

Press Release

The Government of People's Republic of China has agreed to provide grant and concessional loan assistance of RMB Yuan 408 million (equivalent to NRs 6671 million) to acquire and purchase Six aircrafts. Out of total assistance RMB Yuan 180 million (equivalent to NRs 2943 million) will be used to acquire one MA60 and one Y12E aircraft on grant basis and up to RMB 228 million (equivalent to NRs 3728 million) will be used to purchase one MA60 and three Y12E aircraft on loan basis. Three separate agreements to this effect namely, Framework Agreement on Provision of Concessional Loan Assistance, Economic and Technical Cooperation Agreement for Grant Assistance and Government Concessional Loan Agreement, and Letter of Exchange were signed and exchanged between the Government of Nepal and the Government of People's Republic of China in the Ministry of Finance, Kathmandu, today.

The concessional loan received from The Export-Import Bank of China will be sub landed to the Nepal Airlines Corporation for the purchase of aircraft. The loan will be repaid in 20 years with the grace period of 7 years and the interest of the loan will be 1.5 %.

Mr. Shanta Raj Subedi, Secretary, Ministry of Finance and Mr. Wu Chuntai, Ambassador of the People's Republic of China signed Framework Agreement on Provision of Concessional Loan Assistance, Economic and Technical Cooperation Agreement for Grant Assistance and Letter of Exchange on behalf of the Government of Nepal and the Government of People's Republic of China respectively. Mr. Madhu Kumar Marasini, Joint Secretary Ministry of Finance and Gao Bing, Deputy General Manager, The Export-Import Bank of China signed the Government Concessional Loan Agreement on behalf of Government of Nepal and The Export-Import Bank of China.

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

Ministry of Finance
Singh durbar,
Kathmandu, Nepal
28 November 2013
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