

Invest for Impact Nepal is a platform dedicated to connecting Development Finance Institutions and Impact Investors with high-impact opportunities in Nepal through Financial Institutions and Private Equity Funds.

# NEWSLETTER

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## NIIF 2025 Bridges Foreign Capital and Local Opportunities



The Nepal Impact Investment Forum (NIIF) was successfully concluded between 3-5 June 2025. A joint collaboration between Invest for Impact Nepal (IIN), the Nepal Bankers' Association (NBA), and the Nepal Private Equity Association (NPEA), the 2025 forum built on the momentum of two Development Finance Institution (DFI) Missions in 2023 and 2024, and brought together over 14 DFIs and impact investors, along with 350+ participants from across Nepal's investment ecosystem. Attendees included high-level executives from the Ministry of Finance (MoF), Securities Board of Nepal (SEBON), and Nepal Rastra Bank (NRB), as well as diplomatic

representatives, financial institutions, PEVC funds, business associations and development partners.

The three-day event included panel discussions and knowledge-sharing sessions on scaling foreign investments in Nepal, developing climate transition plans for financial institutions, advancing gender financing, expanding PEVC opportunities, and accelerating the growth of microfinance. These discussions offered valuable insights into global investment trends and innovative approaches that can be adapted to Nepal's context. On the third day, the Forum organised field visits for DFIs and impact investors, where they experienced firsthand how their investments have brought tangible change to people's lives and businesses.

The event also provided an exclusive opportunity for one-on-one meetings between foreign investors and potential investees, deepening connections for future collaboration.

To extend the forum's reach, IIN produced a series of communication products, including exclusive interviews with regulators and DFIs, which were broadcast during NIIF 2025 and are available through the links below.

1. [Exclusive Interview with Mr. Dhani Ram Sharma, Joint Secretary at Ministry of Finance](#)
2. [Panel Discussion on "Scaling Foreign Investments in Nepal"](#)
3. [DFIs \(Swedfund and DEG\)'s perspective on investing in Nepal](#)



## **IIN and NPEA Engage with SEBON on Private Equity Reforms**

IIN team, in collaboration with NPEA, convened a high-level session with the Securities Board of Nepal (SEBON) to discuss strategies for fostering the growth of private equity in Nepal. The session brought together 17 senior SEBON officials including Executive Directors and Directors alongside 9 NPEA member representatives. The discussion focused on regulatory directions and policy measures needed to strengthen Nepal's private equity market.

The session focused on the exchange of regional best practices, particularly how India's Securities and Exchange Board (SEBI) has supported the growth of PEVC industries through its Alternative Investment Funds (AIF) regulations. Leading legal firms from both Nepal and India presented comparative analyses of Specialised Investment Funds (SIFs) and AIFs, examining their structures from legal and operational perspectives.

Private equity and venture capital fund representatives shared concrete recommendations for regulatory improvements for SEBON's consideration. The workshop concluded with remarks from SEBON Executive Director Dr. Nabaraj Adhikari, who reaffirmed the Board's openness to reforms that could significantly accelerate the growth of Nepal's private equity industry.





## PEVC Funds in Nepal Steps Up for ESG Integration



As part of IIN's ongoing effort to strengthen responsible investment practices in Nepal, NPEA, in collaboration with IIN, hosted a two-day training on 'ESG in Fund Management', in April 2025. The training brought together 25 professionals from 16 private equity funds, a law firm, and the Securities Board of Nepal. Led by ESG experts Sandeep Shrestha, Keyur Pradhan, and Yusha Pradhan from Sustainability Solutions, the sessions focused on ESG fundamentals, regulatory frameworks, risk assessment, due diligence, and governance practices.

Designed to bridge the gap between global ESG standards and local investment realities, the course gave hands-on insight on developing ESG management systems, identifying internal responsibilities, and incorporating ESG factors across the entire investment cycle.

The interactive format, real-life case studies, and tailored tools were greatly valued by the participants who felt the sessions were timely and relevant.



## Expanding PEVC Awareness Across Nepal's Emerging Business Hubs



Continuing NPEA's provincial roadshows, the latest private equity information session was held in Birgunj, in collaboration with the Nepalese Young Entrepreneurs' Forum (NYEF)- Birgunj Chapter.

The event saw participation from over 45 entrepreneurs from the NYEF Birgunj Chapter representing various industries, including healthcare, manufacturing, hospitality, etc.

This initiative is a part of the NPEA & IIN's joint objective to raise awareness about the alternative investment ecosystem across Nepal and will continue to foster a platform for entrepreneurs, investors, and stakeholders to engage in meaningful discussions on private equity and investment opportunities in Nepal.



## Sustainable Finance Masterclass for Senior Executives and Board Members

In a first-of-its-kind effort to advocate for sustainability at the board level, NBA, in partnership with IIN, organised an exclusive Sustainable Finance Masterclass for Commercial Bank Board Members and Senior Executives. With more than 45 senior executives present, comprising Chairpersons and senior-most executives, the Masterclass sought to increase board-level knowledge on Environmental, Social, and Governance (ESG) integration in banking industry. Two global experts from the Barcelona School of Management (UPF-BSM), Prof. Andrei Boar and Prof. Marcos Eguiguren Huerta, led interactive sessions on managing social risks and the crucial role of governance in driving sustainable finance.

Attendees left with actionable frameworks for integrating ESG considerations into decision-making,

risk management, and stakeholder interactions. This masterclass sparked a strong interest in further board-level capacity-building efforts, setting the stage for more customised, strategic programmes in the future. As the regulatory environment in Nepal continues to develop and global ESG expectations increase, this Masterclass reinforced the point that sustainability needs to be driven from the top.



## ToT on ESG and Sustainable Finance for Banking Professionals

NBA, in partnership with IIN, conducted a three-day Training of Trainers (ToT) programme on "ESG and Sustainable Finance." Organised in collaboration with UPF-BSM, the ToT was designed to prepare a group of certified trainers equipped to deliver impactful ESG training across Nepal's banking sector.

The participants, who are all graduates of NBA's prior two Certified ESG Course, engaged in sessions led by global experts and UPF-BSM faculty, focusing on pedagogy, global ESG trends, and practical tools for designing effective learning programs.

The training brought together 21 senior officials from member banks, who not only deepened their expertise in ESG and sustainable finance but also gained the skills to serve as internal trainers within their institutions.





## NBA Rolls Nationwide ESG & Green Finance Training



NBA, in collaboration with IIN, effectively rolled out a nationwide training programme on ESG, Environmental and Social Risk Management (ESRM) Guidelines, and Nepal's Green Finance Taxonomy across all seven provinces. This initiative trained 254 banking professionals including, Province Heads, Branch Managers, and Credit and Risk Officers, with the skills to integrate sustainability into lending decisions and risk assessment processes.

Delivered by ESG certified trainers from recent ToT programme with UPF-BSM, the sessions provided both practical knowledge and policy perspectives. Banking professionals deepened their understanding of ESG integration, learned to apply NRB's ESRM Guidelines, and explored opportunities to finance green projects under the new Green Finance Taxonomy.

## NBA Kicks Off First In-Person Community of Practice on Sustainable Finance

NBA, in partnership with the IIN, hosted the first in-person Community of Practice (CoP) meeting on Sustainable Finance, bringing together senior representatives from all commercial banks. The session introduced technicalities on sustainable finance instruments and Environmental & Social Risk Management (ESRM) systems, led by experts from Environmental Management Centre Pvt. Ltd.

As part of the session, a draft ESRMS manual currently being developed under CoP was presented, sparking discussions on implementation roadblocks, areas lacking clarity, and innovative approaches to ESG integration.



The CoP served as a dynamic platform for peer learning, experience sharing, and collaboration among banks, led by the sustainable finance department at NBA.



## Chhimek Develops Strategic Plan to Strengthen Client Protection

In partnership with IIN, Chhimek Laghubitta Bittiya Sanstha Ltd. organised a strategic workshop to develop its Client Protection Implementation Plan. Senior leadership, including executives, province heads, and department heads, collaboratively designed an action plan to enhance client protection practices in the microfinance.

The implementation plan was shaped by a comprehensive guided self-assessment, conducted through field visits to Chhimek branches across the country to closely understand ground realities, with technical support from Cerise+SPTF.



## Siddhartha Bank Builds Internal Leadership on ESG and Sustainable Finance

As part of IIN's ongoing partnership with Siddhartha Bank Limited to strengthen its Environment, Social, and Governance Management System (ESGMS), a three-day capacity-building workshop was conducted in collaboration with the Environmental Management Centre.

More than 30 staff from diverse departments were trained, gaining practical skills to identify, assess, and manage ESG risks within banking operations.

A key highlight of the training was the ToT component, designed to nurture internal champions who will play

a pivotal role in cascading ESG practices throughout the bank.





## Quarterly Overview of DFI Investments into Nepal

### NMB Bank Launches First Green Bond to Boost Climate Action

Nepal has issued its first-ever local currency green bond, a \$60 million initiative by NMB Bank Ltd., supported by British International Investment (BII), International Finance Cooperation (IFC), and MetLife

Insurance. This pioneering step will provide funding to small and medium businesses to support climate-friendly projects, expand clean energy use, and create new jobs.

### IFC and SCBNL invests \$29 million in WorldLink Communications

International Finance Corporation (IFC) and Standard Chartered Bank Nepal Limited (SCBNL) have signed an agreement to invest \$29 million in WorldLink, a leading internet service provider, to accelerate Nepal's digital transformation. This investment will expand fiber networks to underserved communities,

helping bridge the digital divide across Nepal. It will also support the development of the country's first EDGE-certified sustainable data centers through Data World Ltd., and enhance high-speed internet access with modern infrastructure, connecting remote areas.



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