Date: 10 November 2022, Kathmandu

Invest for Impact Nepal (IIN) platform is scaling up its programme to promote investment and equitable economic growth that contributes to social and environmental impact in Nepal. The scale-up programme which runs from November 2022 to August 2025 builds on initial discovery phase activities such as assessing specific challenges and opportunities for Foreign Direct Investments (FDI) in Nepal. The discovery phase also looked into investment opportunities through financial institutions (FIs), Private Equity and Venture Capital (PEVC) funds, and Financial Technology firms. The IIN platform is promoted by Development Finance Institutions (DFIs) of the United Kingdom - British International Investment (BII), the Netherlands - Dutch Entrepreneurial Development Bank (FMO) and Nepal's Development Partner- the Swiss Agency for Development and Cooperation (SDC). This group comprising of Development Finance Institutions (DFIs) and Development Partners (DPs), will complement existing efforts to attract more investments and advance the development of the country, by channelling efforts to unlock the possibilities of investing patient, flexible capital to support private sector growth and innovation – helping to solve the biggest development challenges in Nepal.

The overall objective of IIN's scale-up programme is to accelerate growth, create jobs, and develop a more sustainable economy in Nepal. IIN will achieve this by enabling FIs and PEVC funds to access resources from DFIs which will be directed toward investing into productive and inclusive Nepali businesses with a long-term outlook in Nepal.

The IIN platform also encourages financial intermediaries to join capacity strengthening efforts in environment, social, and governance (ESG) through a flexible Technical Assistance (TA) facility. It will develop local ESG service providers and strengthen the Private Equity Association of Nepal, helping to encourage more players to join the investment ecosystem. To support the SME sector, IIN will enable key investment ecosystem stakeholders including DFIs, DPs, FIs, PEVC Funds, private sector and regulators to participate in market information gathering and work with them to conduct a detailed analysis on regulatory framework, financing opportunities and access to foreign direct investment.

"IIN is a unique initiative that aims to make Nepal an attractive market for foreign investment and DFI capital. We are delighted to scale up our support to the platform, in partnership with FMO and the Swiss Agency for Development and Cooperation (SDC), to help realise this ambition and help drive in capital from financial institutions and PEVC funds who play an important role in ushering in much-needed capital to support entrepreneurs and enable businesses growth in Nepal. This platform's focus on these intermediaries, among others, resonates well with BII's own strategy in emerging markets along with our ambitions to deploy patient and flexible capital to boost productive, inclusive and sustainable growth in Nepal", said **Mr. Srini Nagarajan**, MD, and Head of Asia at BII.

"We started investing in Nepal's financial sector in 2008, with banks like Clean Energy Development Bank, which later merged into NMB. FMO also supported private equity funds like Dolma Impact Fund I and recently Fund II, which provide scarce growth capital to small and medium-sized businesses. Recently, together with BII and SDC, we launched Invest for Impact Nepal, a collaboration between DFIs and development partners in the country. The aim is to further accelerate investment in Nepal and at the same time support the private sector to raise its environmental and social standards together with local stakeholders" said **Michael Jongeneel, CEO FMO.**

"We believe that DFI investment and capital mobilization will play a key role in financing Nepal's development in the future, leading to private sector growth and job creation, which are essential to ensure economic growth and reduce inequalities among women and discriminated groups. In coordination with our partners, ensuring that ESG (Environmental, Social, and Governance) factors are integrated into financial products and transactions remains our core focus. We welcome this important partnership", **H.E. Elisabeth von Capeller, Swiss Ambassador to Nepal**

Media contact:

Local contact bshrestha@investforimpactnepal.com, Phone numbers 977-9852680456

Note for editors

About Invest for Impact Nepal

- IIN is a collaboration between three Development Finance Institutions and Development Partners in Nepal, reflecting shared objectives to support business growth, strengthen investment and accelerate Nepal's economic recovery from COVID-19.
- IIN is a follow-up of an earlier discovery phase of activities also supported by BII, FMO, and SDC, which identified investable options for potential DFI investment in SME financing facilities, prioritised policy opportunities to support foreign direct investment and bringing key stakeholders together.

About British International Investment

- British International Investment is the UK's development finance institution and impact investor.
- British International Investment is a trusted investment partner to businesses in Africa, Asia and the Caribbean.
- It aims to invest up to £7.5 billion over the next five years to support the UK Government's Clean Green Initiative and to create productive, sustainable and inclusive economies predominately in Africa and South Asian markets.
- British International Investment plays a key role in the UK Government's wider plans to mobilise up to £8 billion a year of public and private sector investment in international projects by 2025.
- Over the next five years, at least 30 per cent of BII's total new commitments by value will be in climate finance. This will make it one of the world's largest climate investors in BII's target market including Nepal.
- BII is also a founding member of the 2X Challenge which has raised US $10 billion to empower women's economic development.
- The company has investments in over 1,300 businesses in emerging economies and total assets of £7.7 billion.
- For more information, visit: www.bii.co.uk | watch here.

ABOUT FMO

FMO is the Dutch entrepreneurial development bank. As a leading impact investor, FMO supports sustainable private sector growth in developing countries and emerging markets by investing in ambitious projects and entrepreneurs. FMO believes that a strong private sector leads to economic and social development and has a 50+ year proven track-record in empowering entrepreneurs to make local economies more inclusive, productive, resilient and sustainable. FMO focuses on four sectors that have high development impact: Agribusiness, Food & Water, Energy, and Financial Institutions. With a total committed portfolio of EUR ~12 billion spanning over 85 countries, FMO is one of the larger bilateral private sector development banks globally. For more information: please visit www.fmo.nl.

ABOUT SDC

The Swiss Agency for Development and Cooperation (SDC) is Switzerland's international cooperation agency within the Federal Department of Foreign Affairs (FDFA). In operating with other federal offices concerned, SDC is responsible for the overall coordination of development activities and cooperation with Eastern Europe, as well as for the humanitarian aid delivered by the Swiss Confederation.

The goal of development cooperation is that of reducing poverty. It is meant to foster economic self-reliance and state autonomy, to contribute to the improvement of production conditions, to help in finding solutions to environmental problems, and to provide better access to education and basic healthcare services.