

56TH BIRTHDAY OF HIS MAJESTY KING BIRENDRA BIR BIKRAM SHAH DEV

NATIONAL DAY OF NEPAL

The Daily Star

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His Majesty King Birendra Bir Bikram Shah Dev

His Majesty King Birendra Bir Bikram Shah Dev was born on December 28, 1945 at Narayanhiti Royal Palace, Kathmandu. After completing early education at St. Joseph's College, Darjeeling, India, His Majesty went to England to attend the Eton College (1959-1964) and to the United States of America to attend the Harvard University (1967-1968).

Declared Heir-Apparent to the Throne of the Kingdom of Nepal, in 1955, His Majesty's Coming-of-Age Ceremony was performed in 1964. His Majesty ascended the Throne in 1972 after the death of His father, late His Majesty King Mahendra Bir Bikram Shah Dev on 31 January 1972. The Coronation Ceremony of His Majesty took place on 24th February 1975.

His Majesty the King is the Patron of the Royal Nepal Academy of Science & Technology, King Mahendra Trust for Nature Conservation, Lumbini Development Trust and Pashupati Area Development Trust and Chancellor of Tribhuvan University and Mahendra Sanskrit University.

His Majesty participated in the fourth (Algiers, 1973), fifth (Colombo, 1976), sixth (Havana, 1979), seventh (New Delhi, 1983), eighth (Harare, 1986), and the ninth (Belgrade, 1989) summits of the Non-Aligned Movement as the Leader of the Nepalese Delegation. His Majesty also attended the First (Dhaka, 1985) Second (Bangalore, 1986) and Fourth (Islamabad, 1988) SAARC Summits and chaired the Third SAARC Summit held in Kathmandu in 1987. His Majesty also addressed the first UN Conference on the Least Developed Countries in Paris (France) in 1981 on behalf of nine Least Developed Countries of the Asia and Pacific. His Majesty has paid several state visits to many friendly countries around the world.

The marriage ceremony of His Majesty King Birendra with her Majesty Queen Aishwarya Rajya Laxmi Devi was solemnized in February 1970. The Royal Couple have three children. His Royal Highness Crown Prince Dipendra Bir Bikram Shah Dev was born on 27th June 1971. Her Royal Highness Princess Shruti Rajya Laxmi Devi Shah was born on October 15, 1976, and His Royal Highness Prince Nirajan Bir Bikram Shah was born on November 6, 1978.

Knowledge is power, work is worship is His Majesty's Motto and His Majesty is interested in nature conservation, riding and painting.

MESSAGE

Nepalese people are celebrating the 56th Auspicious Birthday of His Majesty King Birendra Bir Bikram Shah Dev with a lot of enthusiasm organizing various programs at home and abroad. On this auspicious occasion, we wish His Majesty a good health, happiness and long life.

As one of the few countries in the world to have the institution of monarchy, Nepal is proud of the traditions of the crown and its role in unifying and inspiring the Nepalese people and glorifying the dignity of the nation. His Majesty the King is the symbol of national unity and custodian of the Constitution of the Kingdom of Nepal. In accordance with the constitution, His Majesty King Birendra Bir Bikram Shah Dev has been contributing to the institutionalization and consolidation of democracy in Nepal. His Majesty's noble desire for the socio-economic development and upliftment of people of Nepal has been a source of perennial inspiration in Nepal.

Nepal and Bangladesh have very close and cordial ties ever since the independence of Bangladesh in 1971. The bonds of friendship and co-operation between Nepal and Bangladesh have been further strengthened and consolidated after the advent of democratic systems of

governance in both the countries. Co-operation aimed at maximizing the potentials of mutual benefit in trade, transit, investment, economic co-operation, human resources development and tourism have been progressing between the two countries. A significantly new phase of co-operation has begun, especially in the areas of trade and transit, since the opening of Kakarbhitta-Phulbari-Banglabandha transit route on September 1, 1997. The volume of trade between the two countries has been increasing since then. There have also been encouraging trends in the joint venture business activities, mainly in banking, finance and insurance sector.

This year has been a very happening period in the promotion of business relations between the private sectors of the two countries. A delegation of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) visited Kathmandu, at the invitation of the Federation of the Nepalese Chambers of Commerce and Industry (FNCCI). The two apex business bodies have signed an agreement to form a joint task force, which will study the ways to removing the existing bottlenecks in trade, transit, and investment between the two countries. On that occasion, the Panchagarh Chamber of Commerce and Industry of Bangladesh and the Mechi Chamber of Commerce and Industry of Nepal, the two nearest border districts of Bangladesh and Nepal, also signed a memorandum to promote trade between the respective regions of the two countries. The Nepal Chamber of Commerce and Dhaka Chamber of Commerce and Industry have also signed a memorandum of understanding in November 2000 to promote trade, investment and tourism. All of this is expected to contribute to the enrichment of trade and investment between the two countries.

A further boost to our bilateral relations is expected during the forthcoming official visit of Honorable Chakrabarti Prasad Basola, Minister of Foreign Affairs of Nepal, to Bangladesh at the invitation of His Excellency Abdul Samad Azad, Foreign Minister of Bangladesh. Given the opportunities, complementarities and the potentials for maximizing cooperation between the two countries, there is room for making good progress in bilateral cooperation, which shall bring better benefits for the peoples in both the countries.

I am confident that the cordial and friendly relations so happily subsisting between our two countries will be further strengthened and there will be

more meaningful and substantive economic co-operation between the two countries in the days to come.

On this auspicious occasion, I would like to extend, on behalf of the people and His Majesty's Government of Nepal and my own, the heartiest and warmest greetings to the people and Government of the People's Republic of Bangladesh and best wishes for their progress and prosperity. Long Live Nepal-Bangladesh Friendship!



Madhu Raman Acharya
Royal Nepalese Ambassador to Bangladesh

Nepal-Bangladesh Relations

Cooperation in Trade, Investment, Transit, Tourism and Human Resources Development

TRADE, transit, investment, tourism, and human resources development have been the main areas of cooperation in the Nepal-Bangladesh relations, which has remained warm, cordial and friendly ever since the independence of Bangladesh in 1971. Given the geographical, economic, and ecological complementarities between the two countries and the opportunities and potentials for mutual benefit, cooperation between Nepal and Bangladesh can progress towards the maximizing even greater benefits to the peoples of the two countries.

1997 has not only widened the possibility of diversifying Nepal's trade with countries overseas, it has equally liberated the potential of promoting trade and investment between Nepal and Bangladesh. A lot of interest has been generated in the bilateral trade and opportunities for joint venture investment have widened since the operationalization of the transit route.

Traditionally, the volume of trade between Nepal and Bangladesh is not significant considering the complementarities and product complementarities between the two countries. Pulses, wheat, rice, tyre-tubes, and vegetable seeds are the major items exported from Nepal to Bangladesh. Bangladesh is a potential importer of a number of Nepalese products including Nepalese rice, vegetables and fruits, stone boulders, pebbles, cardamom, ginger, tea,

handicraft products, and agro-based and horticultural products. Lately, Nepalese fresh milk and milk products have been identified for potential business in Bangladesh. Similarly pharmaceutical products, cloth, urea and consumer goods can be imported from Bangladesh. Nepal imports industrial raw materials, chemical fertilizers, machinery equipment and textiles from Bangladesh.

Though the volume of trade between the two countries is relatively low, it is increasing and there is a possibility of expanding the same. Nepal and Bangladesh have been discussing matters of mutual interest in the areas of trade and negotiating tariff concessions both bilaterally and under regional frame work of the South Asia Preferential Trading Arrangement. Both Nepal and Bangladesh have similar views

on the regional trading arrangement and the World Trade regime, especially in protecting the interests of the least developed countries, which without adequate safeguards will be left out and marginalized in the global economy.

Business leaders from both countries are identifying the commodities that can be promoted in each other's market. There have been regular exchanges of business delegations on either side. The apex business bodies of the two countries are studying measures to remove the bottlenecks and difficulties in trade, transit and investment. The Royal Nepalese Embassy is maintaining liaison with the chambers of business and industry in Nepal and Bangladesh and replying inquiries on trade, tourism and investment related inquiries, while executing promotional activities on trade, investment and tourism.

Investment: Banking sector has seen successful joint venture investment between Nepal and Bangladesh. Similarly, two joint ventures in the insurance sector have also been launched last year. Business leaders in both countries are also exploring the joint venture investment on other areas. Some proposals have been moved in Nepal between Nepalese and Bangladeshi industrialists for joint ventures in the pharmaceuticals, ready made garments, PVC pipes, mineral water, and cement/clinkers.

Sugar industry: chemical fertilizers, rock boulders, and dairy industry could be other areas of potentially suitable joint ventures between Nepal and Bangladesh. There are good possibilities of promoting joint ventures in the fields of ready-made garments, woolen carpets, jute and chemical fertilizers. There is a sizeable market and hence investment potentials in Nepal for the Bangladeshi pharmaceutical products. Leather goods, textiles, hotels and tourism are the other attractive areas for joint venture.

Nepal offers unique opportunities for trade and investment. There is business-friendly and pro-investment environment as the government has adopted a liberal economic policy. Foreign companies can own up to 100 percent equity. Full repatriation of profit in convertible currency is allowed. There is a guarantee against nationalization and multilateral guarantees are available for avoiding any risks. There are other incentives like tax holidays and no-tax regime for exportable items. Nepal offers one-window service to the investors and proposals are cleared within thirty days of application. Besides a peaceful environment, Nepal has a cheap and easily trainable labour market. Financial services are well developed. Investors from Bangladesh should really seize this opportunity for investment in Nepal.

Transit: Transit is a significant aspect of the economic relations between Nepal and Bangladesh. Nepal has appreciated the generous offer of Bangladesh for allowing their territory for transit of Nepalese goods to and from the sea. Bangladesh and her ports not only offer a nearer and easier

access to the sea, the cost of transit to and from the sea can also be cheaper. Bangladesh has not only offered generous cooperation in allowing Nepal the access to and from the sea, it is also interested to develop transit as a business to the mutual benefit. Increasing movement of the Nepalese transit cargo can become a good source of business and income for Bangladesh's ports, shipping industry, clearing forwarding, transport and insurance sectors. For Nepal, transit through Bangladesh can be cheaper and more convenient if we can maximize the available options.

In a Transit Agreement signed in 1976, Bangladesh has offered Nepal use of six transit points, including the ports facilities at Mongla and Chittagong ports and the land point of Banglabandha. The opening of Banglabandha transit route in 1997 has been a significant development in the relations between Nepal and Bangladesh and it has ushered an era of increased trade and cooperation between the two countries.

The Government of Bangladesh has pledged to upgrade the services and infrastructure along the route, including the improving facilities at Banglabandha. Panchagarh-Banglabandha section of the road is being expanded. Bangladesh government is also planning to set up a dry port at Banglabandha, which will envisage facilities such as warehousing, immigration, insurance, banking, electricity, water supply, security, fuel depot, telephone etc.

Though the full potentials of the Banglabandha route has yet to be utilized, some traffic has been generated and several trucks carrying fruits, vegetables, limestone, baby food, pulses, tyres and tubes, batteries and raw jute have been moving through the route without major difficulties. Some five thousand metric tons of goods worth US \$15,42,238.21 have moved through the transit route since September 1997.

Tourism: Nepal and Bangladesh possess true complementarities and combinations in enhancing mutually beneficial regional tourism as well as in attracting tourists from all over the world. Whereas Nepal offers majestic Himalayas and diverse cultural heritage with a combination of trekking and other adventure tourism, Bangladesh's Sundarban delta and splendid sea beaches with a rich cultural heritage offer unique attractions. Tourists could combine these destinations if tours could be articulately packaged to suit the visitors. There is a potential for seizing the opportunity in the burgeoning tourist interest within the region.

Nepal offers Bangladesh tourists a wonderful destination, which is just one hour's flight away. There are regular flights between Kathmandu and Dhaka by Bangladesh Biman. There might be more direct flights from Dhaka to Kathmandu in the future. There is also the potential of operating a tourist bus service between Kathmandu and Dhaka. A Nepal package tour launched by the private sectors of the two countries is doing good business. Nepal is not only very close destination for Bangla-

deshi tourists, it offers the easiest access to visitors. Visas are available at the Royal Nepalese Embassy or at the airport or immigration point upon arrival. There are several moderately priced hotels and guesthouses for economy travelers. Some six to eight thousand Bangladeshi tourists visit Nepal each year. Nepal can become a reasonably closer and cheaper destination for Bangladeshi tourists.

Natural Resources: There is also the potential cooperation in the exploitation of natural resources for mutual benefit. While Nepal is abundantly endowed with water resources with huge potentials of generating hydropower, Bangladesh is literally floating on extensive deposits of natural gas. Nepal's water resources could be harnessed for the benefit of the entire region and could not only bring cheaper power but also

substantially reduce floods in Bangladesh. The special importance of cooperation in water resources stems from the fact that all major rivers of Nepal enter into Bangladesh as Padma via India as the Ganges. A joint study on Mitigation of the Incidence of Floods in the Future and an Exploitation of Water Resources through Multiple and Optimal Use has been completed in the various uses of water resources, including irrigation, power, navigation and flood control. The implementation of the recommendations could bring mutual benefit.

Huge gas reserves of Bangladesh could be interest to Nepal. Nepal can benefit from the huge gas reserves of Bangladesh, which could be exported via pipeline to Nepal. Alternatively, the utilization of gas in the value added industries like

chemical fertilizers could be of mutual benefit to both Nepal and Bangladesh as there is the possibility to supply chemical fertilizers from Bangladesh to Nepal on a regular basis.

Human Resources: Bangladesh has made significant contributions in the field of training Nepal's technical manpower. Hundreds of Nepalese students are studying in various institutions of higher study in Bangladesh in different disciplines such as medicine, engineering, nursing, pharmacy, forestry, textile, agriculture, fine arts etc. Quite a substantial number of Nepalese medical graduates are pursuing post-graduate studies. Several non-government universities and some private medical and engineering colleges are also offering higher education to Nepalese students. There is further potential for sharing the expertise on training human resources from either side.

FELICITATIONS



Heartiest felicitations to
His Majesty King Birendra Bir Bikram Shah Dev
on the occasion of His Majesty's Birthday
and
warm greetings to
the friendly people of the Kingdom of Nepal
on their National Day

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