ratings, we don't think raising funds will be a challenge, once we are convinced of the timing and project viability. Consider for instance how IFC brought together eight other lenders to invest in Upper Trishuli-1. You are quite right about the timing of issuing a NPR offshore bond. We want to ensure that market conditions are right and that it sets a good precedent for future issuers.

Nepal certainly has made progress in the last few years, but there is still room for more improvement. Private investors (domestic and foreign) look for a stable and business-friendly environment that gives them confidence that there will be a meaningful return on their investments, and that they will have no problem in repatriation. This notably means reducing the risks and cost of doing business, such as simplifying procedures, fairly enforcing the laws, efficiently issuing approvals, and having clarity around the repatriation of earnings.

IFC is significantly increasing investments in Nepal aimed at improving the lives of people. By 2030, we will reallocate 40 percent of our annual programmes in countries like Nepal and Bangladesh, among others. This means there will be more resources available for the Nepali private sector to tap into. This also coincides with Nepal's target to become a middle-income country. IFC will be ramping up its efforts to support Nepal's journey towards prosperity—by supporting the private sector to play a key role in delivering inclusive and sustainable growth.