

PRESS RELEASE

The Saudi Fund for Development (SFD) has agreed to provide loan assistance of Saudi Riyal 93.75 million (Approximately NRs 2.41 billion) for the Rehabilitation and Extension of Dunduwa Irrigation Project. The interest rate of the loan will be 2 percent and the Loan Closing Date will be 31 March 2019.

The main objective of this project is to support the agriculture sector in the country through development of Dunduwa Irrigation System Project in Banke District. The Project helps to enhance agricultural productivity through irrigation networks and protection works in the project area.

The Project will cover 13 Village Development Committees of Banke district in Bheri Zone. The main components of this project are civil works consisting construction of 25 kms main and link canal, construction of six branch canals and command area development for 16,000 ha including 250 kms tertiary canals. Other components of the project include supply and installation of equipment for the irrigation system, land acquisition of about 70 ha in the project area, and consultancy services for design documents and supervision of the project implementation.

The Project will be implemented within FY 2018/19. The Ministry of Irrigation will be the implementing agency for this Project.

The Agreement was signed in Kathmandu today by Mr. Suman Prasad Sharma, Secretary of Ministry of Finance and Mr. Yousef Al-Bassam, the Vice Chairman / Managing Director of the SFD on behalf of the Government of Nepal and the Fund respectively.

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

Ministry of Finance,
Singha Durbar, Kathmandu

24 February 2015