

# Press Release

The International Development Association (IDA) of the World Bank Group has agreed to provide US\$ 300 million (Equivalent to NRs. 31 billion) loan assistance to the Government of Nepal for Financial Sector Reform Action support and for the implementation of the Earthquake Housing Reconstruction Project.

Both Financing Agreements to these effects were signed between the Government of Nepal and the World Bank in the Ministry of Finance, Kathmandu, today.

The main objective of US\$ 100 million loan assistance is to avail budgetary support to the Government of Nepal to help carry out the second phase of financial sector reform program under the second phase of financial sector budgetary support. This amount will be allocated in a single withdrawal tranche.

The government of Nepal has reiterated its commitment to continue with the second phase of financial sector reform and development during 2015/16.

The Earthquake Housing Reconstruction Project consists three components. First component is the housing reconstruction program providing grant to 55,000 householders in targeted areas to reconstruct the multi-hazard resilient core housing unit. Second component supports to enable the establishment' of system that provides better disaster risk reduction, preparedness and disaster response. Third is related to capacity development and effective implementation of the project. This project will be implemented by Ministry of Federal Affairs and Local Development and Ministry of Urban Development.

Both agreements were signed by Mr. Suman Prasad Sharma, Finance Secretary of the Ministry of Finance on behalf of the Government of Nepal and by Mr. Johannes Zutt, Country Director for Nepal on behalf of the World Bank, respectively.

The government of Nepal has expressed its sincere appreciation to the World Bank for this support, for the togetherness shown in the time of devastating earthquake of April 25th and for its continuous support in the socio economic development of Nepal.

**Ministry of Finance Singh  
Durbar, Kathmandu  
14 August 2015**