

PM Oli urges Indian business community to invest in Nepal

Prime Minister KP Sharma Oli has urged Indian investors to inject investment in various potential sectors of Nepal, citing that the country is now safe for foreign investment along with improved law and order situation and formation of a stable government.

Addressing a roundtable meeting with Indian business community today, Oli, who is on a three-day visit to the southern neighbour, said that Nepal's sole objective after the institutionalisation of political gains is economic transformation and the government will do everything possible to facilitate investors in the country.

"Why not make Nepal the next investment destination by Indian investors, who have been investing across the globe," Oli questioned the Indian business community, adding that Nepal's geographical proximity with India, easy access and cultural similarities between the two nations are additional benefits for potential Indian investors in Nepal.

Citing that the government will provide equal treatment to both local and foreign investors, Oli also informed the Indian business community that Nepal today delivers a favourable fiscal environment with low tax slabs, no income tax on dividends and export earnings, exemption of tax and tax holidays for certain industries and exemption of duty and fees on the key inputs used by an export industry.

Similarly, Oli also informed the Indian business community that they will not face problems in market access in Nepal basically due to Nepal's strategic location of being lodged between the two economic giants — India and China.

"Moreover, Nepal enjoys duty-free market access to different nations including the European market and preferential market access to United States. Nepal's problem is low production and to boost production, we need investments at a larger scale," Oli said.

Informing that Nepal also offers attractive incentives to investors compared to other nations, Oli said that sectors, including manufacturing, hydropower, information and communication

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technology, mining and agriculture, in Nepal have high investment opportunities with good rate of returns.

The other factor that makes investment competitive in Nepal, according to PM Oli, is the availability of a cheaper labour force. “We have reformed labour laws and industrial relations have improved,” he added.

On the occasion, Prime Minister Oli also assured the Indian business community that the government in Nepal is committed towards liberal economic policy and works in close collaboration with the private sector for development.

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