

## Press Release

Asian Development Bank (ADB) has agreed to provide a grant assistance of US\$ 25.1 million (approximately Rs.1799.67 million) to the Government of Nepal for the implementation of High Mountain Agri-business and Livelihood Improvement (HIMALI) Project, and Capital Market and Infrastructure Capacity Support Project. Agreements to these effects were signed and exchanged between the Government of Nepal and the Asian Development Bank at Ministry of Finance, Kathmandu, today.

### **High Mountain Agri-business and Livelihood Improvement Project**

Under this agreement, ADB will provide a grant of US\$ 20.1 million (approximately Rs.1441.17 million) for HIMALI Project. The Project will consist of three components; Mountain Agri-business Development, Value Chain Capacity Development and Project Management Activities.

The project impact will be increased income and employment of high mountain people through the value chain development of their agricultural, livestock and NTF products and improve the rural household livelihoods in the project area which includes Sankhuwasabha Solukhumbu, Dolkha, Rasuwa, Manang, Mustang, Humla, Dolpa, Jumla and Mugu. The project outcome will be the mountain agribusinesses are commercially viable in selected high mountain districts. The project is expected to generate additional \$20 million gross production value per year and create 7500 jobs.

The Ministry of Agriculture and Cooperatives is the Executing Agency of the project and the Agro-Enterprises Center of the Federation of Nepalese chamber of Commerce and Industries is the Implementing Agency.

### **Capital Market and Infrastructure Capacity Support Project**

Under this agreement, ADB will provide a grant of US\$ 5 million (about Rs. 358.5 million) for Capital Market and Infrastructure Capacity Support Project. The assistance will be utilized to facilitate greater private sector participation in the infrastructure development sector. The Project will consist of 4 (four) components; Development of the regulatory and institutional framework for bond market development, Policy and institutional framework for greater private sector participation in infrastructure, Technical Support in identifying and developing a PPP Project and Consulting Services. Economic Affairs and Policy Analysis Division of the Ministry of Finance is the Executing Agency, and the National Planning Commission, Financial Comptroller General's Office, Nepal Rastra Bank and Securities Board of Nepal are the Implementing Agencies. The Project is expected to be completed by 31 May 2014.

Mr. Krishna Hari Baskota, Finance Secretary and Mr. Barry J. Hitchcock, Country Director of the Asian Development Bank signed the agreements on behalf of the Government of Nepal and the Asian Development Bank, respectively.

At the same ceremony, a separate Project Agreement on HIMALI Project was also signed by Mr. Barry J. Hitchcock and Mr. Suraj Vaidya, President, Federation of Nepalese Chamber of Commerce and Industries. Similarly, the Project Agreement on Capital Market and Infrastructure Capacity Support Project was signed by Mr. Barry J. Hitchcock and Mr. Shankar Prasad Acharya, Director, Nepal Rastra Bank and Dr. Surbir Paudyal, Chairman, Securities Board of Nepal.

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

Ministry of Finance  
Singhadurbar,  
Kathmandu, Nepal  
27 June 2011  
१३ असार २०६८