

## Proceedings Report

### Nepal in 2030 and Release of nefport 25

#### 20 July 2016

#### Speakers:

Gail Marzetti, Head of DFID Nepal

Himesh Dhungel, Country Director - Nepal, Millennium Challenge Corporation

Swarnim Wagle, Former Member of the National Planning Commission

Yanki Ukyab, Finance Professional associated with the Investment Board of Nepal

#### Moderator:

Sujeev Shakya, Chairperson, Nepal Economic Forum

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As a country where achieving short term goals takes up more importance than long term goals and where issues of economic visions are mostly consigned to mere words, NEF is looking at bringing forward a longer-term vision for Nepal in 2030, identifying potential changes across sectors and successively working towards these envisioned outcomes.

In order to delve more into this thought-provoking topic, Nepal Economic Forum (NEF) organized a moderated panel discussion “Nepal in 2030”, which brought together insights from a diverse panel of professionals from different fields. Furthermore, during the event, the 25th anniversary issue of NEF’s flagship publication – nefport, themed Nepal 2030 was also released. This anniversary issue provides outlooks from international experts who have provided their view on South Asia in 2030 as well as domestic perspectives on the situation of the economy in 2030. The issue also includes various sectoral insights by key experts and luminaries in their respective fields.

#### Highlights from the Panel

**Swarnim Wagle** started the discussion by contextualizing Vision 2030 – a work he is passionately involved in. He stated that while Nepal has been involved in a phase of political experimentation over the last few decades, it is still possible to work towards economic development with a clear vision and roadmap for prosperity. He highlighted the lack of a serious economic vision in Nepal and stressed on the need for a three pillar framework regarding generating, sharing and sustaining prosperity.

In regard to the relationship between energy and economic growth, and the importance of electricity as an indicator, **Himesh Dhungel** identified that there was a direct relationship between per capita electricity and GDP growth. He reflected on the fact that Nepal needs to have 550 KWh per capita energy consumption, if it wants to move to a USD 4,000 per capita economy. However ironically; Nepal has one of the lowest energy consumptions in the world. . He further highlighted that investment wise, by 2030, to arrive at this

economic goal Nepal has to generate 8,000MW with an estimated USD 3 billion of investment per year in the sector.

**Gail Marzetti** started the discussion on a positive note by highlighting that only 10 years ago Nepal was in the midst of civil war and under a monarchy. She also highlighted the need for investments replacing donor interventions in the long run with multilaterals and other institutions helping towards building institutional reform and an enabling environment.

**Yanki Ukyab**, stated that if Nepal is to achieve the status ‘of a developing nation by 2022, it is estimated that the country will need USD 160 billion within the next decade, which is still a pre earthquake estimate. She stressed on the importance of large-scale energy projects and reflected on how foreign direct investments (FDI's) can play a major role in building of infrastructure.

### **Nepal in 2030: How we can make it happen?**

When asked about whether there are any examples Nepal can follow for economic development, Himesh Dhungel stated that Nepal needs to create its own model for development rather than copy and paste models used by other countries, as conditions for development are vastly different for each country. He stressed on the need for execution of proposed development plans in the country as a majority of development plans are cast aside without being completed.

Gail Marzetti was in agreement with Yanki Ukyab in regards to how large scale projects can have a major impact on the country. She stated that completing one such project could increase investor confidence and lead to the floodgates opening on FDI. Swarnim Wagle was also in agreement with these views regarding investments and execution and added that instead of waiting for a change in the political landscape of the country we should try to work around the hurdles caused by political instability in the country.

He also spoke about the five D’s as the enablers to realizing the Nepal 2030 vision. The five D’s being distance as an advantage, demographics, democracy, digitization and diaspora. He also underlined on the stability of institutions including civil services and impersonalization of economic relationships as being key drivers to development.

Yanki Ukyab identified that she saw a sense of commitment from officials towards development in Nepal and that even though there is the problem of weak leadership in the country, she remains optimistic about the future. She brought to light that Nepal is an unsaturated economy and so there are countless opportunities for a prosperous Nepal.

Sujeev Shakya closed the discussions by reflecting on the need for Nepal to look outward in terms of the resources available and also be mindful of the technological and other development taking place in different parts of the world.

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*neftalk is a platform for policy discourse and discussion on pertinent economic issues.*