

Minute of the First meeting of the of the Advisory Committee of ECIBON Project has agreed to place in record following decisions, unanimously arrived at the meeting on the agenda put forward by the project office for deliberation and decision.

Place: Banquet Club, Kathmandu

Time: 1500 hrs

Day: Thursday

Date: 17 January 2008

Presence:

Members:

Mr Dibya Mani Rajbhandari, President of EEC-Nepal

Mr Binayak Shah, Secretary General, EEC-Nepal

Mr Jung Bahadur Shrestha, President, FNCSIN

Mr Babu Kaji Maharjan, Secretary General, FNCSIN

Mr Mohan Bahadur Katuwal, President Makwanpur Chamber of Commerce and Industry

Ms Sulochana Rajbhandary, FNCSIN-Kathmandu District Committee

Mr Tanka Prasad Dulal, President, Itahari Chamber of Commerce and Industry

Mr Damodar Acharya, President, Nepalgunj Chamber of Commerce and Industry

Mr Azaj Alam, President, Rupendehi Industry Association, Butwal

Invitees:

Mr. Nishikant Hate, Advisor, EC Delegation to India, Bhutan & Nepal

Mr. Pravakar Rana, Project Manager, ECIBON Project

Mr. Bimal Parajuli, Assistant Manager, ECIBON Project

Agenda of the meeting:

1. Briefing on the role and responsibility of Advisory Committee based on project document.

Deliberations and Decisions:

The proceedings of the meeting commenced after Project manager informed the house that all nine members were present at the meeting and this number exceeded the mandatory quorum required. President, of European Economic Chamber-Nepal, Mr. Dibya Mani Rajbhandari chaired the meeting:

1. President Mr. Rajbhandari at the meeting welcomed the newly nominated members of the Advisory Committee of ECIBON project. (Unanimously five (5) IBOs were selected by 15 IBOs on 16 January 2008 at first IBOs meeting and represented by the followings:

Mr. Mohan Bahadur Katuwal, President Makwanpur Chamber of Commerce and Industry

Ms. Sulochana Rajbhandary, FNCSIN-Kathmandu District Committee

Mr. Tanka Prasad Dulal, President, Itahari Chamber of Commerce and Industry

Mr. Damodar Acharya, President, Nepalgunj Chamber of Commerce and Industry

Mr. Azaj Alam, President, Rupendehi Industry Association, Butwal

2. Chairing the first meeting of the advisory committee, Mr. Rajbhandari informed that five IBOs were selected from the house while there was already a provision in the project document for the following four:

Mr. Dibya Mani Rajbhandari, President of EEC-Nepal
Mr. Binayak Shah, Secretary General, EEC-Nepal
Mr. Jung Bahadur Shrestha, President, FNCSIN
Mr. Babu Kaji Maharjan, Secretary General, FNCSIN

3. Mr. Rajbhandari briefly explained the role and responsibility of the committee. He said that the advisory committee is not the steering committee but its role is to guide, monitor and supervise the project activities for effective and smooth implementation. He said that the meeting of the advisory committee will also be held out of Kathmandu as well for which our local chambers/IBOs will coordinate.

4. The chairman of the meeting Mr. Rajbhandari stressed that the project operation is completely handled by the project team headed by Project Manager for which advisory committee has to give instructions/suggestions at times for making the project's activities productive and useful for IBOs. Project Manager should take all responsibility and attend the meeting of advisory committee compulsorily and if needed, he can incorporate his project staff in the meeting.

5. As our project is funded by EU, we should maintain transparent financial transactions as per the guidelines of European Commission, said Mr. Rajbhandari at the meeting and we strictly follow our contract to implement the project. Regarding the withdrawal by Sweden from the project, Mr. Rajbhandari raised concerns.

6. Mr. Rajbhandari further added the time the proposal was submitted in 2006, and ongoing implementation of the project, there has been tremendous escalation in earlier estimated project cost due to increased inflation. To meet the shortfall of funds alternative sources must be explored.

7. Mr. Rajbhandari requested the committee that it should also explore ways to involve other 80 IBOs in the project activities.

8. Mr. Nishkant Hate, as an observer of the advisory committee meeting said that we cannot change our contract documents, and already signed contract is our GITA. Please don't come for changing the project contract and the project should run as per the guidelines of the contract, said Mr. Hate. The project has to spend as per the set guidelines and EEC-Nepal is responsible for all activities and operation as it is the signatory of the contract document. He further added that for minor changes in the document, a request letter should be sent to the European Commission.

9. Mr. Hate said that the advisory committee should strictly listen to the IBOs, and listen to the participants, stakeholders and give inputs to trainers. Trainer selection is very important and EEC-Nepal must give inputs to the trainers so that they would be able to provide excellent program. For giving training, if the budget allows, EEC-Nepal can invite experienced trainers from London Chambers and other potential European Chambers. Two way dialogue is needed in the training, therefore, participants have to be more proactive and active to take benefits from the training activities as European Union does not directly give financial support to the IBOs. He also appreciated the quality of participants.

10. Mr. Jung Bahadur Shrestha, President of FNCSIN at the meeting argued that instead of advisory committee, steering committee would have been better. However, Mr. Hate clarified that the jobs of advisory committee and steering committee is not the same. Therefore, the project team has to be given full responsibility and they be empowered to successfully operate the project, said Mr. Hate. If anything goes wrong in the project, EEC-Nepal is responsible, stressed Mr. Hate.

11. Mr. Rajbhandari strongly said that if the project team has any problems, come with a systematic way as project manager is totally responsible for the success and failures of the

project implementation. As we are the lead implementer (EEC-Nepal), says Mr. Rajbhandari, we have legal authority to control it and suggest the project team to expedite project's activities effectively. It means, EEC-Nepal does not interfere in the activities of the project staff but monitor and supervise strictly as and when required, said Mr. Rajbhandari. Total liability of the project is with EEC-Nepal, therefore we should be very careful while implementing the project, Mr. Rajbhandari added.

12. Mr. Damodar Acharya, member of the advisory committee raised the issue of up and down air fares while participating at the training programs/activities of the project as IBO.

13. Mr. Rajbhandari instructed the Project to re calculate the budget of the project.

14. Mr. Azaz Alam, member of advisory committee requested to conduct some activities of the project in the districts.

15. Mr. Binayak Shah, member of the advisory committee also raised pertinent issues about the advisory committee.

16. The Chair closed the meeting and thanked all the participants for their time, interest and vision shown for over all development of the ECIBON Project.