

PRESS RELEASE

The Government of Finland has agreed to provide a grant assistance of 13.5 million Euro (equivalent to NRs.1246.86 million) to the Government of Nepal for Rural Village Water Resource Management Project Phase II. An agreement to this effect, was signed between the Government of Nepal and the Government of Finland in the Ministry of Finance, today.

The overall objective of the project is to institutionalize capacity at local level to sustain and continuously improve enhanced quality of life, better environmental conditions and increased opportunities in rural livelihoods. Within the framework of this objective, the purpose of phase II is to achieve improved well-being and reduced poverty of the people in the project areas.

The grant assistance shall be used for integrated water supply, sanitation and hygiene (WASH) and livelihood awareness raising and motivation for behavioral change; implementation of water supply, sanitation, micro-irrigation and energy schemes in 47 VDCs, implementation of arsenic mitigation and sanitation activities in 6 VDCs in Kailali; capacity building in livelihood development, marketing, and other income generation and co-operative development.

This project is being implemented in 10 districts of far and mid-western regions i.e, Achham, Baitadi, Bajhang, Bajura, Dadeldhura, Dailekh, Darchula, Doti, Humla, and Kailali. The phase I was started in 2006 and remains until Oct. 2010. This phase II will be the continuation of the ongoing programmes of phase I and will be completed in 2015.

Mr. Rameshore Prasad Khanal, Secretary, Ministry of Finance and Ms. Pirkko-Liisa Kyostilla Charge d'Affairs a.i; Embassy of Finland, signed the agreement on behalf of their respective governments.

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

Ministry of Finance
Kathmandu, Nepal

21 May, 2010

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