

## Press Release

The World Bank, and Food Price Crisis Response Trust Fund have agreed to provide a grant assistance of USD 65 million (approximately Rs. 4623 million) and USD 10 million (approximately Rs. 712 million) respectively totaling USD 75 million (approximately *Us.* 5340 million) to the Government of Nepal as the Additional Financing for the Poverty Alleviation Fund II Project. The World Bank (IDA) will act as administrator of Food Price Crisis Response Trust Fund. Agreements to this effect were signed between the Government of Nepal and the World Bank, today, at the Ministry of Finance.

Poverty Alleviation Fund II (2008-2012) is an on-going project under financial assistance of the World Bank and the International Fund for Agricultural Development (IFAD). The main objectives of the Project are to improve living conditions, livelihoods and empowerment of the rural poor, with particular attention to groups that have traditionally been excluded by reasons of gender, ethnicity, caste and location. The Project consists four parts (1) Small- Scale Community Infrastructure Projects (SSCIP) (2) Income Generating Sub-projects (IGSP) (3) Innovation and Special Programs, and (4) Capacity Building and Implementation Support The proposed additional fund will be utilized in continuing the programs envisaged by the existing Project. The Office of the Prime Minister and Council of Ministers (OPMCM) is the Executing Agency and the Poverty Alleviation Fund is implementing Agency. The closing date of the Project is June 30, 2014,

Mr. Lai Shanker Ghimire, Joint Secretary, Ministry of Finance and Mr. Andras Horvai, Acting Country Manager, of the World Bank signed the Financing Agreement and Grant Agreement on behalf of the Government of Nepal and the Bank respectively. Similarly, the Project Agreement was also signed by Mr, Raj Babu Shrestha, Executive Director of the Poverty Alleviation Fund and Mr. Andras Horvai, Acting Country Manager of the World Bank.

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

Ministry of Finance  
Singhadurbar, Kathmandu  
13 July, 2011