

## NRN 100 Million Dollar Fund



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## Introduction

- For profit fund – not charity
- Increase personal wealth
- Contribution to Nepal
- Many successful examples
- Benefit from earning power of \$100 mil



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## How It Works

- Global NRN population estimate – 2.0 million
  - 0.5% of this is 10,000
  - $10,000 \times \$10,000 = \$100,000,000$



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## How It Works

- US NRN population estimate – 200,000
  - 1% of this is 2,000
  - $2,000 \times \$15,000 = \$30,000,000$



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## Diaspora

- The term “Diaspora” means any scattering of people with a common origin, background or belief. Nowadays it is often used to refer to migrant communities that have settled in different parts of the world other than their country of origin.



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## Nepali Diaspora

- We the Non-Resident Nepalis are the **Diaspora** of Nepal. Whether US citizens or Nepali citizens we all recognize Nepal as our motherland. We are all included in this Diaspora.



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## Reasons for Migration

- **International Pull Factors**
- **Domestic Push Factors**

Economic gains  
Better working conditions  
Career Development  
Labor shortages  
Higher Education  
Training opportunities  
Demographics

Political Instability  
Ethnic conflict  
Economic hardship  
Population pressures  
Poor working conditions  
Unemployment  
Poor governance



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## Important Role of Diaspora

- Economic growth through remittances.
  - 2005 alone – 167 billion dollars
  - Over a billion dollars annually to Nepal
- Poverty reduction.
- Technology transfer.
- Peace building – Irish, Filipinos, South Africans.
- Philanthropy.
  - Help Nepal Network
  - Nepalese Children's Education Fund
  - Ama Foundation



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## Policy Change

- China
- India
- Ireland
- Mexico
- Kenya
- Eritrea
- Greece
- Armenia
- Phillipines
- Bangladesh
- Spain
- Turkey
- Nigeria
- Sri Lanka
- Pakistan
- Indonesia
- South Africa



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## Non Resident Indians

- 2007 - Prime Minister Manmohan Singh:

**“I would like you to reach out and invest in a new India. Invest not just financially, but intellectually, socially, culturally and, above all, emotionally. Your roots are what bring you here. Your branches are what will keep you engaged year after year in India's great development saga. Come engage with the new India.”**



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## Indian Diaspora History

- 1998 – Resurgent India Bonds – \$4.2 Billion
- 2000 – India Millennium Deposits – \$5.5 Billion
- Still NOT tapping the full potential of 20 mil NRIs
- 2002 – LM Singhvi Report detailed all the hurdles



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## Result

- 2003 – First Indian Diaspora Conference
  - Dual Citizenship
  - New government body formed for NRI
  - NRI Investment Info Centre (IIC)
  - NRI Day



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**Ask not what your country can  
do for you; ask what you can  
do for your country.**

**John F. Kennedy  
January 20<sup>th</sup>, 1961**



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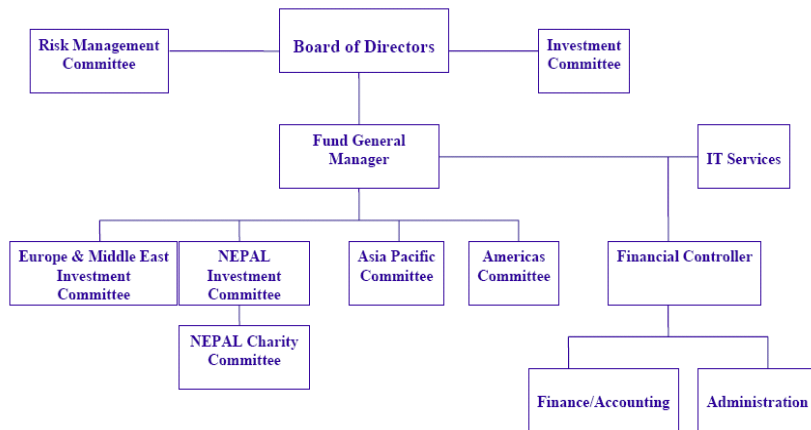
## **NRN 100 Million Dollar Fund**

- \$50 million – invest in Nepal’s infrastructure & economic development.
- \$50 million – invest in public markets outside of Nepal.
- Registration and listing in tax friendly country.
- Non Resident and Resident Nepalis - the backbone of the fund.
- Payout Policy - 40% of net profits distributed to investors, 40% reinvested, 10% donated to Nepali charities, 10% for performance related incentive for the management of the fund.



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## Operational Structure



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## Challenges

- Global NRN has to invest
- Has to be set up as an “Offshore fund”
- US investors may have to pay some taxes
- Minimum net worth may be required



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## Potential Solutions

- Fund will have highly capable leadership.
- Master/Feeder Fund Structure.
- Diaspora Bonds (Nepal Rastra Bank/Sanima Bank).



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## Goals & Next Steps

- Allow participation by any NRN regardless of net worth.
- Tax benefits for investors
- Registration of NRNA in Nepal
- NRNA board approve the launch of NIF
- Sign agreement with law firm
- Raise \$100 million globally



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You must be the change you  
want to see in the world.

Mahatma Gandhi



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