

# ***Introduction of EDCF and EDCF Projects in Nepal***

***- Economic Development Cooperation Fund of Korea -***

***May, 2014***



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# 1. Introduction to EDCF



# 1. Introduction to EDCF

## Economic Development Cooperation Fund (EDCF)

**Established**

on June 1, 1987

**Form**

Bilateral ODA Concessional loans

**Purpose 1**

Help developing countries achieve industrial growth & economic stability

**Purpose 2**

Share Korea's development experience and knowledge

**Purpose 3**

Strengthen bilateral economic cooperation and encourage sound development in partner countries

# 1. Introduction to EDCF

EDCF has supported 311 projects in 52 countries (the end of 2013, accumulated)

EDCF  
Volume

Commitment

KRW 10.1 Tril.

Disbursement

KRW 4.4 Tril.

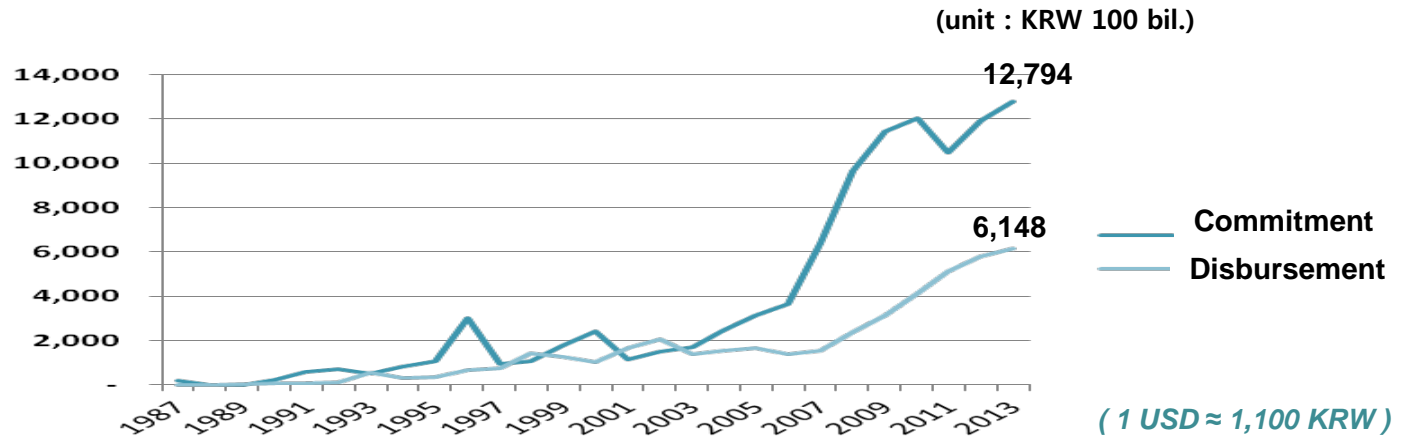
Withdraw

KRW 0.6 Tril.

Loan Balance

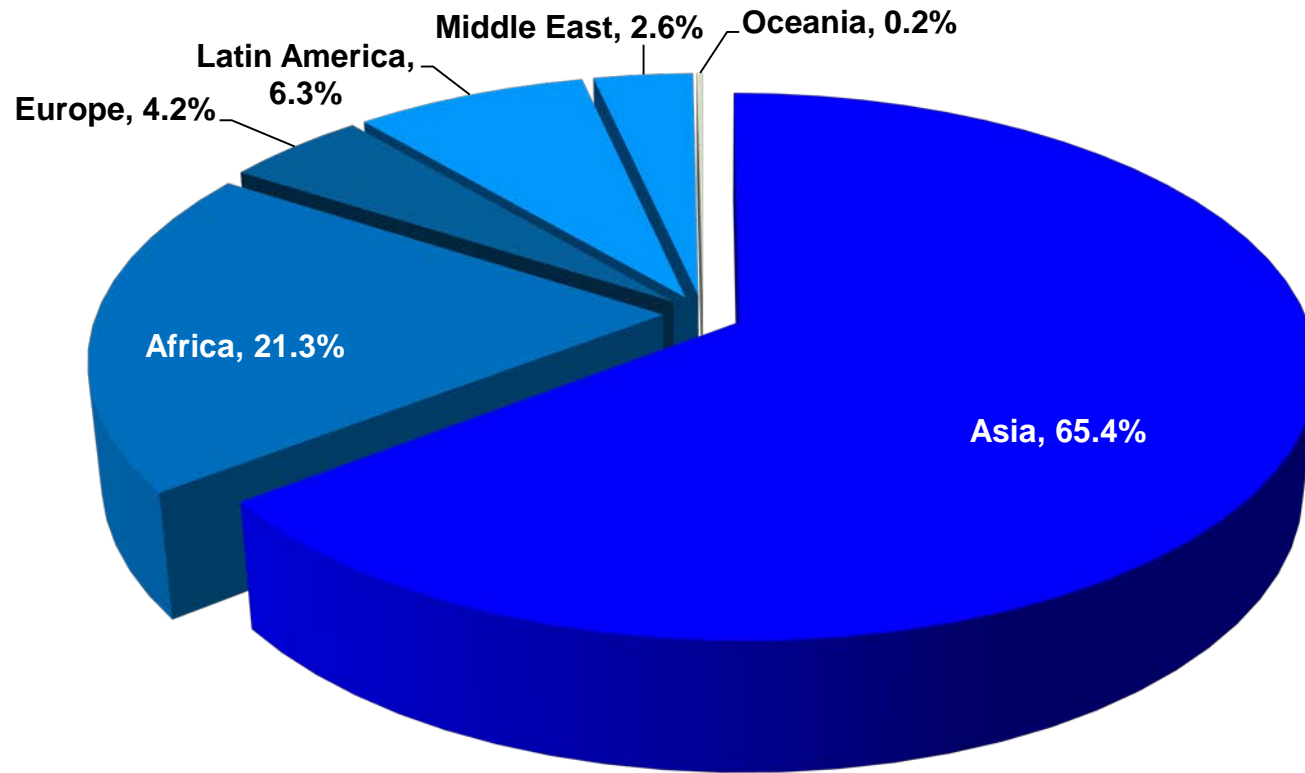
KRW 3.8 Tril.

Annual  
EDCF  
Record



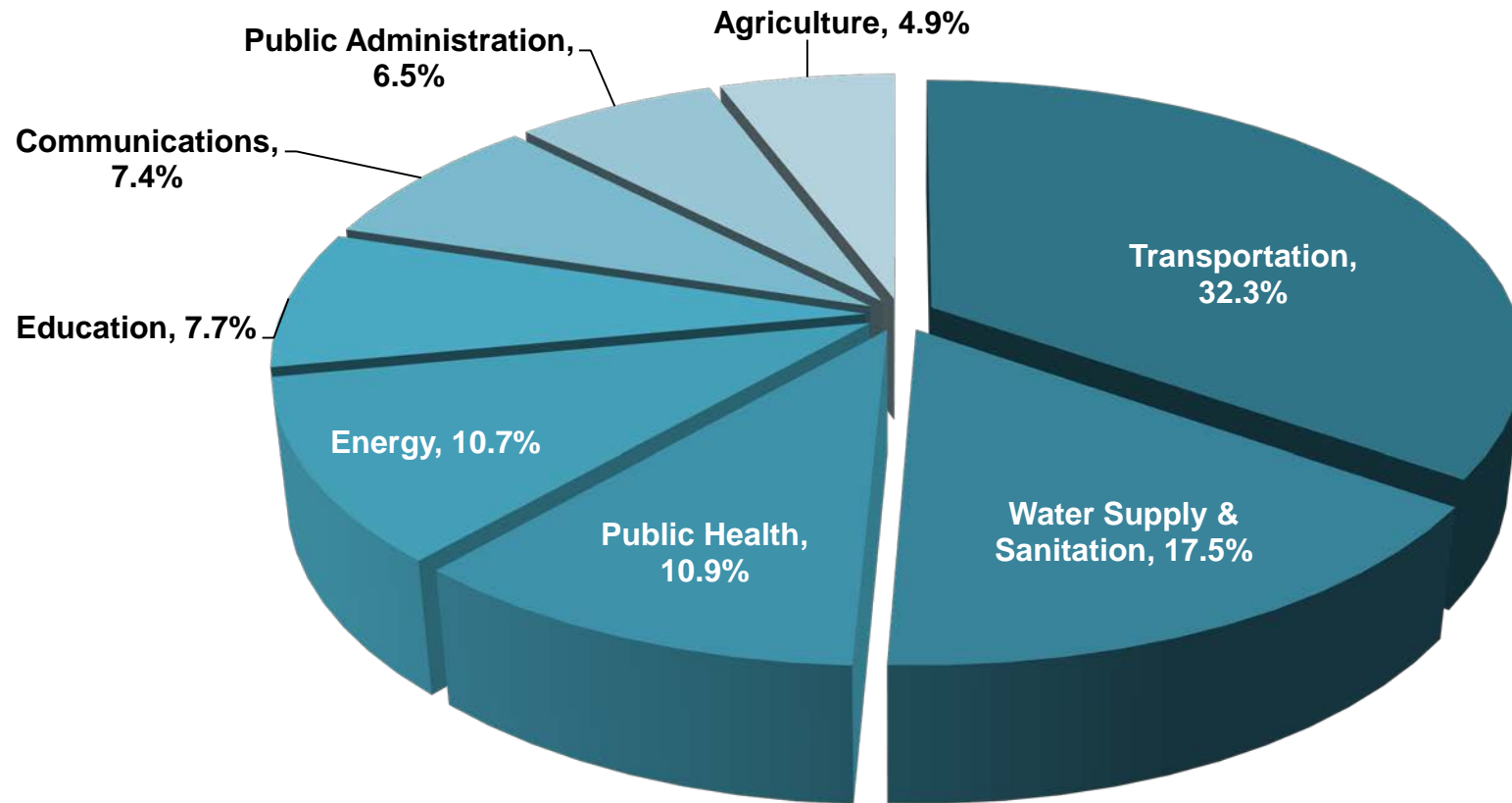
# 1. Introduction to EDCF

## EDCF Commitment by Region (the end of 2013, accumulated)



# 1. Introduction to EDCF

## EDCF Commitment by Sector (the end of 2013, accumulated)



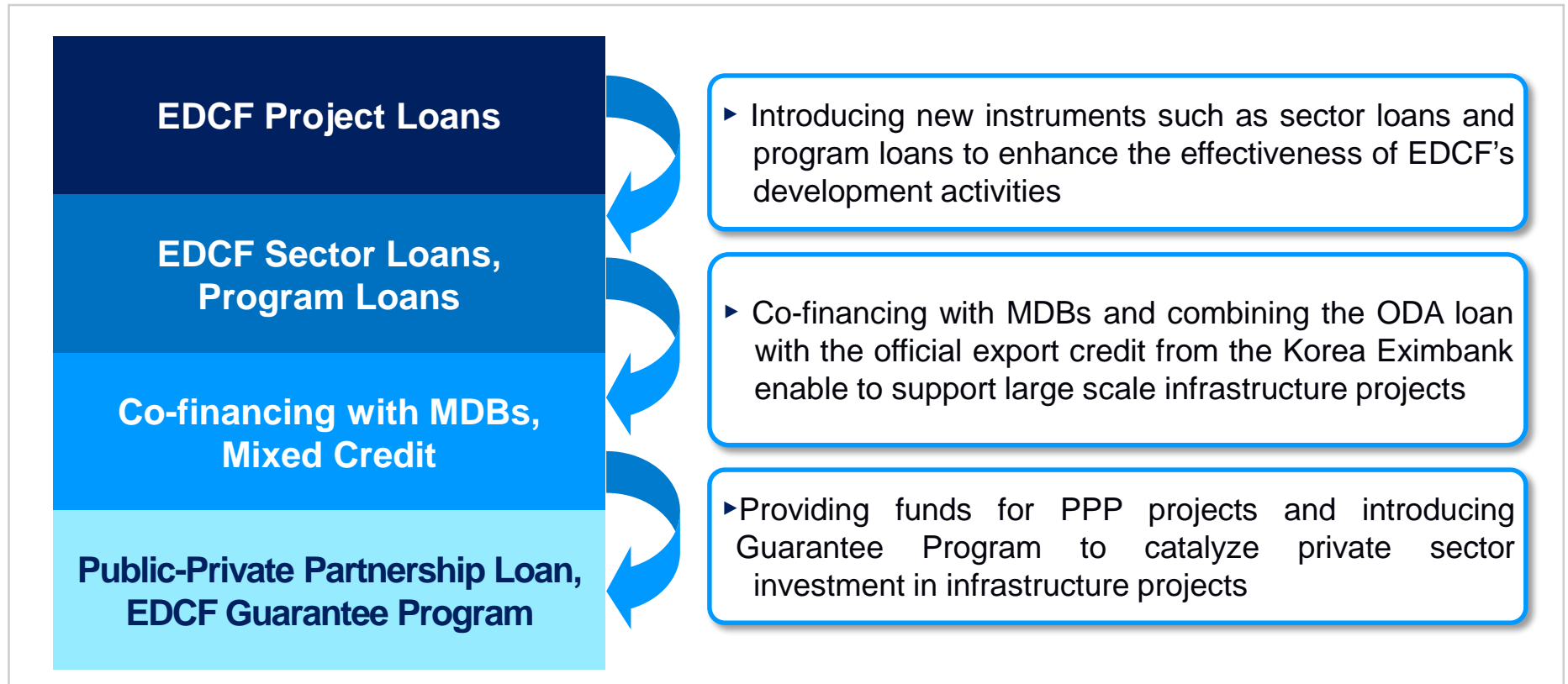
## 2. EDCF Programs





## 2. EDCF Programs

### Types of Financing Instruments



## 2. EDCF Programs

### EDCF Loan Terms & Conditions

<b>Loan Amount</b>	<b>Up to 100% of total project cost</b>
<b>Interest Rate</b>	<b>0.01%~2.5% per annum (5 income group)</b>
<b>Repayment</b>	<b>Up to 40 years</b>
<b>Grace Period</b>	<b>Max 15 years</b>
<b>Repayment Method</b>	<b>Semi-annual payment</b>
<b>Interest Payment</b>	<b>Semi-annual payment</b>
<b>Guarantee</b>	<b>Guaranteed by central government or central bank</b>
<b>Currency</b>	<b>Korea won (or USD, EUR in special case)</b>

# 3. EDCF Project Cycle



### 3. EDCF Project Cycle



# 4. Cooperation with Nepal



## 4. EDCF Project Cases(NEPAL)

### ▶ Introduction of projects in Nepal

NPL- 2

Chameliya Hydroelectric Project

Amounts: US \$45.0 million

NPL- 1

Modi Khola Hydroelectric Project

Amounts: US \$15.0 million



## 4. EDCF Project Cases(NEPAL)

### ▶ NPL\_1) Modi Khola Hydroelectric Project

#### Project description

##### BORROWER

- THE GOVERNMENT OF THE REPUBLIC OF NEPAL (MINISTRY OF FINANCE)

##### PROJECT OBJECTIVE

- To relax electricity shortage problem of Nepal

##### EXECUTING AGENCY

- Nepal Electricity Authority: NEA

##### LOAN AMOUNT

- US \$15,000,000 (Total cost: US \$27,200,000)

##### LOAN CONDITION

- One Point Zero percent (1.0%) per annum
- Repayment period: 30 years
- Grace period: 10 years

##### STATUS

- collecting principal and interest

#### Project photos



## 4. EDCF Project Cases(NEPAL)

### ▶ NPL\_2) Chamleya Hydroelectric Project

#### Project description

##### BORROWER

- THE GOVERNMENT OF THE REPUBLIC OF NEPAL (MINISTRY OF FINANCE)

##### PROJECT OBJECTIVE

- To promote country's equal development through easing off electricity shortage problem of Nepal and development of backward north west region

##### EXECUTING AGENCY

- Nepal Electricity Authority: NEA

##### LOAN AMOUNT

- US \$45,000,000 (Total cost: US \$99,900,000)

##### LOAN CONDITION

- Zero Point Five percent (0.5%) per annum
- Repayment period: 30 years
- Grace period: 10 years

##### STATUS

- Under Implementation
- Project completion is being delayed due to delays in civil works

#### Project photos





# *Thank you*

*May, 2014*

