



# MONITOR

Talking Business, Talking Change

Monthly

Year 10

Issue 1

Baishakh, 2073

May-June, 2016

Page 4

Newsletter

## 13<sup>th</sup> AGM Concludes New Leadership at CNI



The AGM had unanimously elected new executive body under the leadership of Mr. Hari Bhakta Sharma

The Confederation of Nepalese Industries (CNI) concluded its 13<sup>th</sup> Annual General Meeting (AGM) on March 04, 2016 in Kathmandu. The AGM was inaugurated by Prime Minister KP Sharma Oli and attended by dignitaries from various sectors. The AGM had unanimously elected new executive body under the leadership of presidency of Mr. Hari Bhakta Sharma for the next three year term.

The AGM was held under the Chairmanship of outgoing CNI President Narendra Kumar Basnyat which passed various proposals put forth by the Secretariat. In the meantime, AGM also elected five Vice Presidents and members of National Councils (NC). As per CNI's Constitution, the senior Vice President

is automatically elected as the President of the Confederation for the next term. Newly elected Vice Presidents include: Anuj Agrawal, Satish More, Vishnu Kumar Agrawal, Nirvana Chaudhary and Krishna Prasad Adhikary.

On the occasion, outgoing president Basnyat congratulated the newly elected Executive Committee and wished them the best for effective, fruitful and successful tenure. Similarly, President Emeritus of CNI Binod Chaudhary also congratulated the newly elected committee members. He also urged the office bearers and the NC members to work further for achieving the higher economic growth emphasizing on the economic and industrial development of the country in the days ahead.

## MoU with ASSOCHAM

During the opening session of the 13<sup>th</sup> AGM, Meghnath Neupane, Director -General, CNI and D.S. Rawat Secretary -General, Associated Chamber of Commerce and Industries India (ASSOCHAM) inked on a Memorandum of Understanding (MoU) between two institutions at the gracious presence of Rt Hon'ble PM K.P Sharma Oli, Finance Minister Vishnu Poudel, Industry Minister Som Prasad Pandey,

has already opened Nepal Chapter, which is operating its work from CNI Secretariat premises.



### Message

The 13<sup>th</sup> Annual General Meeting (AGM) of Confederation of Nepalese Industries (CNI) has elected new leadership of the Confederation for the period 2016-2019. The new executive body has taken over the responsibility of leading the apex body of country's manufacturing and service industries in such a situation when the economy has been struggling to cope with the challenges posed by the effects of last year's devastating earthquake and successive Terai Unrest and unofficial non supply of the POL and other products in Nepal-India border points.

In this context, being the representative of private sector's apex body, CNI leadership has put up the responsibility of not only leading the Confederation but also providing the way forward to accelerate the stagnated economy through appropriate policy inputs to the Government. Although, CNI has been doing these activities since the very beginning of its establishment, this time it is more critical which requires the best efforts from every sectors of the economy and CNI is fully aware that it cannot be an exception since no industry can flourish in the state of fragile condition of the economy.

In the meantime, CNI with the new team has envisaged the road map and milestones for industrial development, investment promotion and contributing the nation building process. Thus CNI has been evolving as a one of the active players of the economy.. The new leadership is committed to build CNI as the leading vibrant industrial apex organization which would be playing a catalytic role in achieving higher economic growth and ensures the nation is geared towards an "Economy First" objective.

Being a membership based organization CNI is guided by its Constitution and activities to offer valuable direct, tangible and measurable services to its members. To this end, the new leadership has put forward its commitments to be ranked as a 'Sought After' place to work with the government and external development partners as well.

Director General



### INSIDE

2 Newly Elected Office Bearers of CNI

3 CNI to collect commitment through Signature Campaign for Economy





**Hari Bhakta Sharma**  
**President**  
*Deurali Janta Pharmaceuticals Pvt. Ltd.*



**Binod Kumar Chaudhary**  
**President Emeritus**  
*Chaudhary Group*



**Narendra Kumar Basnyat**  
**Immediate Past President**  
*Himalayan Distillery*



**Anuj K Agarwal**  
**Vice President**  
*Mainawati Steels Pvt. Ltd.*



**Satish K More**  
**Vice President**  
*Lucky Group*



**Vishnu K Agrawal**  
**Vice President**  
*M.A.W. Enterprises Pvt. Ltd.*



**Nirvana Chaudhary**  
**Vice President**  
*C.G. Electronics Pvt. Ltd*



**Krishna Pd. Adhikari**  
**Vice President**  
*Chitwan Udhog Sangh*  
*(Representing the District Chapters)*



## Guidelines for Eco-friendly Linear Infrastructures



First wild lives pass build in Muglin-Narayanghat Road

CNI and WWF Nepal have entered into a consensus for the development of guidelines for the construction of green and eco-friendly linear infrastructures. Both CNI and WWF will exchange its resources, networks and business intelligence in the overall policy formation of linear and environmental friendly infrastructure. The main objective of the proposed guidelines document is to serve a guiding document for construction of sustainable and green linear infrastructure that is functional to existing ecosystems, and provide services such as flood control, tourism related services, biodiversity and ecology services, fresh water systems, air quality, noise control, services related to people's livelihood and their engagement, etc. as the case may be.

## Meeting of Policy Advocacy Group Concludes



Mr Yogendra Pandey, Under Secretary, MOC making a point during the meeting.

- Sensitized the members with Policy Advocacy Strategy for reducing NTMs
- Obtained inputs for effective implementation of the strategies
- Discussed on the advocacy modality

A Policy Advocacy Group (PAG) meeting was organized with a broad spectrum of stakeholders on March 24th, 2016. In the meeting, members had discussion on the contemporary

organizations including Department of Food Technology and Quality Control (DFTQC) and the National Bureau of Standards and Metrology (NBSM).

The Policy Advocacy Group



to people's livelihood and their engagement, etc., as the case may be, to ecosystems in addition to major intended services of transportation.

In this process, CNI has appointed a team of experts who would be preparing the guidelines. The team also visited various areas where the impact of the infrastructures can be likely of impact the ecology adversely if proper cautiousness is not applied. The field visit also aimed in collecting the feedback from the major stakeholders. Various national parks chiefs, Veterinarians, engineers and environmentalist were also contacted for collecting their thoughts and ideas for the report preparation.

The guidelines preparation and dissemination process is targeted to be completed by the end of June 2016.

issues of intra regional trade and the policy and infrastructure hurdles Viz. NTMs faced by the exporters. Similarly, some way forward were suggested for minimization of the adverse impact of the NTMs and the promotion of regional trade.

Among many suggestions in the meeting it was decided through consensus that the PAG would be better served with the inclusion of three more members from relevant

comprises members carefully chosen from different stakeholders all of whom are relevant to the process of cross border trade. The group has representation from the public sector, media, think tanks, private sector associations and standard bodies. The diverse group will enable the sharing of opinions from different perspectives and also ensure that the advocacy initiative is based on facts for greater chances of success.

# CNI Signature Campaign for the Economy

Confederation of Nepalese Industries (CNI), has launched a signature campaign to pledge its commitment to ensure the fundamental rights of general public. Confederation unveiled the campaign entitled "Our Commitments for All Nepali" in a program organized at Soaltee Crowne Plaza on May 06, 2016.

CNI President Mr. Hari Bhakta Sharma inaugurated the campaign putting his sign in a banner comprises of five fundamental issues related to day to day live of general people.

At the inaugural program of the campaign ministers, high ranking officials,, politicians, c, diplomats development partners, leaders from private sector organizations including FNCCI, NCC , commodity Associations, bi national Chamber of Commerce and Industries and media personnel were present to express their commitment on the issues floated by confederation. On the occasion former Prime Minister Dr. Baburam Bhattarai, NRB Governor Dr. Chiranjivi Nepal, Vice Chair of NPC Dr. Yubraj Khatiwada and Chief Secretary of the Government of Nepal,



Dr. Somlal Subedi had expressed their solidarity on the commitment in the campaign. A short video presentation on the development of the CNI from its inception till now and the way forward was also shown during the program.

Similarly, Speaker of legislative parliament Mrs. Onsari Gharti, Chairman of former Constituent Assembly Mr. Subhas Chandra Nembang, and former Chief Secretary of the Government of Nepal Leelamani Poudyal had also

expressed their solidarity on the fundamental issues of the common people. CNI President Sharma expressed his gratitude to the dignitaries for their co-operation, support and solidarity with the Confederation on the topical issues to put the Nepal's Economy First. "Private sector has been excited by the high level commitment from the Government, political leaders and development partners", president Sharma said.

- Peace and Prosperity
- Employment and Development
- Education and Health
- Water and Power
- Self Reliant and Self Respect

CNI is planning to collect as much as signatures on the campaign so as to create positive synergy among all the stakeholders in the identified fundamental issues. Once the campaign is over and desired signatures are collected CNI will hand over the proceedings to the Chief Executive of the Government and the Head of the State so as to ensure the required policy changes and implementation of the same.

## Pre-Budget Discussion Program



Confederation of Nepalese Industries (CNI), the apex body of country's manufacturing and service industries, has forwarded suggestions for the forthcoming budget of Fiscal Year 2016/17 in a pre-budget program organized at Ministry of Finance. In

of tax-free bonds to attract funds from Non-Resident Nepali. During the interaction, CNI representatives suggested various relevant industrial, tax, finance, agriculture, export, tourism related issues to be

in the infrastructure sector and creation of environment for expenditure of such budget allocation. The question is not of policy and program but the question is implementation.

CNI also focused for early establishment of an Infrastructure Bank for infrastructure financing projects and issuance

## Supply Chain Management Training



Confederation of Nepalese Industries (CNI) in



Budget program organized at Ministry of Finance. In the program, Confederation asked the government to put in place policies to rehabilitate industries hit by last year's devastating earthquake and unofficial blockade in Nepal-India border.

In the discussion at the Finance Ministry on Apr 25, 2016, CNI also urged the government to announce and implement the coming 10 year (2016-2025) as the "Nepal Investment and Development Decade" so as to attract and accelerate the investment in the priority sector to achieve the desired goal of upgrading Nepal in to the status of developing countries by 2022 from the recent LDC status.

CNI reiterated its demand for setting up the "Nepal Industrial Center for Excellence (NICE)" and "Business Recovery Centre (BRC)" in partnership with government and the private sector to rehabilitate and reconstruct the earthquake-hit small- and medium-scale enterprises.

Submitting its list of suggestions, the private sector body sought one-third of budget allocation

included in the budget for the next fiscal year.

CNI President Hari Bhakta Sharma requested government to prioritize the industrial and production based sector rather than emphasizing on import-based trading businesses. Presenting a paper, CNI Vice-president Anuj Agrawal urged the government to impose only one percent customs duty on imports of equipment and machineries used in the agricultural production. "Effective implementation of the agriculture promotion fund, introduction of paid internship in production business and focus on digital economy should accord t priority," he said.

In the meantime, CNI members and industrialists underscored the need for the classification of land for boosting the agriculture sector. "Government has to separate the land suitable for agriculture and manufacturing sectors for effective utilization of land amid rampant plotting," they stressed. They also demanded the government to increase the gap in the customs duties on the import of raw materials and finished products.

collaboration with Industrial Enterprise Development Institute (IEDI) successfully organized training on Module 2 of ITC's Supply Chain Management Training Programme. This training offered by International Trade Centre, which is a joint body of the WTO and UN is geared towards capacity building of Least Developed Countries (LDC's) and developing countries and aims to help executives and traders manage the sourcing, movement and storage of goods from point of production to point of sale.

The 3 day training program held at CNI Secretariat from 6th to 8th May, 2016 is part of CNI's continuous efforts to enhance the capacity of its members through good supply chain management practices. The training saw participation from a diverse range of organizations including representatives from the UN, Logistics organizations and private business houses. The response to the training was encouraging and more training sessions are planned throughout the course of the year to fit the needs of participants and business houses.

**Photo Gallery**



Rt. Hon'able PM KP OLI (third from left) gracing the inaugural session of CNI 13th AGM



Former PM Dr. Baburam Bhattarai putting his sign on the commitments



Speaker of Legislative Parliament Mrs. Onsari Gharti putting her sign during campaign



Newly elected President Sharma taking the oath of office from outgoing president Narendra K Basnyat



Newly Elected CNI VPs taking the oath of office from president Sharma



CNI president Sharma putting his sign for commitment on the Economy First

**CNI Unveils a Study Report on NTMs**



**Interaction on Infrastructure Financing**

The first Infrastructure Summit, organized by CNI and its partners, had been very successful in identifying various bottlenecks in the development of infrastructure. Of them, Financing of infrastructure projects was pointed as one of the key

- What is the present situation of financing of infra projects both locally & internationally?
- What are the



A report compiled by the Non Tariff Measures (NTMs) Desk at CNI titled, 'Nepal SAARC Trade: A study on NTMs of selected products' was unveiled at a function on 30th of March, 2016. The report was based on the findings of the field visits to customs points undertaken in 2014 and 2015 and interactions in both formal and informal forums with public and private sector stakeholders.

Data from both the Trade and Export Promotion Centre (TEPC) and UN COMTRADE was employed to analyze Nepal's trade scenario including trade process, documentation and procedures for the chosen priority products of ginger, tea, lentils and MAPs.

Hon'ble Mr Deepak Bohora, Minister for Commerce unveiling the report  
This report contained an overview

of the general trade scenario of Nepal, supply side constraints affecting Nepal's trade, the requirements of its major trading partners and also detailed the NTMs facing Nepali exporters and importers for the four

- Identified the NTMs for Nepal's major export items
- NTMs reduce the competitive power of Nepali products

selected priority products. Also highlighted in the report were the recent bilateral, sub regional and regional initiatives taken by member countries and also SAARC for intra-regional trade facilitation. A list of recommendations was made at the end of the report which emphasizes the actions needed to be taken by the Government of Nepal to boost Nepal's trade with our regional neighbors.

bottlenecks that hindered the infrastructure development in Nepal. In this endeavor, CNI is in the process of preparing papers to present them in the month of June 2016 which is one of the follow-up actions as a precursor to the upcoming infrastructure summit.

In this process, CNI held an interaction program on 12th of May 2016 with the major stakeholders that brought together the representation from Government agencies, Bankers, Project Developers, and advisory bodies which aimed in identifying and sorting out the major issues that the stakeholders are facing in financing the infrastructure projects. The interaction program has been believed to answer some of the following questions that exist in financing of Infrastructure projects in Nepal.

**major challenges of financing of Infrastructure projects?**

- What are the legal and policy hurdles for financing?
- What would be the various alternatives that would resolve the particular issue?
- Who are the key stakeholders that could be act as role model for resolving the key challenge?