

TERMS OF REFERENCE (TOR N Common Investment Fund for Infrastructure Development in Nepal (CIFIDN-SC)

1. BACKGROUND:

NRNA since its very inception in 2003, NRNA has been facilitating in bringing in investment (both of NRNs and Foreign nationals) in Nepal. Our special focus has been on in generating collective investment through proper legal channels. The promulgation of NRN Act 2064 allowed NRNs to invest in Nepal their earnings in foreign countries at par with foreign nationals. This act was a clear indication that the government wanted involvement of diaspora Nepalis in economic transformation of Nepal. The provision of Non-Resident Citizenship in the Constitution of Nepal 2074 has given further impetus to this policy of the government.

Embracing such positive developments, NRNA is mobilizing its network around the globe to create collective and common funds ready to be invested in Nepal especially in infrastructure sector. In order to facilitate the creation of vehicles for joint NRN investments and mobilize resources from a large group of NRNs, the NRNA has formed a Common Investment Fund for Infrastructure Development Committee.

This committee will focus creating a vehicle for investment and mobilizing resources for such vehicle development which involves construction and operation of structures that are required for the functioning of a community & society that could be any fundamental structures like roads, means of transportation, water supply, sewers, solar, wind and renewable , telecommunications and more.

The CIFIDN-SC will work in co-ordination with NRNA regional coordinators in their respective regions and the members of the NRNA ICC, NCC and NRNs across the globe, to collect fund and create a common basket fund and utilize such fund for the infrastructure development of Nepal. The responsibility of the CIFIDN-SC is to promote and facilitate collective investment but it will not indulge in any financial transitions itself.

2. OBJECTIVES:

The objective of the CIFIDN-SC is as follows:

- Promote the idea and concept of collective and common funds among NRNs and utilize such funds in the development of Nepal
- Create awareness, liaise and work together with Resident and Non-resident Nepalese companies and investors, Nepali owned firms and companies in different countries in order to promote and create collective and common investment Fund.
- Facilitate the incorporation of investment vehicles especially targeting the NRN community
- Identify potential investment projects which are creating bottlenecks or barriers in development of Nepal and which have good prospective rate of returns and promote them among NRN investors and NRN investment vehicles

- Promote transparency and good corporate governance among the entities created for collective investment purses

3. Functions:

The CIFIDN-SC will perform the following functions to achieve the above mentioned objectives:

- Disseminate information on rules procedures and facilities for NRN investment in Nepal among NRN community through various modes of communication
- Support in registration of common NRN investment vehicles like Investment companies, mutual funds or other collective investment vehicles and in obtaining appropriate licenses and approvals from appropriate authorities.
- Identify projects and sectors for collective investment and suggest the same to the investment vehicles and investors. .
- Prepare and plan proper mechanism to collect funds from different investors and disseminate required information to the investors.
- Continuously, through group information system, provide information regarding collective /Common investment to prospective investors / or investment vehicles
- Collect and update the information about prospective investors without jeopardizing the confidentiality of their investment
- Undertake studies to identify potential projects sector for collective investment
- Report progress on common and collective investment to NRNA ICC and the wider NRN community

4. COMMITTEE:

The committee is being headed by NRNA president as Chair and NRNA vice President Mr. Kumar Panta as Convener.

5. WORKING MODEL:

The moderator in consultation with the chair and committee members will draft plan of action of the committee. The moderator or committee may form sub committees or devolve authority to a certain member or group of members to perform specific task/tasks.

6. MEETINGS:

Meetings will be held at least once in a three months. The moderator in consultation with the chair may call additional meetings. The decision of the committee will be on consensus. In case of no consensus, the decision of the chair/moderator shall be final.

7. REPORTING RELATIONSHIP:

The committee shall report to the IES and ICC through moderator/ chair.

8. TERM:

The term of the CIFIDN-SC will continue till assumption of the office by a new NRNA ICC team in October 2019.