



NEPAL RASTRA BANK

Press communiqué on

**Financial Sector Assessment Program (FSAP)
and
Financial Sector Standards Assessment**

At the request of the Government of Nepal and the Nepal Rastra Bank, a joint mission of the IMF and World Bank visited Nepal from February 2-16, 2014 to conduct an evaluation of the financial system under the FSAP. FSAP evaluations are conducted on a regular basis for IMF and World Bank members, and are meant to provide an independent assessment of financial sector stability and development prospects. (More information on the FSAP program is available at <http://www.imf.org/external/np/fsap/faq/> and <http://bit.ly/1btMihS>.)

The mission met with senior officials from the Ministry of Finance, Nepal Rastra Bank, Insurance Board, SEBON, the Ministry of Cooperatives, and other related government agencies as well as representatives of the financial sector,

industry, and civil society. In broad terms the FSAP reviewed and assessed issues related to financial stability, prudential regulation and supervision, risk management, the payments system, debt recovery and the insolvency regime, financial cooperatives, and access to finance—particularly by low income households and SMEs.

Upon completion of its work, the IMF and World Bank teams will prepare reports for their respective Executive Boards, which will inform the Financial Sector Development Strategy and Technical Assistance from development partners. This work is also intended to provide guidance to Nepal on best international practice in financial sector regulation and development.

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Bhaskar Mani Gnawali
Spokesperson