

ORGANIZERS



Government of Nepal  
Ministry of Physical Infrastructure and Transport



Confederation of  
Nepalese Industries

CO-ORGANIZERS



Government of Nepal  
Investment Board Nepal



Youth Community for  
Nepalese Contractors



Driving Sustainable Development  
through Strategic Investment

Built and Trust with



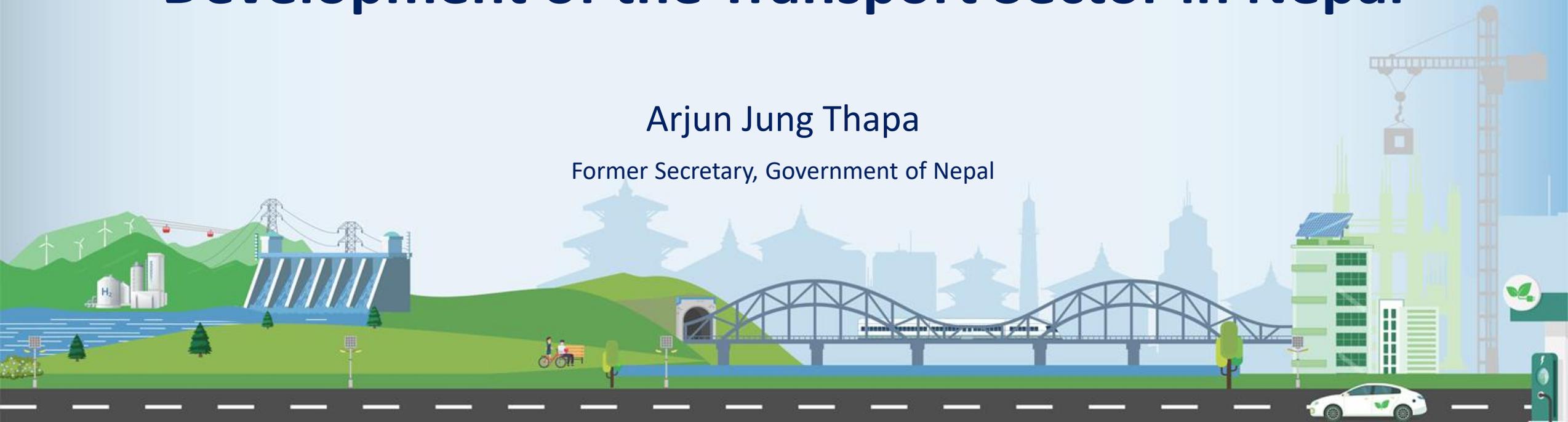
12 - 13 September 2024

The Soaltee Kathmandu

# Development of the Transport Sector in Nepal

Arjun Jung Thapa

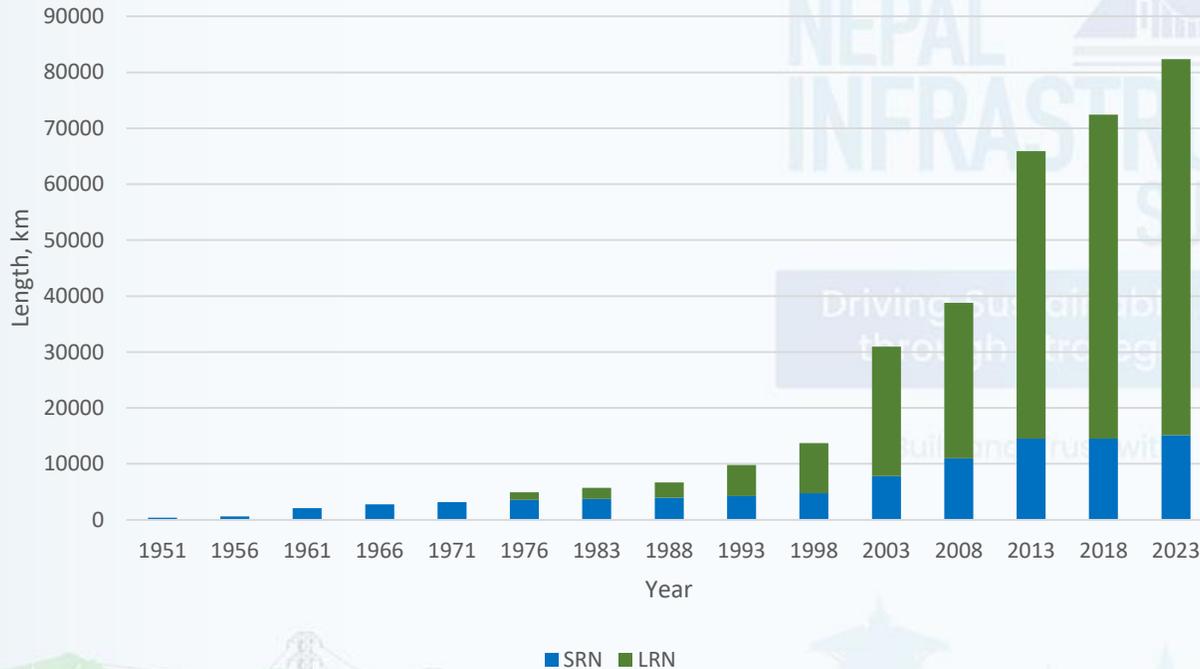
Former Secretary, Government of Nepal





# Transport Infrastructures from the 1950s to Now

Development of Roads in Nepal

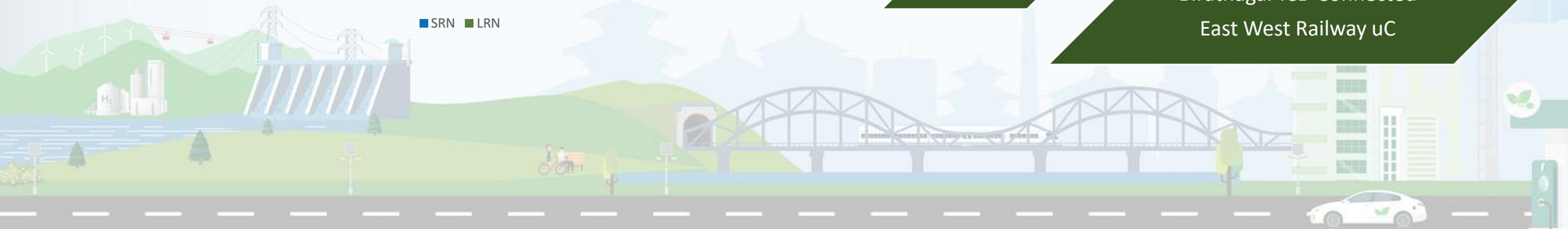


One Grass Field Airport in 1955

3 International Airports  
2 Domestic Hub Airports  
37 Paved Domestic Airports  
13 Unpaved Domestic Airports

3 Narrow Gauge Rails

Birgunj ICD Connected  
Jaynagar Bijalpura 52 km Rail  
Biratnagar ICD Connected  
East West Railway uC





# Opportunities

- Economic Growth
- Trade and Tourism
- Regional Connectivity
- Social Benefits
- Environmental Impact
- Safety and Efficiency
- Technological Advancements
- Job Creation
- Support for Good Governance
- Supply Chain Efficiency

# Challenges

- Geographic and Topographic Barriers
- Financial Constraints
- Technical and Institutional Capacity
- Environmental Concerns
- Socio-Economic Factors
- Urbanization and Traffic Congestion
- Maintenance and Sustainability
- Policy and Regulatory Framework
- Security Concerns
- Integration and Connectivity

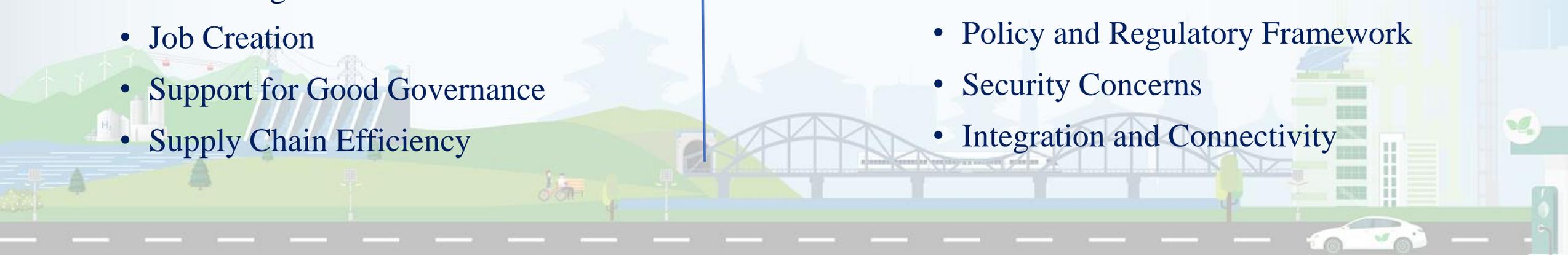
BYD  
NEPAL  
INFRASTRUCTURE  
SUMMIT 2024

Driving Sustainable Development  
through Strategic Investment

Built and Trust with



SHIVAM  
CEMENT  
शिवम डीपी फेब्रिकेस  
सुदूर पश्चिम



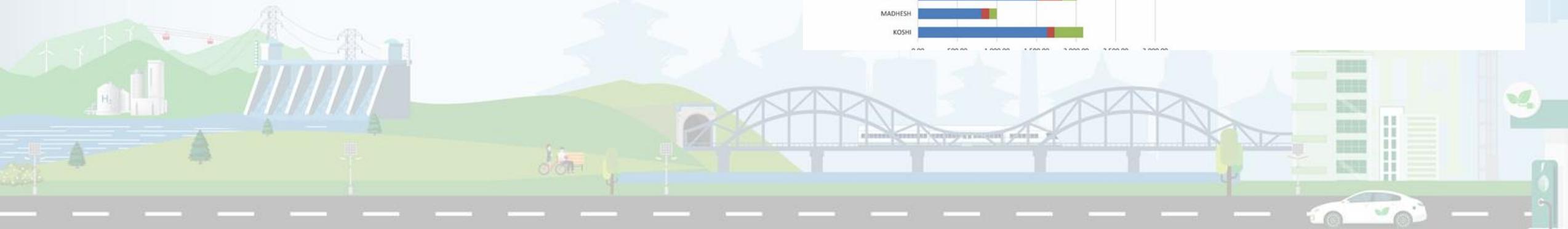
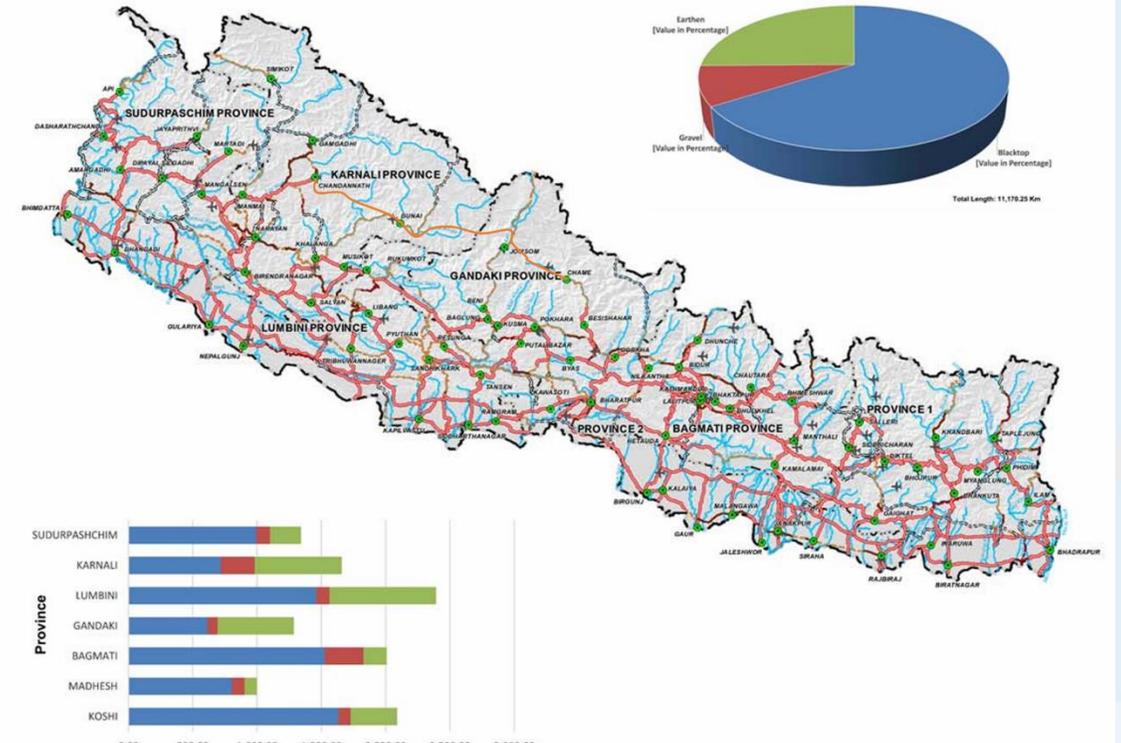
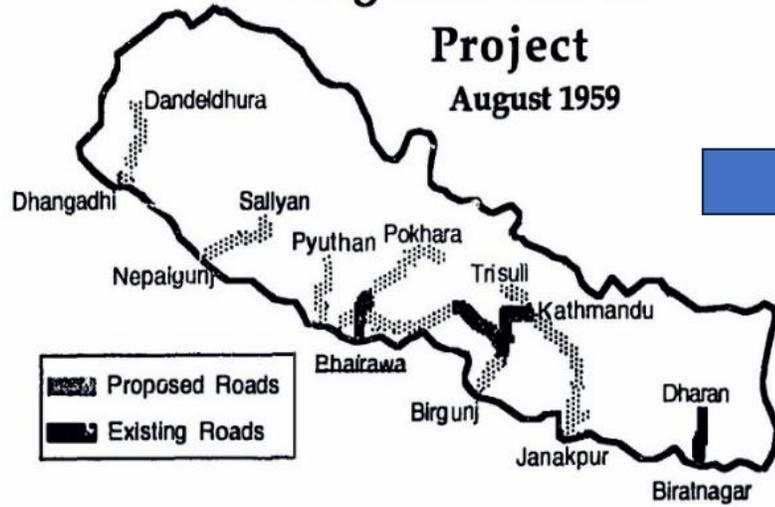
ORGANIZERS



CO-ORGANIZERS



# Regional Roads Project August 1959



ORGANIZERS



Government of Nepal  
Ministry of Physical Infrastructure and Transport



Confederation of  
Nepalese Industries

CO-ORGANIZERS



Government of Nepal  
Investment Board Nepal



Youth Community for  
Nepalese Contractors

mlekhgunj Train | 1950ies



# NEPAL INFRASTRUCTURE SUMMIT 2024

Driving Sustainable Development through **Changes**

Built and Trust with





# Existing Policies

Policies	Purpose/Objective
National Transport Policy 2001	To develop a reliable, cost-effective, safe and sustainable transport system that promotes and sustains the economic, social, cultural, and tourism development of the country.
20-Year Road Plan (2002-22)	To strengthen political and administrative linkages, poverty alleviation, development and utilization of social, economic, and cultural potentials, minimization of total transportation costs, and minimizing of adverse effects on the environment.
National Aviation Policy 2006	To develop the air transport system, by enhancing the participation of the private sector, based on the concept of an <b>Open Sky Policy</b> , while making air services safe, reliable, standard, easily available, accessible to the public, sustainable, and effective.
National Road Safety Action Plan	To minimize loss of human lives that hampers economic growth and sustainable development in Nepal.
National Parks and Wildlife Conservation Regulations	To allow the construction of ropeways inside protected areas of the country
Environment Protection Act, 2019 and Rules 2020	To ensure that environmental protection can go hand in hand with development projects, making the development in the country more sustainable.



# Identified Issues

- Frequent shifts in infrastructure priorities and policies
- Financial planning issues
- Investment Gaps
- Institutional and Regulatory Issues
- Geographical Issues
- Climate Change Issues
- Execution Issues
- Private Sector issues
- Prevalence Of Poor Technology
- Meagerness In Utilization of Natural Resources
- Political and Bureaucratic Hurdles
- Ribbon Development
- Unplanned settlements and haphazard urbanization



DRIVING  
NEPAL  
INFRASTRUCTURE  
SUMMIT

Driving Sustainable Development  
through Strategic Investments

Built and Trust with





Government of Nepal  
Ministry of Physical Infrastructure and Transport



Confederation of  
Nepalese Industries

# Rapid and Unplanned Urbanization

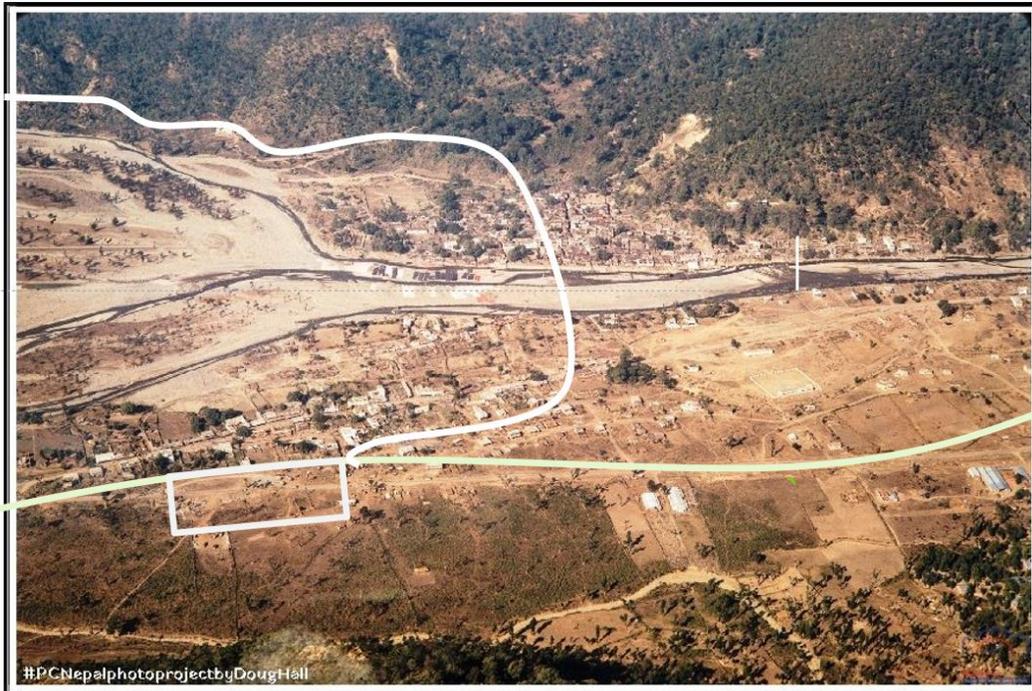


Government of Nepal  
Investment Board Nepal



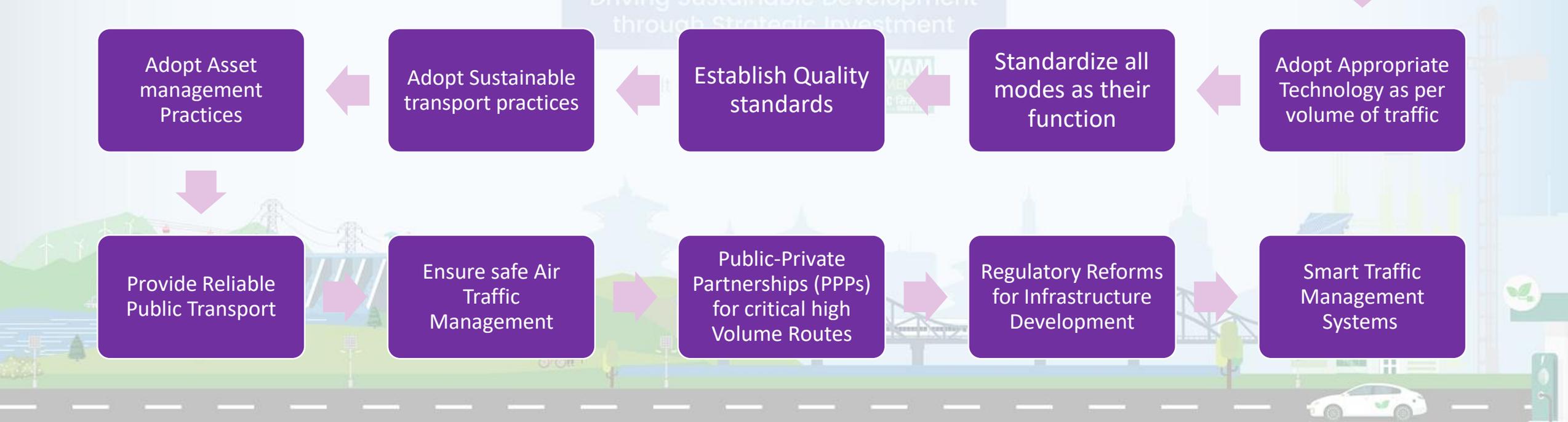
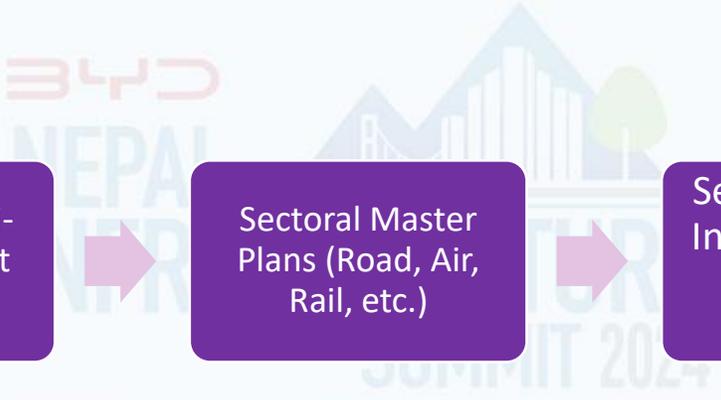
Youth Community for  
Nepalese Contractors

an Example of Butwal 1970s-Now





# Suggested Policies and Actions





# Opportunities for Private Sector

S.N.	Road Works	Length, km		Amount, Billion NRs
		0-5 years	5-10 years	
1	Upgrading DBST, km	2750	1300	141.75
2	Upgrading AC, km	2750	1300	324.00
3	Upgrading 4 lane AC, km	500	200	175.00
4	Periodic Mtce, km	2797	4000	33.17
5	Bridge Construction, nos	1500	1500	151.80
6	Tunnel Construction, km	13	12	100.00
7	Reconstruction	2000	2350	130.5

S.N.	Construction Material	Unit	Quantity
1	Cement	m.t.	1460333
2	Reinforcement	m.t.	785909
3	Bitumen	m.t.	693822
4	Gabion wires	m.t.	163532



# Ways Forward/Recommendations

**Action 1:** Strengthen the transport sector's legal, regulatory, and institutional framework

**Action 2:** Improve the Highways and SRN through a focused programmatic approach

**Action 3:** Strengthen the Civil aviation sector

**Action 4:** Strengthen the urban transport sector

**Action 5:** Capacity Enhancement of Government and Private Sector

Driving Sustainable Development  
through Strategic Investment

Built and Trust with





# Ways Forward/Recommendations



## Action 1: Strengthen the transport sector's legal, regulatory, and institutional framework.

- Allocate a sufficient budget to priority projects and promptly disburse all approved funds
- Improve the legal framework for procurement and include public-private partnerships (PPP) for different models for departments and authorities
- Improve the capacity of government agencies in the areas of public procurement, financial management, ethics, contract supervision, and performance management
- Adopt Viability Gap Funding (VGF) and Hybrid Annuity Model for transport projects in PPP

## Action 2: Improve the Highways and SRN through a focused programmatic approach.

- Identify high-priority corridors through prioritization
- Adopt efficient contracting structures considering the limited financial capacity
- Undertake an evaluation and prioritization of road maintenance needs
- Create sustainable maintenance funding to transition toward a performance-based road maintenance program





# Ways Forward/Recommendations



## Action 3: Strengthen the Civil Aviation Sector

- Separate regulatory and operational duties through the Integrated Civil Aviation Bill; CAAN regulator and Operation Company, Opco
- CAAN) develop appropriate regulatory models for International, Hub, high volume, and other airports
- Model contract to produce in line with PPP regulations
- O&M concession contracts for all international airports
- Start the modernization and improvement program of TIA and Finalize Modality for Nijgadh International Airport

## Action 4: Strengthen the Urban Transport Sector

- Strengthen the urban transport modalities and identify and plan

## Pillar 5: Capacity Enhancement of Government and Private Sector



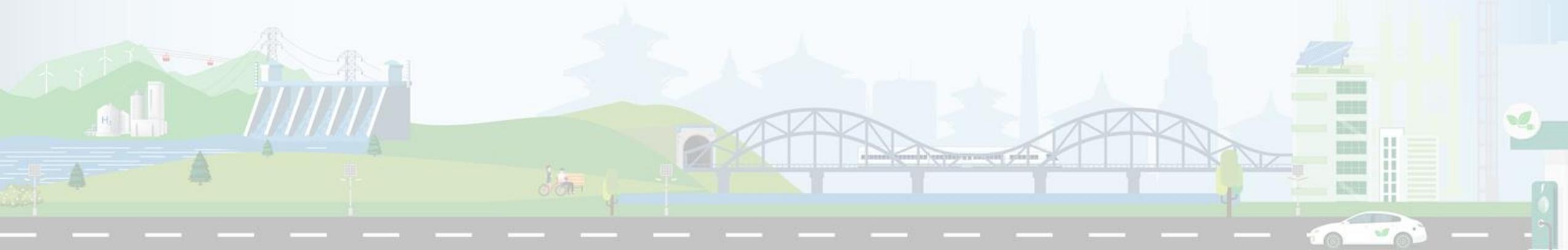


# Ways Forward/Recommendations

## Action 5: Capacity Enhancement of Government and Private Sector

- Adequate responsibilities to PPMO or IBN as a Nodal agency for promoting PPP in the infrastructure
- Establish a transparent and equitable contract enforcement system
- Banks should initiate long-term debt to the private sector based on project funding.
- Model Concession Agreements ensuring transparency and equity in contract management and resolution of conflict be made public

**The demonstration of successful PPP projects should enhance the knowledge of both sectors and is the best advertisement for PPP.**



ORGANIZERS



Government of Nepal  
Ministry of Physical Infrastructure and Transport



Confederation of  
Nepalese Industries

CO-ORGANIZERS



Government of Nepal  
Investment Board Nepal



Youth Community for  
Nepalese Contractors

BYD  
NEPAL  
INFRASTRUCTURE  
SUMMIT 2024

**Thank You!!**

through Strategic Investment

Built and Trust with

