

(SEPTEMBER, 2025)

QUARTERLY NEWSLETTER



FY 2081/82-Q4

MID APRIL 2025 TO MID JULY 2025
(BAISAKH 2082 TO ASHAR 2082)



PUBLISHED BY NEPAL BANKERS' ASSOCIATION

The background of the entire page is a close-up, slightly blurred image of a globe. The globe shows various landmasses and bodies of water, with some text labels visible in different languages, including Cyrillic and Latin. The lighting is soft, creating a warm, golden-brown hue across the globe's surface.

GLOBAL SCENARIO

Central Bank Rates

As of July 2025

6.50%

NEPAL RASTRA BANK

4.50%

FEDERAL RESERVE

5.50%

RESERVE BANK OF INDIA

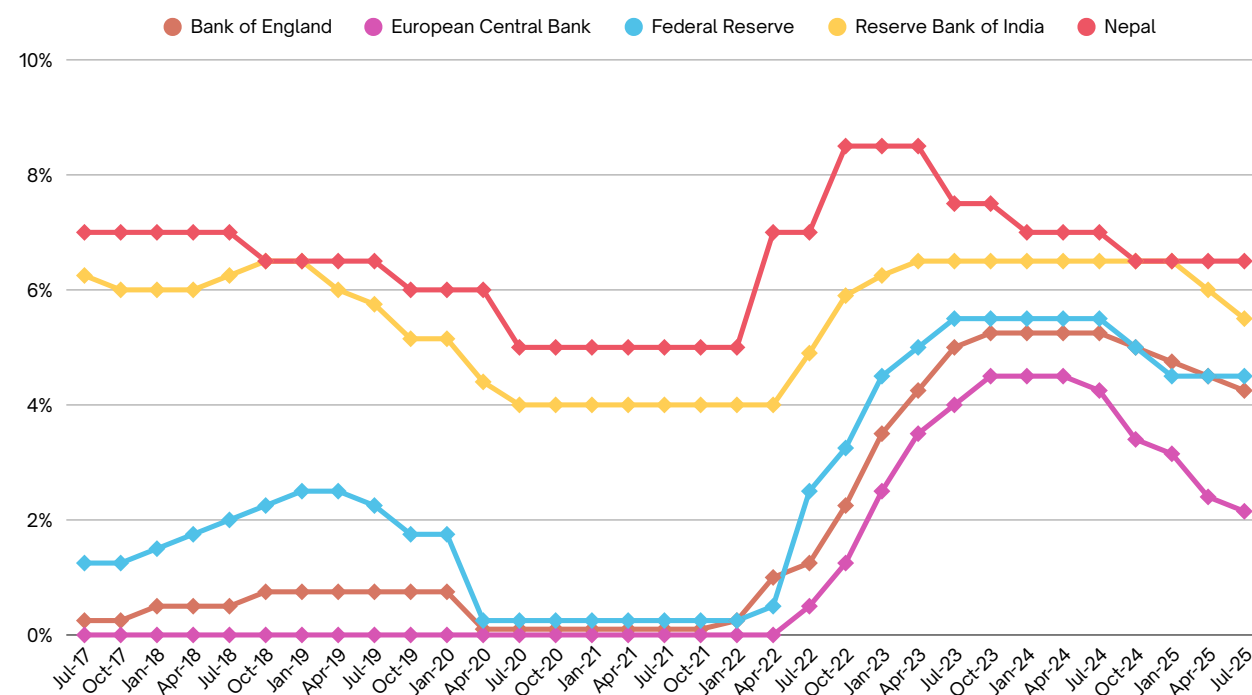
**EUROPEAN
CENTRAL
BANK**

2.15%

BANK OF ENGLAND

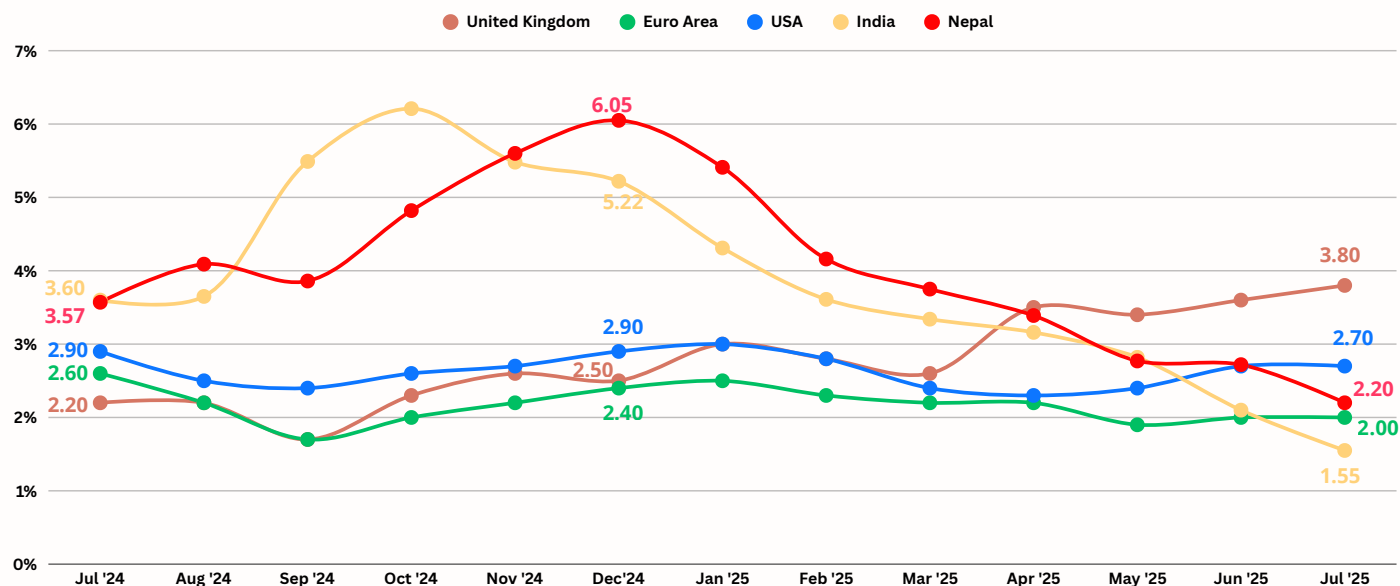
4.25%

Central Bank's Interest Rate in Major Economies (in %)



Source: Respective Central Banks

Inflation in Major Economies (in %)



Source: Respective Central Banks

ADB Inflation Projection (in %)

	2023	2024e	2025f	2026f
Developing Asia	3.3	2.6	2.3	2.2
Developing Asia (excluding China)	6.2	4.8	4.0	3.7
Caucasus and Central Asia	10.2	6.8	6.9	5.9
East Asia	0.6	0.5	0.6	0.9
South Asia	7.9	6.6	4.9	4.5
Southeast Asia	4.2	3.0	3.0	2.8
The Pacific	3.1	1.9	3.4	3.7

Source: Asian Development Outlook, April 2025

e - estimated

f - forecast



GDP GROWTH PROJECTION

Global Economic Prospects, World Bank, June 2025

e - estimated
f - forecast
in Percentages

	2023	2024	2025f	2026f
World	2.8	2.8	2.3	2.4
Advanced economies	1.7	1.7	1.2	1.4
Emerging market and developing economies	4.4	4.2	3.8	3.8
East Asia and Pacific	5.2	5.0	4.5	4.0
Europe and Central Asia	3.6	3.6	2.4	2.5
Latin America and the Caribbean	2.4	2.3	2.3	2.4
Middle East and North Africa	1.6	1.9	2.7	3.7
South Asia	7.4	6.0	5.8	6.1
Sub-Saharan Africa	2.9	3.5	3.7	4.1

Asian Development Outlook, ADB, April 2025

	2023	2024e	2025f	2026f
Developing Asia	5.5	5.0	4.9	4.7
Developing Asia excluding the PRC	5.6	5.1	5.0	5.1
Caucasus and Central Asia	5.4	5.7	5.4	5.0
East Asia	4.8	4.7	4.4	4.0
South Asia	7.8	5.8	6.0	6.2
Southeast Asia	4.1	4.8	4.7	4.7
The Pacific	4.7	4.2	3.9	3.6

World Economic Outlook, IMF, July 2025

	2023	2024	2025f	2026f
World Output	3.5	3.3	3.0	3.1
Advanced Economies	1.8	1.8	1.5	1.6
Emerging Market and Developing Economies	4.7	4.3	4.1	4.0
Emerging and Developing Asia	6.1	5.3	5.1	4.7
Emerging and Developing Europe	3.6	3.5	1.8	2.2
Latin America and the Caribbean	2.4	2.4	2.2	2.4
Middle East and Central Asia	2.4	2.4	3.4	3.5
Sub-Saharan Africa	3.6	4.0	4.0	4.3

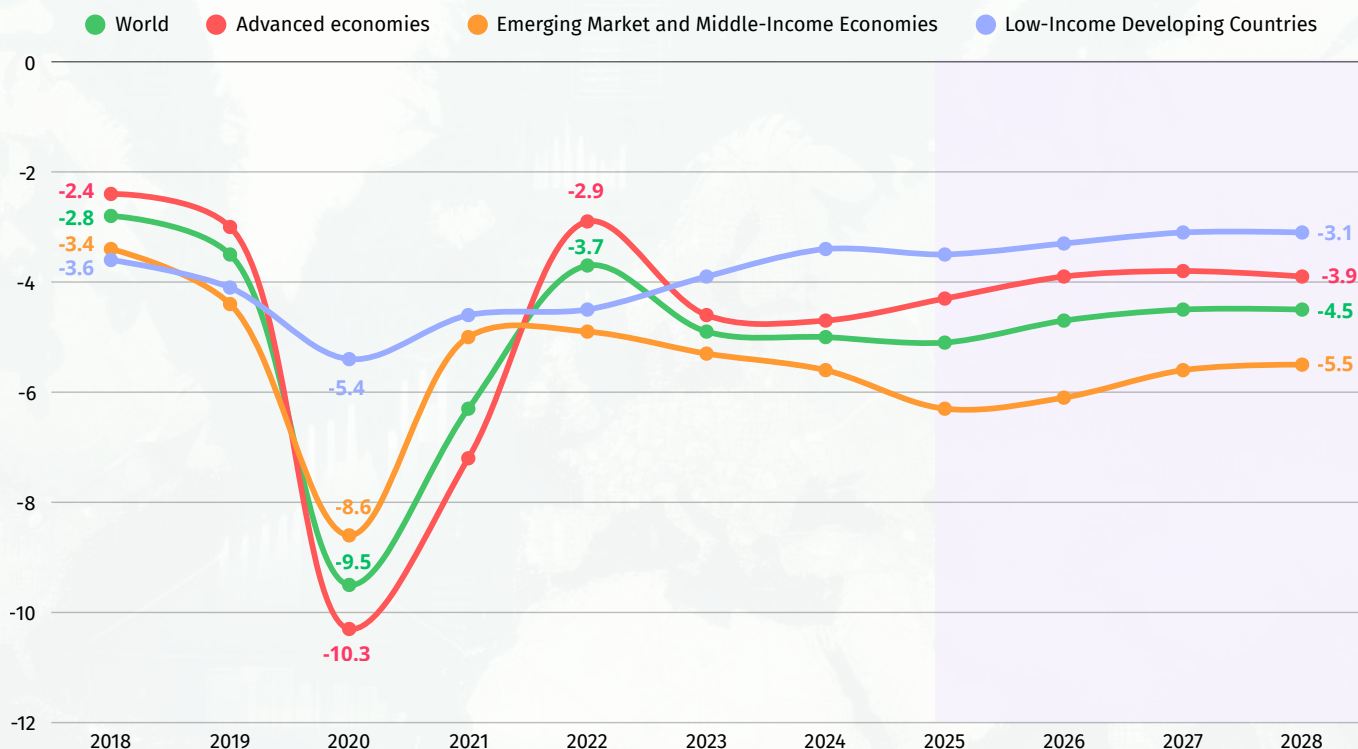
IMF FISCAL MONITOR

April 2025

Projections

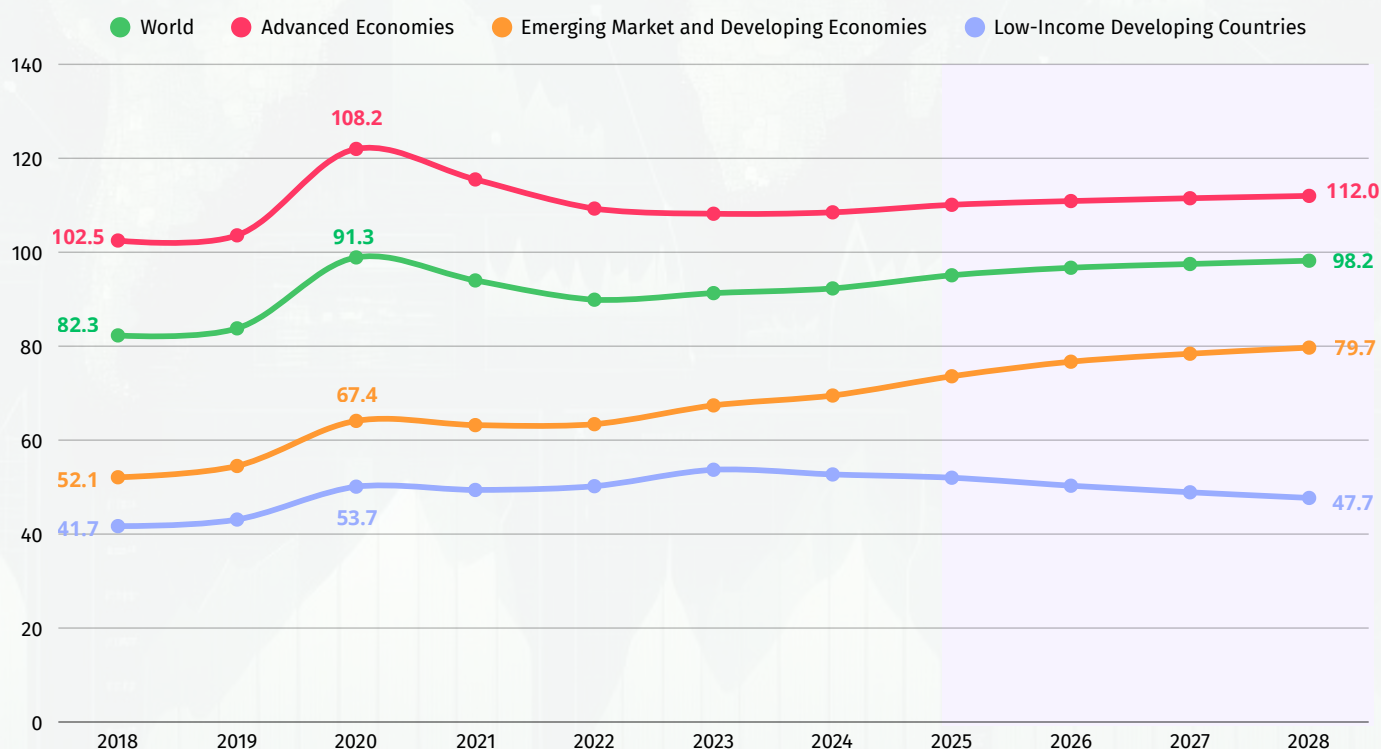
General Government Fiscal Balance, 2018-28

% of GDP



General Government Debt, 2018-28

% of GDP

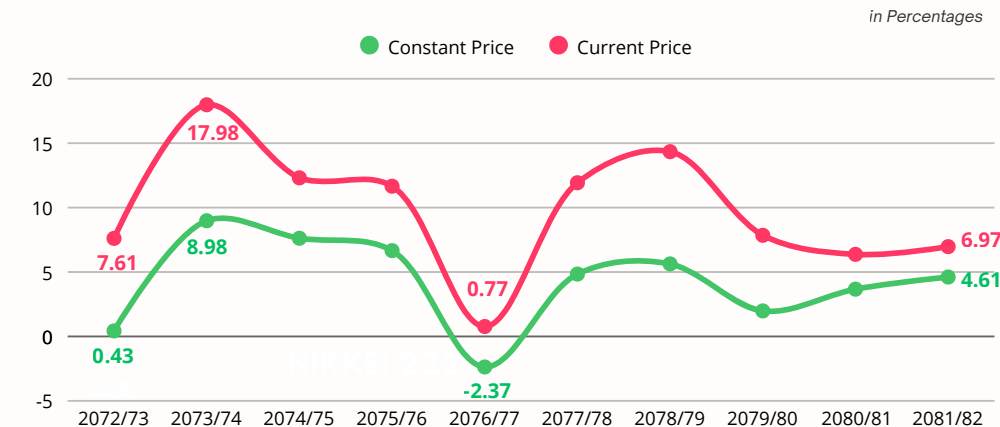


The background of the slide is a photograph of a traditional Nepali temple, likely in Kathmandu. The temple features multiple tiers of dark, ornate roofs with intricate carvings and a central spire. Numerous pigeons are perched on the red-tiled roofs in the foreground, and a few are captured in flight against a pale, overcast sky. The overall scene conveys a sense of historical and cultural heritage.

NATIONAL CONTEXT

Macroeconomic Indicators

Yearly GDP Growth



Source: NRB

GDP

FY 2081/82

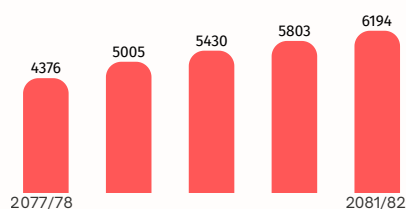
Constant Prices
2798 billion

Current Prices
6107 billion

Gross National Income

6194 billion

↑ 6.74% from last year

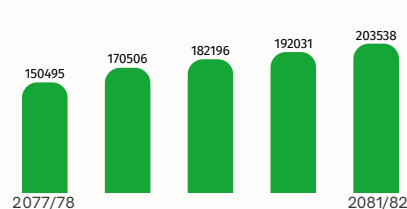


Source: NRB

GDP Per Capita

2,03,538 NRS

↑ 5.99% from last year

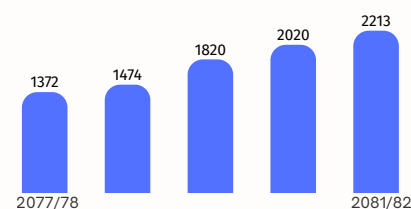


Source: NRB

Gross National Saving

2213 billion

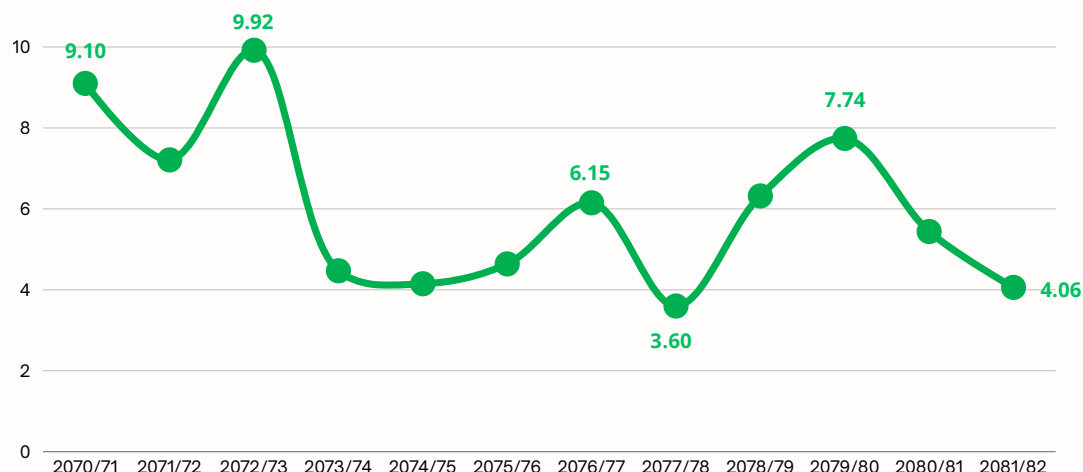
↑ 9.55% from last year



Source: NRB

Inflation (Yearly Average)

in Percentages



Source: NRB

Avg. Inflation

FY 2081/82

4.06%

Point Inflation

as of 2082 Ashar

2.20%



FISCAL SECTOR

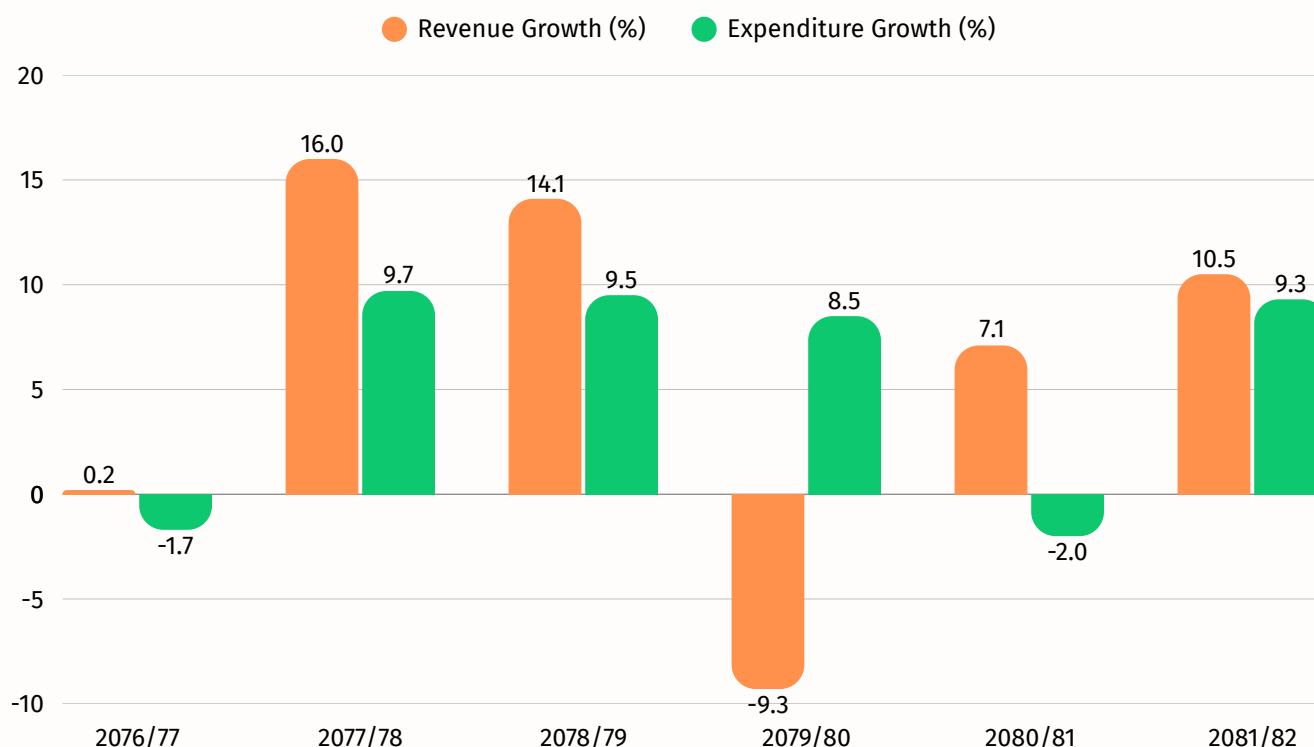
Government Revenue and Expenditure

Amount in billion

		2081			2082		
		Target/Budget	Ashad 31	Percentage	Target/Budget	Ashad 32	Percentage
REVENUE:	1. Revenue	1,422.54	1,030.34	72.43%	1,419.30	1,178.82	83.06%
	a) Tax Revenue	1,305.48	927.02	71.01%	1,284.21	1,049.88	81.75%
	b) Non-Tax Revenue	117.06	103.32	88.26%	135.09	128.94	95.45%
	2. Grants	49.94	2.76	5.52%	52.33	23.53	44.97%
	3. Other Receipts	-	23.56	0%	-	17.37	0%
TOTAL RECEIPTS OF GON (1+2+3):		1,472.48	1,056.66	71.76%	1,458.61	1,219.72	82.88%
EXPENDITURE :	1.Total Expenditure from Treasury (a+b+c)	1,751.31	1,408.99	80.45%	1,860.30	1,523.11	81.87%
	a. Recurrent	1,141.78	952.62	83.43%	1,140.66	980.38	85.95%
	b. Capital	302.07	191.73	63.47%	352.35	222.68	63.20%
	c. Financing	307.45	264.63	86.07%	367.28	320.04	87.14%

Source: Financial Comptroller General Office

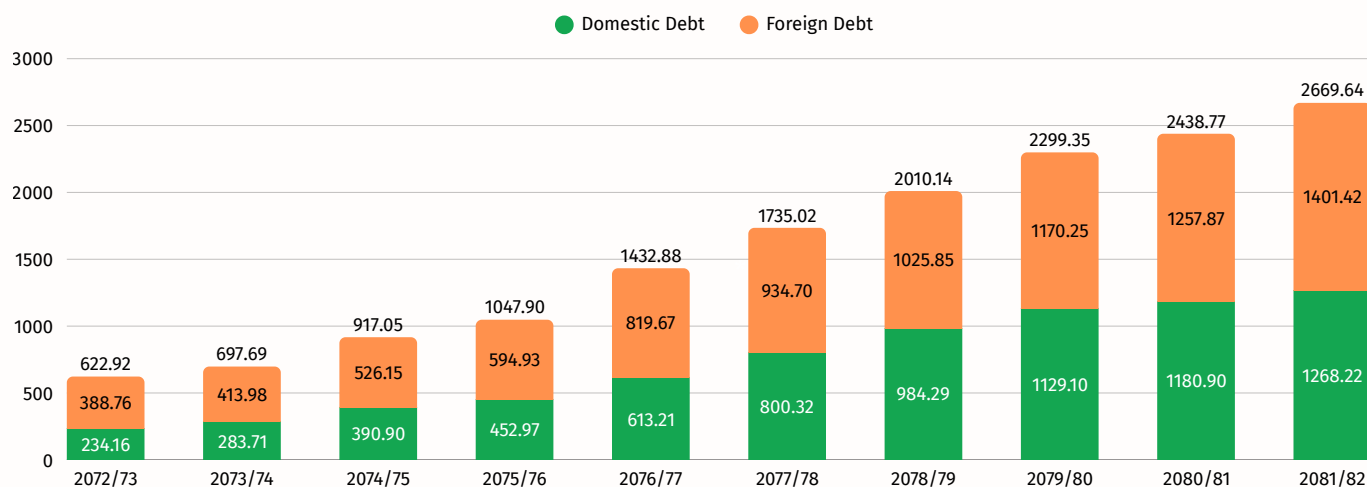
Government Revenue and Expenditure Growth



Source: NRB

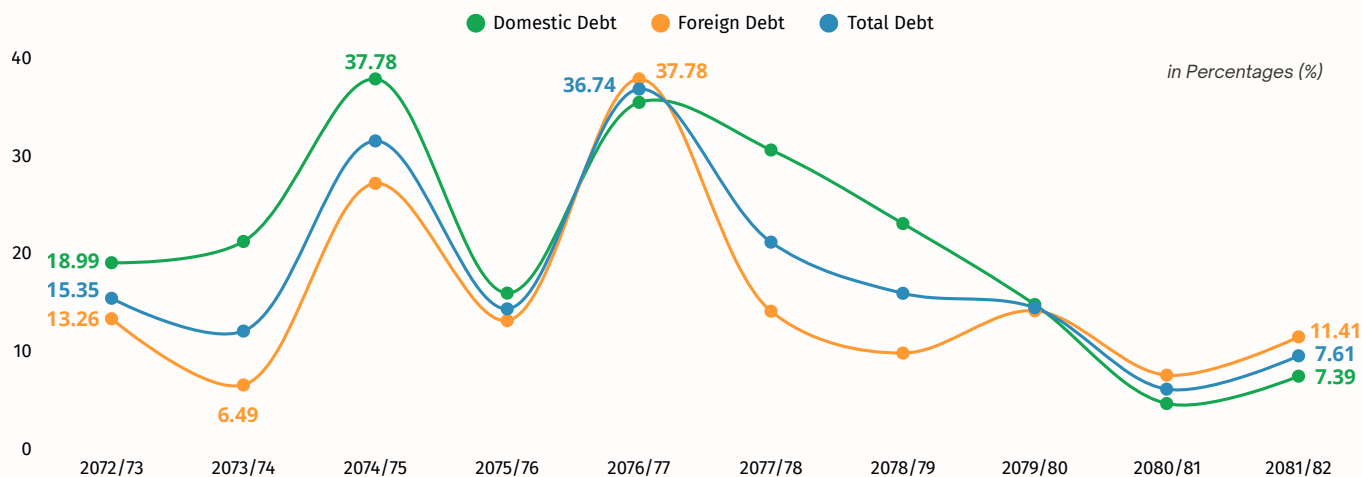
Government Debt

Amount in Billions (Rs.)



Source: NRB

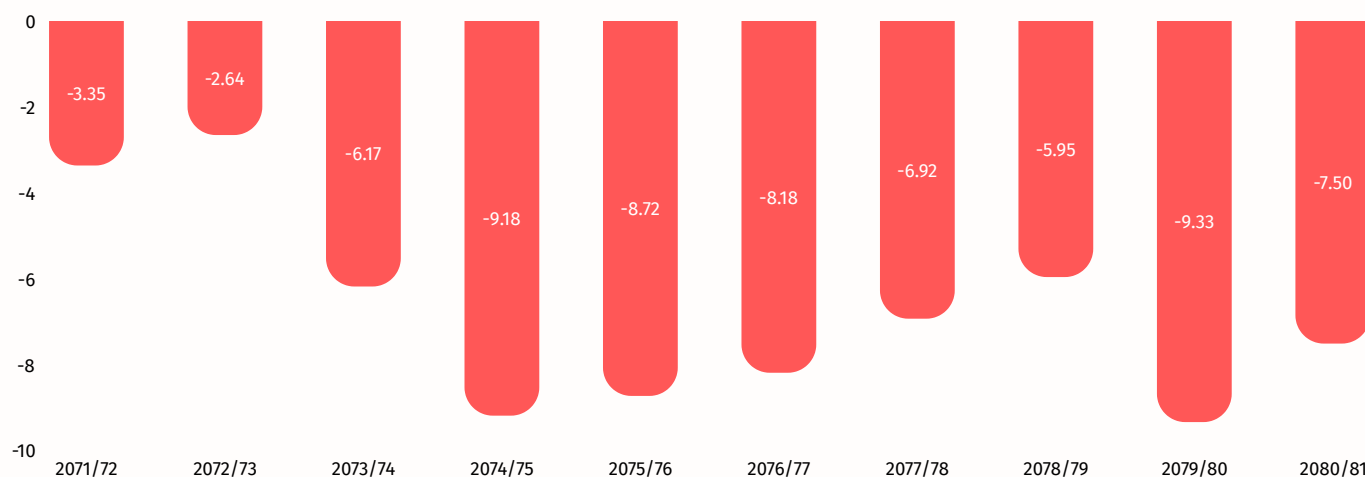
Government Debt Growth




Source: NRB

Budget Defecit

as (%) of GDP



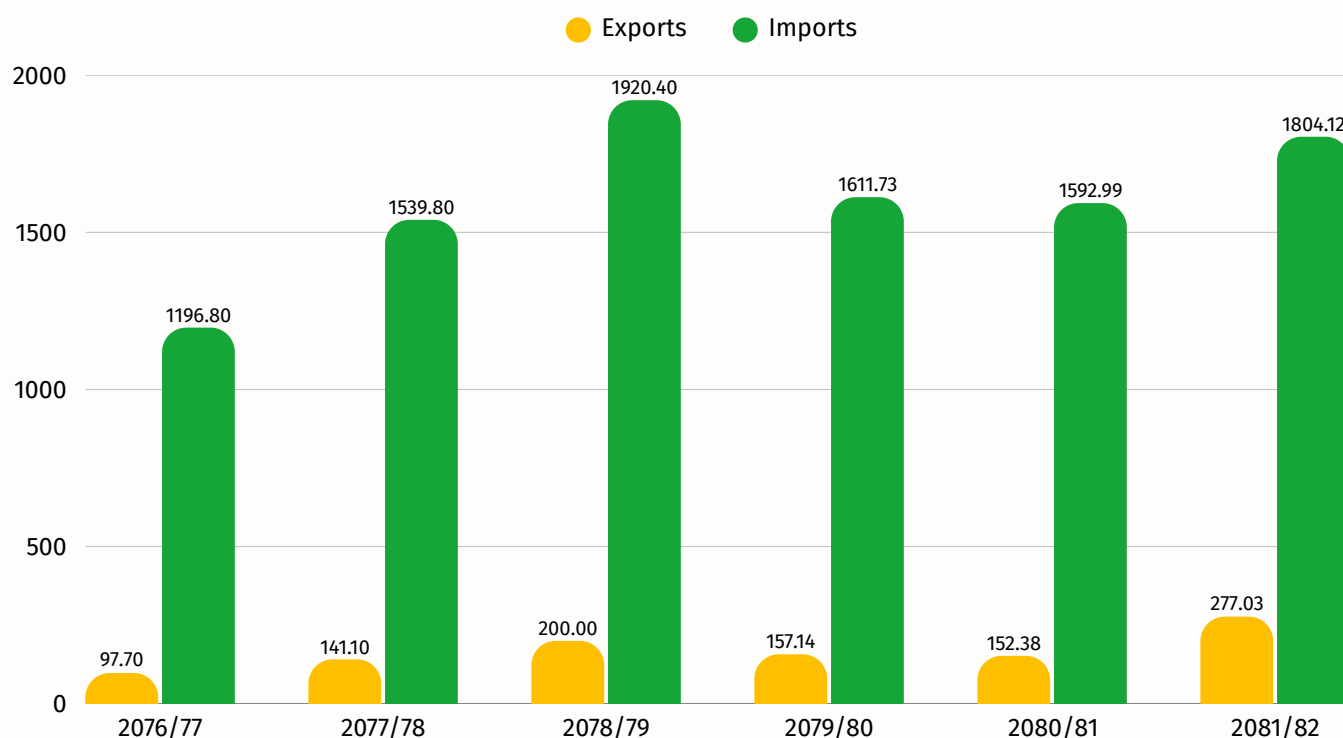
Source: MOF

The background of the slide is a photograph of a yellow scissor lift truck. The lift is extended upwards, with its platform reaching towards the top of the frame. The truck is parked on a paved surface, and a blue fence is visible in the background. The sky is a mix of blue and orange, suggesting a sunset or sunrise. The text "EXTERNAL SECTOR" is overlaid in large white letters in the center of the image.

EXTERNAL SECTOR

Exports and Imports

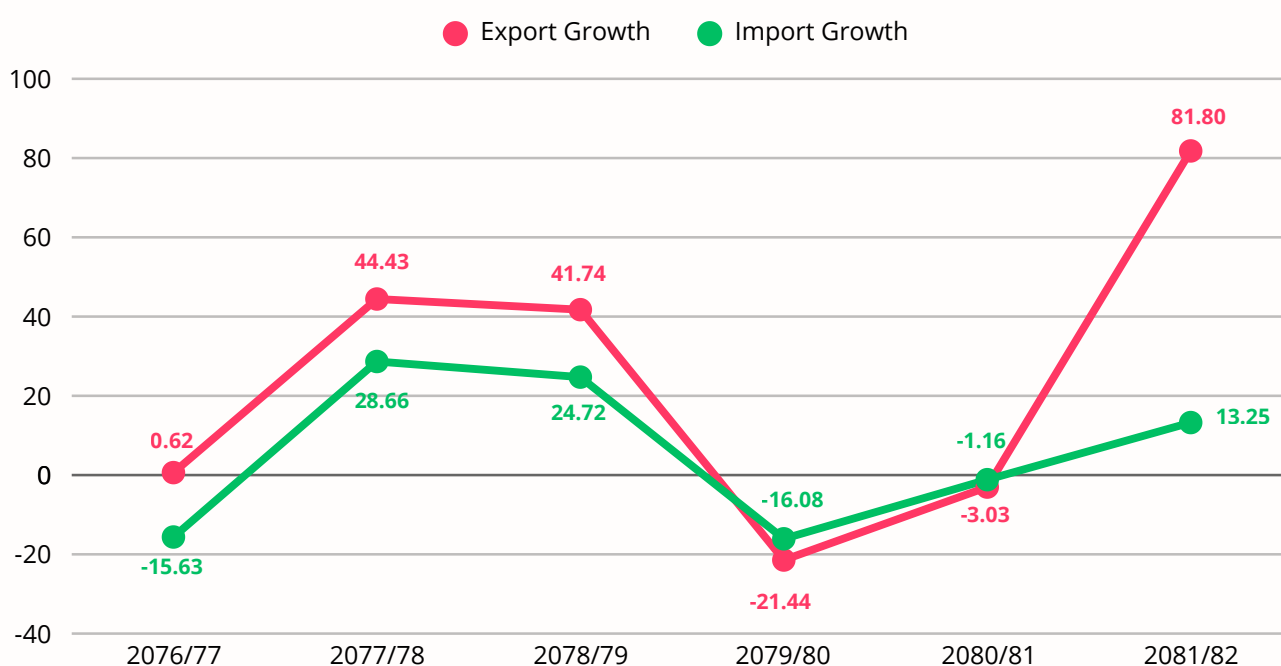
Amount in Billions (Rs.)



Source: Department of Customs

Export and Import Growth

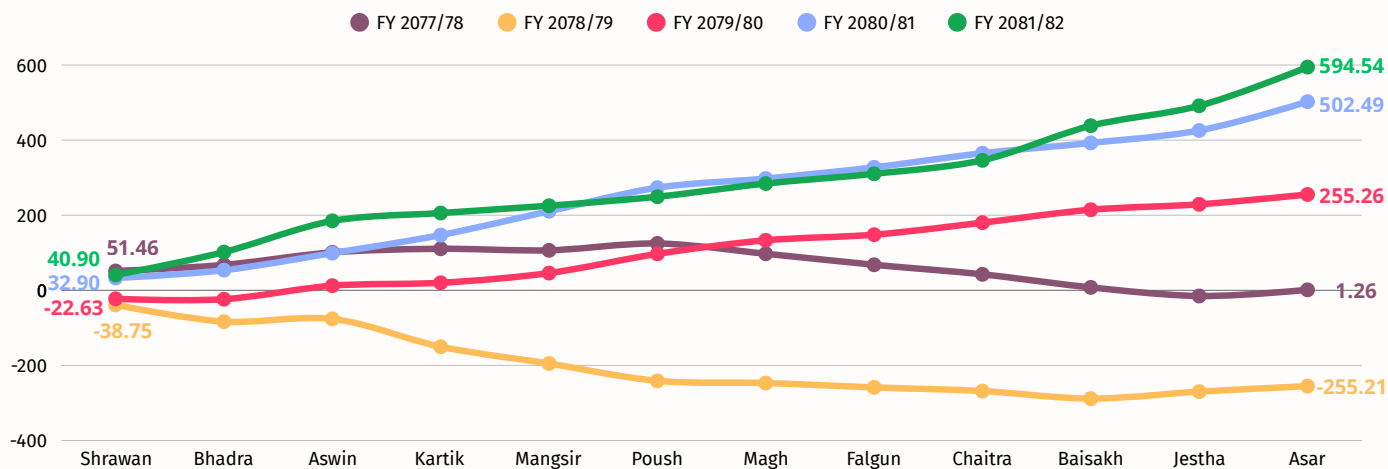
in Percentages



Source: Department of Customs

Balance of Payment

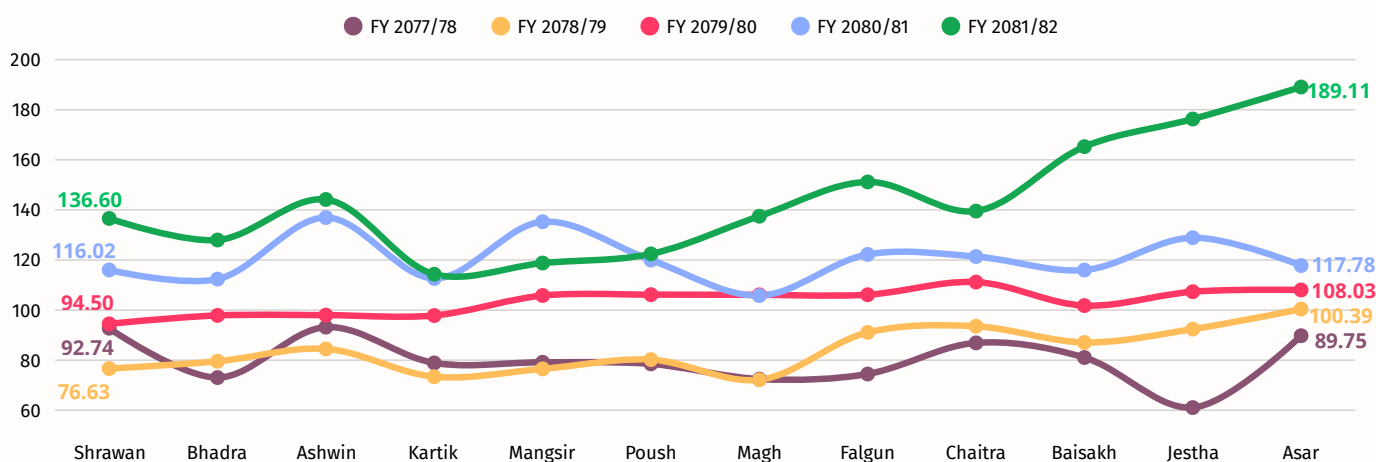
Amount in Billions (Rs.)



Source: NRB

Inward Remittance

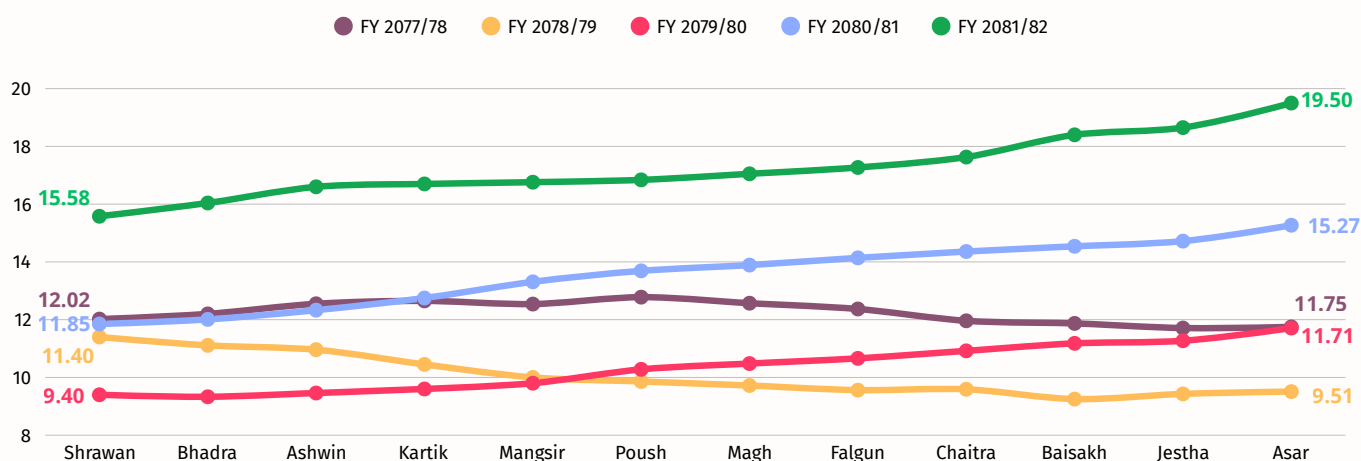
Amount in Billions (Rs.)



Source: NRB

Gross Foreign Exchange Reserves

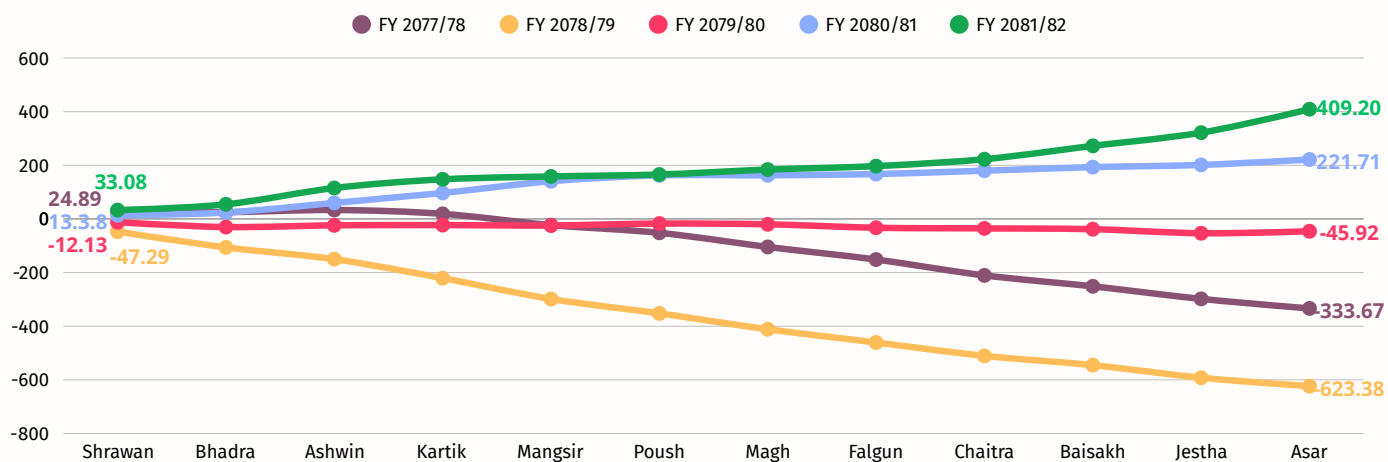
Amount in Billions (USD)



Source: NRB

Current Account

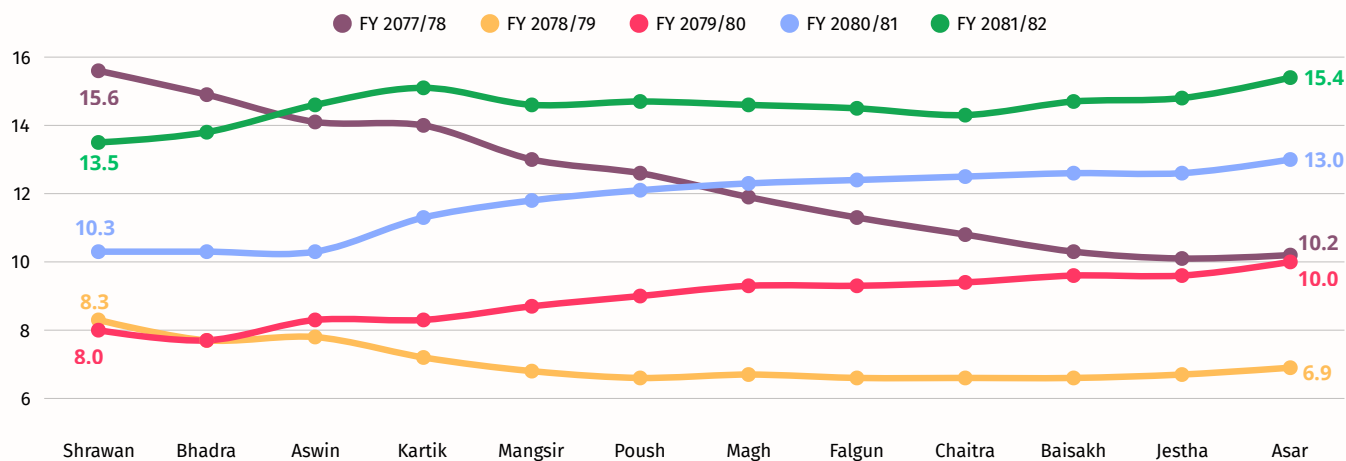
Amount in Billions (Rs.)



Source: NRB

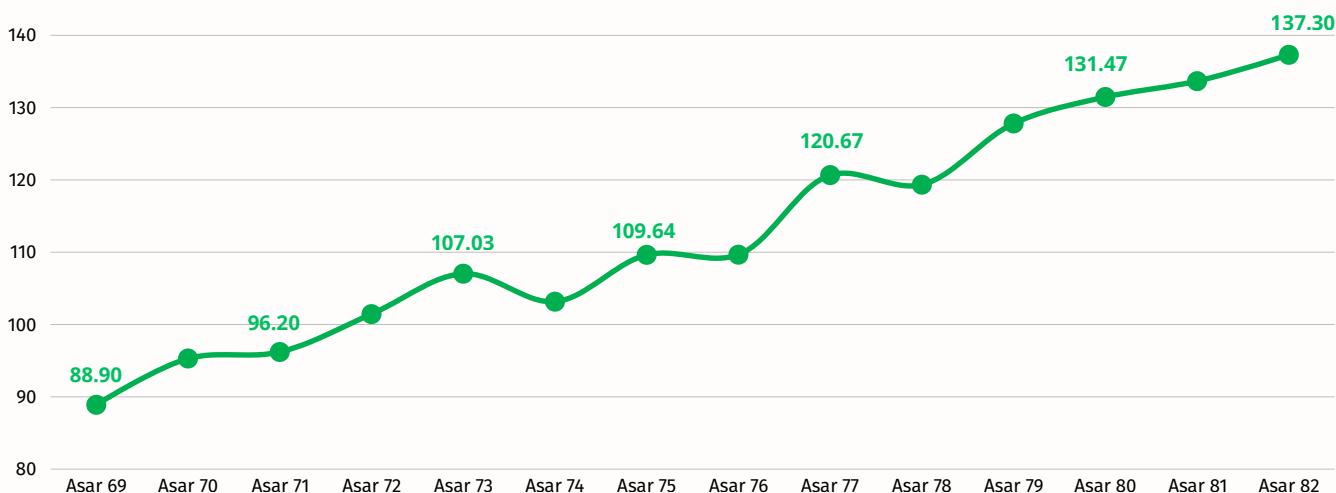
Import Capacity: Merchandise & Services

in Months



Source: NRB

Exchange Rate (USD/NPR)



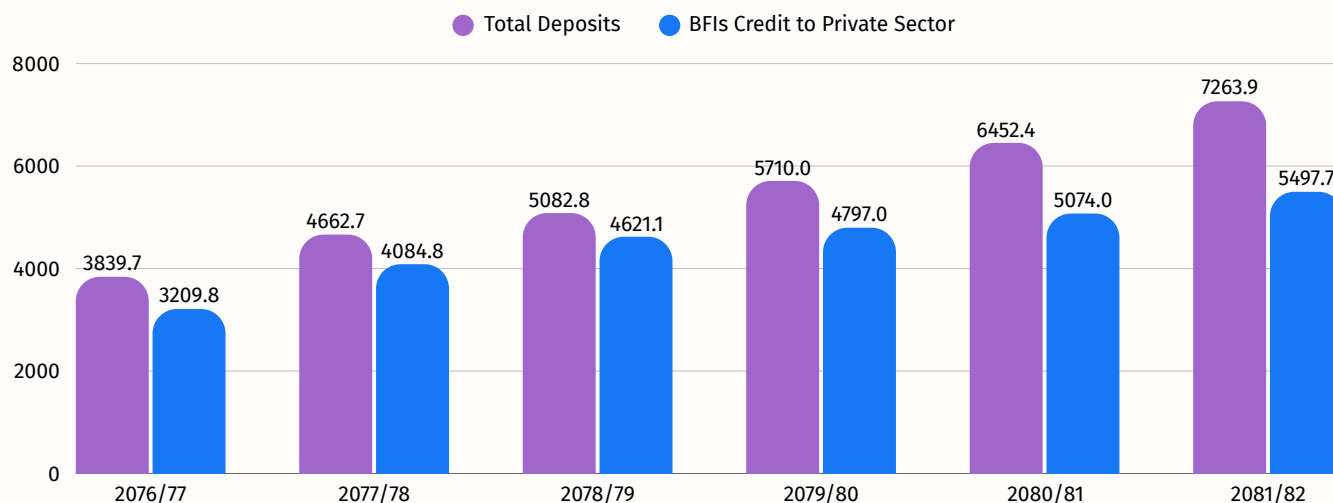
Source: NRB



BANKING SECTOR

Total Deposit and Credit of BFIs

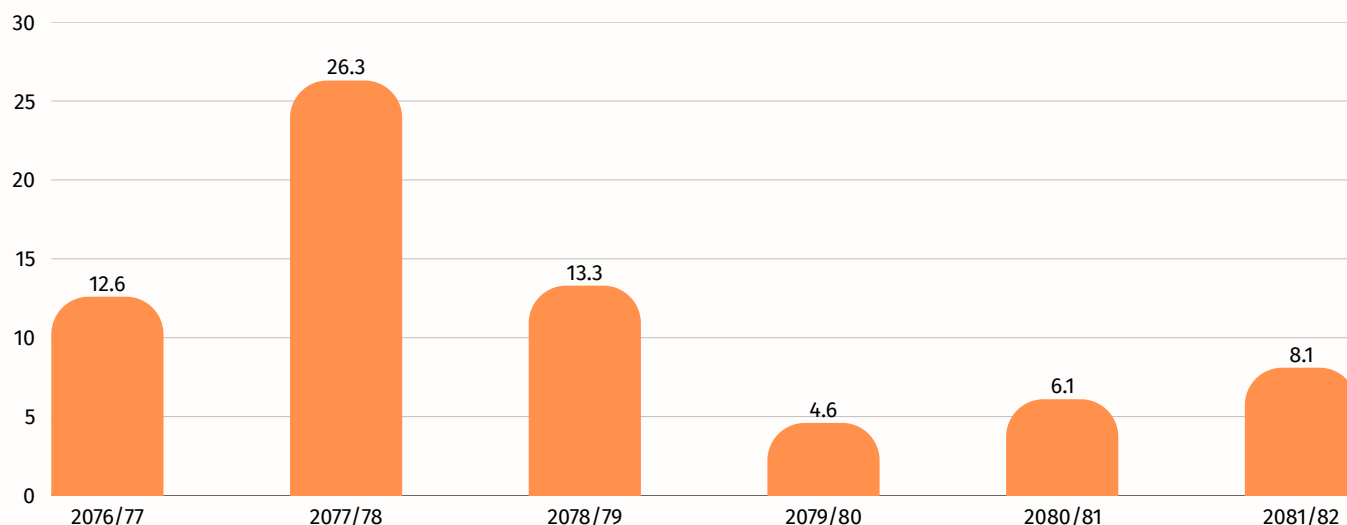
Amount in Billions (Rs.)



Source: NRB

Claims on Private Sector (y-o-y)

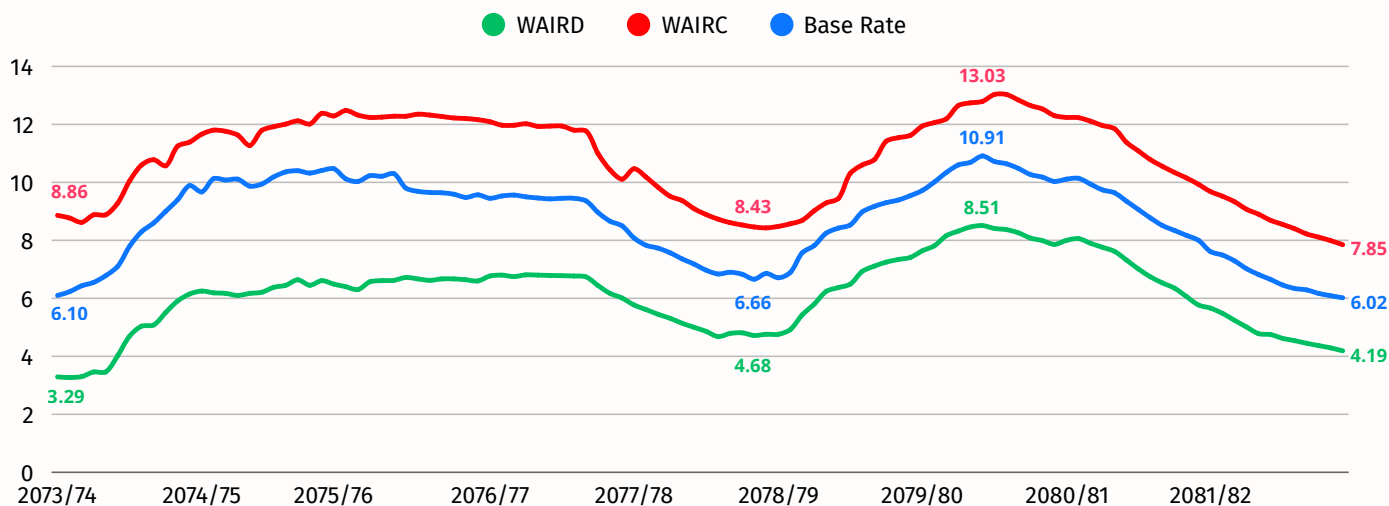
In percentages



Source: NRB

Base Rate and Weighted Interest Rates of Commercial Banks

In percentages



Source: NRB

Deposit & Lending of Commercial Banks

FY 2080/81

	Shrawan 1, 2080	Ashar 32, 2081	Amount in Billions (Rs.)	
			Growth	Growth (%)
Deposit	5086	5755	669	13.15%
Lending	4318	4571	253	5.86%

FY 2081/82

	Shrawan 1, 2081	Ashar 32, 2082	Amount in Billions (Rs.)	
			Growth	Growth (%)
Deposit	5755	6531	776	13.48%
Lending	4571	4975	404	8.83%

Source: Nepal Bankers' Association

Sector-wise Lending of Commercial Banks

	Amounts in Billion (Rs.)		CHANGES SINCE	(%)CHANGES SINCE
	Ashar 2081	Ashar 2082	Ashar 2081	Ashar 2081
Agricultural and Forest Related	323.94	318.65	(5.29)	-1.63%
Fishery Related	14.39	14.58	0.18	1.26%
Mining Related	11.55	11.35	(0.20)	-1.74%
Agriculture, Forestry & Beverage Production Related	823.52	893.18	69.66	8.46%
Construction	182.86	204.01	21.15	11.57%
Electricity, Gas and Water	365.25	432.24	66.99	18.34%
Metal Products, Machinery & Electronic Equipment & Assemblage	67.26	70.22	2.96	4.40%
Transport, Communication and Public Utilities	77.22	72.59	(4.63)	-5.99%
Wholesaler & Retailer	910.16	946.09	35.93	3.95%
Finance, Insurance and Real Estate	321.33	367.86	46.53	14.48%
Tourism Services	199.05	220.20	21.15	10.63%
Other Services	181.57	200.28	18.71	10.30%
Consumption Loans	841.23	960.88	119.65	14.22%
Local Government	1.18	1.19	0.01	0.90%
Others	248.57	249.84	1.27	0.51%
TOTAL	4569.08	4963.15	394.07	8.62%

Source: NRB

Product-wise Lending of Commercial Banks

	Amounts in Billion (Rs.)		CHANGES SINCE	(%)CHANGES SINCE
	Ashar 2081	Ashar 2082	Ashar 2081	Ashar 2081
Term Loan	1704.99	1816.13	111.14	6.52%
Overdraft	92.02	86.62	(5.40)	-5.87%
Cash Credit Loan	587.96	585.27	(2.68)	-0.46%
Trust Receipt Loan/Import Loan	82.72	125.19	42.47	51.34%
Demand & Other Working Capital Loan	709.59	803.00	93.41	13.16%
Residential Personal Home	316.09	332.05	15.96	5.05%
Real Estate Loan	224.66	230.94	6.28	2.80%
Margin Nature Loan	70.34	116.81	46.46	66.05%
Hire Purchase Loan	106.86	113.08	6.22	5.82%
Deprived Sector Loan	267.36	256.78	(10.58)	-3.96%
Bills Purchased	7.81	12.37	4.56	58.31%
Other Product	398.67	484.90	86.23	21.63%
TOTAL	4569.08	4963.15	394.07	8.62%

Source: NRB

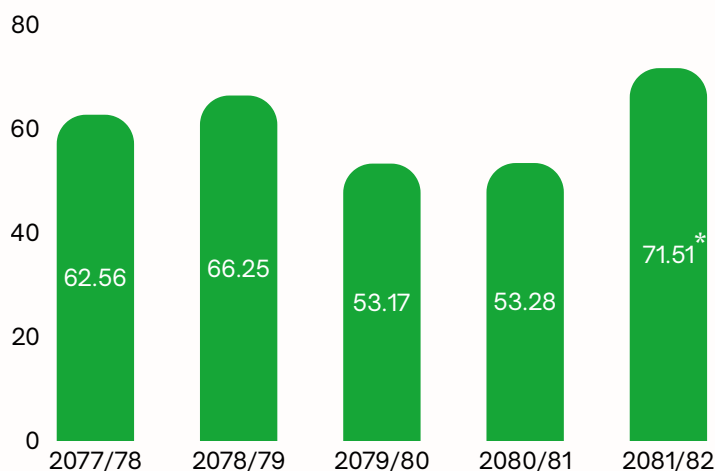
Financial Access of Commercial Banks

			CHANGES SINCE	(%)CHANGES SINCE
	ASHAR 2081	ASHAR 2082	ASHAR 2081	ASHAR 2081
NO. OF BRANCHES	5,056	5,099	43	0.85%
NO. OF DEPOSIT ACCOUNTS	47,884,755	51,380,289	3,495,534	7.30%
NO. OF LOAN ACCOUNTS	1,567,508	1,638,285	70,777	4.52%
NO. OF BRANCHLESS BANKING CENTERS	1,112	816	(296)	-26.62%
NO. OF MOBILE BANKING CUSTOMERS	21,141,088	23,787,529	2,646,441	12.52%
NO. OF INTERNET BANKING CUSTOMERS	1,325,072	1,601,513	276,441	20.86%
NO. OF ATMS	4,801	4,878	77	1.60%
NO. OF DEBIT CARDS	11,757,746	12,373,593	615,847	5.24%
NO. OF CREDIT CARDS	287,365	315,138	27,773	9.66%
NO. OF PREPAID CARDS	178,216	245,992	67,776	38.03%

Source: NRB

Avg. Net Profit of Commercial Banks

Amount in Billions (Rs.)

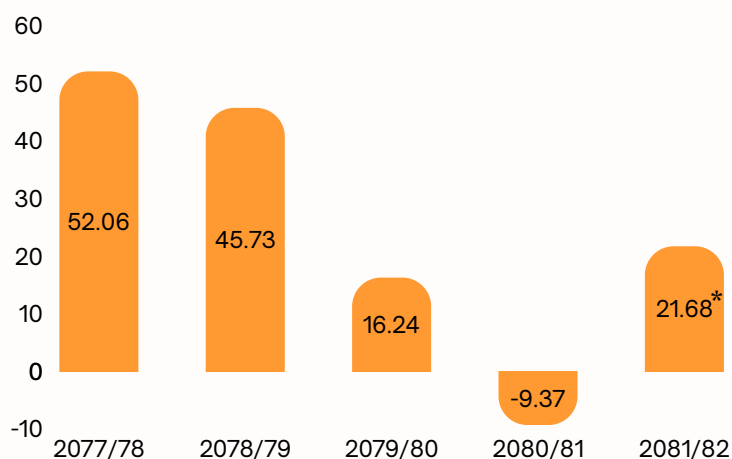


Source: NRB and *Unaudited Report for 81/82

Net Profit
71.51* billion

Avg. Distributable Profit of Commercial Banks

Amount in Billions (Rs.)

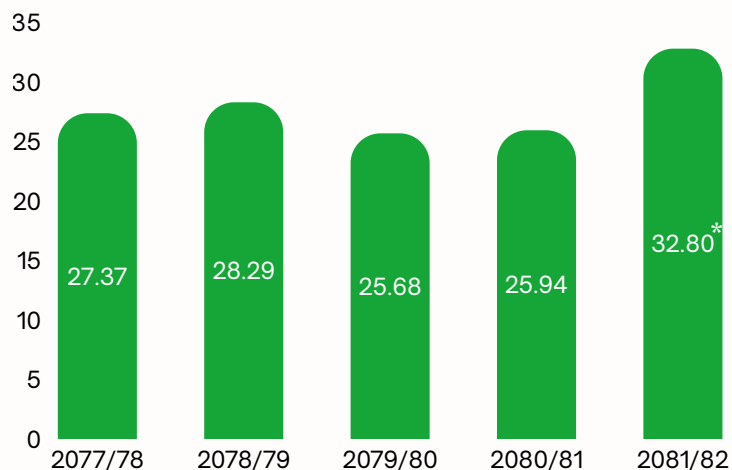


Source: NRB and *Unaudited Report for 81/82

Distributable Profit
21.68* billion

Avg. Income Tax Paid of Commercial Banks

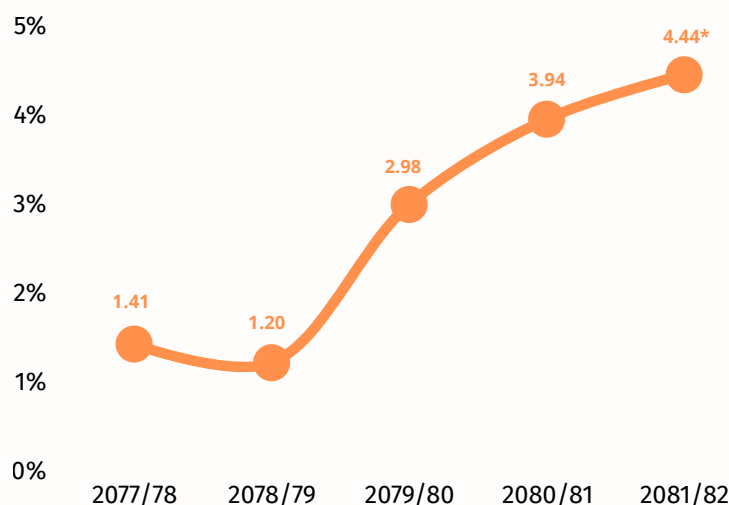
Amount in Billions (Rs.)



Source: NRB and *Unaudited Report for 81/82

Income Tax
32.80* billion

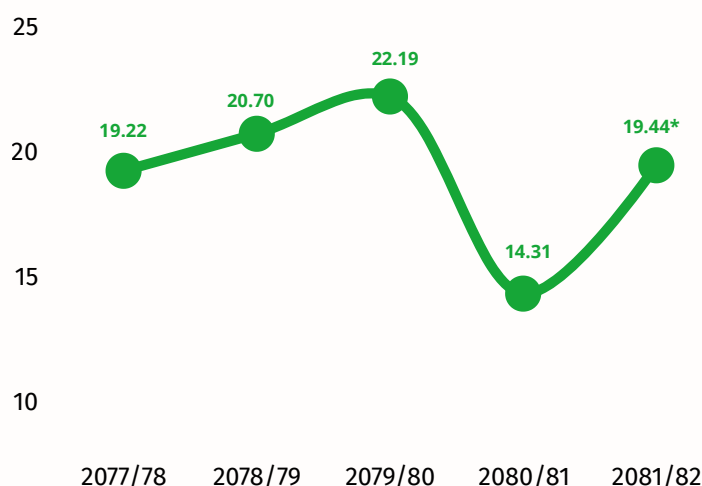
Avg. Non Performing Loans of Commercial Banks



Source: NRB and *Unaudited Report for 81/82

Non Performing Loan
4.44%*

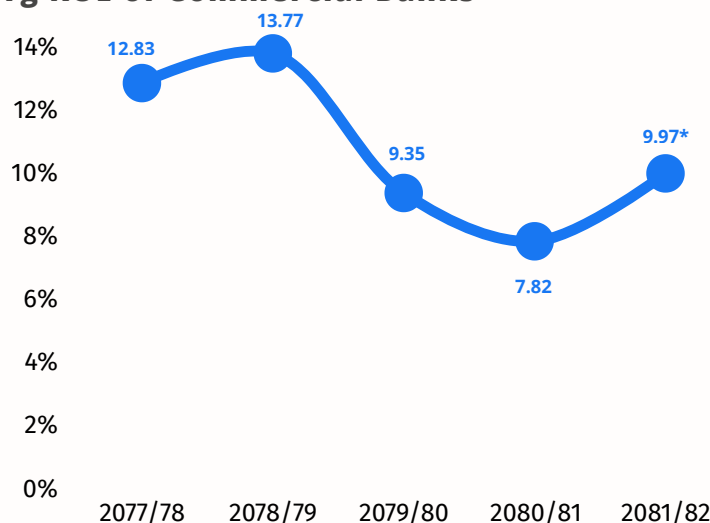
Avg. Earning Per Share of Commercial Banks



Source: NRB and *Unaudited Report for 81/82

Earning Per Share
19.44*

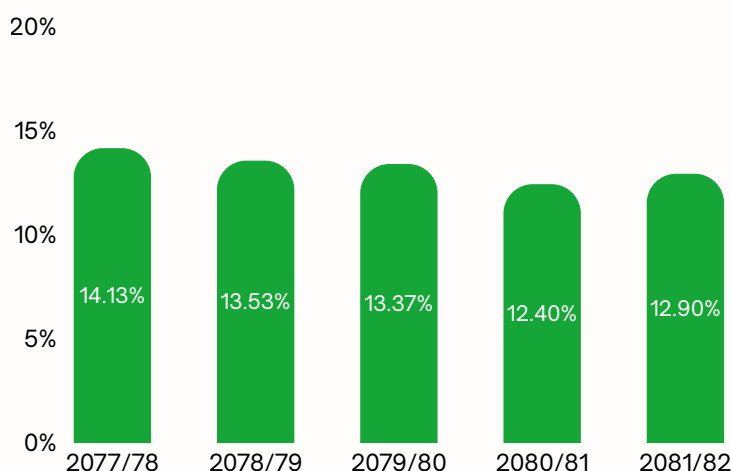
Avg ROE of Commercial Banks



Source: NRB and *Unaudited Report for 81/82

Return on Equity
9.97%*

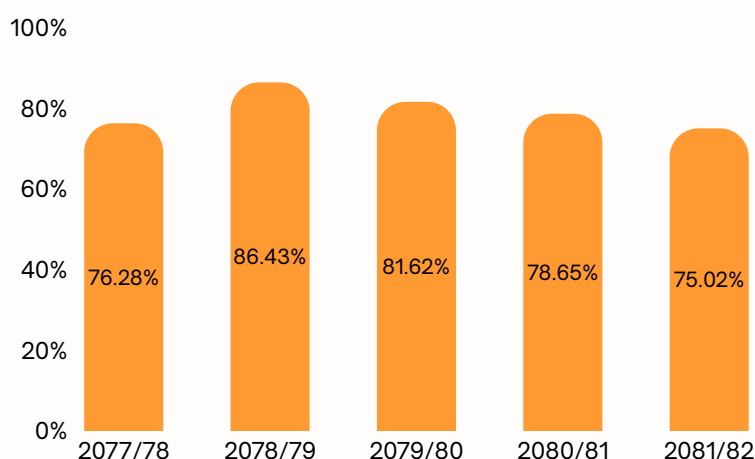
Avg Total Capital / RWA of Commercial Banks



Source: NRB and *Unaudited Report for 81/82

Total Capital / RWA
12.90%*

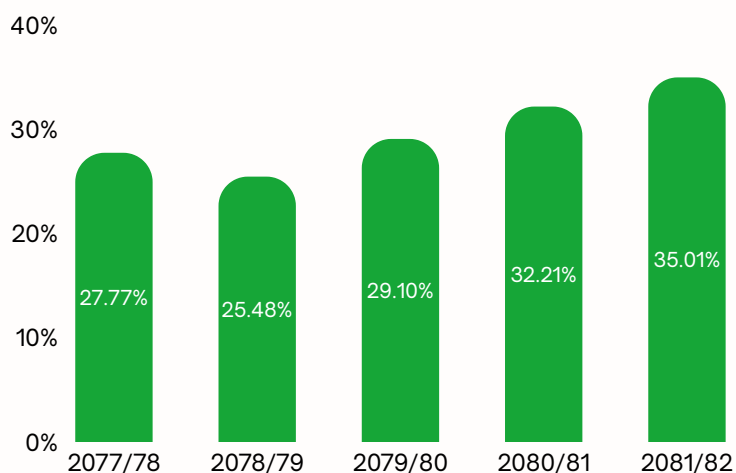
Avg CD Ratio of Commercial Banks



Source: NRB and *Unaudited Report for 81/82

CD Ratio
75.02%*

Avg Liquidity Ratio of Commercial Banks



Source: NRB and *Unaudited Report for 81/82

Liquidity Ratio
35.01%*

NBA ACTIVITIES

BAISAKH - ASHAR 2081

Interaction Session on Cybersecurity

April 23, 2025 - Nepal Bankers' Association (NBA) successfully organized an "Interaction session on Cybersecurity". The program aimed to explore global and regional developments in cybersecurity, understand emerging threats, and discuss strategic trends shaping the cybersecurity landscape in Nepal.



Mr. Chris Fleming, Executive Director, Head of Client & Third-Party Intelligence at Standard Chartered Bank, delivered an insightful presentation, highlighting the evolving nature of cyber threats. He elaborated on the global trends in cybercrime, the growing use of Artificial Intelligence (AI), its use in phishing attacks, threats from Initial Access Brokers (IABs), and the emergence of deepfake technology used to generate misleading images and content.

During the interactive discussion, Mr. Fleming shed light on strategies and best practices adopted by global organizations to counter cyberattacks.

He also emphasized the importance of cybersecurity frameworks in managing risks associated with third-party onboarding. Responding to participants' queries, he highlighted on how banks and organizations worldwide are enhancing their cyber resilience. The program was attended by various officials from member banks.

Interaction Session on International Sanction Compliance, Targeted Financial Sanctions and Proliferation Financing

April 25, 2025 - Nepal Bankers' Association (NBA) successfully organized an interaction session on "International Sanction Compliance, Targeted Financial Sanctions and Proliferation Financing". The program aimed to enhance participants' understanding on international sanctions, emerging risks, compliance requirements, best international practices for mitigating associated risks and proliferation financing; along with creating a significant robust compliance framework in the banking sector, particularly in today's rapidly evolving geopolitical landscape.

Mr. Serhane Victor, Head of Sanctions Compliance ASEAN and South Asia at Standard Chartered Bank, delivered an insightful presentation covering economic sanctions, emerging risks, global regulatory responses and implications for financial institutions. He also presented real-world case studies and shared his insights on OFSI Financial Services Threat Assessment, sanctions evasion trends, screening tools and international best practices for due diligence.

The program was attended by various officials from member banks.



Sustainable Finance Masterclass for Board Members

May 15, 2025 - As a landmark move toward advancing sustainable banking practices in Nepal, Nepal Bankers' Association (NBA) successfully hosted first-of-its-kind Sustainable Finance Masterclass exclusively designed for Board Members of member banks. The session marks a new chapter in strengthening ESG principles at the highest level of banking leadership. It was organized at a crucial juncture, as both global and national attention, and the regulatory requirement on sustainable finance practices is intensifying.



Delivering the welcome remarks, NBA President Mr. Santosh Koirala highlighted the importance of aligning the banking sector with national and regulatory priorities on sustainable finance. He emphasized NBA's proactive efforts to build industry capacity on sustainable finance focused programs. Mr. Koirala further underscored the critical role of board-level leadership in driving the financial sector toward sustainable finance practices.

The Masterclass was enriched by the insights of two distinguished Professors from the UPF, Barcelona School of Management. The session on Managing Social Risk in Sustainable Finance was delivered by Prof. Dr. Andrei Boar, Head of Business Strategy and Management Department at BSM. He shed light on the social dimension of ESG, emphasizing the importance of identifying and managing social risks in banking operations, particularly in lending practices. He also discussed about the different frameworks that banks can adopt to identify and mitigate these risks.



Another key session on Governance and Sustainable Finance was led by Prof. Dr. Marcos Eguiguren Huerta, Associate Provost and Secretary General at BSM. Dr. Eguiguren emphasized governance as a critical pillar for building an ethically responsible and sustainable financial sector. He underlined the need for strong leadership, transparent decision-making and accountability frameworks within banks for its sustainability. He stressed that robust governance is fundamental not only for regulatory compliance but also for long-term business sustainability and stakeholder trust.

The program was graced by the presence of over 45 participants, including Chairmen of the Board, Board Members and CEOs from member banks.



NBA Hosts Training of Trainers on ESG and Sustainable Finance

May 18, 2025 - Nepal Bankers' Association (NBA), in collaboration with the Barcelona School of Management (BSM) and Invest for Impact Nepal (IIN), successfully organized a three-day Training of Trainers (ToT) program on "ESG and Sustainable Finance". This initiative was an important step towards promoting sustainability in Nepal's banking sector by preparing a group of qualified Trainers.



NBA has been actively promoting ESG and Sustainable Finance by focusing on capacity building and knowledge-sharing across the banking sector. As part of these efforts, and in collaboration with the Barcelona School of Management, NBA previously had conducted Certified ESG Course, through which 80 banking professionals were successfully certified. Building on this achievement, NBA launched the recent Training of Trainers (ToT) program, specifically designed for selected officials who completed the Certified course. This advanced training aimed to deepen their understanding of ESG and sustainable finance, while also equipping them with the skills to design and deliver impactful training sessions within their own institutions and across the broader banking industry.

Over the course of three days, the participants engaged in an intensive learning experience led by distinguished faculty members Prof. Dr. Marcos Eguiguren Huerta, Associate Provost and Secretary General at BSM, Prof. Dr. Andrei Boar, Head of Business Strategy and Management Department at BSM, along with expert Mr. Mikel Garcia-Prieto, who joined virtually.

The sessions included the principles and pedagogy of designing impactful ESG and sustainability courses, global and regional trends in sustainable finance, strategies for effective learning, case study development, presentation sessions and lessons from international best practices. The program was designed not only to reinforce participants' understanding of ESG concepts but also to equip them with the skills necessary to deliver effective training programs across the banking sector.

The program brought together 21 senior level officials from member banks, who successfully completed the ToT program and were announced Certified Trainers.



NBA Pays Courtesy Visit to Hon. Governor

May 22, 2025 - The Executive Committee Members of the Nepal Bankers' Association (NBA) extended their warm congratulations and best wishes to the newly appointed Governor of Nepal Rastra Bank, Hon. Dr. Biswo Nath Poudel, during a courtesy visit.



During the meeting, NBA President Mr. Santosh Koirala highlighted the longstanding collaboration between the banking sector and the central bank. He emphasized the importance of continued support and guidance from NRB to further strengthen and advance the country's banking industry.

In response, Hon. Governor Dr. Poudel acknowledged the critical role the banking sector plays in driving economic growth and maintaining financial stability. He highlighted that addressing current challenges requires a unified and coordinated approach from all stakeholders and expressed his strong commitment to resolving existing challenges. Furthermore, he also called for cooperation from the banking industry, recognizing it as one of NRB's key partners.

Interaction Program on Current Issues & Financial Literacy at Chitwan and Birgunj

May 23, 2025 - Nepal Bankers' Association (NBA), in collaboration with the International Finance Corporation (IFC) and Financial Literacy Nepal (FLN), successfully organized an Interaction Program on Current Issues & Financial Literacy in Bharatpur (Bagmati Province) and Birgunj (Madesh Province). The program was designed to enhance the capacity of banking professionals by fostering a deeper understanding of the evolving digital financial services ecosystem, addressing key challenges within the banking and capital market.



Delivering the welcome remarks, Mr. Anil Sharma, Chief Executive Officer of NBA, warmly welcomed the participants and outlined the objectives of the program. He shared that as part of growing engagement in the Provinces and conducting regional activities, NBA is organizing programs like this across all the Provinces to deliberate on the rapidly evolving financial landscape.

Special Guest of the program, Ms. Rathnija Arandara, newly appointed Resident Representative for Nepal at IFC, highlighted the crucial role of digitalization in advancing financial inclusion, particularly in countries like Nepal, where financial literacy remains relatively low. She also reaffirmed IFC's strong commitment to supporting digital financial inclusion efforts in Nepal.

The Chief Guest of the program Dr. Chiranjibi Nepal, Former Governor of Nepal Rastra Bank delivered the keynote speech. Drawing from his vast experience in policy and financial sector governance, Dr. Nepal shared thoughtful reflections on the evolving landscape of Nepal's banking and financial system. He provided a critical analysis of the challenges that continue to hinder the sector's progress, including policy gaps, coordination issues among stakeholders, the need for adaptive policymaking in the face of rapid technological change, among others. Furthermore, Dr. Nepal emphasized that the success of any policy is not solely determined by its formulation but by its effective implementation. He stressed the importance of building robust institutions that are capable of enforcing policy measures with integrity and consistency.

During the presentation session, Mr. Bhuvan Dahal, Former NBA President, delivered an insightful presentation on current issues and challenges facing Nepal's banking sector. He addressed common public misconceptions about the industry, emphasizing how such misunderstandings could undermine trust and confidence of public in the financial system, and the ways to address them. He further underscored that Nepal's banking sector remains stable, resilient and well-regulated under the central bank's policies and highlighted financial literacy as a powerful and strategic tool not only to bridge existing knowledge gaps, but also to foster greater confidence in the banking system.



Mr. Niraj Giri, Former Executive Director, SEBON delivered a presentation on the current state, challenges and future prospects of Nepal's capital markets. He discussed on regulatory framework, highlighting key reforms and regulatory advancements undertaken in recent years. Additionally, he also emphasized the structural challenges such as limited financial literacy among retail investors, market volatility and the need for greater product diversification.



Mr. Ashim Nepal, Operations Officer at IFC, shared key findings from IFC's recently published report on Digital Financial Services in Nepal. In his presentation, he highlighted the progress made by the Nepalese banking and financial sector in digitalization, opportunities and potential risks shaping the digital finance landscape in Nepal and beyond.



Mr. Kapil Gautam, Senior Officer at NBA, delivered a presentation focusing on key aspects of digital finance services, including digital payment systems, digital lending, cross-border transactions, financial inclusion and consumer protection. He also emphasized the rising threat of cyber fraud and encouraged employee to pass the learning to customers to ensure safe and confident use of digital financial services.

Concluding the program, NBA's Province Coordinators – Ms. Shangrila Shrestha, Coordinator of NBA Bagmati Province Committee (in Bharatpur) and Mr. Sulabh Shrestha, Coordinator of NBA Madesh Province Committee (in Birgunj), expressed heartfelt appreciation to the distinguished speakers, experts, and participants for their active engagement and valuable contributions.

The program was participated by officials representing various Commercial and Development Banks of Nepal.

Meeting with IMF Mission Team

May 27, 2025 - Nepal Bankers' Association (NBA) held a meeting with delegates from International Monetary Fund (IMF), led by the Mission Chief Dr. Sarwat Jahan. The meeting was attended by several IMF officials, including Mr. Pranav Kumar Gupta, IMF's Resident Representative for Nepal.

The IMF team was in Nepal for 6th Review under the Extended Credit Facility (ECF) program. The meeting focused on Nepal's current economic and financial situation, trends in financial sector, growth perspective, review of loan portfolio, recent and prospective regulatory changes, challenges, among other key issues.

During the meeting, NBA Vice-President, Mr. Surendra Raj Regmi, accompanied by NBA Executive Committee Advisor, Mr. Ashoke SJB Rana and NBA CEO Mr. Anil Sharma, presented a detailed analysis of the country's economic context.



The discussion included persistent sluggishness in credit expansion, despite significant reductions in the lending rates; low entrepreneurial confidence; importance of government intervention including capital spending to stimulate economic activity and support financial sector expansion; among others. There was also discussion about the emerging signs of improvement in the economy and optimism about the banking sector's resilience and readiness to support economic recovery.

Nepal Impact Investment Forum 2025

June 3, 2025 - Nepal Bankers' Association (NBA), in collaboration with Invest for Impact Nepal (IIN) and Nepal Private Equity Association (NPEA) successfully organized Nepal Impact Investment Forum 2025. This landmark event aimed to strengthen Nepal's growing impact investment ecosystem by fostering meaningful connections between international investors and domestic stakeholders, particularly within the financial sector.



The Forum served as a strategic platform to facilitate dialogue among key actors, including Development Finance Institutions (DFIs), impact investors, financial institutions, government representatives, regulatory bodies, private equity and venture capital funds, and other private sector players. By aligning shared interests and encouraging collaboration, the event sought to unlock new avenues for sustainable investment and inclusive economic growth in Nepal.



The inaugural session of the event was graced by Mr. Dhani Ram Sharma, Joint Secretary - International Economic Cooperation Coordination Division, Ministry of Finance as the Chief Guest. The event featured a series of high - level technical sessions. The session on Scaling Foreign Investment in Nepal was Chaired by Mr. Bam Bahadur Mishra, Deputy Governor of Nepal Rastra Bank, and brought together a distinguished panel of experts from diverse backgrounds. The second session, focusing on Climate Transition Plans for Financial Institutions, was Chaired by Mr. Colin Buckley, Managing Director and General Counsel at BII, and highlighted the evolving role of financial institutions in supporting climate goals. Another key session on Growing the Private Equity and Venture Capital (PEVC) Industry was Chaired by Dr. Nabaraj Adhikari, Executive Director of Securities Board of Nepal, and explored strategies for expanding the PEVC landscape in the country.



The technical session on Unlocking Financing for Women Entrepreneurs was Chaired by Dr. Satyendra Timilsina, Executive Director of Nepal Rastra Bank, and emphasized the importance of inclusive financing to empower women-led enterprises. Similarly, the session on Accelerating MFI Growth through Foreign Investment was Chaired by Mr. Biggyan Raj Subedi, Director at Nepal Rastra Bank, and focused on the role of international capital in strengthening the microfinance sector. These discussions were complemented by executive one-on-one meetings, which facilitated deeper exchanges on regulatory frameworks, investment readiness, sector-specific opportunities, and pathways for enhancing collaboration between domestic financial institutions and global capital providers.



The event witnessed active participation from over 14 international institutions, including DFIs and prominent impact investors, alongside senior representatives from the Ministry of Finance, Nepal Rastra Bank (NRB), Securities Board of Nepal (SEBON), diplomatic missions, development partners, international and domestic investment institutions, BFIs and media.

Welcome and Farewell Program for Governors

June 13, 2025 - The Nepal Bankers' Association (NBA) organized a special program to bid farewell to the outgoing Governor of Nepal Rastra Bank, Mr. Maha Prasad Adhikari, and to welcome the newly appointed Governor, Dr. Biswo Nath Poudel.

In his remarks, outgoing Governor Mr. Adhikari expressed his gratitude for the support he received from the banking sector during his tenure. He reflected on the challenges faced during the COVID-19 pandemic and commended banking institutions for their leadership during that difficult time, acknowledging their contributions to stabilizing the economy. Mr. Adhikari emphasized that the post-pandemic economic stability was not solely the achievement of the central bank, but the result of collective efforts and collaboration across the entire banking sector. Sharing experiences from his tenure, he acknowledged that some past decisions may have been difficult but were necessary for long-term reform. He also stressed the importance of learning from past mistakes to prevent their recurrence and expressed his continued willingness to support the banking sector through his knowledge, experience, and advice.



Similarly, newly appointed Governor Dr. Poudel expressed his commitment to strengthening Nepal's banking sector and ensuring overall economic stability. He stated that the effective policies and frameworks currently in place at Nepal Rastra Bank would largely be continued, with improvements made only where necessary. Governor Poudel emphasized the importance of formulating policies in consultation and coordination with the banking sector and pledged to steer the Nepalese banking industry toward greater strength, inclusiveness, and long-term development. He called for the support and cooperation of all stakeholders in this endeavor.

During the program, representatives of the banking sector expressed their appreciation to the outgoing Governor and extended their best wishes to the new Governor for a successful tenure. The event was attended by Chief Executive Officers and Deputy Chief Executive Officers of commercial banks.

Interaction Program on Current Issues and Monetary Policy – Sudurpaschim Province

June 15, 2025 - Nepal Bankers' Association (NBA) Sudurpaschim Province Committee, successfully organized an "Interaction Program on Current Issues and Monetary Policy" in Dhangadhi. The program aimed to gather feedback on the upcoming Monetary Policy 2082/83, discuss upon the challenges in the banking sector, and discuss fiscal and regulatory developments.

Mr. Pukar Subedi, Coordinator of the NBA Sudurpaschim Province Committee, welcomed the participants and highlighted the key concerns related to banking sector including subdued credit demand and growing difficulties in loan recovery with rising non-performing loans. The discussions emphasized the need to reform working capital loan guidelines, reassess sectoral risk weights, and expand financial literacy initiatives.

There were also discussions about Asset Management Company and Neo Bank as also highlighted in the Fiscal Budget 2082/83. Participants also recommended introducing targeted interest subsidies for the agriculture and hospitality sectors to support loan recovery and stimulate economic activity in the region.



Chief Guest of the program Mr. Keshab Bahadur K.C., Director of NRB Dhangadi Office, provided insights into international practices and shared that legal reforms and operational frameworks would be necessary before its implementation.

The program was participated by officials from member banks, along with officials from the Nepal Rastra Bank.

Interaction Program on Current Issues and Monetary Policy – Karnali Province

June 15, 2025 - Nepal Bankers' Association (NBA) Karnali Province Committee successfully organized an "Interaction Program on Current Issues and Monetary Policy" in Surkhet. The program aimed to gather feedback and foster stronger collaboration, and to promote economic resilience and inclusive growth.

The session brought together officials from Nepal Rastra Bank (NRB), representatives of the Surkhet Chamber of Commerce and Industry, local business communities, and representatives from member banks.

The program was inaugurated by NBA Karnali Province Coordinator who underscored the importance of sustained dialogue between central and provincial stakeholders in addressing emerging financial challenges and tailoring monetary tools to regional realities.

The Province Heads from Karnali shared various policy recommendations including – stressing the need to enhance access to finance in remote areas, establishing Asset Management Company for NPA resolution, among others. The session also emphasized the urgency of accelerating case settlements at the Debt Recovery Tribunal to support timely recovery. Digital financial inclusion was a key focus, with proposals for a nationwide digital-literacy initiative, lowering transaction costs, simplified online lending processes, and immediate linkage of KYC data with the national ID. Further suggestions included introduction of crop-backed financing products and digitization of mortgage-related procedures.



The Chief Guest of the program Mr. Rajan Prasad Regmi, Deputy Director, NRB emphasized the regulator's commitment to support economic development through responsive policy measures and engagement.

Concluding the program, NBA Committee Coordinator expressed appreciation to NRB, the Chamber of Commerce, participating institutions, and all stakeholders for their active engagement and valuable insights.

Nationwide Training Program on ESG, ESRM Guidelines and Green Finance Taxonomy

June 16, 2025 - Nepal Bankers' Association (NBA) successfully concluded a comprehensive training program on Environmental, Social, and Governance (ESG), Environmental and Social Risk Management (ESRM) Guidelines and Nepal Green Finance Taxonomy across several Provinces throughout the country.

Recognizing Nepal's high vulnerability to climate change, the initiative aimed to strengthen the banking sector's capacity to integrate sustainability principles into financial decision-making and risk assessment processes. The training was designed to deepen banking professional's understanding of ESG frameworks, equip them with the practical knowledge to implement the ESRM Guidelines issued by Nepal Rastra Bank, and enhance their knowledge of the recently introduced Green Finance Taxonomy to support climate-resilient financing in the country.



The training program covered several key thematic areas essential for building sustainability capacity within the banking sector. The session on the introduction to ESG and Sustainable Financing, emphasized the global shift toward responsible finance and how ESG integration can drive long-term value creation while mitigating financial and non-financial risks. The session on Nepal Rastra Bank's ESRM Guidelines provided in-depth guidance on identifying and managing environmental and social risks as part of credit assessment and monitoring processes.

Another important component of the training was the session on Nepal's Green Finance Taxonomy, which introduced the basic concepts, fundamental principles of the taxonomy and supported participants in understanding how to identify, categorize and finance green projects. In addition, the training facilitated discussions on the prevailing challenges and emerging opportunities in implementing sustainable finance in Nepal's banking landscape. Discussions also emphasized the growing role of banks and financial institutions in supporting Nepal's transition to a green economy and the importance of embedding ESG into banking operations at all levels.



The training was conducted across several Provinces of Nepal, where over 300 banking professionals, including Province Heads, Branch Managers, Credit and Risk Officers attended the program. The trainings were facilitated by ESG-Certified Trainers who had recently completed the Training of Trainers (ToT) program conducted by NBA in collaboration with the UFP Barcelona School of Management. These trainers brought a unique blend of practical insights and policy-oriented perspectives, enabling participants to gain both foundational understanding and applied knowledge on ESG, ESRM, and Green Finance practices.

Pre-Monetary Policy Discussion Program – Lumbini Province

June 18, 2025 - Nepal Bankers' Association (NBA) Lumbini Province Committee, successfully organized "Pre-Monetary Policy Discussion Program" in Butwal. The program was aimed at gathering recommendations for the upcoming Monetary Policy 2082/83 and discuss on the current issues related to banking sector.



Opening the session, Mr. Arjun Bahadur Kandel, Coordinator of NBA Lumbini Province Committee, welcomed the participants and presented an overview of current banking industry. He stressed the need for a forward-looking and accommodative monetary policy to support credit flow and economic stability. He further emphasized the need of loan restructuring and rescheduling to support both banks and borrowers.

The interaction featured insights from Mr. Jeevan Prakash Pandey, Acting Office Head and Deputy Director of Nepal Rastra Bank, Siddharthanagar Office. Discussions during the program covered a wide range of policy concerns. Participants highlighted major issues such as excess market liquidity, low credit demand, declining profit margins and rising burden of non-performing loans. Furthermore, the need for revisiting working capital guidelines, establishing Assets Management Company, reassessment of sectoral risk weights, incentivization of digital banking, and the need to intensify financial literacy campaigns in underserved regions were also discussed upon.



The program was participated by officials from member banks, along with officials from the Nepal Rastra Bank (NRB) Siddharthanagar Office.

NBA Hosts First In-Person Community of Practice Meeting on Sustainable Finance

June 19, 2025 - Nepal Bankers' Association (NBA), in collaboration with Invest for Impact Nepal (IIN), successfully organized the first in-person meeting of the Community of Practice (CoP) on Sustainable Finance. This platform aims to promote dialogue, share experience, identify the implementation challenges, and collectively develop solutions to accelerate the adoption of sustainable practices in Nepalese banking sector.



To strengthen industry capacity and support member banks in their sustainable finance journey, NBA has undertaken a series of targeted initiatives. Recognizing the need for a dedicated platform to facilitate knowledge sharing, promote collaboration, and keep members aligned with evolving global standards, NBA established the Community of Practice (CoP) in March 2025. The CoP serves as a dynamic forum for exchanging best practices and collectively addressing the challenges associated with implementing sustainable finance frameworks across the banking sector.

During the in-person session, Dr. Prasad Modak and Ms. Krupa Desai from Environment Management Company (EMC) led in-depth technical sessions. The first deep dive session explored various sustainable finance instruments and products, including a discussion on whether sustainable finance should be incentivized, supported by global case studies. The second session focused on the role of ESRM systems, presenting a draft outline of a common ESRMS manual being developed as a knowledge product under the CoP.



The program also featured experience sharing by a CoP member on ESRMS implementation challenges and opportunities, followed by a peer exchange session, where banks shared their current status, innovations, and hurdles in integrating sustainable finance and ESRM practices.

The event brought together the senior officials from the sustainable finance departments of all commercial banks.

Interaction Program on Current Issues and Monetary Policy – Gandaki Province

June 20, 2025 - Nepal Bankers' Association (NBA) Gandaki Province Committee successfully organized an "Interaction Program on Current Issues and Monetary Policy" in Pokhara. The program aimed to foster constructive dialogue between the banking sector and Nepal Rastra Bank (NRB), focusing on the current economic challenges and the role of monetary policy in supporting economic growth.

The session began with remarks by NBA Gandaki Province Deputy Coordinator Mr. Rameshwor Khatiwada, followed by presentation on Gandaki Province's economic and financial landscape by NRB Deputy Directors Mr. Ram Kumar Karki, Mr. Prem Prasad Acharya and Ms. Ragni Singh. The NRB officials provided a comprehensive overview of key economic indicators, provincial financial health, and monetary policy considerations in light of emerging fiscal challenges.



Mr. Hari Dhakal, Coordinator of NBA Gandaki Province, shared the collective suggestions of member banks, highlighting the need for a more flexible and responsive monetary policy, particularly to support SMEs, rural borrowers, and individuals impacted by the economic slowdown. Among the issues raised, participants emphasized that the current working capital guidelines have posed practical difficulties for businesses. The existing loan classification system was also requested to be relaxed. Other critical issues discussed included difficulties in loan recovery, inefficiencies caused by over-branching post-merger and valuation inconsistencies.

The program concluded with closing remarks and a vote of thanks from Deputy Coordinator of NBA Gandaki Province Mr. Buddhi Raj Baral, who expressed appreciation for the active participation of officials from member banks and NRB.



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