Press Release

The International Development Association (IDA) of the World Bank has agreed to provide US $100 million assistance (US $ 72 million grant and US $ 28 million loan), equivalent to NRs 9.71 billion for the implementation of Strengthening National Rural Transport Program (SNRTP) and US $ 50 million assistance (US $ 20 million grant and US $ 30 million loan), equivalent to NRs 4.85 billion for the implementation of Irrigation and Water Resource Management Project (IWRMP-AF). Two separate Agreements to this effect were signed and exchanged at the Ministry of Finance, Kathmandu, today.

The objective of SNRTP is to enhance the availability and reliability of transport connectivity for rural communities in participating districts. The programme will help achieve increased access to all weather transport connectivity for communities and improved reliability of rural transport infrastructure in project districts. The Programme shall cover 33 districts, namely, Kanchanpur, Kailali, Surkhet, Bardiya, Salyan, Banke, Dang, Pyuthan, Gulmi, Arghakhanchi, Kapilvastu, Kaski, Palpa, Syangja, Rupandehi, Tanahu Nawalparasi, Rasuwa, Dhading, Nuwakot, Makawanpur, Parsa, Bara, Rautahat, Sarlahi, Mahottari, Dhanusa, Siraha, Saptari, Udayapur, Bhojpur, Sankhuwasabha, and Tehrathum. The 33 districts covered by the project are supposed to be home to approximately 14.6 million people where more than 25% people are poor. The project is considered to be a model for inclusive economic growth and rural poverty reduction through improved road connections.

During and after the implementation of the project, it is expected that the effective maintenance system will be accomplished and strengthened consolidating the previous achievements made by the RAIDP. The project will also ensure the sufficient and excellent maintenance for the sustainability of rural roads.

Likewise, the objective of the IWRMP-AF is to improve irrigated agriculture productivity and management of selected irrigation schemes and enhance institutional capacity for integrated water resource management. This additional funding will focus on four components, namely, Irrigation infrastructure development and improvement, irrigation management transfer, institutional and policy support for improved water management, and integrated crop and water management. This project has been operating in 45 districts (40 districts from Western, Mid-western and Far-western region), 2 districts from Central region( Bara & Parsa ) , and 3 districts from Eastern region of Nepal( Sunsari, Morang and Jhapa).

Mr. Madhu Kumar Marasini, Joint Secretary/Chief of International Economic Cooperation Coordination Division, Ministry of Finance and Mr. Johannes Zutt, Country Director, the World Bank, Nepal signed the agreement on behalf of the Government of Nepal and the World Bank, respectively.

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

Ministry of Finance
Singh durbar,
Kathmandu, Nepal
March 24, 2014