

## **Press Release**

The World Bank Group has agreed to provide US\$ 99 million (equivalent to NRs. 8672.4 million) grant and loan assistance to the Government of Nepal for the implementation of Nepal-India Regional Trade and Transport Project (NIRTTP). Out of the total assistance, US\$ 27 million (equivalent to NRs 2365.2 million) is grant assistance and US\$ 72 million (equivalent to NRs. 6307.2 million) is loan assistance. An agreement to this effect was signed between the Government of Nepal and the World Bank Group in the Ministry of Finance, Kathmandu, today.

The objective of the project is to decrease transport time and logistics costs for bilateral trade between Nepal and India and facilitate for transit trade along the Kathmandu-Kolkata corridor for the benefit of traders by reducing key infrastructure bottlenecks in Nepal and by supporting the adoption of modern approaches to border management. The project will help modernize transport and transit arrangements between Nepal and India, strengthen trade-related institutional capacity in Nepal and improve selected trade-related infrastructure. This project will be instrumental in improving the efficiency of the trade systems through introducing a modern and effective transit regime, simplifying and harmonizing customs and border management procedures, processes, and systems and strengthening and modernizing the regulation of international trucking services.

Likewise, the project components consist of upgrading and expanding the Narayanghat-Mugling road section to Asian Highway Standard, and corridor improvement along the Birgunj-Kathmandu Corridor, construction of a CFS (Container Freight Station) or an ICD (Inland Clearance/Container Depot) in the Kathmandu Valley, improvement of the capability of trade-related laboratories, and facilitation of arrangements for mutual recognition of certificates.

The grant and loan assistance agreement was signed and exchanged between Mr. Madhu Kumar Marasini, Joint secretary, Ministry of Finance and Ms. Tahseen Sayed, Country Manager of the World Bank for Nepal on behalf of the Government of Nepal and the World Bank, respectively.

The Government of Nepal has expressed its sincere appreciation to the World Bank for this assistance and for the continued support in the socio economic development of Nepal.

Ministry of Finance  
Singha Durbar, Kathmandu, Nepal  
July 11, 2013 (आषाढ २७, २०७०)