



## JOINT PRESS RELEASE

Secretary Mr. Shanta Raj Subedi at the Ministry of Finance and German Ambassador H.E Mr. Matthias Meyer today signed a financial cooperation agreement of Euro 16 million (equivalent NRs. 1.85 billion) on behalf of their respective governments.

The grant assistance committed by the German Federal Government last year will be used for the implementation of the project “Promotion of Energy Efficiency and Renewable Energy in Nepal, Phase II”. The cooperation will comprise financial assistance for the construction of the Leknath-Damauli 220 KV double circuit transmission line. This transmission line is a crucial element of strengthening Nepal’s national grid, as it will evacuate power from various hydropower plants being constructed both by the public and private sectors.

The total cost estimate for the project amounts to €32.5 million (equivalent NRs.3.82 billion). Almost 50% of the project cost will be covered by German Financial Cooperation (through KfW), while the Government of Nepal has committed to complementing the total cost of the project through NEA’s own funds.

Both Governments expressed their commitment to ensuring a successful and timely implementation of this key project.

**Ministry of Finance, Kathmandu**

**Embassy of the Federal Republic of Germany,  
Kathmandu**

**09 June 2017**