

Nepal eases Public Procurement Act for national carrier

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Dhaka: The Government of Nepal has amended the Public Procurement Act (PPA) through a new ordinance, exempting Nepal Airlines Corporation (NAC) from following standard PPA procedures for the purchase or leasing of aircraft, engines, and related aviation equipment.

Previously, the law permitted exemptions only for certain aviation-related equipment purchases. The new provisions significantly broaden this scope, allowing public entities authorized to operate flight services to bypass the lengthy PPA processes when acquiring or leasing new aircraft, engines, or procuring essential aviation components.

The legislative change is expected to give NAC the flexibility needed to compete in the aggressive international aviation market. By removing traditional procurement hurdles, the corporation can now move faster in

acquiring fleet additions and managing engine maintenance contracts — operations that are often time-sensitive.

Officials believe the decision will streamline NAC's operations, enabling quicker decision-making and more efficient fleet management as the carrier seeks to regain its competitive edge.

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