

PRESS RELEASE

Government of Japan has agreed to provide 16.636 billion Japanese Yen (approx. Rs. 15.405 billion) loan assistance to the Government of Nepal for the Nagdhunga Tunnel Construction Project.

The project aims to improve the alignment of the existing road, reduce the travel time and enhance traffic safety in Nagdhunga Naubise area. The objective of the project is to improve the road condition around Nagdhunga pass by construction a tunnel, thereby contributing to the smooth transportation network between Kathmandu valley and other major areas of Nepal. The major activities of the project are: a) Construction of 2.35 km tunnel with 2 motor able lanes and 1 extra lane. b) Construction of 2.25 km approach road. c) Establishment of the power supply facilities. Ministry of Physical Infrastructure and Transport will be the executing agency and the Department of Road will be responsible for implementation of the Project. The cost of this project is about 21 billion Japanese Yen, out of this, Government of Japan will provide 16.636 billion and remaining fund will be borne by Government of Nepal. The civil works of the project will be started from July 2019 and the expected completion date of the project is December 2022.

Mr. Shanta Raj Subedi, Secretary, Ministry of Finance and His Excellency Mr. Masashi Ogawa, Ambassador of Japan signed the Exchange of Notes today in the Ministry of Finance on behalf of the Government of Nepal and the Government of Japan, respectively. Likewise, Mr. Baikuntha Aryal, Joint Secretary and Chief, International Economic Cooperation Coordination Division, Ministry of Finance and Mr. Jun Sakuma, Chief Representative of JICA Nepal Office signed the loan agreement.

Honorable Mr. Krishna Bahadur Mahara, Deputy Prime Minister and Finance Minister and Honorable Mr. Ramesh Lekhak, Minister of Physical Infrastructure and Transport were also present at the signing ceremony.

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

Ministry of Finance
Singh Durbar, Kathmandu
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