

Press Release

Asian Development Bank has agreed to provide a grant assistance of US \$ 28.0 million (approximately NRs 2450 million) to the Government of Nepal for the implementation of the Strengthening Public Management Programme. An Agreement to this effect was signed and exchanged at the Ministry of Finance, Kathmandu, Nepal, today.

The main objective of this programme is to enhance the efficiency, transparency and integrity of the public expenditures at the national and sub-national levels. The expected outputs of the programme include; (i) improved local budget and fiscal management (ii) strengthened sub-national fiduciary risk management (iii) enhanced public procurement system, and (iv) strengthened institutions of oversight and accountability.

The Programme will undertake critical public financial management and fiduciary reforms at the national and sub-national levels in the following areas: (i) enhancing budgeting and expenditure management and fiscal sustainability at the sub-national level (ii) reducing fiduciary risks at the sub-national level (iii) enhancing the transparency, economy and efficiency of public procurement at the national and sub-national level, and (v) strengthening the capacity of oversight and accountability institutions.

Ministry of Finance is the executing agency of this Programme whereas Ministry of Federal Affairs and Local Development, Public Procurement Monitoring Office and National Vigilance Centre are the implementing agencies. The programme will be completed by 31 July 2015. Of the total cost (US \$ 28.0 million), the contribution of Asian Development Bank and the Government of the United Kingdom will be US \$ 21.5 million and US \$ 6.5 million, respectively.

The Grant Agreement was signed by Mr. Madhu Kumar Marasini, Joint Secretary and Chief of the International Economic Cooperation and Coordination Division, Ministry of Finance and Mr. Kenichi Yokoyama, Country Director, Nepal Resident Mission on behalf of the Government of Nepal and ADB, respectively.

The Government of Nepal has expressed its sincere appreciation to the Asian Development Bank for this assistance and for the continued support in the socio-economic as well as infrastructural development of Nepal.

Ministry of Finance

27 December 2012

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