

Press Release

The Government of the United Kingdom of Great Britain and Northern Ireland has agreed to provide grant assistance of **Pound Sterling 70 million** (About NRs. 11.30 billion) to the Government of Nepal for the implementation of **Local Governance and Community Development Program (LGCDP II)**. An agreement to this effect was signed between the Government of Nepal and Government of the United Kingdom of Great Britain and Northern Ireland (acting through the Department for International Development- DFID).

The Program will be executed by the Ministry of Federal Affairs and Local Development and implemented by local offices of sectoral ministries and the Local Bodies of the Government of Nepal from 16 July 2013 to 15 July 2017. The total cost of the program is US\$ 1362 Million among which US\$ 236 Million will be provided by Development Partners including the DFID.

The objectives of this **Local Governance and Community Development Program (LGCDP II)** are to improve local governance for effective service delivery, local development and citizen empowerment through the investment in the sectors such as Local Government Restructuring, Federal Governance, Fiscal Decentralization, Fiduciary Risk Reduction, Result Based Management, Capacity Development, Social Mobilization, Child Friendly Local Governance, Gender Equality, Social Inclusion and Livelihood Improvement Schemes. The program covers all the 75 districts, 58 Municipalities and 3,915 Village Development Committees.

After the implementation of this program, it is expected that citizens and communities will hold their local governance actor accountable, local bodies will be more responsive to citizens' demand. Likewise, it is also expected that all citizens are provided with efficient and effective local services. Other outcomes are expected to be strengthened policy and institutional framework for devolution and sub-national governance and local service delivery.

Mr. Shanta Raj Subedi, Finance Secretary, Ministry of Finance and Ms. Gail Marzetti, Head, DFID Nepal signed the bilateral agreement on behalf of their respective Governments.

Government of Nepal has expressed its sincere appreciation to the Government of the United Kingdom of Great Britain and Northern Ireland for this assistance and it's continued support in the socio-economic development of Nepal.

Ministry of Finance
Singhdurbar,
Kathmandu, Nepal
16 December 2013
(Poush 1, 2070)