

## **PRESS RELEASE**

The Government of Norway has agreed to provide a grant assistance of Norwegian Kroner (NOK) 172 million (equivalent to Rs. 2.34 billion) for the implementation of National Rural and Renewable Energy Programme (NRREP). This includes re-allocation of approximately NOK 21.76 million from the previous Energy Sector Assistance Program (ESAP) II.

An agreement to this effect was signed in Kathmandu, today.

Ministry of Environment, Science and Technology is the executing agency and Alternative Energy Promotion centre (AEPC) is the implementation agency of this program.

The objective of the programme is to improve the living standard of rural women and men, increase employment of women and men as well as productivity, reduce dependency on traditional energy and attain sustainable development through integrating the alternative energy with the socio-economic activities of women and men in rural communities. The NRREP is designed in a single modality approach with three main components: (a) Central Renewable Energy Fund (CREF), (b) Technical Support and (c) Business Development for Renewable Energy and Productive Energy Use. The program will be implemented until July 15, 2017.

It may be recalled that ESAP II which was being funded by Development Partners (DPs) namely Denmark, Norway, Germany, DFID was implemented by AEPC from 15 March 2007 to July 15, 2012. Based on the successful implementation experience of ESAP II Program, this new program NRREP is being developed and implemented from 16 July, 2012. The actual budget of NRREP is projected to be US\$ 184 million and will be funded by DPs and the Government.

Mr. Krishna Hari Baskota, Secretary, Ministry of Finance and His Excellency Mr. Alf Arne Ramslien Ambassador of Royal Norwegian Embassy to Nepal signed the agreement on behalf of their respective Government.

The Government of Nepal has expressed its sincere appreciation to the Government of Norway for this assistance and continued support to the socio-economic development of Nepal.

Ministry of Finance

Singh Durbar, Kathmandu

July 18, 2012

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