



MILLENNIUM CHALLENGE ACCOUNT NEPAL (MCA-Nepal)

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Synopsis of Minutes of 15th Meeting of the Board of Directors of Millennium Challenge Account Nepal

Nature: Regular Meeting

MCA-N/BOD-M-15/10-02-2020

Date: 10 February, 2019 (2076/10/27 BS)
Time: 9:00 AM
Place: Conference Room of the Secretary, Government of Nepal, Ministry of Finance, Singhadurbar, Kathmandu
Notice Served 04 February, 2020 (2076/10/21 BS)

1. PRESENT

1.1. Members

- **Sishir Kumar Dhungana**, Chairperson
And, Secretary (Revenue), Government of Nepal, Ministry of Finance
- **Gopal Sigdel**, Member
And, Joint Secretary, Ministry of Physical Infrastructure and Transport
- **Sagar Raj Goutam**, Member (Alternate)
And, Senior Divisional Engineer, Ministry of Energy, Water Resources and Irrigation
- **Kumar Pandey**, Member representing the Private Sector
And, Vice President, Independent Power Producers' Association of Nepal
- **Gopal Khanal**, Member representing the Civil Society
And, Journalist, Gorakhapatra National Daily
- **Khadga Bahadur Bisht**, Member Secretary
And, Executive Director, MCA-Nepal

1.2. Invitees

- **Shreekrishna Nepal**, Invitee
And, Joint Secretary, Government of Nepal, Ministry of Finance, International Economic Cooperation and Coordination Division (IECCD)

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- **Jonathan Brooks**, Invitee
Deputy Vice President, Europe, Asia, Pacific, and Latin America
Millennium Challenge Corporation
- **Troy E. Kofroth**, Invitee
Resident Country Director – Nepal, Millennium Challenge Corporation
- **Sanjay Poudyal**, Invitee
Deputy Resident Country Director – Nepal, Millennium Challenge Corporation

1.3. Others Attending

- **Uday Raj Sapkota**
Joint Secretary, Legal and Judgement Execution Division, Ministry of Finance
- **Rajib Dahal**
Chief Legal Officer, Millennium Challenge Account Nepal
- **Satyam Pathak**
Legal Advisor, Millennium Challenge Account Nepal

2. PRELIMINARY

- 2.1. The meeting of the Board of Directors was duly constituted on 10 February, 2020 (2076/10/27 BS) after the notice was served in writing on 04 February, 2020 (2076/10/21 BS).
- 2.2. The Chairperson welcomed all the members of the Board of Directors and other invitees attending the meeting.
- 2.3. The Chairperson reported that a quorum was present in accordance with Millennium Challenge Account Nepal Development Board Formation Order, 2074 (2018). The Chairperson apprised the board members on the latest situation at MCA-Nepal.
- 2.4. Mr. Khadga Bahadur Bisht, Executive Director, Millennium Challenge Account Nepal updated on current activities of MCA-Nepal and presented the agendas to MCA-Nepal Board of Directors.

3. UPDATE ABOUT CURRENT ACTIVITIES OF MILLENIUM CHALLENGE ACCOUNT NEPAL

- 3.1. Mr. Khadga Bahadur Bisht, Executive Director briefed MCA-Nepal Board of Directors on

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status of the current activities of MCA-Nepal.

3.2. The Executive Director presented to the Board of Directors update on the activities of MCA-Nepal, and other updates on ongoing activities of MCA-Nepal in relation to substation activity, EIA Report preparation, technical assistance activities and road maintenance projects.

3.3. Mr. Khadga Bahadur Bisht, Executive Director of MCA-Nepal proposed a vote of thanks to Dr. Rajan Khanal, previous Chairperson of the Board, who retired from Government of Nepal's service with effect from February 05, 2020. The Board of Directors unanimously accepted this proposal and thanked Dr. Khanal for his role, leadership and commitment to steer MCA-Nepal from its early days.

4. AGENDA ITEMS

4.1. The Chairperson requested members to consider and, if thought fit, pass a resolution on the following matter:

4.1.1.Agenda One: Approval of Procurement Plan Version 4.0,

4.1.2.Agenda Two: Approval of Project Cooperation Agreement (PCA) with Department of Roads (DoR),

4.1.3.Agenda Three: Approval to expend budget under capital and recurrent expenditure budget headings after allocation from Ministry of Finance, and within the directions received from Ministry of Finance,

4.1.4.Agenda Four: Approval of budget reallocation from MCA-Nepal Program Administration sub-activity to Procurement, Fiscal, and Audit Services sub-activity to enable MCA-Nepal to procure audit services,

4.1.5.Agenda Five: Approval in payment in foreign currency to foreign consultants,

4.1.6.Agenda Six: Approval of Millennium Challenge Account Nepal Development Board Employees Administration,

4.1.7.Agenda Seven: Other Agendas,

4.1.8.Any other Business (AoB) Agenda # 1 for Discussion: Land Transfer Protocol and issue regarding need to make available additional land for forestation,

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5. DECISIONS/RESOLUTIONS

5.1. Agenda One: Approval of Procurement Plan Version 4.0, and approval for extension of time for delivery of IT Equipment under Purchase Order No. MCA-N/PM/SH/023

5.1.1. The Board of Directors of MCA-Nepal reviewed the Procurement Plan Version 4.0 for the year 2020, and approved the Procurement Plan. It also authorized the extension of time as requested.

5.2. Agenda Two: Approval of Project Cooperation Agreement (PCA) with Department of Roads (DoR)

5.2.1. The Board of Directors of MCA-Nepal reviewed the Board Agenda put forward by the Executive Director of MCA-Nepal and the rationale behind the signing of Project Cooperation Agreement (PCA) with Ministries and Departments of Nepal Government. The Board of Directors of MCA-Nepal also took note of the fact that PCAs are important for smooth implementation of the Compact in Nepal. Therefore, the Board of Directors of MCA-Nepal approved the final draft of the PCA to be signed with Department of Roads (DoR).

5.3. Agenda Three: Approval to expend budget under recurrent expenditure budget headings after allocation from Ministry of Finance, and within the directions received from Ministry of Finance

5.3.1. Agenda in Brief

- MCA-Nepal requested reallocation of Government of Nepal (GoN) budget to meet its capital and recurrent expenditures after cabinet approval, Ministry of Finance has acceded to this request and approved requested reallocation request to meet its capital expenditure and provided additional budget to meet recurrent expenditures.
- MCA-Nepal has put forward this agenda before the Board of Directors seeking approval to utilize reallocated and increased GoN budget.

5.3.2. Board Resolution

- The Board of Directors of MCA-Nepal approved the amended budget and authorized the Executive Director of MCA-Nepal to expend budget under capital and recurrent expenditure budget headings after allocation from Ministry of Finance, and within the directions received from Ministry of Finance while approving budget following relevant regulations and established procedures.

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5.4. Agenda Four: Approval of budget reallocation from MCA-Nepal Program Administration sub-activity to Procurement, Fiscal, and Audit Services sub-activity to enable MCA-Nepal to procure audit services

5.4.1. The Board of Directors of MCA-Nepal reviewed the Board Agenda put forward by the Executive Director of MCA-Nepal and the rationale behind the budget reallocation. The Board of Directors of MCA-Nepal also noted that the budget reallocation was required.

5.4.2. The Board of Directors of MCA-Nepal approved the budget reallocation from MCA-Nepal Program Administration sub-activity to Procurement, Fiscal, and Audit Services sub-activity.

5.5. Agenda Five: Approval in payment in foreign currency to foreign consultants

5.5.1. MCA-Nepal Executive Director submitted that MCA-Nepal has a number of contracts with international contractors where the payments are required to be made in United States dollars (USD), and needs to pay international contractors in USD.

5.5.2. The Board of Directors of MCA-Nepal resolved that the Executive Director of MCA-Nepal is authorized to make payment to all the institutional and individual consultants and contractors in the currency mentioned in the contracts after following relevant regulations and established procedures.

5.6. Agenda Six and Seven: Approval of Millennium Challenge Account Nepal Development Board Employees Administration (Fourth Amendment) Bylaws, 2076, and other issues on employees' welfares

5.6.1. The Board of Directors decided to take a decision on agendas presented under Agenda No. Six and Seven in the next board meeting.

5.7. Any other Business (AoB) Agenda # 1 for Discussion: Land Transfer Protocol and issue regarding need to make available replacement land for using forest lands

5.7.1. The Board of Directors was apprised of the need to develop Land Transfer Protocol in coordination with other Ministries, and the decision to be made with respect to the need to make available replacement land for using forests lands for transmission projects.

5.7.2. After the preliminary discussion, the Board of Directors decided to discuss this matter further within different Ministries and find a solution.

6. RECORDING OF THE DISCUSSIONS AND DECISIONS

6.1. RESOLVED THAT the Board of Directors directs the Executive Director to record these minutes



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with the minute book of Millennium Challenge Account Nepal and to submit the synopsis of such minutes for publication on the website of Millennium Challenge Account Nepal within two (2) weeks from the date of these Minutes.

7. CLOSE

There being no further business the meeting was then closed at 11:30 AM.

Prepared by:

Rajib Dahal, Chief Legal Officer,
Millennium Challenge Account Nepal (MCA-Nepal)