



MILLENNIUM CHALLENGE ACCOUNT NEPAL (MCA-Nepal)

Synopsis of Minutes of 21st Meeting of the Board of Directors of Millennium Challenge Account Nepal

Nature: Regular Meeting

MCA-N/BOD-M-21/26-02-2021

Date: 26 February, 2021 (2077/11/14 BS)
Time: 9:00 AM
Place: Conference Room of the Secretary, Ministry of Finance at Singh Durbar, Kathmandu
Notice Served: 18 February, 2021 (2077/11/06 BS)

1. PRESENT

1.1. Members

- **Sishir Kumar Dhungana**, Chairperson
And, Secretary, Government of Nepal, Ministry of Finance
- **Madhu Prasad Bhetuwal**, Member
And, Joint Secretary, Ministry of Energy, Water Resources and Irrigation
- **Hitendra Dev Shakya**, Member
And, Managing Director, Nepal Electricity Authority
Durbarmarg, Kathmandu
- **Kumar Pandey**, Member representing the Private Sector
And, Chairman, National Hydro Power Company
Binayak Nagar, Kathmandu, Nepal
- **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)
- **Troy E Kofroth**, Invitee

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under Development Board Act, 2013 as the accountable entity to implement the Compact with Millennium Challenge Corporation, USA.*

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And, Resident Country Director Nepal – Millennium Challenge Corporation

- **Sanjay Poudyal**, Invitee
And, Deputy Resident Country Director – Nepal, Millennium Challenge Corporation
- **Jwala Shrestha**, Invitee
And, Under-Secretary (Tech.), Ministry of Forests and Environment

1.3. Others Attending

- **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 26/02/2021 (2077/11/14 BS) after the notice was served in writing on 18/02/2021 (2077/11/06 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).
- 2.4. Mr. Khadga Bahadur Bisht, Executive Director, Millennium Challenge Account Nepal updated on current activities of MCA-Nepal and presented the agendas to the MCA-Nepal Board of Directors.

3. UPDATE ABOUT CURRENT ACTIVITIES OF MILLENIUM CHALLENGE ACCOUNT NEPAL

- 3.1. Mr. Khadga Bahadur Bisht, Executive Director briefed the MCA-Nepal Board of Directors on status of the current activities of MCA-Nepal.
- 3.2. The Executive Director presented to the Board of Directors update on the situation that has arisen after COVID-19 pandemic, impact on the schedule of MCA-Nepal, updates on ongoing activities of MCA-Nepal in relation to substation activity, EIA Report

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submission, technical assistance activities and road maintenance projects. The Executive Director provided the update on Ratmate Land Acquisition process for the construction of sub-station in Ratmate, Nuwakot District.

- 3.3. The Executive Director thanked the Ministry of Finance, other government agencies and MCC for their timely support and assistance.

4. AGENDA ITEMS

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

(A) Agenda One: Approval to the amended MCA-Nepal Procurement Plan version 4.2

(B) Agenda Two: Approval of Anti-Fraud & Corruption Action Plan (AFC AP)

(C) Agenda Three: Approval to extend time and cost of Project Preparation and Technical Supervision Services Contract (PPTS Contract) due to increase of Scope Services

(D) Agenda Four: Amendment of Employees Bylaws

(E) Agenda Five: Approval of Performance Evaluation for the year 2020

5. DECISIONS/RESOLUTIONS

5.1. Agenda One: Approval to the amended MCA-Nepal Procurement Plan version 4.2

5.1.1. The procurement plan is based on the procurement plan currently in place for the Millennium Challenge Account Nepal ("MCA-Nepal"). MCA-Nepal must submit any amendment to the procurement plan to MCA-Nepal Board of Directors for approval, and also needs to get approval for new Procurement Plan for each year.

5.1.2. MCC Program Procurement Guidelines (MCC PPG) states that MCA-Nepal shall periodically prepare a Procurement Plan for acquiring goods, works, consultant and non-consultant services needed to implement the Compact. Compliance, satisfactory to MCC, with the approved Procurement Plan shall be a condition precedent to MCC disbursements or payments.

5.1.3. The approved Procurement Plans require periodic revisions and amendments due to ongoing procurement for various projects. Therefore, Procurement Plan Version 4.2 is submitted for Board's approval.

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5.1.4. After considering the future activities of MCA-Nepal, the Board of Directors approved the amended Procurement Plan Version 4.2. The Board of Directors instructed MCA-Nepal that every procurement information should be given to the Board before creating any financial obligation.

5.2. Agenda Two: Approval of Anti-Fraud & Corruption Action Plan (AFC AP)

5.2.1. Anti-Fraud & Corruption Action Plan (AFC AP) is to establish an appropriate framework that defines how staff and management of MCA-Nepal, working closely with its Implementing Entities/Project Partners, will ensure the effective prevention, detection and remediation of fraud and corruption of any description within MCA-Nepal (also known as the Accountable Entity, or AE) during the implementation of the project.

5.2.2. The MCA-Nepal's AFC AP is meant to address all stakeholders involved in the implementation of the Compact and includes the MCA-Nepal Board and staff, Implementing Entities/Project Partners, as well as MCA-Nepal Contractors/Consultants for works, goods and services.

5.2.3. AFC AP takes into account Government of Nepal's measures to counter and check corrupt practices and complements them by detailing the steps on measures to be taken, and reporting mechanisms.

5.2.4. After considering the details of AFC AP, the Board of Directors approved it with a direction to Executive Director to update the Plan on a regular basis also based on Government of Nepal's steps and measures to control corrupt practices.

5.3. Agenda Three: Approval to extend time and cost of Project Preparation and Technical Supervision Services Contract (PPTS Contract) due to increase of Scope Services

5.3.1. The agenda is for approval of Contract modifications of PPTS Base Contract for TL re-survey along with social and environmental analysis for a route length of 30 KM (fragmented) segment of Transmission Line as per MCC Program Procurement Guidelines.



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5.3.2. Agenda for Board's Consideration

- MCA - Nepal needs Board's approval on the extended timeline for the resurvey activities. MCA-Nepal Board's approval for extension of PPTS base contract is required. Therefore, MCA-Nepal requests for board approval as per MCC Program Procurement Guidelines.

5.3.3. Board's Decision

- MCA - Nepal Board of Directors provides approval for amendment of PPTS Contract for increased scope of services and for additional re-survey activities subject to successful negotiation after following applicable procurement guidelines.

5.4. Agenda Four: Amendment of Employees Bylaws

- 5.4.1. The Board approves the Amendment of Employees Bylaws taking into account the necessity of delegation of certain authorities to Executive Director for timely decision-making.

5.5. Agenda Five: Approval of Performance Evaluation for the year 2020

- 5.5.1. The 20th Board meeting of MCA-Nepal had amended Employees Bylaws to include provisions for performance incentives for MCA-Nepal Employees.
- 5.5.2. For the adjustments to be made for the performance year 2020, MCA-Nepal presents its agenda for in principle approval from the Board of Directors.
- 5.5.3. The Board of Directors provides *in principle* approval for the implementation, and authorizes Executive Director to issue necessary amendments to Employment Agreements to implement adjustments based on third party independent performance results.

6. RECORDING OF THE DISCUSSIONS AND DECISIONS

- 6.1. RESOLVED THAT the Board of Directors direct the Executive Director to record these minutes 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 this meeting.



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7. CLOSE

There being no further business the meeting was then closed at 11.00 AM.

This minute is prepared and signed on 19/03/2021.

Minutes Prepared by:

Rajib Dahal,
Chief Legal Officer & Information Officer,