



Embassy
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Press Release

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Germany pledges EUR 34.4 million to Nepal for the continuation of bilateral support

The Government of Nepal and the Government of the Federal Republic of Germany have signed the new development cooperation agreement on 14 June 2021 in a ceremony, held virtually. The German side has pledged fresh funds (grants) of EUR 34.4 million (more than NPR 4.8 billion) for the continuation of German support until the year 2023 for Technical Cooperation and 2025 for Financial Cooperation.

The signing of today follows the Government Negotiations, held between Germany and Nepal in November 2020. The German Development Cooperation is focusing on three thematic areas: Health, Sustainable Economic Development and Energy Efficiency/Renewable Energy.

“Today’s signing underlines the good relations between our two nations and also our ongoing common efforts for the people of Nepal. With our focal sectors of Health, Sustainable Economic Development and Energy we are strongly committed to achieving development together with the Nepali people. Besides our bilateral cooperation we see an important role with the civil society, which is an indispensable part of any development effort in Nepal”, the Ambassador Mr Schaefer said.

The lion’s share of the committed funds will be allocated to the sectors of health (EUR 23.7 m.), energy EUR 17.5 m. and sustainable economic development (EUR 15,4 m.). The geographical focus of the cooperation will remain on the rural regions in Nepal’s Mid and Far West. Altogether, the German financial support to Nepal amounts to more than EUR 1 billion since 1959.

In times of COVID-19 Germany also strongly supports the people of Nepal in tackling the ongoing crisis. On 8 June 2021 the first German airplane with medical supplies had arrived at Tribhuvan International airport, carrying goods like ventilators, isolation tents or KN95-masks. Also additional funding of almost EUR 11 m. has been provided from the Emergency COVID-19 Support Program of the German Government. These funds will support efforts to increase and strengthen the resilience of the Nepali health sector in combating COVID-19 and other pandemic diseases, and to mitigate social and economic impacts.

“The EU has already exported 240 million doses to 90 countries, which is about as much we have used within the EU. Germany alone is contributing 100 million euros to the COVAX initiative for equal distribution of COVID-19 vaccines”, added German Ambassador Roland Schäfer.