

DEVELOPMENT OF SPECIAL ECONOMIC ZONE (SEZ) IN SIMARA, BLOCK B AND C

SALIENT FEATURES

SN	FEATURES	CHARACTERISTICS
GENERAL		
1	Name of Project	Development of Special Economic Zone (SEZ) in Simara, Block B and C
2	Type	Special Economic Zone
3	Sector	Industry
PROJECT LOCATION		
1	Province	Province 2
2	Project Location	Gadhimai Municipality, Bara (Location Map)
PROJECT COMPONENT/TECHNOLOGY		
1	Proposed Site area	120.34 Hectare (Block B: 86.78 Hectare; Block C: 33.56 Hectare)
2	Category of industries	Agro & Forest; Construction; Energy; Manufacturing; Service; IT Industries; Garment
3	Electric Supply	<ul style="list-style-type: none">■ Simara Substation (2*15MVA): Approx. 3 km from SEZ area■ Pathlaiya 132kV/11kV Substation (22.5MVA): Approx. 7 km from SEZ area; maximum power that can be used by SEZ is 13.2 MVA

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4	Potential Industries	Noodles, Dairy Products, Baby Food, Leather, Herbal, Lentils (Dal), Oil and Ghee, Fruits and Vegetables Juices, Processed and Packaging goods (food and meat), Textile, Spinning mills, Iron, Steel, Aluminum and Metal Manufacturing, Cement Factory, Animal food, Sugar Mills and Distillery

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. Raxaul (India) which is boarder area of Simara (Nepal) has advantages for the export of goods as it is one of the busiest point among 26 entry/exit points. There is an opportunity to develop SEZ that can build on these competitive advantages of the region and further facilitate industrial development.

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

INDICATIVE FINANCIALS

1	Total Project Cost	~ USD 44.86 Million
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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 10 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.
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



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