

Press Release

The Government of the Kingdom of Norway has agreed to provide financial assistance of **Norwegian Kroner 55 Million** (About 962 Million Nepalese Rupees) to the Government of Nepal for the implementation of **Local Governance and Community Development Program (LGCDP II)**. Following the JGFA signed on 26 September 2013, a bilateral agreement to this effect was signed between the Government of Nepal and Government of the Kingdom of Norway.

The Program will be executed by the Ministry of Federal Affairs and Local Development and implemented by local offices of sectoral ministries and the Local Bodies of the Government of Nepal from 16 July 2013 to 15 July 2017. The total cost of the project is US\$ 1362 Million among which US\$ 236 Million will be provided by many Development Partners including the Government of Kingdom of Norway.

The objectives of this **Local Governance and Community Development Program (LGCDP II)** are to improve local governance for effective service delivery, local development and citizen empowerment through the investment in the sectors such as Local Government Restructuring, Federal Governance, Fiscal Decentralization, Fiduciary Risk Reduction, Result Based Management, Capacity Development, Social Mobilization, Child Friendly Local Governance, Gender Equality and Social Inclusion, Livelihood Improvement Schemes, etc. It covers all the 75 districts, 58 Municipalities and 3,915 Village Development Committees.

After the implementation of this project, it is expected that citizens and communities will hold their local governance actor accountable, local bodies will be more responsive to citizens' demand. Likewise, it is also expected that all citizens are provided with efficient and effective local services, policy and institutional framework for devolution will be strengthened, sub-national governance and local service delivery will be strengthened.

Mr. Yuba Raj Bhusal, Finance Secretary, Ministry of Finance and H.E. Mr. Kjell Tormod Pettersen, Ambassador, Embassy of Norway signed the bilateral agreement on behalf of their respective Governments.

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

Ministry of Finance
Singhdurbar,
Kathmandu, Nepal

7 May 2014 (Baisakh 24, 2071)