

Press Release

The Government of the United Kingdom through the Department for International Development (DFID) has agreed to provide a grant assistance of £36.5 Million equivalent to NRs 5.11 billion to the Government of Nepal for the implementation of the Rural Access Program Phase III. An Agreement to this effect was signed and exchanged at the Ministry of Finance, Kathmandu, Nepal, today.

The main objective of this program is to help secure sustainable rural livelihoods for the poor and disadvantaged people improving income opportunities through employment generation, providing sustainable access to markets and improved access to economic opportunities in the rural program area. In order to achieve this objective, the program has two interventions (i) Provide short term employment opportunities for the women and most vulnerable people through rural road maintenance program; and (ii) enhance sustainable private sector led economic development in the program areas.

The program is aligned the Governments priority to promote inclusive and broad based growth through infrastructure development and social safety nets for the poor and disadvantaged communities, reducing poverty and vulnerability and minimizing deficiency of food as well.

After the implementation of program, It is expected that (i) more than 20000 people will be lifted out from the poverty in a short period (ii) 7.5 million working days will be generated for employment opportunity (iii) 2400 km roads will be maintained, rehabilitated, upgraded and constructed and (iv) 500 government staffs and 200 maintenance committees will be trained over the program period. The key components incorporated in this program are (i) construction, maintenance and upgrading of roads, bridges and infrastructures. (ii) Economic Infrastructures (iii) Government employment program support (iv) technical assistance and (v) Results, evaluation and policy support.

The program will be implemented in the mid western and far western districts of Nepal including Humla, Bajura, Mugu, Achham, Kalikot, Jumla and Dailekh. Ministry of Federal Affairs and Local Development will be the implementing agency and implementation of this program will be completed by March 2017.

The Grant Agreement was signed by Mr. Santa Raj Subedi, Finance Secretary and Mr. Dominic O'Neill, Head of the Department for International Development, DFID Nepal on behalf of their respective Governments.

The Government of Nepal has expressed its sincere appreciation to the Government of the United Kingdom through the Department for International Development (DFID) for this grant assistance and for their continued support in the socio-economic development of Nepal.

Ministry of Finance

11 March 2013

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