

## ***Press Release***

Asian Development Bank has agreed to provide a grant assistance of USD 20.1 million (equivalent to about Rs. 1447 million) to the Government of Nepal for the implementation of the Raising Incomes of Small and Medium Farmers Project.

The project covers 10 districts of Mid-western and Far-western Development Regions namely Banke, Bardiya, Dang, Dailekh, Baitadi, Dadeldhura, Darchula, Doti, Kailali and Surkhet.

The outcome of the Project will be to increase production of high value commodities by small and medium farmers and support agriculture processing based on value chain concept. The project is expected to benefit an estimated of 18,700 households in the project area, covering 7,500 hectare with high value commodity production with an estimated output of 64,500 tons, value of \$31 million. Since the production of high value commodities in these regions falls mainly into the domain of women, the project is expected to increase women's cash income level.

The Ministry of Agriculture and Cooperatives is the executing agency of the Project, and the Nepal Rastra Bank and the Agro Enterprise Center of the Federation of Nepalese Camber of Commerce and Industries are the implementing agencies.

Mr Rameshore Prasad Khanal, Secretary, Ministry of Finance and Mr. Barry J. Hitchcock, Country Director, Asian Development Bank, Nepal Resident Mission signed the agreement on behalf of the Government of Nepal and the Asian Development Bank respectively.

The Government of Nepal expresses its sincere appreciation to the Asian Development Bank for its continued support and also for their keen interest on shouldering Nepal's endeavor on the socio-economic development of Nepalese people.

Ministry of Finance  
Singh Durbar, Kathmandu  
16 March, 2011  
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