

## PRESS RELEASE

The World Bank (IDA) has agreed to provide concessional loan of US dollar 200 million under the **First Programmatic Fiscal and Public Financial Management Development Policy Credit (DPC)** in budgetary support and US dollar 66 million for **Rani Jamara Kulariya Irrigation Scheme**. The agreed total amount US dollar 266 million is equivalent to approximately Nepalese Rupee 27.65 billion.

The loan proceeds available under “**Development Policy Credit**” will be utilized in the sectors of government's priority through national budgetary system. This policy credit is tailored with prior actions of reform in fiscal and public financial management sector. The agreement remains effective until 28<sup>th</sup> February, 2019.

The second agreement signed today is for **Rani Jamara Kulariya Irrigation Scheme II** which envisions modernizing irrigation system and strengthening the water user's associations committees and agricultural production support. In the second phase of modernization of the project, the credit amount will be utilized to complete the remaining works of ongoing project. This credit agreement remains effective until December 31<sup>st</sup>, 2023.

Dr. Rajan Khanal, Secretary, Ministry of Finance and Mr. Qimiao Fan, Country Director, the World Bank signed the agreement today in the Ministry of Finance on behalf of the Government of Nepal and The World Bank, respectively.

The Government of Nepal has expressed its sincere appreciation to the World Bank for the concessional loan assistance and for continued support in the socio-economic development of Nepal.

**Ministry of Finance**

Singha Durbar, Kathmandu

10 May, 2018