

## Press Release

The Asian Development Bank has agreed to provide additional loan and Grant assistance of US\$ 33 million (about NPR 3.094 billion) to the Government of Nepal for the implementation of "**South Asia Tourism Infrastructure Development Project (SATIDP)**".

The objective of South Asia Tourism Infrastructure Development Project (SATIDP) is to support a future pattern of tourism in the South Asia sub-region, envisaging a number of multi-country circuits of nature and culture-based sites that are interlinked. Expected outcome of the project is to develop Lumbini, the Birthplace of Lord Buddha as an attractive culture-based tourism destination with a direct access of International Air Transport service.

The total estimated cost of the project is US\$ 97.21 million. Out of total project cost, ADB is providing US\$ 58.50 million (Loan US\$ 42.75 and Grant US\$ 15.75 million), OFID is providing US\$ 15 million loan and rest CAAN will bear as counterpart fund.

The Ministry of Culture, Tourism and Civil Aviation is responsible for implementation of this project. Civil Aviation Authority of Nepal will invest the assistance for improvement of Gautam Buddha Airport. Lumbini Development Trust is responsible for the destination improvement including clean public transport service. The estimated project completion date is 30<sup>th</sup> June 2017. After the completion of this project, GBA will operate as an International Airport with improved destination.

The financing agreements were signed by Mr. Madhu Kumar Marasini, Joint Secretary, Ministry of Finance and Mr. Kenichi Yokoyama, Country Director, Asian Development Bank. Similarly, the project agreements were signed by Acharya Karma Sangbo Sherpa, Vice Chairman, Lumbini Development Trust, Mr. Ratish Chandra Lai Suman, Director General, Civil Aviation Authority of Nepal and Mr. Kenichi Yokoyama, Country Director, Asian Development Bank on behalf of their respective authorities.

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

Ministry of Finance

Singhdurbar, Kathmandu, Nepal

19 May 2014

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