

Nepal



Area ('000 km²):		147.2
Population (millions):	2001	23.6
Capital city:		Kathmandu
Official language:		Nepali
Currency:		Nepalese rupee
Exchange rate (period average):	2001	NRs76.475=\$1
GDP in current prices (millions of dollars):	2000	5 496.7
Exports of goods and services (millions of dollars):	2000	1 413.4
Imports of goods and services (millions of dollars):	2000	1 825.0
Official development assistance (millions of dollars):	2000	231.2
External debt (millions of dollars):	2000	2 823

Inward FDI: geographical breakdown, by source^a

(Millions of dollars)

Region/economy	Inflows	Year	Inward stock	Year
TOTAL WORLD	22.2	1998	207.4	1999
Developed economies	2.7	1998	76.6	1998
European Union	0.4	1998	14.0	1999
Austria	0.3	1995	0.4	1999
Belgium / Luxembourg	0.1	1998	0.1	1999
Denmark	0.1	1998	0.4	1999
France	0.1	1997	1.3	1999
Germany	0.1	1998	2.9	1999
Italy	0.1	1998	2.4	1999
Netherlands	5.1	1997	5.7	1999
United Kingdom	0.2	1998	0.9	1999
Other Western Europe	0.3	1998	15.5	1999
Norway	2.0	1997	14.4	1999
Switzerland	0.3	1998	1.1	1999
North America	35.0	1998	35.0	1999
Canada	0.1	1997	0.1	1999
United States	1.5	1998	34.8	1999
Other developed economies	0.4	1998	12.2	1999
Australia	0.4	1998	1.3	1999
Japan	10.7	1998	10.7	1999
New Zealand	0.1	1996	0.2	1999
Developing economies	19.5	1998	130.2	1999
Latin America and the Caribbean	14.1	1998	16.1	1999
Bermuda	0.5	1993	1.7	1999
British Virgin Islands	14.1	1998	14.0	1999
Panama	0.5	1994	0.4	1999
Asia	31.4	1998	114.2	1999
Bangladesh	1.6	1998	1.4	1999
Bhutan	0.1	1991	0.1	1999
China	2.8	1998	12.3	1999
Hong Kong, China	0.1	1998	7.2	1999
India	1.9	1998	75.4	1999
Lao People's Democratic Republic	0.2	1996	0.2	1999
Malaysia	..	..	0.1	1999
Pakistan	0.2	1997	1.5	1999
Philippines	0.3	1998	0.7	1999
Republic of Korea	0.1	1997	7.3	1999
Singapore	0.9	1997	4.2	1999
Sri Lanka	0.3	1998	0.4	1999
Taiwan Province of China	0.7	1994	1.4	1999
Thailand	0.2	1997	1.3	1999
United Arab Emirates	..	..	0.7	1999
Central and Eastern Europe	..	..	0.7	1999
Russian Federation	0.2	1996	0.5	1999
Ukraine	0.3	1994	0.2	1999

^a Approval data.

Inward FDI: industrial breakdown^a

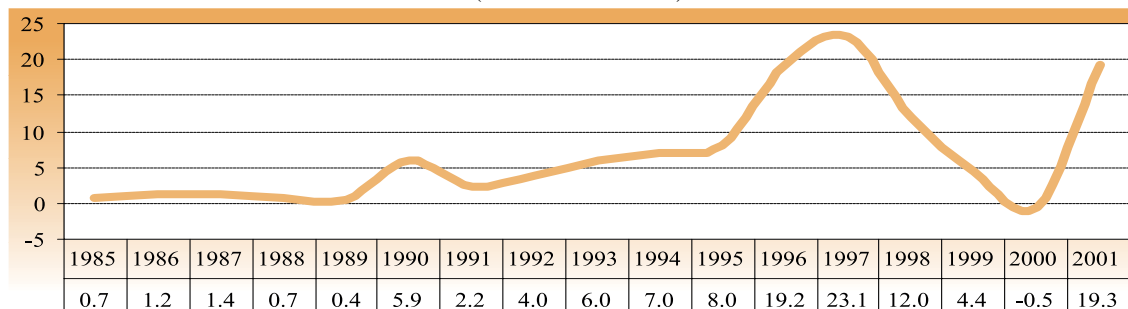
(Millions of dollars)

Sector/industry	Inflows	Year	Inward stock	Year
Total	22.2	1998	116.2	2001
Primary	5.4	1997	5.7	2001
Agriculture, hunting, forestry and fishing	5.4	1997	5.7	2001
Secondary	1.7	1998	..	..
Tertiary	20.5	1998	110.5	2001
Construction	2.8	1998	8.3	2001
Hotels and restaurants	14.8	1998	54.1	2001
Transport, storage and communications	13.9	1998	18.7	2001
Business activities	0.9	1998	..	..
Other services	1.9	1998	29.3	2001

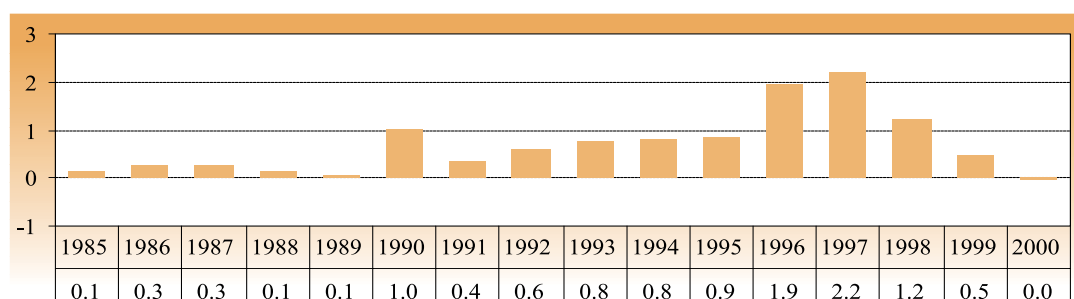
^a Approval data.

FDI inflows, 1985-2001

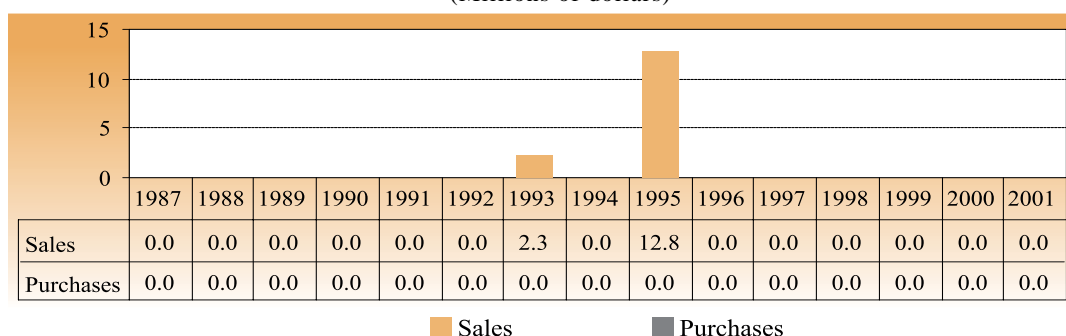
(Millions of dollars)



FDI inflows as a percentage of gross fixed capital formation, 1985-2000



Cross-border M&As, sales and purchases, 1987-2001 (Millions of dollars)



Largest cross-border M&A deals, 1987-2001

Acquired company	Industry	Acquiring company	Home economy	Value (\$ million)	Year
Nepal Arab Bk (Emirates Bk Int) ^{ab}	Commercial banks, bank holding co.	National Bank of Bangladesh	Bangladesh	11.9	1995
Bottlers Nepal Ltd.	Food and kindred products	Fraser and Neave Coca-Cola Pte	Singapore	2.3	1993
Bottlers Nepal Ltd.	Food and kindred products	Fraser and Neave Coca-Cola Pte	Singapore	0.9	1995
Jenson & Nicholson ^c	Chemicals and Allied Products	Jenson & Nicholson (India)	India	..	2000

^a Privatization.

^b The ultimate parent company is based in the United Arab Emirates.

^c The ultimate parent company is based in India.

BITs, 1 January 2002

Economy	Date of signature
France	2 May 1983
Germany	20 October 1986
Mauritius	3 August 1999
United Kingdom	2 March 1993

DTTs, 1 January 2002

Economy	Date of signature
India	18 January 1987
Mauritius	3 August 1999
Norway	13 May 1996
Sri Lanka	6 July 1999
Thailand	2 February 1998

Largest foreign affiliates, 2001

Company	Home economy	Industry	Sales (\$ million)	Employment	Year of establishment
Hotel Himalaya Pte Ltd.	Japan	Hotel and motels	..	271	1978
Nepal Hokke (Pvt.) Ltd.	Japan	Hotel	..	48	1991
Meiken Digital Technology System Pvt.	Japan	..	..	24	1999
Trans-Himalayan Tour	Japan	Tourism and hotel	..	-	1969
Hoechst Nepal Private Ltd.	France	Pharmaceutical preparations	..	..	1986
Nepal Indosuez Bank Limited	France	..	..	..	..
Sgs Nepal Pvt Ltd.	Switzerland	..	..	..	..

Other relevant information

- **Membership of relevant international agreements as of June 2002:** CREFAA, ICSID, MIGA, Observer government to the WTO.
- **Address and website of investment promotion agency:** Foreign Investment Promotion Division; Ministry of Industry, Singha Durbar, Kathmandu; Tel: (977-1) 21 66 92; Fax: (977-1) 22 03 19; www.catmando.com/gov/industry/fipd/fipd.htm
- **Fortune Global 500 investors:** Aventis, Mitsui Fudosan.
- **Member of WAIPA as of June 2002:** Yes