

PRESS RELEASE

The European Union has agreed to provide a grant assistance of Euro 22 million (approximately Rs. 2232.56 million) for the implementation of Support for Stability and Peace Building program. A financing agreement to this effect was concluded between the Government of Nepal and the European Union on 8 July 2011.

The general objective of the program is to contribute to stability and peace in Nepal for the sustainable development of the country and ultimately towards economic progress in the long term. The specific objectives of the program are (a) to assist the Ministry of Peace and Reconstruction through sector budget support in order to enable it to address post conflict peace building immediate needs including the implementation of the main provisions of the peace agreements and (b) to reinforce the capacity of the actors to the implementation of the peace agreements in general and of the Ministry of Peace and Reconstruction in particular through capacity-development in peace building for an improved implementation of the peace process.

The activities under the program includes providing compensation to the conflict affected persons and their families and the internally displaced persons as well as supporting in their reintegration; promoting and strengthening safety and security; reconstructing physical infrastructures; supporting Constitution-building and future elections; establishing peace structures; supporting cantonment sites; implementing mine action program; capacity building of the implementing actors both at central and local levels; and so on.

The financing agreement was signed by Mr. Krishna Hari Baskota, Secretary, Ministry of Finance and Mr. Dirk Meganck, Director, Directorate Asia and Central Asia, Europe Aid-Development and Cooperation Directorate-General, European Union, Brussels, Belgium, on behalf of the Government of Nepal and the European Commission, respectively.

The Government of Nepal has expressed its sincere appreciation to the European Union for this assistance as well as for its continued support in the socio-economic development of Nepal.

Ministry of Finance
Singhadurbar, Kathmandu
July 10, 2011
26 Ashar 2068