

## Press Release

Asian Development Bank (ADB), has agreed to provide 206.8 million US dollar (approx. NRs.22.4 billion) assistance for SASEC Power System Expansion Project and SASEC Road Improvement Project. Out of this assistance, USD 20 million will be used for power system expansion project as grant assistance and USD186.8 million will be utilized for Road Improvement project as loan assistance.

The objective of SASEC Power System Expansion Project is to increase capacity of the national power grid and enhance renewable energy development. It will further support in generating additional energy by developing solar systems and promoting green energy thereby to attain ecological balance. The grant assistance will be used for providing viability gap fund under NEA's PPA with private entities generating energy from solar power. This grant assistance will also support for capacity building of NEA. The project will be completed by 2022.

Likewise, the objective of SASEC Road Improvement Project is to improve transport efficiency and safety by rehabilitating and upgrading Narayanghat- Butwal road corridor ( about 115 km) along the East West Highway, Bhairahawa Lumbini Taulihawa road corridor ( about 45 km) and establishing a road accident emergency response system. The project is expected to support trade facilitation among SAARC countries and to promote tourism of Lumbini. The project will be completed by 2022.

Dr. Shantaraj Subedi, Secretary, Ministry of Finance and Mr. Kenichi Yokoyama, Country Director, ADB Nepal Resident Mission signed the agreements on behalf of GON and ADB respectively.

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

Ministry of Finance  
Singh Durbar, Kathmandu  
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