

PRESS RELEASE

The International Development Association (IDA) of the World Bank Group has agreed to provide a concessional loan assistance of US \$ 65 million (approximately Rs. 6.4 billion) to the Government of Nepal for implementation of Higher Education Reform Project (HERP). An agreement to this effect was signed between the Government of Nepal and the World Bank at the Ministry of Finance, Kathmandu, today.

The main objectives of this project is to support Nepal's National Program for Higher Education Reform and Development (NPHRD) by ways of financing reforms in selected institutions for improving quality, relevance and efficiency of higher education. The project will also assist under-privileged students to help improve equitable access to education. The project will use an Investment Project Financing instrument with a results based financing modalities to support implementation of the Government's reform program. Out of total concessional loan, US\$ 60 million will be utilized for implementation of reforms activities in higher education while remaining US\$ 5 million will be used for capacity development and project management. This project is continuation of the Second Higher Education Project (SHEP) with a view to fully institutionalizing the positive outcomes of the SHEP. The project will be implemented by University Grant Commission (UGC), Tribhuvan University and Student Financial Assistance Fund Development Board (SFAFDB) for the period of 5 years.

The agreement was signed by Mr. Suman Prasad Sharma, Secretary, Ministry of Finance and Mr. Takuya Kamata, Country Manager of World Bank on behalf of the Government of Nepal and the World Bank Group, respectively.

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

Ministry of Finance

Singhdurbar, Kathmandu

6th April 2014 (Chaitra 23, 2071)