

Press Release

Asian Development Bank has agreed to provide a loan assistance of SDR 49.6 millions or USD 75.0 million (equivalent NRs 7322 million) to the Government of Nepal for the implementation of SASEC Road Connectivity Project.

Ministry of Physical Infrastructure and Transport is the executing agency while, Department of Roads is the implementing agency of the Project.

The main objective of the project is to improve road transport system in eastern part of Nepal... The project will improve the country's road network totaling about 187 km, providing (i) alternate crossing over Koshi River for East-West Highway at Sunsari District, (ii) three missing linkages for the Mid-Hill Highway and (iii) a feeder road connecting East West Highway at Birtamod and a new bridge across Mechi River, which will connect to India and Bangladesh. Additionally, capacity enhancement of the institutions responsible for construction and maintenance of roads will be provided through technical assistance. The project will contribute to development and expansion of the Strategic Road Network and expand connectivity with remote hilly areas to increase the economy activities in project areas.

The project comprises, (i) about 73 km bypass road along East West Highway upgraded to 2 lane National Highway standard and 2 lane feeder road standard, which will provide an alternate route for East West Highway in case of closure of the main Koshi Barrage (ii) about 114 km of Mid Hill Highway upgraded to intermediate lane, and (iii) enhanced capacity of Department of Roads in delivering Gender Equality and Social Inclusion (GESI) results. The Project is expected to be completed by 31 December 2018.

Mr. Shanta Raj Subedi, Secretary, Ministry of Finance and Mr. Kenichi Yokoyama, Country Director of Asian Development Bank, Nepal Resident Mission signed the agreement on behalf of the Government of Nepal and Asian Development Bank respectively.

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

Ministry of Finance, Kathmandu

20 October, 2013