



## PRESS RELEASE

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### Government of Nepal and World Bank Sign \$450 Million Road Support Project in Nepal to Boost post-COVID-19 Recovery

KATHMANDU, July 17, 2020 – The Government of Nepal and the World Bank signed a \$450 million (around Rs. 54 billion) Financing Agreement that will help Nepal improve the efficiency and safety of transport infrastructure, improve efficiency of cross-border trade, and strengthen capacity for strategic road network management. This is the single largest value project that the Government of Nepal has signed with the World Bank.

In the august presence of Honorable Finance Minister Dr. Yuba Raj Khatiwada, the agreement was signed by the Finance Secretary, Mr. Sishir Kumar Dhungana on behalf of the Government of Nepal and the World Bank Country Director for Maldives, Nepal and Sri Lanka, Mr. Faris Hadad-Zervos.

“We thank the World Bank Group for supporting this important project which will enhance connectivity and country integration along with cross border markets to support post-COVID-19 recovery, stated **Honorable Finance Minister, Dr. Yuba Raj Khatiwada**. “Connectivity is high on the rapid and sustainable development agenda of Nepal. Sustainable transport and sustainable, inclusive and high-quality infrastructure are of cross cutting importance for accelerating economic growth, national and regional economic integration and attaining the sustainable development goals.”

“The Project, with its focus on reducing time and cost of moving goods via key transport corridors and border crossing points, will be key to sustain and accelerate our economic growth, especially aiding recovery in the immediate aftermath of COVID-19,” stated **Mr. Sishir Kumar Dhungana, Finance Secretary**. “We are also looking forward to this Project to introduce and demonstrate best practices in several key areas ranging from safety and climate resilience to road asset management and citizen engagement, and hoping to replicate them at the federal, provincial and local levels of the government.”

The Government is working on a 3R – Relief, Recovery and Resilience – strategy to help Nepal build back better from the impacts of the COVID-19 crisis. This project will be critical for boosting economic possibilities and enhancing trade facilitation to speed up recovery and resilience.

The Strategic Road Connectivity and Trade Improvement Project supports Nepal’s connectivity and trade with neighboring countries including India. It will improve the Nagdhunga-Naubise-Mugling road and upgrade the Kamala-Dhalkebar-Pathlaiya road to four-lane. The Project will also enhance infrastructure, facilities and sanitation at border crossing points to ease trade constraints and spur agricultural exports. Amid the COVID-19 pandemic, the Project will also support better screening of goods and people at border facilities, and develop guidance for special working arrangements, such as safe distancing and remote working.

“This Project supports the government’s efforts to put Nepal on the path to economic recovery amid the impacts of the COVID-19 crisis. It will help facilitate regional trade and connectivity and



create jobs while ensuring safety and efficiency of the strategic roads network,” stated Mr. **Faris Hadad-Zervos, World Bank Country Director for Maldives, Nepal and Sri Lanka.**

The Project will also support institutional strengthening of the National Road Safety Council and the Department of Roads, and periodic maintenance of high-traffic roads within the Strategic Road Network. A contingency emergency response component is also included in the project to reallocate project funds to support emergency response and recovery.

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