

## Press Release

The International Fund for Agricultural Development (IFAD) has agreed to provide a grant assistance of SDR 4.75 million (equivalent to US \$ 7.08 million or approximately Rs. 528 million) and loan assistance of SDR 4.75 million (equivalent to US \$ 7.08 million or approximately Rs. 528 million) total of SDR 9.50 million ( equivalent to US\$ 14.16 million or approximately Rs. 1056 million) to the Government of Nepal for the implementation of the High Value Agriculture Project in Hill and Mountain Areas (HVAP). An Agreement to this effect was signed and exchanged between the Government of Nepal and The International Fund for Agricultural Development at the Ministry of Finance, today. Netherlands Development Organization (SNV) will co-finance the amount of US Dollar 700,000.

The Project contributes to improve the livelihoods of the targeted group, improved market linkages and better access to finance in order to help the reduction of the poverty and vulnerability in the hill and mountain areas of the Mid-Western Development Region. The project seeks to ensure that the rural poor ,especially women and marginal groups , are integrated in the high value agriculture products and markets and to have improved income, employment opportunity and ability to access the market according to demand. The Project area consists of ten districts in the hill and mountain areas specifically in; Surkhet, Salyan, Jajarkot, Dailekh ,Jumla, Kalikot, Dolpa, Humla, Mugu and Accham . Sixty six thousands households from 114 VDCs will be benefited from the Project. This program will be executed by Ministry of Agriculture and Cooperatives in partnership with SNV and Agro-Enterprise Center of Federation of Nepalese Chamber of Commerce and Industries (FNCCI).

Mr. Lal Shanker Ghimire, Joint Secretary, Ministry of Finance and Mr. Ronald Thomas Hartman, Country Program Manager, Asia and Pacific Division, International Fund for Agricultural Development signed the agreement on behalf of the Government of Nepal and the International Fund for Agricultural Development, respectively.

The Government of Nepal expresses its sincere appreciation to the International Fund for Agricultural Development for this assistance and for the keen interest and continued support demonstrated by the IFAD and SNV for the agricultural development of Nepal.

Ministry of Finance

Singh Durbar, Kathmandu

5 July 2010

२१ असार २०६७