



Government of Nepal
Ministry of Federal Affairs and General Administration (MOFAGA)
Provincial and Local Governance Support Programme (PLGSP)

**5th National Advisory Fiduciary Risk Management Sub-Committee
(NAFRMSC)**

Meeting Minute, 20 June 2023

Chaired by the Secretary, Dr Krishna Hari Pushkar, MoFAGA

1. Decisions

- 1.1. The meeting acknowledged the progress update from the 4th NAFRMSC meeting, reflecting on the strides made since the last discussion.
- 1.2. NAFRMSC was presented with the second quarter fiscal year 2022/23 report, which was duly noted and received.
- 1.3. NAFRMSC was privy to the Third Party Monitoring (TPM) report for 2022/23, which was received and acknowledged.
- 1.4. The updated PLGSP FRRAP/FMIP was presented to the NAFRMSC, which was received and acknowledged.
- 1.5. The Audited Financial Report & recommendations for the fiscal year 2021-22 were received and noted. The NAFRMSC further directed the PCU to collaborate with OAG to produce consolidated audit reports for the PLGSP.
- 1.6. In response to the audit report's findings and recommendations, the NAFRMSC directed the PLGSP to implement and report on suitable management actions.
- 1.7. NAFRMSC meeting decided to inform the NEC meeting of the documents and decisions made during this meeting.


Dr. Krishna Hari Pushkar
Secretary

NB: Discussion and suggestions from the participants, presentation and list of attendees/representatives of the NAFRMSC meeting are given in Annex 1 & 2, respectively.

2. Reflection on 4th NAFRMSC decisions & actions

NPM Bhupendra Sapkota presented an update to the NAFRMSC, detailing the progress made in relation to the previous decisions and actions. He confirmed that all tasks were completed, reflecting a commendable level of efficiency and dedication.

Egbert Pos gave DPs' opening remarks, emphasised increasing accountability during PLGSP's transitional phase, acknowledged federal & PLG's improving FRM & results in the online portal, and noted the need to continue these efforts. BEK has commissioned an independent review of FMR on behalf of DPs and will share the report on completion.

3. Progress update on PLGSP/FRRAP and Risk mitigation framework

NPM Bhupendra Sapkota updated NAFRMSC on the PLGSP/FRAPP and fiduciary risk mitigation framework.

4. Progress Update

Likewise, NPM Bhupendra Sapkota updated NAFRMSC on progress against the Programme Outcomes/ASIP and financial expenditure as of April 2023.

The esteemed Secretary of MoFAGA graciously welcomed all participants, expressing gratitude for DP's substantial support. He underscored the significance of FRM as a top priority for both PLGSP and MoFAGA, recognising it as a fundamental pillar of effective governance. In the future, PLGs will receive continued support and motivation to spearhead and harmonise FMR initiatives.

1. DPs Comments

- a. Egbert noted the role of FMR in supporting both federalism & PFM and, welcomed its inclusion as a priority and noted progress to date and PLGs' confidence to deliver their programmes; DPs will submit detailed written comments. The OAG report and findings are significant, and I requested a management response to OAG's areas for improvement. The absence of a consolidated audit was again highlighted, and whilst accepting this as technical and complex, it remained a priority for action. BEK has commissioned an independent review of FMR on behalf of DPs and will share the report on completion for management action.
- b. Kristine Storholt (Norway) noted that reports and progress were comprehensive, and RNE will also submit written comments and requests for feedback. Some earlier actions identified still need to be implemented, and both quarterly reports and greater clarity are necessary for including GESI in budgeting and expenditure.
- c. Matthias Meier (SDC) noted that this was his first meeting and looked forward to future cooperation. He acknowledged progress to date and requested that FRM be prioritised for action during the transitional period, including the effort to implement earlier measures identified, address low expenditure, over-programming / over-budgeting and personnel issues.

Annexe 1: 4th NAFRMSC meeting attendees/representatives

Date: 20 June 2023

SN	Name	Designation	Organisation	Contact #
1	Dr. Krishna Hari Pushkar	Secretary	MoFAGA	9851184129
2	Mr. Kamal Pd. Bhattarai	Joint Secretary	MoFAGA/PLGSP	9851117797
3	Ms Scheme Shrestha	Joint Secretary	MoFAGA	9855070958
4	Mr. Hemraj Tamang	Joint Secretary	MoFAGA	9860205172
5	Mr. Madan Bhujel	Joint Secretary	MoALD	9849248694
6	Mr. Pradeep Pariyar	Joint Secretary	MoUD	9847943479
7	Mr. Laxmi Kumari Basnet	Joint Secretary	MoWCSC	9841552318
8	Ms. Laxmi Prasad Niraula	Joint Controller General of Accounts	FCGO	9856066666
9	Mr. Madhav Pd. Pokharel	Secretary	OCMCM, Koshi Province	9852681975
10	Mr. Nurhari Khatiwada	Secretary/PPD	OCMCM, Madesh Pradesh	9849815821
11	Mr. Rupesh Kumar Shah	PPM	OCMCM, Madesh Pradesh	9851160533
12	Mr. Shiva Ram Gelal	Secretary/PPD	OCMCM, Bagmati Province	9855056577
13	Ms. Manamaya Bhattarai Pangen	Secretary/PPD	OCMCM, Gandaki Province	9856067851
14	Mr. Bishnu Pd. Koirala	Secretary	OCMCM, Karnali Province	
15	Mr. Pralhad Kumar Karki	Under Secretary	MOFAGA	9851157485

16	Mr. Mahendra Kumar Sapkota	Under Secretary	MoFAGA	9841279987
17	Mr. Bhupendra Sapkota	Under Secretary/National Programme Manager	MoFAGA/PLGSP	985-1092225
18	Mr. Janak Raj Sharma	Under- Secretary	MoFAGA	9851171671
19	Mr. Kabindra Nepal	Under- Secretary	MoFAGA	9841287872
20	Mr. Mukti Ram Acharya	Under- Secretary	MOF	9851162065
21	Mr. Rajendra Prasad Pyakurel	Executive Director	NARMIN	9851072782
22	Mr. Krishna Chandara Neupane	Executive Secretary General	ADCCN	9841513807
23	Mr. Rishi Dev Phuyal		ADCCN	9851019145
24	Mr. Madhu Bishwakarma	Governance Advisor	FCDO/British Embassy	9801912201
25	Mr. Bernardo Cocco	Resident Representative	UNDP	
26	Mr. Julien Chevilland	Incoming Deputy Resident Representative	UNDP	9801179576
26	Ms. Binda Magar	Policy Advisor(Governance) & ARR Programme	UNDP	9851137646
27	Mr. Tek Tamata	Portfolio Manager	UNDP	9851047095
28	Mr. Ian Macdougall	Federal Governance Specialist & Development Partner Co-Ordinator	UNDP	9851014445
29	Mr. Padam Bhushal	Project Coordination and Quality Assurance Analyst(PCQA)	UNDP	9849217196
30	Mr. Egbert Pos	Governance Advisor, Deputy Team, Leader of GPST	FCDO, British Embassy	9803030053
31	Mr. Madhu Bishwokarma	Governance Advisor	FCDO, British Embassy	9801055648

32	Ms Aneela Khan	Counsellor Governance	Royal Norwegian Embassy	9851320914
33	Ms. Kustine Storholt	DCM, Minister Counsellor	Royal Norwegian Embassy	9802022414
34	Ms. Shradha Rayamajhi	Governance Advisor	Royal Norwegian Embassy	9851329510
35	Ms. Kaluwa Vergamota	Project Manager	EU Delegation	9819487804
36	Mr. Narce Genner	Head of Cooperation	EU Delegation	
37	Mr. Matthias Meier	Head of cooperation	Swiss Agency for Development and Cooperation (SDC)	
38	Mr. Namit Wagley	State Building Advisor	Swiss Agency for Development and Cooperation (SDC)	9849022666
39	Mr. Anuj Ghimire	Admin Officer	PLGSP	9851011258
40	Mr. Sudarshan Poudel	Account Officer	PLGSP	9851146981
41	Ms. Sushila Lekhak	Section Officer	PLGSP	9849129934
42	Mr. Baburam Shrestha	PFM Specialist	PLGSP	9851192992
43	Mr. Nagesh Badu	IT & E-Governance Specialist	PLGSP	9851176088
44	Mr. Surendra Bhandari	Finance Officer	PLGSP	9849285207
45	Ms. Sakun Shrestha	Programme Associate	PLGSP	9849516683
46	Mr. Rajendra Aryal	Store Keeper	PLGSP	9849338396
47	Ms. Ranju K.C.	Computer Operator	PLGSP	9841515731

48	Ms. Nirmala Tabdar	Data Assistant	PLGSP	9841445941
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Dr. Krishna Hari Pushkai
Secretary