

PRESS RELEASE

The Export-Import Bank of China has agreed to provide a loan assistance of RMB 154 million (equiv. to NRs. 1703 million) to the Government of Nepal for the implementation of Kathmandu 220 kV Transmission Line and 132 kV Bay Extension Works Project of the Upper Trishuli 3A Hydroelectric Project (UT 3A HEP).

The Upper Trishuli 3A Hydroelectric Project (UT 3A HEP) is expected to generate 60 MW and is under construction with the loan assistance of the Government of China through the Export-Import Bank of China. The Project has three components; Plant, Supervision/Consultancy, and Transmission Line and Bay Extension. For the two components i.e. Plant and Supervision/Consultancy, the Framework Agreement and Government Concessional Loan Agreement amounting RMB 640 million were concluded on February 28, 2011. The loan has already been made effective and subsequently the first disbursement has also been made.

The loan amount received under this agreement will be utilized in Kathmandu 220 KV Transmission Line and 132 KV Line Bay Extension Works. The Executing Agency and the Implementing Agency of the Project are Ministry of Energy and Nepal Electricity Authority, respectively. The Upper Trishuli 3A Hydroelectric Project (UT 3A HEP) is expected to be completed by May, 2014.

To this effect, the Framework Agreement and the Loan Agreement were signed and exchanged today in Kathmandu, Nepal. The Framework Agreement was signed by Mr. Krishna Hari Baskota, Secretary, Ministry of Finance and Mr. Chen Jian, Vice Minister, Ministry of Commerce, on behalf of their respective Governments, and the Loan Agreement was signed by Mr. Krishna Hari Baskota, Secretary, Ministry of Finance and Mr. Li Jun, Vice President, Export-Import Bank of China, on behalf of the Government of Nepal and the Bank, respectively.

The Government of Nepal has expressed its sincere appreciation to the Government of People's Republic of China and Export-Import Bank of China for this assistance and also for the keen interest and continued support in the socio-economic development of Nepal.

Ministry of Finance
Singhadurbar,
Kathmandu, Nepal
August 17, 2011
Shrawan 32, 2068