



PRESS RELEASE

Government of Nepal and World Bank Sign \$150 Million Agreement to Support Nepal's Resilient Recovery

KATHMANDU, June 27, 2021 – The Government of Nepal and the World Bank today signed a \$150 million (Rs. 17.78 billion) concessional loan agreement to support Nepal's resilient recovery from the COVID-19 pandemic, protect the most vulnerable, and support sustainable growth.

The agreement was signed by the Finance Secretary, Sishir Kumar Dhungana on behalf of the Government of Nepal and the World Bank Country Director for Maldives, Nepal, and Sri Lanka, Faris Hadad-Zervos.

"The project will help Nepal build back better and greener through reforms to the tax and customs systems, public investment management, environmental regulations and debt management," stated **Sishir Kumar Dhungana, Finance Secretary**. *"The proposed budgetary support will be utilized in the physical infrastructural projects and economic recovery sectors as per the requirement and priorities of the Government of Nepal."*

The first Fiscal Policy for Growth, Recovery and Resilience Development Policy Credit further supports reforms aimed at protecting the most vulnerable and supporting business growth. Reforms in this area focus on social protection, the intergovernmental framework, and supporting access to capital for firms. It will help speed up the ongoing large development projects to create jobs, accelerate markets, and support green recovery. The financing will be provided to the Government of Nepal through budgetary support.

"This project will help the country achieve sustained growth during and after the COVID-19 pandemic that is inclusive, job-creating and environmentally sustainable," stated **Faris Hadad-Zervos, World Bank Country Director for Maldives, Nepal, and Sri Lanka**. *"The World Bank is committed to support the government's pandemic response to protect lives and stimulate economic recovery in Nepal."*

