

Press Release

Asian Development Bank (ADB) has agreed to provide US\$ 152 (150 Million US Dollar Concessional OCR Loan and 2 Million US Dollar Grant from Japan Fund for Poverty Reduction) equivalent (approximately NRs15.46 billion) for the implementation of Power Transmission and Distribution Efficiency Enhancement Project. An agreement to this effect was signed and exchanged at the Ministry of Finance, Kathmandu, today.

The Power Transmission and Distribution Efficiency Enhancement Project supports to expand the transmission lines in various areas of Nepal and enhance the distribution efficiency in the Northern part of Kathmandu Valley. The project will incorporate various components such as construction of transmission lines, upgrading sub-stations in Barhabise, Laphsiphedi, Khimti and Chapagaun areas and the rehabilitation and capacity enhancement of distribution system in Kathmandu Valley. The project has completion period of 4.5 years.

Mr. Shanta Raj Subedi, Secretary, Ministry of Finance and Mr. Sharad Bhandari, Officer-in-Charge, Nepal Resident Mission, Asian Development Bank signed the Loan Agreement on behalf of the Government of Nepal and the ADB respectively. Similarly, Mr. Kulman Ghishing, Managing Director, Nepal Electricity Authority and Mr. Sharad Bhandari, Officer-in-Charge, Nepal Resident Mission, ADB signed the project agreement.

Similarly, ADB has also agreed to provide US\$ 21 Million (approximately NRS.2.13 Billion) policy based loan assistance to the Government of Nepal. The loan amount will be utilized in the implementation of SASEC Customs Reforms and Modernization for Trade Facilitation program. The assistance will be mobilized through on budget mechanism.

The main objective of the Program is to increase legitimate trade's access for simplification, harmonization and modernization of trade processes. Being a policy based loan, after the successful completion of the program it is expected that national policy and legal framework for trade facilitation will be improved, customs procedures will be improved, organization structure of Department of Customs (DOC) will be strengthened and including other, the capacity of DOC will be enhanced. The program will cover the whole customs administration and its offices throughout the country.

The loan amount will be utilized within the period of August 2021.

The agreement was signed by Mr. Baikuntha Aryal, Joint secretary Ministry of Finance and Mr. Sharad Bhandari, Officer- in- Charge, ADB, Nepal Resident Mission on behalf of Government of Nepal and the Bank respectively.

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

Ministry of Finance
Singh Durbar, kathmandu
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