



Sudurpashchim Public Transport Project



Government of Nepal
Investment Board Nepal



Background

The Sudurpashchim Public Transport Project focuses on enhancing transportation infrastructure in Sudurpashchim Province to address existing challenges such as weak urban infrastructure, inefficient transport systems, and traffic congestion. The project aims to address the demand-supply gap with electric buses and upgraded facilities, with a pre-feasibility study in 2023 estimating a daily demand of 48,215 passengers. The project is expected to boost income, employment, and economic growth in the region.



Sector
Transportation



Location
Sudurpashchim Province
Kailali, Kanchanpur & Doti Districts

Salient Features:

- Modern Bus Stops
- Electric Buses
- 48,215 passengers daily
- Smart lighting solutions
- Strategic Bus terminal locations
- Integrated Commercial and economic development

Project Rationale:

- Improved Transportation Infrastructure for Enhanced Connectivity
- Easier Access to Public Transportation
- Economic Growth through Smoother Flow of Goods and People
- Environmental Sustainability via Reduced Carbon Emissions
- Enhanced Transportation Efficiency with Reduced Travel Time
- Reduce congestion and improve livability.
- Enhance mobility for growing transportation demands.

Project Components


172 Buses

68 diesel buses
104 electric buses


47 Bus stops

Dhangadi-Chisapani (21) | Tikapur-Lamki (4)
Gaddachauki-Attariya (10) | Attariya-Doti (12)



Road Routes

Long route:

Dhangadi-Kathmandu and Mahendranagar-Kathmandu

Medium Route:

Mahendranagar-Nepalgunj and Dhangadi-Doti

Short route:

Mahendranagar-Dhangadi; Dhangadi-Tikapur; Dhangadi-Attariya, Dhangadi Airport – Dhangadi Buspark and Attariya Buspark

5 Terminals

- Mahendranagar
- Dhangadi
- Dipayal
- Tikapur
- Attariya

Commercial Areas



Stores and shops



Hotels and Restaurants



Washrooms with Amenities



Mechanical Workshops



Charging Stations

Project Outcomes



State-of-the-art transportation services



Address demand-supply gap of public transport



Improved accessibility



Better infrastructure and economic development



Tourism promotion and revenue generation



Employment opportunities



Promotion of clean energy technology ensuring sustainability

Financial Indicators

Estimated Project Cost

NPR 31.13 Billion

USD 247.59 million (1 USD = NPR 125.73, as of 2022)



Project IRR
2.97 %



Economic IRR
19.67 %



NPV
(1599) Million



Debt to Equity
Ratio
70:30



Benefit Cost
Ratio
2.25



Debt Service
Coverage Ratio
0.33

Recommended Scenario

Subsidy:

- Purchase of Vehicle: 25%
- Building of Buspark: 10%
- Interest Subsidy: 15%



NPV
3.58 billion



IRR
24.75%



BCR
3.12

(Information is based on Pre-feasibility Study conducted in 2023)

Project Implementation Modality



Public Private Partnership
(PPP)

Build, Own, Operate and Transfer
(BOOT)

Concession period: 30 years
Construction period: 3 years

Project Implementation Timeline



Project Ideation/
Concept Note



Desk
Study

November 2022

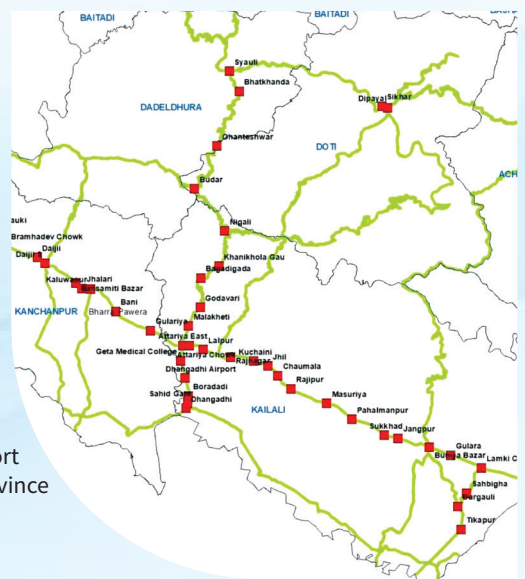


Pre-feasibility
Study



Solicitation

April 28, 2024



Relevant Agencies

- Investment Board Nepal
- Ministry of Physical Infrastructure and Transport
- Provincial Government of Sudurpashchim Province
- Ministry of Urban Development

About the Agency

The Investment Board Nepal (IBN)

IBN is a high-level government body chaired by the Right Honorable Prime Minister, that serves as a facilitator for both domestic and foreign investments in Nepal. Its primary objective is to create an investment-friendly environment by mobilizing and managing domestic as well as foreign investments to promote investment across different sectors through a transparent and efficient process. Being guided by the Long-term Vision (2043), the 15th Plan, international commitments such as Sustainable Development Goals and other subsequent policies of the Government of Nepal, IBN has been developing credible and bankable projects to garner investment.

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