



## PRESS RELEASE

---

### **Nepal and World Bank Sign \$100 Million Concessional Loan Agreement to Support Nepal's Green, Resilient, and Inclusive Development**

**KATHMANDU, August 29, 2022**—The Government of Nepal and the World Bank today signed a financing agreement for \$100 million (equivalent to Rs. 12 Arba 75 crore ) concessional loan for Green, Resilient, and Inclusive Development (GRID). The proposed budgetary support aims to create enabling environment in Nepal toward a green, climate-resilient, and inclusive development. This is the first in a programmatic series of three concessional loan on GRID.

The agreement was signed by Ishwori Prasad Aryal, Joint Secretary, International Economic Cooperation Coordination Division, Ministry of Finance, on behalf of the Government of Nepal, and Lada Strelkova, World Bank Operations Manager for Maldives, Nepal, and Sri Lanka.

*“It will support the national goals of a greener, more inclusive and more resilient development,”* said **Lada Strelkova, World Bank Operation Manager for Maldives, Nepal, and Sri Lanka**. She added, *“This operation is a key part of this commitment. Through this operation, we are supporting the Government’s key policy actions across sectors including water, land use, climate-smart agriculture, sustainable forest management, urban waste, and pollution.”*

This first operation supports to bridge the financing gap for the implementation of projects related to the sustainable and productive use of natural capital; resilience of urban and rural infrastructure and livelihoods to climate and environmental risks; and more efficient and cleaner production, consumption, and mobility. It also supports policy actions of Government of Nepal for strategic GRID transitions.

The operation also encourages private sector investment in greening Nepal’s economy and creating jobs and livelihoods related to areas such as community forestry, agriculture, clean transport and solid waste management and supports reforms for strengthening inclusion in development decision-making and access to assets and services.

*“Nepal’s shift to the GRID approach is a strategic move during a challenging time that is full of opportunity for the country. This shift will help Nepal continue to make progress in expanding and protecting prosperity while reducing poverty in the face of compounding challenges that affect Nepal’s development prospects, including the economic recovery from COVID and the on-going disaster, climate and environmental risks,”* said **Joint Secretary, Ishwori Prasad Aryal**.

###