

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**CREDIT AGREEMENT WORTH US\$ 84 MILLION SIGNED WITH WORLD
BANK FOR BIHAR**

New Delhi: June 27, 2013

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An agreement for credit of US\$ 84 million (equivalent) from World Bank for the Bihar Panchayat Strengthening Project was signed today at New Delhi. Mr. Nilaya Mitash, Joint Secretary, Department of Economic Affairs, Ministry of Finance signed on behalf of Government of India and Mr. Michael Haney, Operations Advisor, World Bank, India on behalf of the World Bank.

On behalf of Government of Bihar, Mr. Amitabh Verma, Principal Secretary, Department of Panchayati Raj signed the documents

The Objective of the project is to support the State Government in promoting inclusive, responsive and accountable gram panchayats in six districts, namely Patna, Nalanda, Bhojpur, Saharsa, Supaul and Madhepura. Successful experimentation and learning in these six districts can be scaled upto other districts under other Government programmes.

The new project has five main components viz (i) Gram Panchayat Sarkar Bhawan (ii) capacity building for gram panchayats (iii) strengthen the State Government capacity to manage a gradual decentralization and empowerment process (iv) panchayat performance grant and (v) project management and coordination.

The closing date for the project is December 2017.
