PHD Chamber of Commerce and Industry (PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi)

Date: 30th August, 2018

Time: 05:00 pm

Personnel in the meeting:

1. Ambassador Krishna V Rajan – Director, International Affairs, Indian Institute of Public Policy, EU – India Cooperation Forum, Chennai and New Delhi
2. Mr. Anil Khaitan – President
3. Dr. Shruti Nada Poddar – Chairperson, Rajasthan State
4. Mr. Saurabh Sanyal – Secretary General
5. Mr. Aditya Tripathi – Joint Secretary, States & States Development Council
6. Mr. Atul K Thakur – Deputy Secretary

About PHD Chamber of Commerce and Industry (PHDCCI):

* Established in 1905
* 130,000 members
* 70% of the members are Micro, Small and Medium Enterprises (MSMEs)
* 2 overseas branch offices: in Nepal and in Bahrain
* Institutional partners in Nepal: Management Association of Nepal (MAN), Confederation of Nepalese Industries (CNI) and Nepal Chamber of Commerce (NCC)
* Global Partnership Summit 2011 held in Tokyo, Japan to attract Japanese investment into South Asia
* Main activities: i) Promotion of members interests; ii) Work with government for proper policy implementation (Policy advocacy)
* 300 full time staff: 100 senior members have brainstorming sessions every month

Discussions points:

* PHDCCI and CNI signed a memorandum of understanding (MoU) to establish India-Nepal Centre during an event in Kathmandu on August 1
* More than 500 PHDCCI members have active interest in investment and sustainable involvement in Nepal
* Potential sectors for investment:
* Food processing, Agricultural processing, Hydro Electricity Projects (HEPs), Tourism and Hospitality
* Agricultural processing: Herbal or traditional Eastern medicinal products including Ayurveda products, organic food, ‘Neutraceuticals’ – antioxidant extracts, herbal supplements, essential oil
* Points to work on in Nepal:
* Systemic reform
* Infrastructure
* Clarification of strategic sight: How to deal or work with India and China
* For tourism, Nepal should focus on revising the marketing strategies, accommodation facilities, organizing capacity for natural heritages and museums (focusing on the Lumbini Buddhist circuit and Ramayan Circuit)
* At present, Nepal is politically stable
* Nepal has not been able to take advantage of its ties with India in the past due to various political and security concerns
* Today, both the governments are focusing on development
* Private sector involvement is necessary, hence PHDCCI and CNI have signed the MoU for India-Nepal Centre
* Requested to share notes on MSME sector and policies – Concept of work clusters as in Japan should be explored
* Should study Andhra Pradesh, North Haryana, Uttarakhand (cheapest power cost, good work culture)
* States of Uttar Pradesh (UP) and Bihar are focused on agriculture, have recently started to move towards industrialization
* Food processing or Pre- and Post- harvest storage facilities are possible in Birgunj area for products from UP and Bihar
* The Government of India (GOI) provides good incentives in the food processing sector
* The Special Economic Zones (SEZs) being developed along the border areas in Nepal can focus on agriculture processing facilities (Fresh and/ or Frozen food), Handicraft sectors
* Good possibility of Heritage Reconstruction Tourism in Nepal

For Business Trip Report

(2) To survey the investment climates in India

a) Observation

* PHDCCI has signed a memorandum of understanding (MoU) to establish India-Nepal Centre during an event in Kathmandu on August 1
* Requested to share notes on MSME sector and policies – Concept of work clusters as in Japan should be explored

b) Conclusion

* Food processing or Pre- and Post- harvest storage facilities are areas of interest in Birgunj for agricultural products from UP and Bihar
* The Special Economic Zones (SEZs) being developed along the border areas in Nepal can focus on agriculture processing facilities (Fresh and/ or Frozen food) and the Handicraft sector. The technology or trainings can be attracted from India.

Low participation of targeted companies:

* The time period taken for preparation was very less.
* The invitations were sent out only 15 days before the event.
* There was a logistics problem with the Hotel being too far from central Delhi area.

Lessons learnt for future events:

* To select target companies, hotel, meeting venue that are in similar area
* To have invitations and marketing of event with adequate time gap
* Focus on post-event business dinner where one-on-one meetings will be smoother