



MILLENNIUM CHALLENGE ACCOUNT NEPAL (MCA-NEPAL)

MILLENNIUM CHALLENGE ACCOUNT NEPAL (“MCA-Nepal”)

Synopsis of Minutes of 32nd Meeting of the Board of Directors of Millennium Challenge Account Nepal (MCA-Nepal)

Nature: Regular Meeting

MCA-N/BOD-M-32/07-04-2023

Date: Friday, 7th April, 2023 (2079/12/24 BS)
Time: 9:00 AM
Place: Conference Room of the Secretary, Ministry of Finance at Singh Durbar, Kathmandu
Notice Served: Friday, 31st March, 2023 (2079/12/17 BS)

1. PRESENT

1.1. Members

- **Toyam Raya**, Chairperson
And, Secretary, Government of Nepal, Ministry of Finance
Singhadurbar, Kathmandu
- **Shiva Prasad Nepal**, Member
And, Joint Secretary, Ministry of Physical Infrastructure and Transport
Singhadurbar, Kathmandu
- **Madhu Prasad Bhetuwal**, Member
And, Joint Secretary, Ministry of Energy, Water Resources and Irrigation
Singhadurbar, Kathmandu
- **Surendra Kumar Mahto**, Member representing the Civil Society
And, Senior Advocate, Supreme Court of Nepal
- **Kumar Pandey**, Member representing the Private Sector
And, Chairman of the Board, National Hydro Power Company (NHPC)
- **Khadga Bahadur Bisht**, Member Secretary
And, Executive Director, MCA-Nepal

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1.2. Invitees

- **Shreekrishna Nepal**, Invitee
And, Joint Secretary, Government of Nepal, Ministry of Finance, International Economic Cooperation and Coordination Division (IECCD)
- **Sanjay Poudyal**, Invitee
Resident Country Director (Acting) – Nepal, Millennium Challenge Corporation
- **Michael Mehen**, Invitee
Millennium Challenge Corporation

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 07/04/2023 (2079/12/24 BS) after the notice was served in writing on 31/03/2023 (2079/12/17 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. The Board Members declared that there is no Conflict of Interest (CoI) on any of the Agendas presented by MCA-Nepal, and all the members of the board attended the meeting.
- 2.5. 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.

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3. UPDATE ABOUT CURRENT ACTIVITIES OF MILLENNIUM CHALLENGE ACCOUNT NEPAL

- Mr. Khadga Bahadur Bisht, Executive Director appraised MCA-Nepal Board of Directors of the major activities undertaken by MCA-Nepal.
- On Electricity Transmission Line (ETP) Project: Technical survey completed except some segments due to social issues. The environment and Social survey also completed except some segments due to social issues. The Contract needs to be extended without any incremental cost until 15 August 2023.
- Transmission Line Invitation for Bids (Bid status): The last date of bid submission is 08 May, 2023 for Transmission Line Construction Activity. For Construction Supervision Engineer for Transmission Line & Sub-stations, the Technical Evaluation is ongoing. Total 13 bids have been received. The contract for Base Period will be signed in July / August 2023.
- Land Acquisition Activities for Transmission Line: Section 6 notices have been issued and field verification is ongoing in 7 districts except in Nuwakot, Sindhupalchowk and Kathmandu. The household survey is going to start this month (in April 2023). CFC (Compensation Fixation Committee) rate determination for the majority of districts is expected to be finalized within July, 2023. MCA-Nepal is preparing preliminary field reports in 7 districts to initiate rate determinations. Regarding Forest Census (trees counting) activities, consultations with forest user groups have been completed. The forest census is going to start in April, 2023 and is likely to be completed by December 2023.
- Updates of Substation (S/S): The bids for construction of sub-stations have been released on March 24, 2023, and the last date of bid submission is 30 June, 2023.

4. AGENDA ITEMS AND BOARD'S DECISIONS/RESOLUTIONS

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

(A) Agenda One: Approval for amendments of Contracts

(B) Agenda Two: Approval for Signing of Project Cooperation Agreement ("PCA") with Nepal Electricity Authority (NEA)

4.2. Agenda One: : Approval for Amendments of Contracts

4.2.1. The contract amendments are for the Board approval as per MCC Program Procurement Guidelines (PPG) P4.1.1.

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4.2.2. The MCC Program Procurement Guidelines (PPG) P4.1.1 necessitates MCA Entity to ensure that all procurement actions described in PPG Attachment A for goods, works, consulting services, and non-consulting services (including information systems) shall be subject to the prior approval of MCA Nepal board of directors.

4.2.3. RESOLVED THAT the Board of Directors approves Amendment for :

- Consulting Services for Detailed Survey and updated Line Design for 30 km of Changes in 400 kV Transmission Line Route Alignment, for completion of remaining services on the basis of no cost increment until 15th August, 2023.
- Soils and FDR Expert for intermittent services on the basis of no cost increment for the pre-defined scope of services for a period until June, 2028.
- Superpave Asphalt Mix Design and Rehabilitation Expert for intermittent services on the basis of no cost increment for the pre-defined scope of services for a period until June, 2028.

4.3. Agenda Two: Approval for Signing of Project Cooperation Agreement (“PCA”) with Nepal Electricity Authority (NEA)

4.3.1. Section 4(d) of the Millennium Challenge Account Nepal Development Board (Formation) Order 2074 (2018) prescribes execution of Project Cooperation Agreement with Project Partners as one of the functions, duties and rights of the Board of Director of MCA-Nepal. Pursuant to paragraph C.2 of Annex I of the Compact, the achievement of project objectives requires assistance for which the Government may engage one or more of its Project Partners having relation to the Projects.

4.3.2. The required assistance and cooperation between MCA-Nepal and the Project Partner for implementing various aspects of the Projects is set out in the Project Cooperation Agreement.

4.3.3. MCA-Nepal has shared and discussed the draft of the Project Cooperation Agreement with Nepal Electricity Authority. After through consultation with the involved agencies and upon receiving no objection from MCC, we seek Board’s approval to execute them.

4.3.4. RESOLVED THAT the MCA-Nepal Board of Directors hereby approves to sign the Project Cooperation Agreement with Nepal Electricity Authority, and authorizes the Executive Director of MCA-Nepal to sign the Project Cooperation Agreement with Nepal Electricity Authority. The Board of Directors also instructed Executive Director of MCA-Nepal to incorporate the Technical Assistance Program to be provided to other Government entities in which Nepal Electricity Authority has its stake and to those GoN entities which are in the business of study and preparation of

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Transmission Line plans, in development of transmission infrastructures, and construction, expansion and modernization of transmission lines, substations.

4.4. Clarifications with respect to Decision No. 4.4.4 of the Minutes of 31st Board meeting held on 17th February, 2023

4.4.1. In this Board meeting, the Board of Directors has clarified on the decision No. 4.4.4 of the Minutes of 31st Board meeting held on 17th February, 2023.

5. RECORDING OF THE DISCUSSIONS AND DECISIONS

5.1. RESOLVED THAT the Board of Directors directs 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 these Minutes.

6. CLOSE

There being no further business the meeting was then closed at 10.30 AM.

This minute is prepared and signed on: 07/04/2023.

Minutes Prepared by:

Rajib Dahal,
Chief Legal Officer, Millennium Challenge Account Nepal

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