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SAARC Development Fund disburses US\$13mn loan for purchase of Drukair ATR 42-600



Tshering
from Thimphu

The SAARC Development Fund (SDF) in Thimphu disbursed loan amount of US\$ 13mn (around Nu 918mn) to Drukair Corporation Limited for the purchase of Drukair ATR aircraft yesterday.

This is following the agreement signed between the Ministry of Finance, SDF and Drukair on 13 August 2019. Documents were signed by Finance Minister Namgay Tshering, CEO of SAARC

Development Fund Dr Sunil Motiwal and CEO of Drukair Corporation Limited Tandi Wangchuk.

CEO of SAARC Development Fund, Dr Sunil Motiwal said, "SDF financing would help Drukair Corporation Limited extend aviation connectivity with Bangladesh, India and Nepal and thus, providing economic connectivity and regional integration."

Bhutan attracts more than 254,704 regional and international tourists in a year and the ATR financing

is expected to help in further increasing these numbers.

Trade & Economics, Transportation, Tourism are all the focus areas under the Economic & Infrastructure Windows of SDF and this project fulfills SDF's mandate of Regional Integration and Collaboration through Project Financing.

The purchase of aircraft project for Drukair Corporation Limited in Bhutan was approved by the 30th SDF Board of Directors meeting in

December 2018.

"The project would not only help Bhutan promote its tourism sector but also ensure greater connectivity to achieve economic development in the region. Thereby, promoting the welfare and prosperity of the people in SAARC region," said Dr Motiwal. It also benefits in the form of Trade Facilitation and Tourism Development for Bhutan.

The SAARC Development Fund, since its inception in April 2010 by the heads of the eight

SAARC Member States, is mandated to build regional integration and economic cooperation through project funding in all the eight SAARC member states – Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka. The Secretariat is based in Thimphu Bhutan.

The SAARC Development Fund's Social Window has supported a total of 10 projects in Bhutan worth US\$ 8.48mn. Seven out the 10 project were successfully completed.