

**Press Statement by Hon. Ram Sharan Mahat, Minister for Finance
at the end of the International Conference on Nepal's
Reconstruction, 25 June 2015, Kathmandu, Nepal.**

The International Conference on Nepal's Reconstruction ended on Thursday with pledges of about US\$ 4.4 billion.

This includes about US\$ 2.2 billion loan assistance, and the remaining US\$2.2 billion grant assistance.

The recently concluded post-disaster needs assessment had estimated a need of about US\$6.7 billion for rebuilding private and public buildings, schools, and supporting economic recovery.

Nepal's closest neighbors India and China made substantial commitments. India pledged USD 1 billion for reconstruction of which 25 per cent is grant. India also said it would convert 40 per cent of the existing line of credit of one billion US\$ into grant.

Similarly, China announced RMB 3 billion (US\$ 500 million) as grant for reconstruction for the period 2016-2018. China has also made a commitment to provide another RMB 1.7 billion (US\$ 277) million as grant aid to Nepal from an earlier commitment.

Similarly, Nepal's major donors Japan, United States, and the United Kingdom have pledged US\$260 million, US\$130 million, US\$110 million, respectively. Other donors who made pledges today include Germany, Switzerland, Norway, Republic of Korea, Finland, Turkey, Sri Lanka, Bangladesh and Pakistan also made pledges.

Multilateral donors, the Asian Development Bank, World Bank and the European Union made commitments of US\$.600 million, US\$.500 million and about US\$ 112 million, respectively. The IMF pledged US\$50 million.

“We are extremely pleased by the generosity of our neighbors, donors and development partners,” said Ram Sharan Mahat, Finance Minister.

“More than the resources that have been committed, I am extremely pleased because the pledges reflect the confidence donors have on Nepal and the economic reforms we have undertaken.”

A total of 33 countries participated in the ICNR, with foreign ministers from India and China, Norway and minister of state for foreign affairs Japan, and ministers from Bangladesh, Bhutan, Sri Lanka led the respective delegations. There were 58 delegations at the meeting.

The President of the Asian Development Bank, and vice president South Asia of the World Bank, and the development commissioner from the European Union led their respective delegations.

Similarly, various UN agencies also participated in the conference.

“We need to recover and build better and stronger,” PM Koirala said. “Many people are living in shelter and we want to make it easier for them to leave the disaster behind.”

The Prime Minister also assured donor representatives of democratic governance, rule of law and efficient implementation of the reconstruction planned by the government.

Welcoming the delegates, Mahendra Bahadur Pandey, Foreign Minister said the government had chosen resilience as the theme of the conference because Nepal believes that resilience is a critical issue facing a disaster prone country.

Earlier, the vice-chair of the National Planning Commission made a presentation on the Post Disaster Needs Assessment, which was followed by a presentation of the finance secretary on the authority set up by the government for leading reconstruction. The presentations also included measures to reduce fiduciary risks.

Ministry of Finance
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