

Press Release

OFID Extended Loan Assistance to Nepal

OPEC Fund for International Development has agreed to provide a loan assistance of US\$ 17 million (about Rs. 1235 million) to the Government of Nepal for the implementation of the Urban Infrastructure Improvement Project.

A loan agreement to this effect was signed by Mr. Lal Shanker Ghimire, Joint Secretary of the Ministry of Finance and His Excellency Mr. Suleiman J Al-Herbis, Director General of the OFID on behalf of their respective institutions in Vienna, Austria, today.

The Urban Infrastructure Improvement Project aims at improving and making available affordable municipal services in key regional urban centers of Nepal. The objectives of the Project will be achieved through the implementation of following components;

- Civil Works,
- Land Acquisition and Resettlement,

The major component of the Project, that is, civil works consists of (i) Drainage and Sewerage Systems and Roads and Lanes, (ii) Solid Waste Management Systems and Community Development, (iii) Water Supply System, and (iv) Other Infrastructure Facilities.

It may be recalled that this Project is also co financed by the Asian Development Bank, and the Global Environment Facility. Agreement between the Government of Nepal and the Asian Development Bank was signed on 26 October 2010 in Kathmandu.

The Government of Nepal has expressed its sincere appreciation to the OPEC Fund for International Development for this loan assistance and for their continued support for the socio-economic development of Nepal.

Ministry of Finance
26 November 2010
Ministry of Finance
Singhdurbar, Kathmandu
From Vienna, Austria