



MILLENNIUM CHALLENGE ACCOUNT NEPAL (MCA-NEPAL)

MILLENNIUM CHALLENGE ACCOUNT NEPAL (“MCA-Nepal”)

Synopsis of Minutes of 36th Meeting of the Board of Directors of Millennium Challenge Account Nepal (MCA-Nepal)

Nature: Regular Meeting

MCA-N/BOD-M-36/16-08-2023

Date: Wednesday, 16/08/2023, (2080/04/31 BS)
Time: 8:00 AM
Place: Conference Room of the Secretary, Ministry of Finance at Singh Durbar, Kathmandu
Notice Served: 08/08/2023 (2080/04/23 BS) (Notice served during the 35th (previous) board meeting by a common resolution)

1. PRESENT

1.1. Members

- **Arjun Prasad Pokharel**, Chairperson
And, Secretary, Government of Nepal, Ministry of Finance
Singhadurbar, Kathmandu
- **Madhu Prasad Bhetuwal**, Member
And, Joint Secretary, Ministry of Energy, Water Resources and Irrigation
Singhadurbar, Kathmandu
- **Kul Man Ghising**, Member,
And, Managing Director, Nepal Electricity Authority
Durbarmarg, Kathmandu
- **Arjun Jung Thapa**, Member,
And, Joint Secretary, Ministry of Physical Infrastructure and Transport Singhadurbar, Kathmandu
- **Surendra Kumar Mahto**, Member representing the Civil Society
And, Senior Advocate, Supreme Court of Nepal

The Government of Nepal established MCA-Nepal on 18 April 2018 under Development Board Act, 2013 BS as the accountable entity to implement a program co-funded by Nepal and US Government's Millennium Challenge Corporation.

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- **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

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
Deputy Country Director, Millennium Challenge Corporation
US Embassy, Kathmandu
- **Bibek Chapagain**, Invitee
Development Specialist, Millennium Challenge Corporation
US Embassy, Kathmandu

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 16/08/2023 (2080/04/31 BS) after the notice of board meeting was communicated to all the board members by a resolution made on 08/08/2023 during 35th Board meeting of MCA-Nepal.
- 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.

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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.

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 in relating to progress on Site Access undertaken by MCA-Nepal.

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:

4.1.1. Agenda One: Discussion on Site Access Conditions Precedent (CP) and Date of Entry into Force on August 30, 2023

4.2. Agenda One: Discussion on Site Access Conditions Precedent (CP) and Date of Entry into Force on August 30, 2023

4.2.1. The Board recalled its discussion that it had on 35th Board meeting of MCA-Nepal and reviewed the Progress report and Action plan presented by MCA-Nepal on fulfillment of Site Access CP. The Board noted that the Site Access CP described in the Compact document provides latitude to allow for the parties (MCC, GoN and MCA-Nepal) to mutually agree on the degree of progress that is satisfactory for EIF to ensure that the construction activities are completed prior to the Compact End Date.

4.2.2. After reviewing the Progress report and Action plan and proposed date of EIF, the board notes that the EIF date is proposed based on both sides' satisfaction on the progress so far and trust on the reasonable assurance given by the MCA-Nepal's action plan to complete remaining tasks within the stipulated period. It is also in line with the *aide memoire* signed on 29 April 2022 marking August 2023 as the EIF date.

4.2.3. The Board notes that there could be a delay in completing cross border transmission line which is a critical infrastructure for cross border electricity trade considering the long time that is required to complete the entire land acquisition under transmission line alignment, and therefore, a balanced

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approach is required to effect the EIF and continuation of activities to ensure site access for the contractors.

- 4.2.4. Therefore, the Board resolves that MCA-Nepal communicates to MCC for the written concurrence on the Progress report and Action plan and after MCC's concurrence, Ministry of Finance (MoF) is requested to proceed with exchange of letters confirming that the Government have completed their domestic requirements for Entry into Force and that the Conditions Precedent to entry into force have been met to MCC's satisfaction as per the agreed Progress report and Action plan.

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 9.30 AM.

This minute is prepared and signed on: 16/08/2023.

Minutes Prepared by:

Rajib Dahal,
Chief Legal Officer, Millennium Challenge Account Nepal