

PURPOSE: COMMUNITY

We would participate in community development in the following ways:

- ◊ by listening, observing and facilitating communication.
- ◊ by stimulating community decision-making processes.
- ◊ by participating in an integrated way, alert to the danger of creating dependency and the need to give priority to the neglected.

PURPOSE: NATION

As under our general agreement with His Majesty's Government of Nepal (HMG/N) we would participate in the development of Nepal, affirming the nation's social and cultural identity, and by focusing on selected issues, including:

- ◊ equity and justice,
- ◊ poverty and its causes,
- ◊ ecology,
- ◊ village and cottage economy.

PURPOSE: CHURCH

We would participate in the life of the church of Nepal in the following ways:

- ◊ by maintaining our identification and integrity as a Christian Mission in all our relationships.
- ◊ by faithfulness to distinctive Christian life styles and priorities in fulfilling the purposes stated above for individuals, community and nation.
- ◊ by our personal participation as individual members of the local congregation for fellowship, worship and mutual encouragement while recognizing our restraints under our general agreement with HMG/N.

UMN LONG-TERM PLANNING:
STATEMENT OF AIMS FOR THE ADMINISTRATION

PURPOSE: PERSON, COMMUNITY, NATION, CHURCH

Aims:

- ◊ The planning process is to be used as a tool for determining future policy and direction. Within the UMN family it will always be a process of consultation in which there is a two-way flow to and from the grass roots and the center where a responsibility for stimulus and initiative still lies. In this process both the church and government have a crucial part.
- ◊ Leadership is a servant role in assisting one's fellow workers to achieve potential and possibility in their placement and growth professionally and in relation to the church.
- ◊ Relationship to HMG/N is to facilitate and make possible by negotiated agreements our entry into tasks, and also our continuing role of being a positive influence.
- ◊ The Central Services Department is to be a life-line to projects, be our agent for property management and maintenance, as well as the collection and distribution of mail.
- ◊ The Treasurer's Office maintains and manages the accounts of the Mission and assists in the budgeting process by adequate interpretation and communication to the Finance Committee, insuring decision-making resulting in consolidated budgets for recurrent, program and capital sections of the total budget.
- ◊ The Headquarters staff shall seek to excel in hospitality, including operating guesthouses as well as being the interpreters of the mission of the UMN to Nepali and expatriate visitors.

- ◊ Counsellors are to be a supportive resource for staff to relate to for encouragement and counseling.
- ◊ The Administration shall engage in research and evaluation resulting in a deeper self-understanding of the growth and change of the UMN as a Christian community.

UMN LONG-TERM PLANNING: STATEMENT OF AIMS
FOR THE HEALTH SERVICES BOARD (HSB)

- ◊ Sickness, suffering and injustice are rooted in the brokenness of the relationship between God and man.
- ◊ Healing is God's act of making whole, with the purpose of restoring man to full relationship with Himself.
- ◊ Wholeness is not a static presence, but rather reflections of a dynamic process where Christ enters into a living relationship with man and community. We are called to participate in this healing process which enters into all aspects of human life and involves struggle against oppression, meeting the needs of the poor, the suffering and sick, improving environment and making the best possible use of resources.
- ◊ Realizing our role as participants in this healing ministry, the UMN Health Services Board has set out the following aims in relation to person, community, nation and church.

PURPOSE: PERSON

Aims:

- ◊ 1. To seek to reflect a concept of health care which incorporates the physical, mental, social and spiritual dimensions of the whole man in the context of Nepal.

- ◊ 2. To encourage each person to take an active part in the promotion of his/her own health through seeking with him/her ways of utilizing local resources and modifying environment and practices to prevent disease and strengthen health.
- ◊ 3. To train village-level volunteers and community members for responsible participation in matters relating to health and development of their own communities.
- ◊ 4. To train health services staff into positions of leadership, decision-making and competence.

PURPOSE: COMMUNITY

Aims:

- ◊ 1. To seek a health care that is appropriate in relation to culture, being open to learn from the traditional understanding of health, and seeking ways for meeting health needs that are acceptable to individuals and communities.
- ◊ 2. To motivate local communities to take increasingly more responsibility for their own health care, stimulating and facilitating community participation at all levels through ongoing dialogue with all concerned and affected, and responding to needs in an integrated way through cooperation with other functional groups.
- ◊ 3. To work within a cost frame that is controlled and informed by the economic potential of the community, seeking innovative ways of generating income and utilizing local resources.

PURPOSE: NATION

Aims:

- ◊ 1. To assist the Ministry of Health in planning, managing and providing health care to the people of Nepal, seeking ways for interchanging

experience with and integrating institutions and programs into the institutional framework of HMG/N health care in Nepal, including a willingness to give over control when time and circumstances seem right and when agreeable to the UMN's purposes.

- ◊ 2. To seek an appropriate care level for each institution or program, informed by national and local resources, emphasizing functional interaction between care levels so that care can be given at the lowest appropriate level, as close to the homes as possible.
- ◊ 3. To participate in the development and operation of health manpower training programs.
- ◊ 4. To initiate new work in unserved areas within the framework of the National Health Plan with a clear priority to the development of primary health care and motivation for community action.
- ◊ 5. To allocate resources based on an overall understanding of what contributes to people's health, demonstrating a commitment to justice in relation to the poor, the oppressed and the powerless, and with a clear priority to efforts that will meet the needs of the poor.

PURPOSE: CHURCH

Aims:

- ◊ 1. To seek together with the local church for expressions of the Christian concept of health and wholeness in the context of Nepal.
- ◊ 2. To seek together with the local church and individual believers for practical ways of participating together as the 'body of Christ' in God's healing ministry.
- ◊ 3. To seek to encourage and respond to the local church in its efforts to minister to the poor and the powerless of the society of which it is a part.

UMN LONG-TERM PLANNING: STATEMENT OF AIMS
FOR THE EDUCATION BOARD (EB)

PURPOSE: PERSON, COMMUNITY, NATION, CHURCH

Aims:

- ◊ 1. Formal Education. To work in cooperation with HMG/N at national and local levels in primary, lower secondary, secondary, and teacher-training institutions in defined geographical areas; in vocational, technical, special and general education, seeking to provide education that is appropriate to the culture and society, and consistent with the Christian faith; and to establish models which can be an example to other workers and institutions.
- ◊ 2. Nonformal Education. To work in cooperation with HMG/N and other UMN projects and programs in developing resources, attitudes and skills in nonformal education techniques to be used in any UMN activity, seeking to make appropriate education available to adults as well as children, with special concern for those who do not have access to formal education institutions.
- ◊ 3. Materials Development. To work in cooperation with HMG/N in preparing teaching and other educational materials for use in both formal and nonformal education work, seeking to make available texts, teachers guides, and other teaching aids where these are now lacking.
- ◊ 4. Training. To give or make available training for Nepali residents in professional skills and leadership through on-the-job training and formal education.
- ◊ 5. Equipment of and Facilities for UMN Personnel. To equip our own UMN workers with the tools of language ability and cultural understanding and other facilities in order that they may more effectively fulfil their personal and work goals.

UMN LONG-TERM PLANNING: STATEMENT OF AIMS
FOR THE ECONOMIC DEVELOPMENT BOARD (EDB)

PURPOSE: PERSON, COMMUNITY, NATION, CHURCH

Aims: We seek—

- ◊ 1. to enable people, especially the underprivileged, to bring about lasting fulfilment of their basic felt needs in the areas of food, water, fuel/energy and housing (i.e., to fulfil basic felt needs).
- ◊ 2. to enable people to develop technical, organizational and leadership abilities, together with a commitment to equal opportunity, justice, participation in development, and co-operation with others in furthering the common good (i.e., to develop abilities and commitment).
- ◊ 3. to develop resources and services, especially in the areas of renewable energy, skilled manpower, trained management, sales marketing, and research and consulting services, for a just economic growth (i.e., to develop resources and services).
- ◊ 4. to seek, together with the local church and individual believers, for practical ways of participating together as the 'body of Christ' in strengthening the economic base for the building of community.

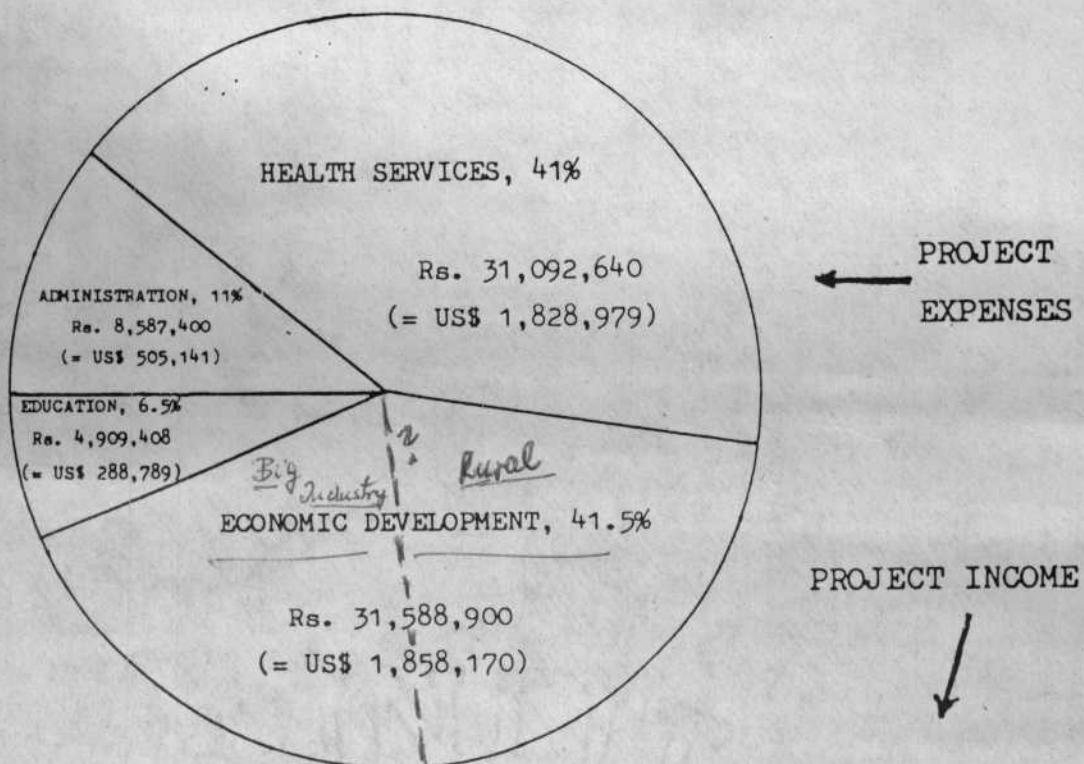
Our Biblical responsibility towards stewardship of natural resources and the effects of any economic development program on basic needs—such as health, nutrition, security, dignity and fellowship—should always be considered.

Entire 'Statement' adopted, April 1981

EDB 'Statement' amended, April 1982

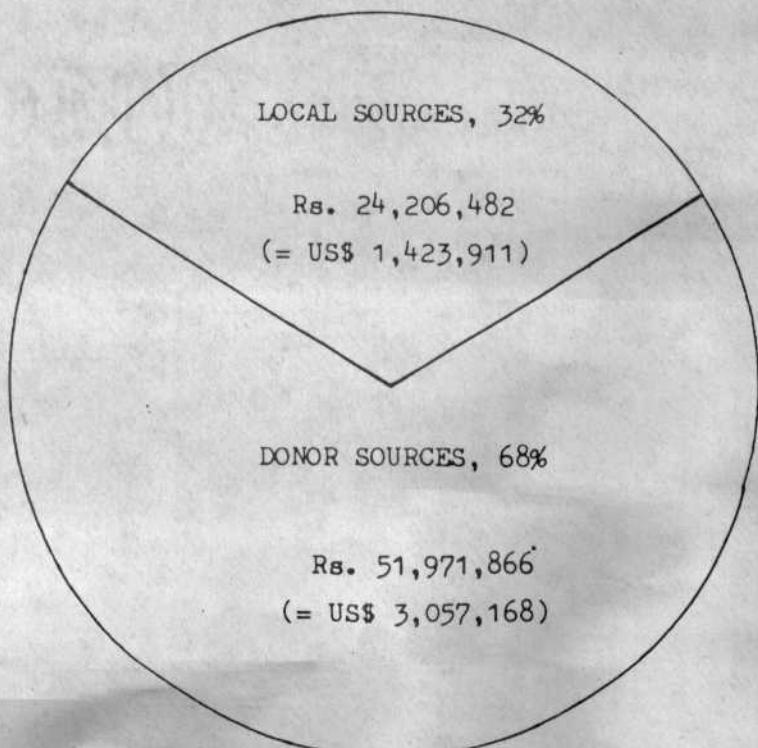
Entire 'Statement' reprinted, October 1984

UMN BUDGET, 1985—86



Notes:

- * Total budget, Rs. 76,178,348 (= US\$ 4,481,079)
- * Exchange rate, US\$ 1 = N.Rs. 17
- * "Administration" includes Board Appointees' support--e.g., rent --and this comes to about 55% of the total administrative costs



UMN TREASURER'S CONSOLIDATED BUDGET FOR 1985/86

BUDGET TOTALS

(All figures are in Nepali rupees, US \$ 1 equals N.Rs. 17)

	<u>Income</u>	<u>Expenditure</u>	<u>Balance</u>
ADMINISTRATION	2,741,600	8,587,400	(5,845,800)
HEALTH SERVICES PROJECTS	12,506,000	31,092,640	(18,586,640)
EDUCATION PROJECTS	1,102,782	4,909,408	(3,806,626)
ECONOMIC DEVELOPMENT PROJECTS	7,843,100	31,558,600	(23,715,500)
INTEREST EARNED	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>
	1) 25,693,482	76,148,048	(50,454,566) 2)

Grants needed for 1984/85

1. Per Capita Grants (US \$ 800 per Board Appointee and US \$ 900 for Language and Orientation)	6,000,000	3)
2. Grants to cover the deficits in all recurring budgets	4,508,300	
3. Grants for capital items (except Administration)	10,265,400	
4. Grants for all the Program Funded Projects/Programs	<u>31,335,066</u>	
	52,108,766	
Less Interest earned	<u>-1,500,000</u>	2)
	50,608,766	

Notes:

1) The budgeted Income consists of the following:

Personnel Contributed Services (PCS)	6,740,232
Contribution from HMGN and Districts	2,707,300
Other income, generated in Nepal (Incl. interest)	<u>16,245,950</u>
	25,693,482

2) The difference between Grants needed and the net negative balance is the budgeted increase of Working Capital under General Administration

$$\begin{array}{r}
 50,608,766 \\
 - 154,200 \\
 \hline
 50,454,566
 \end{array}$$

3) Deficits in recurring budgets:

Deficit in Health Services Projects	4,251,500
Deficit Education Projects	105,000
Deficit Economic Development Projects	<u>151,800</u>
	4,508,300

BUDGET SUMMARY

<u>RECURRING BUDGET</u>	<u>Income</u>	<u>Expenditure</u>	<u>Balance</u>
Interest earned	1,500,000	-	1,500,000
Administration	2,741,600	8,038,400	(5,296,800)
Health Services Projects	10,609,900	14,861,400	(4,251,500)
Education Projects	353,350	458,350	(105,000)
Economic Development Projects	<u>3,370,600</u>	<u>3,522,400</u>	(151,800)
	<u>18,575,450</u>	<u>26,880,550</u>	<u>(8,305,100)</u>

Note: The income for Administration is the total income less the Per Capita Grant.

CAPITAL BUDGET

Administration	-	549,000	(549,000)
Health Services Projects	-	4,112,400	(4,112,400)
Education Projects	-	72,500	(72,500)
Economic Development Projects	-	<u>6,080,500</u>	<u>(6,080,500)</u>
		<u>10,814,400</u>	<u>10,814,400</u>

PROGRAM BUDGET

Administration	-	-	-
Health Services Projects	1,896,100	12,118,840	(10,222,740)
Education Projects	749,432	4,378,558	(3,629,126)
Economic Development Projects	<u>4,472,500</u>	<u>21,955,700</u>	<u>(17,483,200)</u>
	<u>7,118,032</u>	<u>38,453,098</u>	<u>(31,335,066)</u>

PER CAPITA GRANTBUDGET 1985/86

	<u>Budget for 1984/85</u>	<u>No. of workers 1984/85</u>	<u>Budget for 1985/86</u>	<u>No. of workers 1985/86</u>
Grants from Member Bodies & other Per Capita Grants	4,400,000	360	5,050,000	370
Grants for workers arriving January	100,000			
Grants for Language and Orientation	—		950,000	—
	<u>4,500,000</u>	<u>360</u>	<u>6,000,000</u>	<u>370</u>

GENERAL ADMINISTRATION

(Board Appointees Support System)

BUDGET 1985/86

	<u>Recurring budget</u>		<u>Capital Budget</u>
	<u>Income</u>	<u>Expenditure</u>	
Per Capita Grant	6,000,000	—	6,000,000
Missionwide expenses	105,000	3,023,000	(2,918,000) 100,000
Headquarters Project	1,703,500	2,510,600	(807,100) 170,000
Office of Education Sec.	—	9,000	(9,000) —
Office of Health Services			
Secretary	—	20,400	(20,400) —
Office of Economic Development Secretary	153,000	238,300	(85,300) 120,000
Palpa Project:			
Area Services	—	437,000	(437,000) —
Guesthouse	129,500	129,500	— —
Language program	9,000	22,000	(13,000) —
Gorkha Project:			
Area Services	26,500	169,100	(142,600) 99,000
Guesthouse	35,500	35,500	— —
Okhaldhunga Project			
Area Services	21,600	48,600	(27,000) 3,000
Lalitpur Project Area Services	—	26,800	(26,800) —
Lahan Project Area Services	—	25,000	(25,000) —
Gorkha District, Seconded Teachers	140,000	159,500	(19,500) 10,000
Pokhara Project			
Area Services	288,600	521,600	(233,000) 30,000
Guest rooms	5,000	5,000	— —
Jumla Project Area Services	—	94,000	(94,000) —
Butwal Projects			
Area Services	—	332,900	(332,900) —
Guesthouse	96,400	96,400	— 17,000
Andhi Khola Project			
Area Services	21,000	107,000	(86,000) —
Surkhet Project			
Area Services	7,000	27,200	(20,200) —
	<u>8,741,600</u>	<u>8,038,400</u>	<u>703,200</u> 549,000
Less Capital budget			(549,000)
Budgeted increase of Working Capital			<u>154,200</u>

Note:

PCS is included in both Income and Expenditure

HEALTH SERVICES BOARD

BUDGET 1985/86

RECURRING AND CAPITAL BUDGETS

	<u>Recurring Budget</u>	<u>Capital Budget</u>		
	<u>Income</u>	<u>Expenditure</u>	<u>Balance</u>	
Health Services Office	3,621,800	4,242,800	(621,000)	41,900
National Dental Survey	-	10,500	(10,500)	-
Patan Hospital	-	-	-	1,600,000
Nurse Campus, UMN Program	134,100	1,166,500	(1,032,400)	1,022,000
Palpa Project:				
Hospital	4,567,000	6,076,000	(1,509,000)	1,396,500
Workshop	289,000	289,000	-	-
Gorkha Project:				
Hospital	1,673,200	2,401,100	(727,900)	52,000
Okhaldunga Project:				
Dispensary	<u>324,800</u>	<u>675,500</u>	<u>(350,700)</u>	<u>—</u>
	<u>10,609,900</u>	<u>14,861,400</u>	<u>(4,251,500)</u>	<u>4,112,400</u>

PROGRAM BUDGETS

	<u>Years</u>
Community Mental Health Program	1984-86
Palpa Community Health Program	1984-86
Gorkha Community Health Program	1985-88
Okhaldunga Community Health Program	1984-87
Jalitpur Community Primary Health Care Program	1983-86
Lalitpur Community Development Assistance Project	1985-88
1,890,100	12,118,840
	(10,222,740)

Note

PCS is included in both Income and Expenditure.

EDUCATION BOARDBUDGET 1985/86RECURRING AND CAPITAL BUDGETS

	<u>Recurring budget</u>			<u>Capital Budget</u>
	<u>Income</u>	<u>Expenditure</u>	<u>Balance</u>	
Education Service Office	156,000	261,000	(105,000)	72,500
Childrens Hostel	<u>197,350</u>	<u>197,350</u>	<u>-</u>	<u>-</u>
	<u>353,350</u>	<u>458,350</u>	<u>(105,000)</u>	<u>72,500</u>

PROGRAM BUDGETS

			<u>Years</u>
Jumla Project	628,032	2,517,158	(1,889,126)
Training and Scholarship			1980-90
Program	-	975,000	(975,000)
Student Financial Assistance Fund	-	765,000	(765,000)
Business School	<u>121,400</u>	<u>121,400</u>	<u>-</u>
	<u>749,432</u>	<u>4,378,558</u>	<u>(3,629,126)</u>

Note

PCS is included in both Income and Expenditure.

ECONOMIC DEVELOPMENT BOARD

BUDGET FOR 1985/86

RECURRING AND CAPITAL BUDGETS

	<u>Income</u>	<u>Expenditure</u>	<u>Balance</u>	<u>Capital budget</u>
EDB Service Office	331,900	394,700	(62,800)	-
EDB Liaison Office	106,900	106,900	-	-
DCSm Administration	181,900	267,000	(85,100)	65,000
DCS Purchasing & Clearing	39,000	45,400	(6,400)	-
DCS Design Office	439,000	433,500	5,500	15,500
DCS Small Turbine & Mill R	2,175,000	2,175,000	-	-
Industrial Development Proj.	96,900	99,900	(3,000)	-
Gobar Gas Extension & Train.				3,000,000 1)
Himal Hydro Share Investment				3,000,000 1)
	<u>3,370,600</u>	<u>3,522,400</u>	<u>(151,800)</u>	<u>6,080,500</u>

1) Carried over from 1984/85

PROGRAM BUDGETS

			<u>Years</u>
EDB Promotion of Apprenticeship			
Training Program	-	196,000	(196,000)
DCS Roofing Tiles Program	52,000	72,000	(20,000)
DCS Rural Electrification			
Program	55,000	225,000	(170,000)
DCS Rural Equip. Development			
Program	113,600	492,700	(379,100)
DCS Bio-Fertilizer Prog.	29,000	84,600	(55,600)
ID Replacement of Gobar Gas			
Holders Program	-	127,500	(127,500)
ID Hetauda Apprenticeship			
Training Program	50,000	350,000	(300,000)
RDC Administration	280,600	280,600	-
RDC Library	64,000	64,000	-
RDC Farm	172,500	172,500	-
RDC Animal Health Improvement			
Program	142,000	346,000	(204,000)
RDC Horticulture/Agronomy			
Program	41,250	192,000	(150,750)
RDC Rural Industries Program	195,000	677,250	(482,250)
RDC Community Forestry Prog.	130,000	2,620,000	(2,490,000)
RDC Studies & Evaluation			
Program	37,050	50,050	(13,000)
AP AHREP	2,680,000	12,915,000	(10,235,000)
AP Drinking Water & Sanita-			
tion Program	18,000	544,000	(526,000)
AP Appropriate Tech. Prog.	18,000	72,000	(54,000)
AP Irrigation Program	100,000	1,036,000	(936,000)
AP Agricultural Program	36,000	97,500	(61,500)
AP Cooperative Society Aid			
Program	33,000	148,000	(115,000)
AP Forest, Soil & Water Con-			
servation Program	46,000	68,000	(22,000)
AP Non-Formal Education Prog.	12,000	41,000	(29,000)
AP Rural Industries Program	18,000	53,000	(35,000)
AP Project Administration	36,000	157,500	(121,500)
Surkhet Project	113,500	873,500	(760,000)
	<u>4,472,500</u>	<u>21,955,700</u>	<u>(17,483,200)</u>

Note: PCS is included in Income & Expenditure

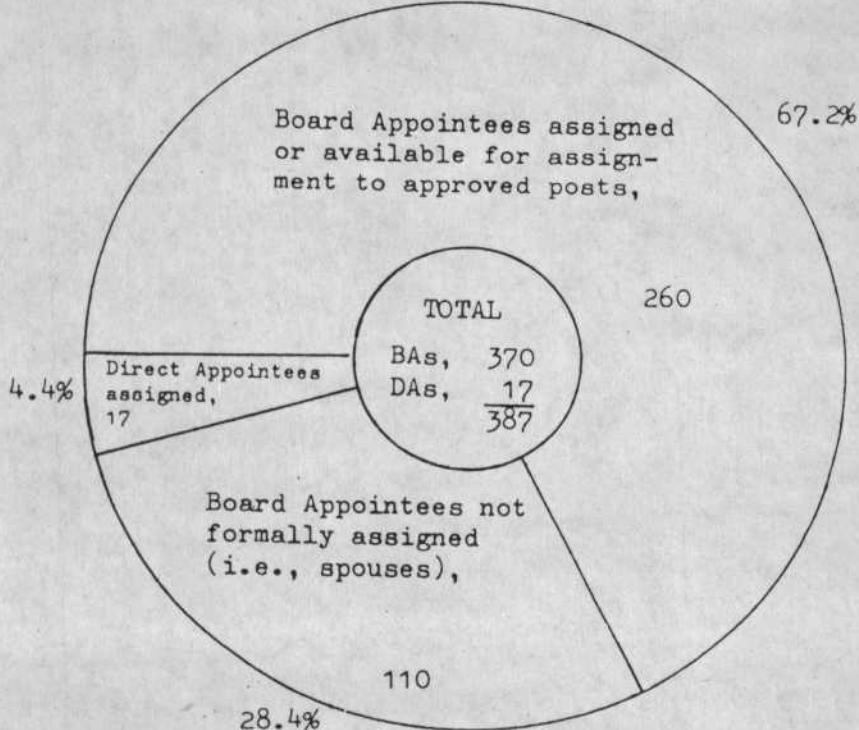
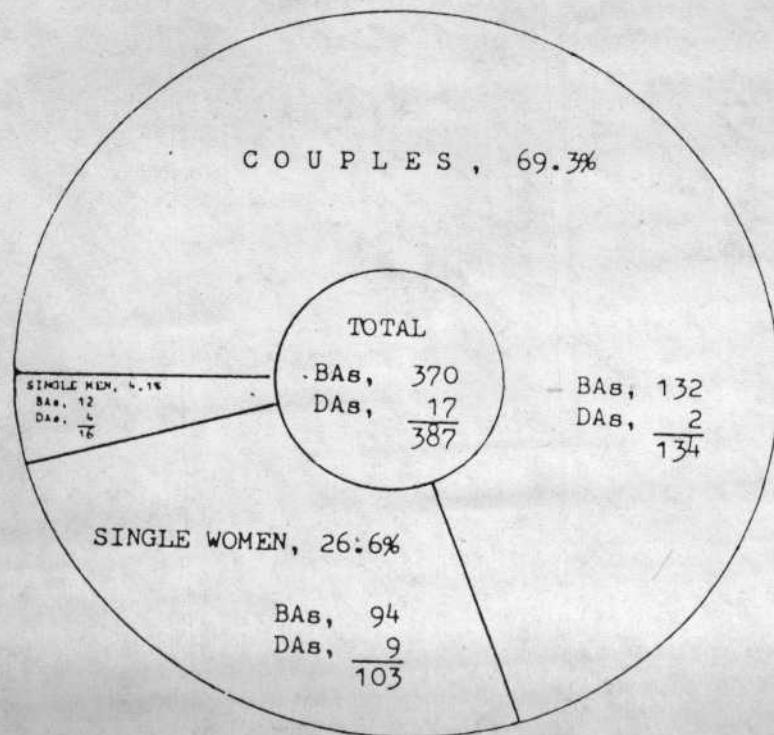
UMN PERSONNEL PROFILE

APRIL 1985

CONTENTS

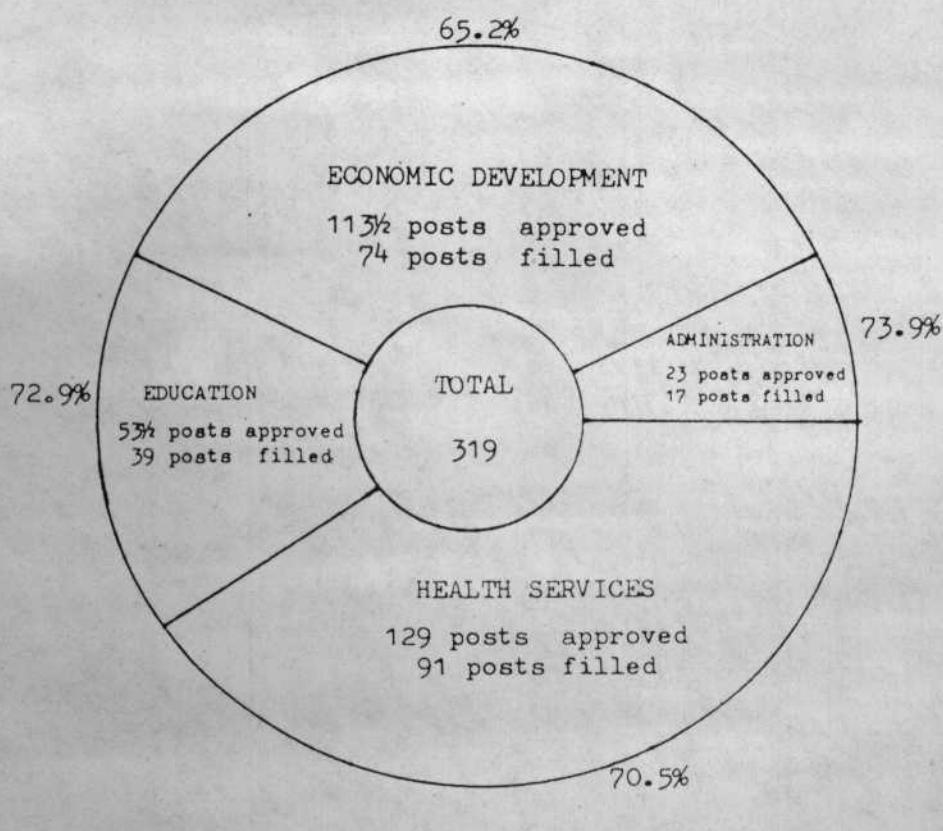
	Page
Total Personnel in the UMN	1
UMN Approved Posts	2
Board Appointees Assigned to UMN Approved Posts	2
Age and Service Statistics of UMN Board Appointees	3
Home Countries of UMN Personnel	4
Sending Agencies of UMN Board Appointees	5
Comparative Figures for UMN Staff, 1980—85	6

TOTAL PERSONNEL IN THE UMN



1985 (1)

UMN APPROVED POSTS

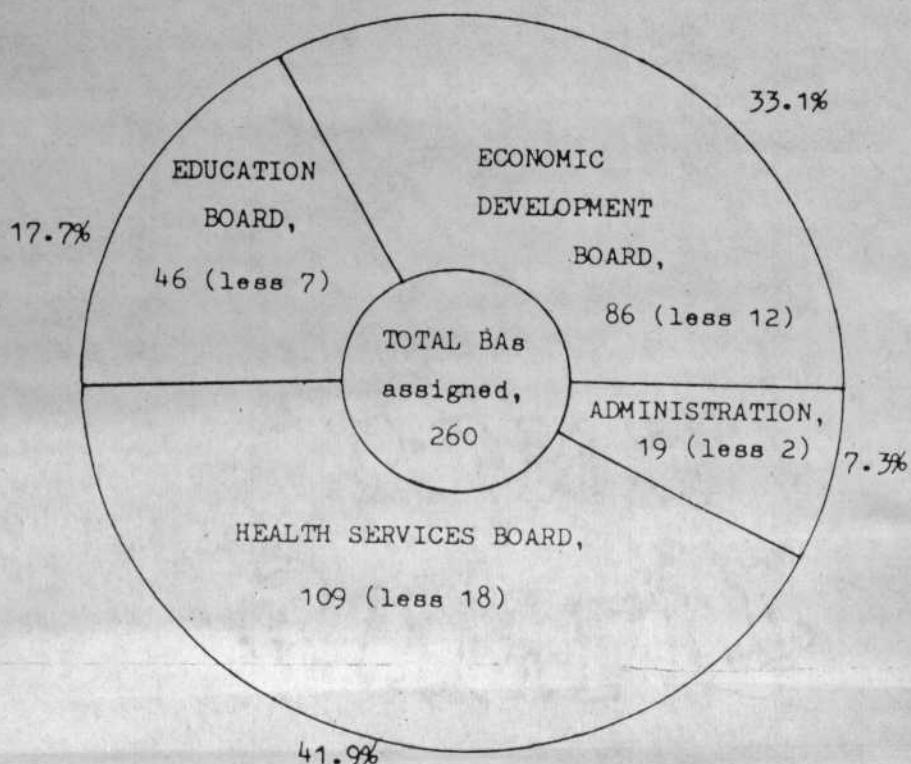


Notes :

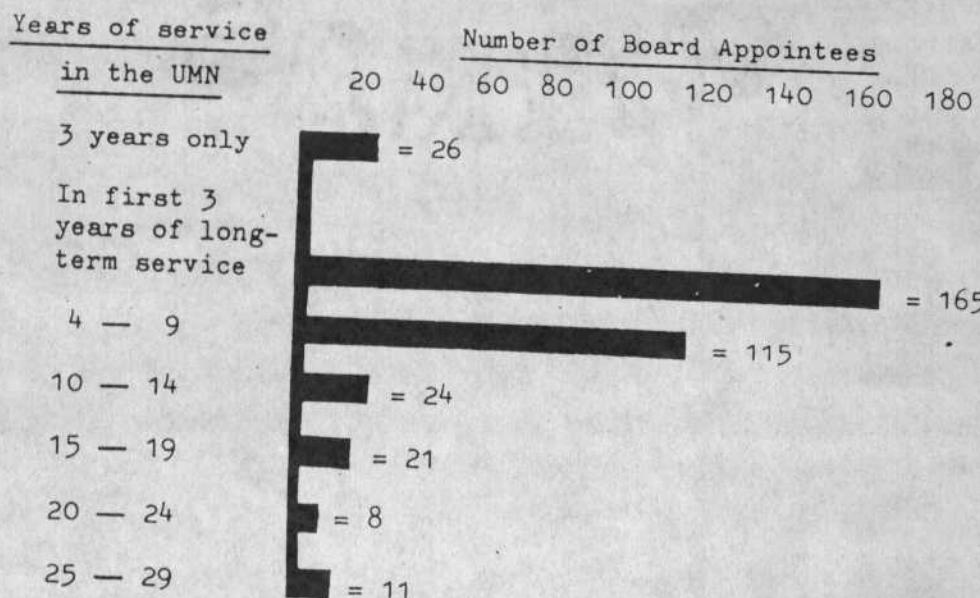
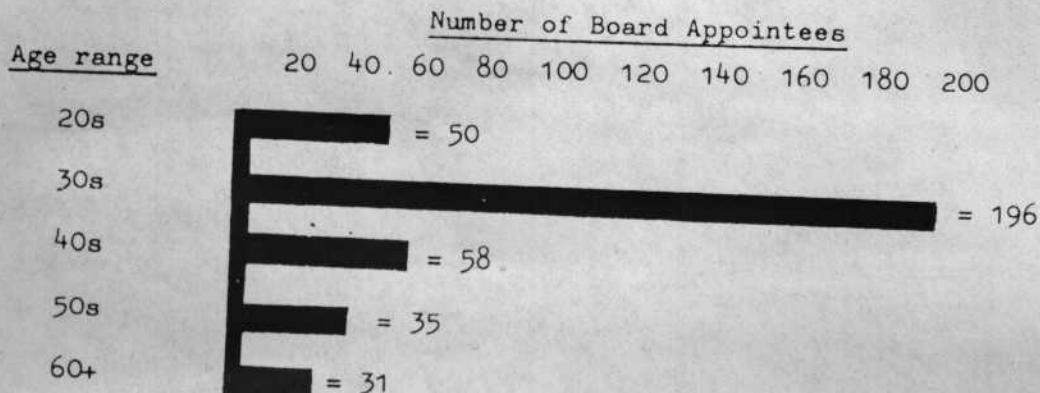
- The 23 posts approved under "Administration" include 3 Counsellors
- Functional Secretaries are not counted under "Administration" but under their own Functional Boards
- Summary:

Approved posts	319
Posts filled	221
Posts vacant	98
Approved posts filled	69%
- The figures shown as (less ...) indicate those on furlough or still in language study, totaling 39

BOARD APPOINTEES ASSIGNED TO UMN APPROVED POSTS



AGE AND SERVICE STATISTICS
OF UMN BOARD APPOINTEES



Note: Total number of Board Appointees = 370

1985 (3)

HOME COUNTRIES OF
UMN PERSONNEL

No.	Home Country	Number of Persons		
		BAs	DAs	Total
1	Australia	35	3	38
2	Canada	29		29
3	Denmark	2		2
4	Finland	19		19
5	Germany (West)	7	2	9
6	Ghana	1		1
7	Hong Kong	5		5
8	India	4		4
9	Ireland (Southern)	1	1	2
10	Japan	6		6
11	Korea (South)	1		1
12	Malaysia	1		1
13	Netherlands	25		25
14	Nigeria	2		2
15	Norway	18	4	22
16	Philippines	1		1
17	Singapore	1	1	2
18	Sweden	23		23
19	United Kingdom	99	4	103
20	United States of America	90	2	92
		<u>370</u>	<u>17</u>	<u>387</u>

Notes : 370 Board Appointees and 17 Direct Appointees from 20 countries work in the UMN

1985 (4)

SENDING AGENCIES OF
UMN BOARD APPOINTEES

No.	Member Bodies	Number of BAs
1	American Lutheran Church	0
2	Assemblies of God, USA	0
3	Baptist Missionary Society, UK	20
4	BMMF International: Australia, Canada, India, Netherlands, New Zealand, Scotland, UK, USA	93
5	Christian Church (Disciples), USA	0
6	Church Missionary Society, Australia	14
7	Church Missionary Society, UK	8
8	Church of North India	0
9	Church of Scotland	4
10	Church of South India	0
11	Committee for Service Overseas, Germany	4
12	Danish Santal Mission	2
13	*Finnish Evangelical Lutheran Mission	13
14	Free Church of Finland	5
15	Gossner Mission, Germany	3
16	Japan Antioch Mission	2
17	Japan Overseas Christian Medical Cooperative Service	2
18	Lutheran Church in America	7
19	Mennonite Board of Missions, USA	2
20	Mennonite Central Committee, USA	14
21	Methodist Church, UK	13
22	#Norwegian Himal-Asia Mission	16
23	Örebro Mission, Sweden	17
24	Presbyterian Church in Canada	1
25	Presbyterian Church in Ireland	6
26	Presbyterian Church Synod, Mizoram, India	4
27	Presbyterian Church (USA)	15
28	Regions Beyond Missionary Union: Australia, UK	14
29	Swedish Free Mission	6
30	Swiss Friends for Missions in India and Nepal	0
31	TEAR Fund, UK	12
32	United Church of Canada	15
33	United Church of Christ in Japan (Kyodan)	2
34	United Methodist Church, USA	13
35	Wesleyan Church, USA	1
36	World Concern, USA	8
37	World Mission Prayer League, USA	14
	Others (Non-member bodies)	20

370

Notes: Total member bodies = 37, plus "others"

* The Finnish Evangelical Lutheran Mission used
to be called the Finnish Missionary Society

The Norwegian Himal-Asia Mission used to be
called the World Mission Prayer League, Norway

1985 (5)

COMPARATIVE FIGURES FOR
UMN STAFF, 1980—85

	1980	1981	1982	1983	1984	1985
Board appointees assigned to approved posts or available for assignment	190	189	225	217	246	260
Board appointees not formally assigned	64	103	92	101	118	110
Total board appointees (BAs)	254	292	317	318	364	370
Direct appointees assigned to approved posts	18	14	16	15	15	17
Direct appointees not formally assigned	0	1	2	2	2	0
Total direct appointees (DAs)	18	15	18	17	17	17
Total posts approved	298	264½	269	278	291	319
Total posts filled	178	175½	189	200	201	221
Percentage filled	60%	66%	70%	85%	69%	69%
Total personnel statistics						
Couples	83	96	114	111	131	132
Single women	77	85	93	98	102	103
Single men	11	15	14	15	17	16
Board appointees statistics						
Age range:						
20s	44	63	53	51	56	50
30s	98	112	138	151	178	196
40s	56	55	65	56	68	58
50s	50	50	44	41	41	35
60s	7	12	17	19	21	31
Length of service:						
3 years only	138	182	35	33	28	26
In first 3 years			142	132	167	165
4 - 9 years	56	52	79	97	105	115
10 - 15 "	38	30	32	27	26	24
15 - 20 "	7	10	9	11	20	21
20 - 24/26 years	15	18	15	11	8	8
25 - 29 years	-	-	3	7	10	11

1985 (6)

Nawal Parasi : dichte Bevölkerung. → Parlamentsbestrebung

Megar-Tarus (Terai), Congress-Klasse im District, Pradhan
Einige Christen → weigerten sich, für Opfer zu bezahlen. Begräbnis!
Trinkwasser funktionierte nicht!

b) The Board will take action on the subject as presented -

In order for a change of major policy to be effected,
either

- a two thirds majority vote at the meeting of the Board in session would be necessary for passage; or
- a majority vote, which would then be ratified or not ratified at the next meeting of the Board by at least a two-thirds majority vote of those present and voting."

4. Membership of Functional Boards.

i) Bye-law XV, Health Services Board. Section A: alter as follows -

3. Two voting members will be the Executive Director, who will be the Chairman of the Health Services Board, and the Treasurer.
4. Two voting members will be the Health Services Secretary and the Assistant Health Services Secretary. The HealthBoard.
5. Other voting members will be one or two representatives of each related Project/Program, or PMC (excluding the Functional Secretary), one of whom will be the Project Director.

Delete present para 5.

ii) Bye-law XVI, Education Board. Section A. Alter to read -

3. Two voting members will be the Executive Director, who will be the Chairman of the Education Board, and the Treasurer.
4. Two voting members will be the Education Secretary, and the Assistant Education Secretary. The Education Secretary will be the secretary of the Education Board.
5. Other voting members will be one or two representatives of each PMC (excluding the Functional Secretary), one of whom will be the Project Director; also education area representatives, the Language Consultant and the Administrator of the Training and Scholarship Program.

Delete present para 5.

c) Bye-law XVII, Economic Development Board. Section A.

3. Two voting members will be the Executive Director, who will be the Chairman of the Economic Development Board, and the Treasurer.
4. Two voting members
5. Other voting members will be one or two representatives of each PMC (excluding the Functional Secretary), one of whom will be the Project Executive Secretary.

Delete present para 5.

d) Bye-laws XV,B,2; XVI,B,2; and XVII,B,2.

A quorum is fifty per cent of the voting members. In case of a tie, the Chairman will have a casting ballot (a second vote).

(Amendments are marked with a line beside the para, or a broken line under words)

Minutes Books : To be discussed at the Board, and ask for definition as to what should be circulated, to whom:

Minutes of Board and Executive
Annual Reports
Financial Statements
Plans and Budgets

Observers at the Board. (Additional to proposed amendment circulated)

Recommendation from Coordinating Committee:

- a) Amend introduction to read -
"Observers at the Board meeting will normally only include -....."
- b) Add section e), to read -
"Only one observer may attend from any one member body, or agency."

Recommendation from Executive Committee: (instead of a) above)

Amend proposed d) to read -

"Representatives of other groups sending personnel to the UMN, outside the member bodies, or of Christian agencies contributing regularly to the financial needs of the UMN."

Re-assignments . Ref. Bye-law VII, C, 12.

The Administration small group is requested to discuss the matter of re-assignment of personnel from situations of stress, with a view to strengthening the authority of the Executive Director in making such assignments, and possible amendment of the Bye-law.

Purchase of Asha Niketan, HQ.

It was RESOLVED that the Executive Committee recommend to the Board approval of negotiations with Himal Hydro to seek the purchase, at an appropriate price, of Asha Niketan for use in providing facilities to enable greater coordination of the Headquarters function of the UMN. In authorising these developments, the Executive Committee reaffirms its commitment to decentralised planning and management, and to the policy of Nepalisation of its development programs and projects. In seeking these facilities, the Executive Committee also reaffirms that the UMN does not seek large appropriate of properties.

Project Directors: Christian or Non-Christian?

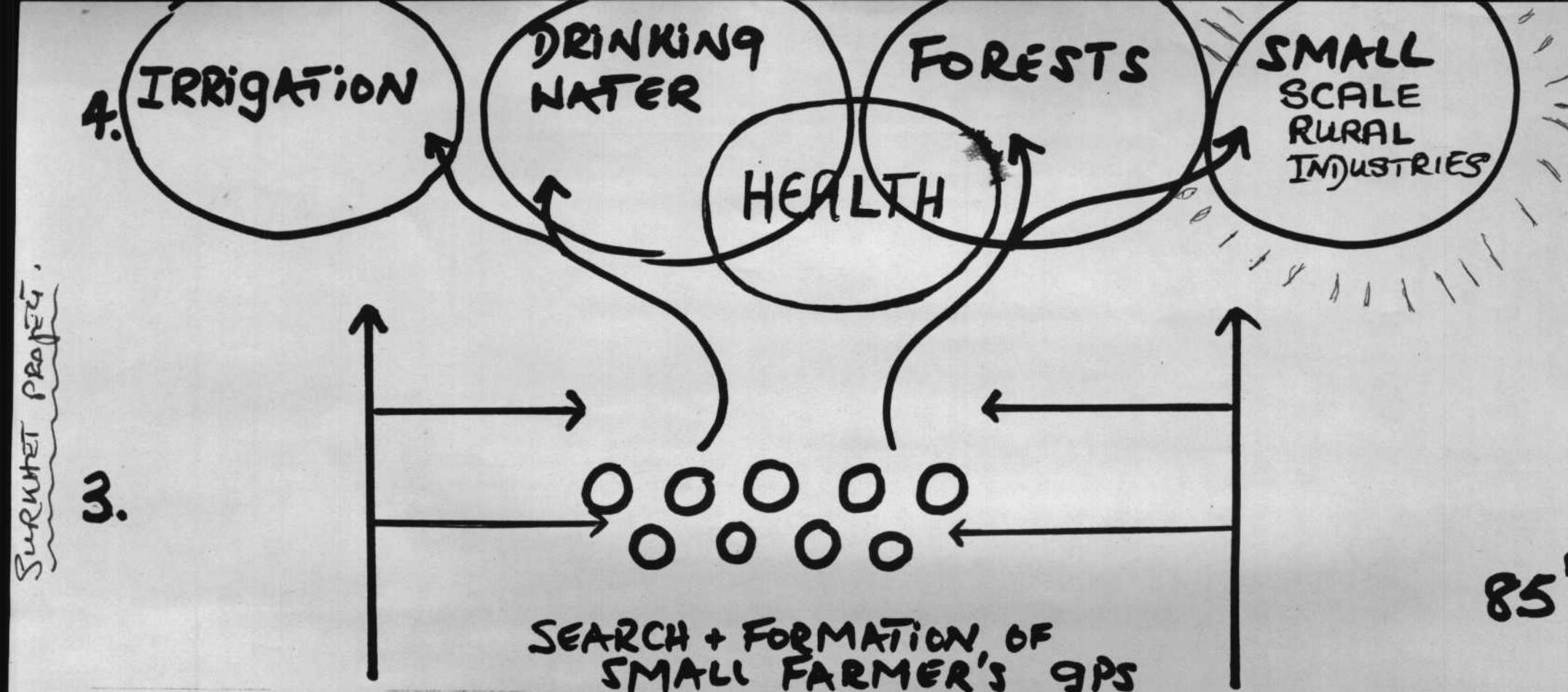
Opinions reflected different viewpoints; and included -

- The appointment of non-Christian directors can be disastrous to projects;
- The appointment of non-Christian directors over a team of Christians can provide a real challenge to the director to face up to the Christian message and values;
- UMN is not Church-oriented, but here to work as (individual) Christians;
- Non-Christian Project Directors appointed must be in sympathy with the aims and purpose of the UMN, and are only appointed after much consultation;
- Non-Christians cannot fulfil the Purposes of the UMN and serve in the name and spirit of Christ;
- The leadership of UMN must be Christian, from the top and down to the level of Project Directors;
- Should there be further safeguards written into the Bye-laws?
- Projects for which UMN is responsible must have Christian directors;
- The UMN is working for the handing over of projects, at which time non-Christian Project Directors may be appointed - UMN does not control this.

The subject was fully discussed, and it was RESOLVED that approve the policy that UMN leadership from the Project Director level upwards should be Christian in all projects for which the UMN is responsible.

FC(1)-8/85. Per Capita Grant Policy. The background history, method of calculation, etc. of the per capita grants was noted, and it was resolved to forward the following statement to the Executive Committee and Board for affirmation:

- a) The constitution provision that all member bodies are asked to pay an annual per capita grant for their workers is noted again.
- b) The amount of the per capita grant is set by the Board annually.
- c) The money is used to cover recurring and capital general administrative costs of the UMN, as per an approved budget.
- d) The per capita grant system is a method of calculating the amount requested from each member body; however, the money is given to the administrative fund as in c) above, and is not linked directly to the Board Appointee worker.
- e) Member bodies are requested to pay the per capita grant to cover the full period of furlough for workers who are away for up to six months. For workers who are away for longer than six months, member bodies are requested to pay the grant for at least six months of this period.
- f) Short-term workers who are in Nepal for less than one year should pay the grant on a monthly pro-rata basis.
- g) The above guidelines¹⁹⁰ apply to Board Appointees sent by agencies other than member bodies, and all Direct Appointees (including students), whether the grant is paid by a sending agency or personally..



ANIMAL HEALTH. BEE KEEPING
RABBITS CHICKENS
HEALTH.

SEE) STORAGE SEE) DISTRIBUTIONS
BIO-FERTILIZER TRIALS COMPOST PIT MAKING
CHULOS SOLAR DRYING.

2. PROGRAM INVESTIGATION AREA INVESTIGATION —

- SOCIO/ECONOMIC SURVEY
- TECHNICAL SURVEYS : IRRIGATION / DRINKING WATER
- INFORMAL INFORMATION GATHERING. ETC...

I. ESTABLISHMENT PHASE

- LOCATION
- BASE OFFICE
- STRATEGY

- AGREEMENT
WITH HMG.
(CONTINUING).

82/83

Table of Contents

1. UMN Development Work in Nepal
2. Surkhet Project Component Chart
Surkhet Project Duration Chart
3. Andhikhola Project (A.K.P.)
 Strategies of AK Irrigation Dev. Assistance -EDB-51/85
 Strategies of AK Water Users Association
 Strategies of AK Forestry Assistance Project
 Nepalization in the AKP
4. Role of Rural Dev. Centre -EDB -44/85
 Forestry Task Force Report-EDB-48/85
 Forestry Policy-EDB -49/85
5. Nawal Parasi Hills Dev. Project
 EDB-51/85
 Interim Report on Evaluation
 Agreement, Covering letter, Negotiation background
6. ID-PMC Long Term Planning Report
 Rural Electrification Report
 Institute of Technology & Industrial Agreement
 Revision Report (BTI/DCS) EDB-25/85
 Handing over shares to local community-EDB-40/85
7. Long-term planning documents are available.

UNITED MISSION SURKHET PROJECT

A perspective of "linking them together"

Prelude

Soon after this Project was started in Kunathari Panchayat, the need for a variety of activities as demonstration, teaching and experience was recognised. Following main criteria were followed when selecting those activities:

1. To be low risk, practical and applicable.
2. To avoid enhancement of existing power structures.
3. To fit to some of the expressed needs.
4. To fit staffs experience.
5. To give exposure of the Project/Staff through learning, teaching and demonstration and add credibility of the Project.

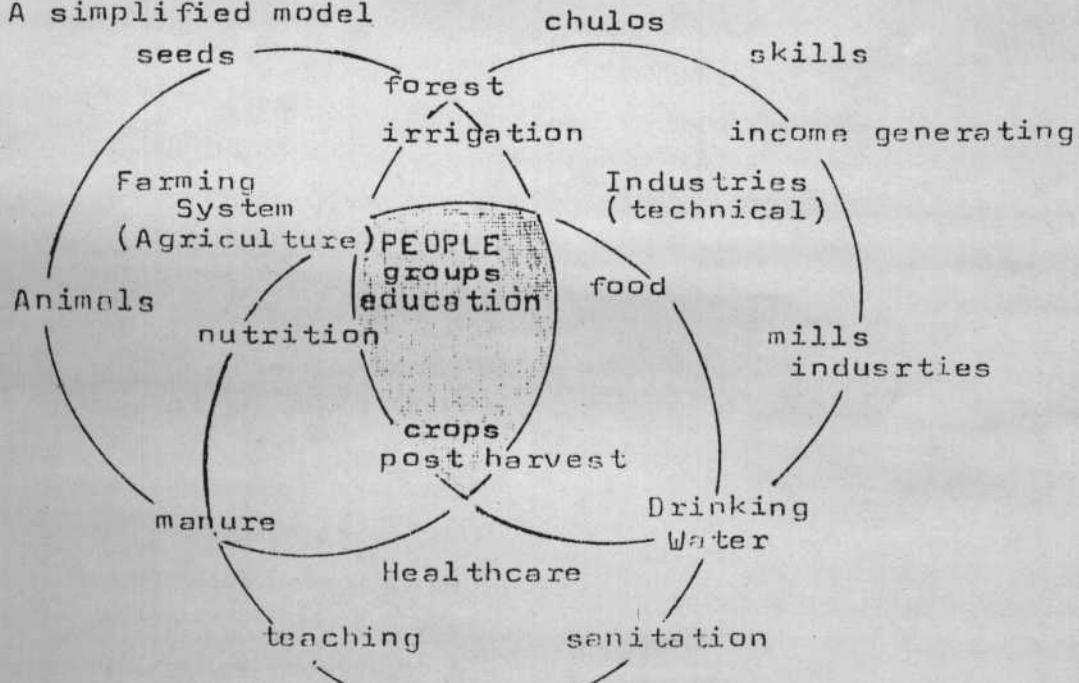
All chosen activities are components of Rural Development in the context of an integrated approach to Rural Community Development.

The prevailing philosophy expressed was:

"Outsiders can help - insiders must do the job".

Theme

A simplified model



Perspectives The interlinks of activities will need strengthening, also education and organisation of people. Eventually to be truly people based.

Remarks

There is a wide range of options for this Project to be involved in and it will need to work out criteria for assessing priorities. Considering present and future needs with emphasis towards those people who otherwise will be excluded. Our strength can be seen in continuity, discipline, example and patience.

UNITED MISSION SURKHET PROJECT

= working paper =

Tentative DURATION of PROJECT
(JULY to JULY)

Nepalization in the Andhikhola Project

Andhikhola, being a relatively new project, does not have b any examples of total Nepalization. However, keeping in view the statement from the AKPMC of February 1983 on Nepalization policy within AKP that 'Nepalization is the bringing of able and qualified Nepali staff into leadership positions in a planned and willed way' it is clear that this policy continues to form a very important basis of the work here. The policy of minimising project staffing levels and maximising local ocommunity involvement also continues to be a very significant part of the way the project is run. The following examples serve to illustrate something of the way that this is happening:

Water and Sanitation Programme

This programme is now coordinated by a Nepali. All organization, planning and management of a scheme is by a committee of members chosen from the local community. Project involvement is generally limited to giving technical advice.

Irrigation

The Andhikhola Water Users Association Board which will be the decision making forum for this work is composed of 11 members from the local community and only 1 from the Andhikhola Project staff. As with water supply the main involvement of the project staff will be in a technical assistance capacity.

Rural Industries

The ladies Magar cloth embroidery group have now set themselves up as a cooperative, with a Nepali Manageress. They operate from their own rented premises in Galyang Bazaar and are well on their way to full independance. It is planned to organise the crystallised ginger makers in a similar way next season.

Forestry

A Nepali nurseryman having received training from the project has now set up his own nursery, from which the project will buy seedlings for planting around the project area.

Hydro Electric Power

Although this programme has a limited amount of community involvement the expatriate staffing is kept to a reasonably low level, which maximises the responsibilities that Nepali staff carry.

From these examples it can be seen that the project is moving on in it's policy of progressive Nepalization. However, there is at the same time a concern that things shouldn't move overquickly in this direction, but that it should be clear that the person or group is ready and willing to take on the full responsibilities prior to it being handed over.

IC
25/2/85

Report of discussion group on:
Decision making in rural development projects

1. Identification of problem areas

The following areas of difficulty were pointed out:

a) Secondment to projects under different functional boards means that people are working with colleagues of different professions. The prevailing ethos of the project can lead to a sense of professional isolation.

It was noted it should be the responsibility of project directors to:

- i) Encourage identification of seconded staff with the project.
- ii) Encourage acceptance of seconded staff by others.
- iii) To see that seconded staff have access to professional advice.

b) Lack of policy guidelines for rural development work of UMN.

c) Project directors skills

- i) Most project directors do not have formal qualifications in administration.
- ii) It was questioned if UMN provides them with sufficient training for their job.

d) Are project plans adequately scrutinised?

- i) PMCs are often large groups.
- ii) There is a feeling that plans already thought through and typed out should not be disrupted.

e) Lack of specific rural development representation on UMN decision making bodies (Coordinating Committee, Executive Committee, Board).

2. Caution

It was observed that whatever structures are set up, there will always be difficulties. There is a tendency for restructuring to shift the problems to a different level rather than eliminate them, and after a period of time there will be pressure to restructure back to the original shape.

In UMN there was originally an area structure: this was changed to a functional structure: now there is some talk of recreating the area structure.

3. Possible solutions

A number of suggestions were made for possible steps to be made in working towards solutions to the problems outlined above:

i) Creation of a fourth functional board

Advantages would be - reduction in work load of present functional boards.

Disadvantages would be - other problems would be created: e.g. if CHP projects were under this board, would CHP workers relate to the RD Board or HS Board?

ii) Extra manpower at Functional Board level

Someone who could make regular visits to rural development projects, especially those outside EDB.

iii) Strengthen project level coordination

This would mean more decentralisation, and could be done recognising the difficulties of travel and communication in Nepal.

iv) Training and selection of project directors

We should look for people with administrative background, or provide suitable training.

v) Better use of RDC

Functional boards could encourage project directors to make more use of RDC for professional supervision and input.

vi) Preparation for PMC

Earlier preparation of materials would allow consultation and input at a professional level before presentation to PMCs.

INTERIM REPORT

Nawal Parasi Hills Development Programme Evaluation
Studies & Evaluation Programme, RDC
April, 1985 E. Sydnor

Work in Nawal Parasi Hills began in 1968 as a result of a move into community health work by Dr. M. Iwamura, who was working out of Tansen Hospital. The area was then part of Palpa District. In 1976 district boundaries were redrawn, and the area came within Nawal Parasi District, as it is today.

The early thrust was community health work in five panchayats, e.g., immunizations, village clinics, and health education, especially about sanitation and clean water supply. In 1969 an expatriate nurse took up residence in the area. In 1973 a dispensary was established in Bojha and served as the base for the community health work. MCH clinics were held in villages within a few hours walking distance in all directions.

In the 1970s, in addition to the community health work described above, a few latrines and a number of water systems were built, some seed distributed and improved breeds were introduced. A food for work programme was carried out in 1975. All of this indicates the difficulty community health workers have in confining themselves to areas commonly understood to be "health" in the western world and why "community health" does not limit itself to those commonly understood areas. Health is intricately related to other areas of life. And the expatriate staff were willing to try to do something to resolve those problems even if they did not have training in the specific field.

However, staffing for the project was never at the same level and so the activities outside of the community health work (narrowly defined) ebbed and flowed. Late in 1979, again in response to significant food shortages in the area another food for work programme was carried out. This time an agricultural engineer was given the responsibility for it, the first time a non-health trained expatriate worked in the area fulltime. He stayed on after the food for work programme to try to bring about change which could alleviate the need for food for work programmes in the area. Under him the Project was renamed the Buling Arkhala Project, and designated as an integrated rural development work. The work expanded over time, and a couple of years later it was ready to reach out to surrounding Panchayats, whereupon it was renamed the Nawal Parasi Hills Development Programme(NPHDP).

With the introduction of staff trained in areas other than health, the project was able to venture off into new fields. The health work over a number of years had been carried on by three Nepalis, all of whom were competent, reliable and hard working. Thus, the project could now begin to make sustained efforts into agriculture and rural industries all the while maintaining the level of health work it had already achieved.

Cont'd.....2

From late 1979 until the middle of 1984, when the expatriates were instructed to close down the work and leave the area, the project was involved in the following activities, to mention a few:

<u>Health</u>	<u>Agriculture:</u>	<u>Rural Industry</u>	<u>Education</u>
Dispensary	Seed distribution	Cotton (magar) cloth	Scholarships
MCH Clinics	Compost-making	Community-owned mills	to local
Health Education	Farming techni-	Ginger research	primary &
Nutrition research & teaching	ques		Secondary
Sanitation	Grain storage		students
Clean water supply	Introduction of improved breeds		
	Animal Health		

Significant good resulted from the work. The number of BCG injections alone was a major contribution to the region, including the economic life of the people. The dispensary had such a reputation people would walk two days to receive treatment from it. The ability to generate cash income by selling locally made cloth items on the tourist market, something which continues even now, was a clear step towards breaking out of poverty for some. And the list goes on. Two community-owned mills now service the area. Water systems abound. A large number of latrines were built. A novel, community-managed primary health care programme was initiated.

Some of these, though, do not have the self-sustaining power that others do. A BCG once given, needs no follow up. A novel community-managed health programme, regardless of how simple it is, does, especially if it is less than a year old. So does a community owned mill with two years experience behind it, though less so than the community-managed health programme. Maintenance of water systems and use of latrines showed mixed results, though by no means the high failure rate, sometimes 100%, others experience.

The larger issues are harder to evaluate. Have the people in the area come to believe that they themselves are the ones primarily responsible for their development? Or do they see that it is someone else--the UMN, the District Panchayat, or the national government--who is to be the provider and they are merely supposed to be recipients and benefactors? Or did the NPHDP have unrealistic expectations for the people of the area in its development programmes? (Most of us, for instance, are able to survive in Nepal because of a wide range of services and institutions we may never contribute to but only benefit from, including such things as acquiring passports in our own countries and receiving mail in our respective projects here in Nepal.)

It is clear that the NPHDP had good relations, though they could have been better at specific points (cf. "Version"). It is clear that the NPHDP carried out some good programmes, though they could have been better at certain points. And it is clear that NPHDP had some failures. At this stage, though, it seems more important, and equally clear, that the NPHDP was working in one of the poorest parts of central Nepal, among people who received almost no attention from government services because of their marginal position in the system. The NPHDP was mixing failure with some exciting success and standard approaches with some exciting innovations. And the NPHDP was, by and large, appreciated by the people and their leaders that they worked among. These points are not the end all of development work, or the Kingdom of God, for that matter. But they are nothing to be ashamed of either.



THE UNITED MISSION TO NEPAL

ECONOMIC DEVELOPMENT BOARD

Jyathatole, P. O. Box 126, Kathmandu, Nepal.

Telephone : 14457
Telex : 2315 UMNEPA
Please Mark : Attn. EDB

apprenticeship training : bio-gas research : integrated rural development
industrial development : rural electrification : small turbines and mills

Your Ref:

March 27, 1985

Our Ref:

Secretary,
Ministry of Panchayat and Local
Development,
Pulchowk

Re: Revised Proposed Nawal Parasi Hills Agreement

Dear Sir,

May the United Mission to Nepal submit the attached revised Proposed Agreement for the Nawal Parasi Hills Development Project for your consideration and approval. It is hoped that the document adequately describes the concept and character of the proposed work.

The revisions incorporated into the Agreement, we believe, reflect the spirit and objectives of His Majesty's Government as stated in the Basic Principles of The Seventh Plan (1985-1990) re: National Planning Commission Report, March 1984.

UMN fully agrees with and heartily appreciates the Directives which His Majesty King Birendra Bir Bikram Shah Dev presented to the Members of the National Development Council. We quote from Article 3. "Let us not forget that any plan of development directed to raise the living standards of the people can be brought to fruition only with the active participation of the people themselves. This is where it becomes imperative to activise the village, town and district panchayats by defining clearly their roles, rights, duties, and obligations."

Further noted is the strategy "To decentralize economic management and invest the economy with greater capability and competence." (Chapter III, Number 9.) With this also the UMN is affirmative. Regarding the implementation of such a strategy, may we draw your special attention to Articles I, II, III, and IV of the proposed agreement where the expressed intention is to help facilitate "the representatives of the local

Cont'd.....2

people to step forward to overcome the hardships experienced by the local people and to take in hand those small development works which have great importance in the local context." For these reasons it is noted in Article II of the proposed agreement: 2.1 The scope of NPHDP is mainly to provide assistance to Panchayats in their carrying out their development activities, and 2.2 All U M N-assisted projects of NPHDP are to be under the ownership of the Users Committees, Wards, or Village Panchayats. The main thrust of U M N will be in assistance, training, and technical input.

It is noteworthy that the Decentralization Act, 1983, has been placed on the statute book. The U M N has sought to take cognizance in this proposed agreement of the aims of HMG to "speed up the process of development by entrusting the local panchayats with the task of local development." To quote further from 9. (a) Local panchayats: "In order to realize this objective it is of utmost importance that the administration of the local panchayat units be strengthened and shored up and that their competence to mobilize local means and resources be geared up. Institutionalized development is not a matter that can be achieved at a stroke. It must be built from the bottom up. It calls for a good deal of time and energy." This sums up the approach which U M N personnel hope to follow and implement.

Finally, may it be noted that UMN commends those who have formulated the Guide lines for drawing up district, village and town plans. (Chapter V, c. 2. These also have been included in the formulation of the NPHDP concept and philosophy.

Thus, the U M N offers the proposed agreement to you for your kind consideration and approval. We regret the delays in the revision work, but trust that as it stands the proposed agreement may be found acceptable and workable. May we soon have your response.

Yours sincerely,

Al Schlorholtz

Al Schlorholtz
Economic Development Secretary
United Mission to Nepal

cc: Chief District Officer,
Nawal Parasi
J. Howard Barclay, U M N
Executive Director

PROPOSED
AGREEMENT
BETWEEN
HIS MAJESTY'S GOVERNMENT OF NEPAL
AND
THE UNITED MISSION TO NEPAL
ON
NAWAL PARASI HILLS DEVELOPMENT PROJECT

His Majesty's Government of Nepal (hereinafter referred to as "HMG/N"), Ministry of Panchayat and Local Development (hereinafter referred to as the "Ministry" and the United Mission to Nepal (hereinafter referred to as "UMN"),

Keeping in view the existing co-operation between HMG/N and UMN in different fields of development, and

Being desirous of further strengthening this relationship by co-operating in the field of economic development, and improvement of the basic human services,

Have agreed as follows:-

ARTICLE I
THE PROJECT

- 1.1 The Ministry and the UMN agree to implement the Nawal Parasi Hills Development Project (hereinafter referred to as "NPHDP") described in the schedule attached herewith.
- 1.2 NPHDP shall be carried out by the local panchayat government and the maximum participation of the local people in cooperation with the UMN, under the Decentralization Act, 2039 and in accordance with the attached Schedule.
- 1.3 For the successful implementation of NPHDP, consultation and cooperation with different concerned agencies and departments of HMG/N shall be undertaken.
- 1.4 UMN shall assist the Ministry and District Panchayat in providing technical assistance and training as per the Annual Nawal Parasi District Development Plan and in accordance with the attached Schedule.

ARTICLE II
OWNERSHIP AND MANAGEMENT

- 2.1 The scope of NPHDP is mainly to provide assistance to Panchayats in carrying out their development activities.
- 2.2 All UMN-assisted projects of NPHDP are to be under the ownership of the Users Committees, Wards, or the Village Panchayats.
- 2.3 UMN will assist with capital projects such as community drinking water systems, small scale irrigation, nurseries, and cottage industries.
- 2.4 The specific assistance to the Panchayats by NPHDP shall be proposed by a selection Committee, chaired by the Local Development Officer. Other members shall include the District Panchayat Chairman, One UMN Representative, and District Panchayat Members who have Panchayats within the NPHDP area.
- 2.5 NPHDP Planning and Management Committee of the UMN will decide from the proposed assistance what specific assistance will be given by UMN, within plans and budgets approved by UMN.
- 2.6 Selection of Projects shall be based on recommendations of Village Panchayats, the resources NPHDP has available, the technical feasibility and preliminary survey information for Projects, and the Local Panchayat Development Plan, and in accordance with the attached Schedule.
- 2.7 In other programmes such as agriculture, animal health, community health, sanitation, grain storage, reforestation and erosion control, UMN will assist panchayats by providing training and technical assistance.

ARTICLE III
FINANCIAL ASSISTANCE

- 3.1 Capital grants shall be provided by UMN as necessary to implement the mutually agreed upon plans.
- 3.2 The total assistance provided for NPHDP is estimated to be up to Rs. 50 lakhs over a 5 year period. This amount will be contributed to NPHDP by UMN in cash, kind and services.
- 3.3 UMN shall handle finances and keep a separate account of its expenses relating to the fulfillment of its responsibilities

3
herein. Such accounts shall be subject to inspection by the Ministry at all times.

- 3.4 Allocations by the UMN shall be channeled to the District Panchayat at agreed stages in the execution of the activities mutually agreed upon, according to the approved Plans and Budgets and according to progress in the execution of the activities.
- 3.5 Financial and personnel assistance may be made available by other international organizations than UMN upon the prior, mutual agreement of the Ministry and UMN.
- 3.6 The accounts of the District Panchayat relating to activities undertaken with assistance from NPHDP shall be open to inspection by UMN at all times.

ARTICLE IV RESPONSIBILITIES OF UMN

- 4.1 To provide consultants to work in the NPHDP area.
- 4.2 These consultants shall assist the LDO in coordination of the various activities under NPHDP and assist the LDO in supervising their implementation.
- 4.3 In as far as practical and possible the consultants provided by UMN shall be well qualified expatriate and Nepali personnel.
- 4.4 UMN shall provide training to local Nepalis in order to strengthen local structures for the continuing development process of the NPHDP area.
- 4.5 UMN shall be responsible for the procurement of all agreed upon materials and equipment required for the execution of activities assisted by NPHDP, and shall include such materials and equipment as part of their allocation to the District Panchayat (See Article 3.4)

ARTICLE V RESPONSIBILITIES OF HMG/N

- 5.1 HMG/N shall give such support as may be necessary in dealing with local authorities and private parties.
- 5.2 HMG/N shall issue or cause to be issued licences and permits which are required for the implementation of NPHDP.
- 5.3 HMG/N shall through the Ministry represent the interests of NPHDP in relation to other departments or agencies of HMG/N.

ARTICLE VI
FACILITIES TO BE GRANTED TO UMN

6.1 HMG/N shall grant the following facilities in connection with the implementation of NPHDP.

- a) Exemption of payment of sales tax and customs duty on goods, materials, equipment and vehicles imported into Nepal by UMN for use in NPHDP and excise and sales tax on goods purchased locally from local procedures and HMG/N owned institutions for use in NPHDP.
- b) Issuance of visas or permits for UMN expatriate personnel working under NPHDP to travel and live anywhere in the Nawal Parasi Hills as may be required in order to carry out their work, without payment of any fees or charges.

ARTICLE VII
MISCELLANEOUS

- 7.1 This agreement shall come into force from the date of its signing and shall remain valid for a period of five years, subject to the General Agreement between HMG/N and UMN dated 29th May, 1975 (as attached) remaining valid, and may be extended through negotiation and mutual agreement.
- 7.2 Upon mutual agreement between the two sides any provision or provisions of this agreement may be amended.
- 7.3 Any difference between the parties arising out of the implementation of this agreement shall be settled amicably by mutual consultation, However, if it is not settled that way it shall be referred to HMG/N whose decision shall be final and binding.
- 7.4 This agreement shall in all respects be subject to the terms of the General Agreement between HMG/N and UMN dated 29th May, 1975 (as attached).

Done in Kathmandu on the in four originals two in English and two in Nepali, both texts being equally authentic. However, in case of divergence the English text shall prevail.

For and on Behalf of
HMG/N Ministry of Panchayat
and Local Development.

For and on behalf of
United Mission to Nepal.

SCHEDULE

DESCRIPTION OF THE PROJECT

1. LOCATION: NPHDP is located in the Hilly Panchayats of Nawal Parasi District, Lumbini Zone, namely Ratanpur, Kothar, Bulingtar, Upallo Arkhala, Dandajheri, Bhartipur, Jaubari, Naram, Mithakarem, Ruchang, Der Gaun, Rakuwa and Dhobardi all of which are located in District Development Regions 8 and 9, and Hapsikot Deurali and Beni Manipur which are located in District Development Region 7.
2. EXECUTING AGENCY: The United Mission to Nepal in cooperation with the Ministry of Panchayat and Local Development.
3. BENEFICIARIES OF THE PROJECT: Residents of the Nawal Parasi Hills.
4. PURPOSE AND OBJECTIVES OF NPHDP: The purpose of NPHDP shall be to assist the District Panchayat and Village Panchayats in initiating and supporting rural development efforts in the Nawal Parasi Hills. Particular emphasis will be given to the marginal groups of the area, locally Panchayat-managed development, contributing towards the raising of basic human services, and an equitable distribution of benefits, with the following objectives
 - 4.1 To improve the income and standard of living of the people,
 - 4.2 To increase production in agriculture.
 - 4.3 To provide sustaining local opportunities for meaningful employment.
 - 4.4 To restore ecological balance through local management and the efficient use of available natural resources.
 - 4.5 To enable persons to carry out their own development by improving their education and skills.
 - 4.6 To increase self reliance so as to mobilize and effectively use local resources, as well as to lessen dependency on other areas for aid, consumer goods and seasonal employment.
 - 4.7 To encourage mutually acceptable traditional methods of organizational management.
 - 4.8 To integrate development efforts into local institutions.
 - 4.9 To support and cooperate with government services throughout the area.

The Cast

National Panchayat Members(NPMs) from Nawal Parasi:
NPM Madan Bahadur Pradhan
NPM ~~Yadav~~ Pant(former Finance Minister)

District Panchayat Members in Nawal Parasi:
DPM Lungari(from the Nawal Parasi Hills?)
Chairman of District Panchayat(name unknown; from Rajahar).

Pradhan Panchas:
Bartipur
Jobari
Dharajeri(sp?)
etc.

Ward members.

District Officials:
CDO
LDO
DAO
DFO

One version of efforts to get an agreement with Local Development Ministry after the NPHDP was told to leave Nawal Parasi Hills. Reported by B. Syndor on the basis of a discussion with one former staff of the NPHDP. April, 1985.

The Background.

In Nepal there is a fair amount of "competition" between politicians who support the present political structure, called the Panchayat System, and those who would like a change, usually for a multiparty system (some of them being content with that as the goal, others seeing it as a step along the way to another type of system). Among the latter is a group known as the Nepali Congress which is an outlawed political party and so must be referred to in writing as NC(O). For this issue this simple introduction to politics in Nepal is sufficient.

Among the cast above, all of the national and district panchayat members support the Panchayat System except for the Chairman of the District Panchayat. This fact becomes very important in what follows.

Secondly, NPM Pradhan was good friends with DPM Lungari. Indeed, Lungari was very helpful to Pradhan in getting his position as an NPM.

Attitudes Towards the NPHDP.

None of the village leaders were against the NPHDP, except for three Pradhan Panchas, especially in Bartipur and Jobari. The former one's chances at re-election is unknown; the latter one will most likely be reelected. In addition, the PP of Dharajeri seemed to be neither for or against NPHDP but would "blow whichever way the wind was blowing." Since he resides in Chitwan he is not much of a factor anyway.

The District Panchayat members who knew of NPHDP supported it. Of the two National Panchayat members, Pant seemed to know nothing of NPHDP. But Pradhan did, having frequent contact with it and even helping John Williamson on occasion. However, he did a complete turn around due to the political issue mentioned earlier.

The District officials did not like NPHDP. The DAO and DFO had a bad impression of the UMN because it did not keep them informed of what it (NPHDP) was doing. The CDO and LDO simply did not like the NPHDP.

Nepali efforts to get NPHDP an Agreement

The Chairman of the District Panchayat (hereafter referred to as Chr) became very active in trying to get an agreement for NPHDP after it was closed down. This was in response to 7 Pradhan Panchas coming to him to ask his help in this matter. All of them came to Kathmandu and spent about 15 days in KTM trying to get an agreement through. They went all over KTM in this effort. (I believe Mr. Joshi from EDB SO was with them for part of their efforts). The fruit of their labor was that they almost had an agreement from the Secretary of LD.

However, NPM Pradhan opposed this effort because he saw that if the Chr was successful the credit would go to the NC(O) and he would not benefit. Since his friend Lungari was involved in this effort, alongside of the Chr, he warned his friend. But Lungari said he did not care about that and continued to work with the others.

While the Ministry Secretary was on the verge of giving an agreement the Assistant Secretary intervened and warned him that if trouble came from giving an agreement it would be on his hands. NPM Pradhan, too, seemed to be working against the agreement, though whether it was independent of the Asst. Sec. or with him or even pushing him is unclear. However, the one who gave this account actually put the finger on NPM Pradhan as the force behind the agreement being blocked in spite of the large efforts by the two DPMs and the PPS.

Report on Community Ownership of Mills & Small Farmers Development Program (EDB-26/85)

Ken Webster

The DCS Director reported that in addition to the two community owned mills at Nawal Parasi and the one at Chher-lung in Palpa District, that work is proceeding at Lalitpur (by the CDAP UMN staff) and another is being planned at Washpu in Easter Okhaldhunga. In Surkhet attempts at motivating the local people had not been successful. He reported that the SFD Program under the auspices of the Agriculture Development Bank Nepal fourteen installations had been funded and completed. This is noted as a commendable achievement. It is noted that the word "Group" may be a more accurate word than "community".

In response to EDB-26/85, the DCS Director submitted the following description of the SFD Program:

1. Loans are available to groups (Minimum of 5 people, Maximum No Limit) whose individual per capita annual income does not exceed Rs. 950. The program is especially designed for small, poor groups of farmers who some times are landless.
2. To date there are 3,600 small groups who have taken loans for various purposes.
3. No collateral is required for women's groups, but a loan limit exists of Rs 3,000 per member of such groups.
4. For other groups the SFDP is flexible when it comes to collateral and in many cases the Bank has given loans without collateral.
5. The loans are given for many purposes, for example:

Bee Farms	Bullock Carts
Orchards	Poultry Farming
Irrigation	Food Production
Turbine Mill Installations	Cash Crops
Gobar Gas Plants (Methane)	Fish Farming
Goat & Livestock Breeding	

6. Priority Sector is Landless People.
7. Loans are given up to 7 years to repay with interest rates varying from 10% to 17% depending on the purpose.
8. Each member of the group applying for a loan must sign a document accepting responsibility for repayment of loan.
9. Loans of up to Rs 200,000 have been given.
10. Members of groups applying for loans cannot own more than 1½-2 Bighas of land on the Terai (1½-2 depends on the quality of the land but 2 is the maximum), and 13 Ropanis of land in the Hills.
11. The biggest group to which the SFDP has given a loan comprises of 40 members. While there is no limit to the membership, the more members there are in a group, the more the problems.

12. The SFDP has given a loan to one small group which also received a subsidy from UNICEF of Rs 20,000 (a turbine installation). Other Aid agencies have expressed interest in subsidies, and DCS was asked if it would be interested also in proving a subsidy.
13. When applying for a loan each member of the group must fill out a questionnaire and the Bank will visit each household to ensure that the applicants are within the loan criteria.
14. Before a group applies for a loan the members must demonstrate that they can work as a group (a manageable group) with nominated and elected Chairman, Treasurer, and Secretary. The Bank will not organize any groups, because the initiative should (or must) come from the group. The SFDP believes that if the group is organized from "outside" the community, it will not succeed. All ideas must be developed by the group itself.
15. These groups are also encouraged to save Rs 5 or Rs 10 each member per month, and then in times of trouble or for other investments money is available. (Success stories of saving were ~~not~~ shared with us.)

1

SOME DISCUSSION QUESTIONS
FOR
THE INDUSTRIAL DEVELOPMENT LONG TERM PLANNING REPORT

1. Do you agree with the thrust of the objectives in statement 2 ?
2. The report advocates a two-pronged approach in industrial development:
 - (i) direct UMN involvement in ownership and management of industries should be limited to medium and large-scale units where it is important to demonstrate the possibilities of team management and formal transfer of technology from outside;
 - (ii) at the same time and with equal or more emphasis, UMN should promote and assist local small and cottage industries (both rural and urban) by providing good support facilities and services such as training, consulting, marketing, R&D, etc. (see statements 3.2, 3.3, and 6.2-6.4)

Do you agree with this approach ?

3. Whereas the possible areas for industrial involvement are virtually unlimited but our resources are very limited, can the Executive Committee or the Board suggest two or three areas where we could concentrate our efforts? Examples of possible areas:
 - (i) production of energy (e.g solar power, hydro power, biogas, wood);
 - (ii) productive uses of energy (e.g. appropriate industries that can efficiently utilize hydropower, solar power, fuel wood);
 - (iii) agro-related industries (e.g. processing of food products, forest products and cash crops, manufacture of fertilizer);
 - (iv) infrastructure for remote and isolated parts of Nepal (e.g. ropeway for Jumla, apprentice training for Surkhet);
 - (v) production of consumer goods (e.g. garment, utensils, electronic goods).

The objective themselves do not dictate any particular areas of involvement because they can be pursued and achieved in many different areas. The study group **thought** long and hard on this question but failed to reach a consensus. Perhaps this is because we are too deeply involved and do not have the right perspective which Executive Committee and Board members may be able to supply.)

4. Should a comprehensive evaluation of the industrial work in Butwal over the past 20 years be undertaken? (see note (d) statement 5.) If yes, please suggest how this might be implemented and source of financing.

FINAL REPORT

INDUSTRIAL DEVELOPMENT WORKING GROUP ON LONG TERM PLANNING

Terms of Reference of the Study Group

To study and to make recommendations on:

1. The rationale for UMN's involvement in industrial development.
2. The objectives of UMN in industrial development.
3. The appropriate models to be used by UMN to achieve the objectives
4. The priorities of UMN's involvement in terms of both personnel and finance.
5. The options for the future of existing industrial projects.
6. The options for future new industrial projects.

Definitions

1. Small industrial unit:

An industrial unit controllable and manageable by one person.

2. Medium/Large industrial units:

An industrial unit which requires team management rather than one overall manager. In jobbing industries, e.g. engineering, this appears to mean more than about 15 employees. In process industries, e.g. textiles, this appears to mean more than about 40 employees.

3. Rural area:

Any area outside a town panchayat.

4. Rural industry:

a) An industry located in a rural area whose products use local raw materials which after manufacturing or processing, are principally sold in distant markets (e.g. food processing).

b) An industry located in a rural area which depends on distant sources for raw materials but whose main market for the goods produced is near the manufacturing unit, e.g. metal cooking pots. In both cases there is a dependence on suitable transportation.

INDUSTRIAL DEVELOPMENT STUDY GROUP

Statement No 1

The Rationale for UMN's Involvement in Industrial Development.

Statement:

- 1.1 The Good News of Jesus Christ meets the needs of the complete man involving both spiritual and physical aspects as one wholeness. Our calling as UMN is to bring to man this full Good News which reaches out to every aspect of society including the industrial sphere.
- 1.2 There is a need for a growing industrial sector in Nepal to meet the physical needs of man, by increasing the supply of food and manufactured goods, and increasing employment opportunities. (See Notes (a) and (b)).
- 1.3 There is a great challenge for the Christians to be involved in a growing industrial environment and to minister to the needs of the people in that environment in the name and spirit of Jesus Christ.

Notes:

- (a) Industrial development can be an effective to impart a secure livelihood to motivated people who were previously resourceless and to help them stand on their own feet. Industry can provide dignified employment under fair working conditions.
- (b) The supply of food can be increased by making better farming and irrigation equipment, or by food processing industries, or by increasing the wealth available for food purchase.
- (c) Industrial development often leads to urbanization. We should be aware of both the benefits and disadvantages of this and work towards creating a good social and physical environment.

INDUSTRIAL DEVELOPMENT GROUP

Statement No. 2

The objectives of U.M.N. in Industrial Development.

Statement:

U.M.N.'s long term objectives in industrial development are:-

- 2.1 To help motivated poor people to increase their standard of living and improve their quality of life, by offering employment and training opportunities in industries that encourage import substitution and the management of local natural resources.
(See Notes (a), (b) and (c)).
- 2.2 Within the overall purposes of U.M.N., to demonstrate and encourage the application of Christian values and standards in industry and in the industrial environment of Nepal.
(See Note (d)).

Notes:

- (a) We believe that God has given us a special responsibility for the poor, and that this is shown through many passages of Scripture which highlight that God is a God of justice; and that the rich have often oppressed or neglected the poor.
- (b) Whilst it is our aim to help the poor, we seek to do this with the help of educated, experienced and trained people, both expatriate and national.
- (c) Goods produced should be those needed or beneficial to the people of Nepal. They should aim at helping the poor either by end use or by giving employment but should exclude detrimental items.
- (d) It appears that Nepal is heading towards being a food deficit country. Industry can play a role by exporting goods to buy food. It can also reduce unnecessary payments for goods it can manufacture itself.
- (e) We believe that the way we deal with employees and customers gives us opportunities to express the Christian values of love, trust, stewardship and justice. We need to foster a sense of dignity to all honest work irrespective of what it is.

INDUSTRIAL DEVELOPMENT STUDY GROUP

Statement No.3

The appropriate models to be used by U.M.N. to achieve its objectives.

Statement

3.1 U.M.N. should encourage the formation and strengthening of models which by their running promote values of love and mutual understanding. Workers Co-operatives, possibly as share owners of private or public limited companies, could be a good model to achieve this, but the same values can be demonstrated in other models. (See Note (a)).

3.2 In the process of Nepal's development, medium and large scale industrial units will be needed in order for certain industries to be economically viable. We feel that we can make the biggest impact by encouraging industrial units which require good team management and the transfer of technology for their success. Both of these are needed in medium and large scale units.

3.3 We also feel that we should help smaller industrial units by initiating certain enterprises and providing support facilities like research and development, or management consulting services. Smaller units seem to be naturally successful in Nepal, so we should not try to set ourselves up in competition with them.

3.4 It is recognised that there will sometimes be conflicts between training needs and the needs of industry. However, we should ensure that our models allow training to be an integral part of our work. Training beyond the needs of our own companies may have to be subsidised to help the greater needs of the whole country. (See Note (b)).

3.5 We favour handing over companies to Nepali management and ownership in a gradual and controlled manner. It is unlikely that a company will be ready for handover in its first seven years but, unless there are exceptional circumstances, we should aim to hand over all companies within fifteen years of their establishment. Factors of size and complexity will govern this (See Note (a)).

Notes:

(a) Up to now we have only used one model for establishing and handing over companies. We should be prepared to try other models and to be flexible to change the model if we see problems. For example, another model for establishing a company could be a workers co-operative, another model for handover could be an early handover of shares, leaving seconded personnel in the company as managers or technical staff.

(b) Training in management skills is just as important as training in technical skills.

(c) In all that we do to try find the best models for industrial development we recognise our own shortcomings. We should be sensitive to learn from mistakes that have been made in the past and be ready to seek forgiveness and to give forgiveness.

(d) We should be more active in recruiting experienced managers to fill senior positions and act as advisors on a long term basis, and we should beware of putting inexperienced people into senior management positions. U.M.N. representatives on company boards should be given help and training in how to fulfill their responsibilities.

INDUSTRIAL DEVELOPMENT STUDY GROUP

Statement No 4

The Future Priorities of UMN's involvement in terms of both Personnel and Finance.

Statement

All new proposals for UMN's industrial involvement should be evaluated against the objectives in Statement No 2. The Study Group proposes the following framework as a starting point, but accepts that this will be added to or modified as more ideas come to light. The proposed system of scoring is meant to be a help to decision making, and not a substitute for informed judgement. Scores arising from 4.1 and 4.2 are not intended to be added to form an overall score, as they relate to completely different areas of concern. However, comparative scores in these areas from different projects will help in forming judgements.

4.1 Increase in the standard of living of poor people:

- a) Consider the benefits from direct and indirect employment, as well as the end use of goods produced. Assign a ~~score~~ on scale 1 to 5 (see appendix 1)
- b) Add an extra $\frac{1}{2}$ point for each following condition which is met:
 - more than (say) 20 jobs created for each UMN person seconded full time.
 - training for significantly more than one's needs.
 - product is an adequate substitute for imports.
 - manages local natural resources in a responsible way.

4.2 Improvement in the quality of life of poor people and the application of Christian values and standards. Score 1 point for each following condition which is met.

- a) Encourages good co-operation within the workforce, and a good community spirit.
- b) Encourages good stewardship of resources by people.
- c) Encourages rural industries that seek to minimise the disadvantages of a rural setting.
- d) Encourages urban industries that seek to minimise the disadvantages of urbanisation.
- e) Gives employee ownership or co-operative ownership.
- f) Demonstrates good planning in procurement so as to minimise the problems of irregular payments.
- g) Reduces the drudgery of daily tasks.
- h) Provides social security for employees (e.g. housing)
- i) Encourages people to be sufficiently self motivated so that they would continue to grow in standard and quality of life even if the project were removed.
- j) Encourages family units to stay together.
- k) Demonstrates concern for the safety of workers and consumers.
- l) Takes measures to protect the environment.

4.3 No project should be started unless it is feasible on technical and financial grounds, and fits in with personnel available and local infrastructure and the national economy. We affirm the need to do base studies and feasibility studies before accepting new projects, and to consider carefully all technical aspects, social and economic consequences, personnel and finance needs, and local infrastructure.

Notes:

(a) There is a danger of letting the available resources of personnel and finance dictate the priorities for us, but we should be firm in our resolve to evaluate the overall situation and keep to our plans. At the same time we recognise that no formula can apply to all situations, and we should be sensitive when God calls us to move on other directions than the above analysis suggests.

(b) when considering the benefits listed in 4.1a all the benefits should be considered. If this is done realistically then projects which do not have an immediate visible impact on the poor would not be excluded as long as the existence of the project ultimately helps poor people.

INDUSTRIAL DEVELOPMENT STUDY GROUP

Statement No 5

The Options for the Future of Existing Industrial Projects

Statement:

The following proposals are recommendations for UMN to consider in its position as an active shareholder of the companies.

5.1 Butwal Technical Institute (BTI) Because UMN is ready and committed to hand over BTI to HMGN by November 1986, we should encourage the BTI Board to make definite proposals for the handover process and to get a commitment from HMGN to take over BTI and all its staff and assets.

A radical reshaping of BTI at this late stage may discourage HMGN from taking over on the proposed date, therefore we do not propose to try and reorganise either BTI itself, or the way it receives its income, unless requested to do so by HMGN. However, we may make proposals to HMGN about how to incorporate BTI into the Industrial Training Act 2039. This would include direct subsidies for trainees, and using surplus income from assets to fund other similar training programmes.

Because of the close link between training and industry, and because of our commitment to both, we should do everything possible to try and ensure the stability of companies which at present have a high training burden. This would involve seeking HMGN subsidy to cover excess training costs which are presently paid by the companies (see 5.3). We should also make proposals for outside funding for a limited period (e.g. 5 years) to help HMGN ease into this subsidy programme.

5.2 Butwal Wood Industries (DWI) The share distribution in DWI is: BPF - 49%; UMN - 12% giving a balance on the Board of Director which has worked well in recent years. This fact and the small size of DWI, and the fully Nepalised management team make it suitable for an early handover to full Nepali ownership.

BTI 39%

We should take immediate steps to hand over UMN shares to a workers management committee. Workers representatives should be elected as soon as possible and sit on the Board of Directors as observers to gain training and understanding, followed by discussion groups and training sessions. A target date of the end of 1985 should be set when we should hand over shares management to the workers group; either through a workers co-operative, or by direct election from the workers. Arrangements should be made to ensure continuity of representation on the Board.

5.3 Butwal engineering Works (BEW) Discussions about the future of BEW cannot be separated from discussions about the future of dTI and NHE. Because of our commitment to training we have used BEW as a means of financing dTI and in the absence of other sources of finance this should continue. However, we should seek outside finance (either from HMGN or other sources) to cover training costs in excess of the immediate needs of BEW.

At the same time BEW will benefit by having more independence from dTI. For example this could be by having close links with NHE such that NHE has a strong voice on the BEW Board to act as a balance. To do this NHE would have to be a major shareholder of BEW.

We should work towards handing over UMN shares in BEW to a workers co-operative or workers share management committee within the next few years, having carefully monitored similar schemes in other UMN companies. BEW's objectives and priorities should be more clearly defined, otherwise the tension between a high training burden and the needs of efficient production which has been there in the past will remain. If the output of trainees were seen as the priority, then the tension would be reduced but there would be a greater need for outside subsidy. Similarly, a priority of efficient production would reduce the tension, but then the opportunities for training would be less.

5.4 Butwal Plywood Factory (BPF) The share distribution in BPF is: UMN - 51%; NIDC - 33%; dTI - 15% other - 1%.

Because of the large nature of the company, and the large UMN shareholding, we would suggest that our UMN shares ultimately be split so that some will be managed by a workers co-operative or workers committee, and some handed over to another party e.g. HMGN Forest Department. Handing over shares management to workers should only be considered after carefully monitoring the progress of this scheme in dTI. We should work towards a final handover by the end of 1988 which would be 15 years after the start of the company.

5.5 Himal Hydro and General Construction Because of its large size, rapid expansion, and high proportion of engineering staff, Himal Hydro represents a special case among the UMN companies. If our priority is to further penetrate the market in mid range hydro schemes, then we are unlikely to be able to reduce our involvement because it has been so hard to find Nepali managers and engineers. If however, Nepalization is our highest priority, then Himal Hydro will have to severely limit its growth.

One good reason for allowing Himal Hydro to expand freely is its value in import substitution, i.e. taking those construction projects which would otherwise be staffed and managed by foreign companies.

One answer to this conflict of priorities is to continue to second a fixed number of UMN people, while allowing the company to expand, so that the proportion of expatriate staff reduces.

Handing over of UMN share ownership should not necessarily wait till all posts have been filled by Nepali staff. This would be in line with Statement 3 note (a) but some people have reservation about its application to Himal Hydro.

- 5.6 Andhi Khola Hydel and Rural Electricity Project (BPC AHREP)
Because this is comparatively young project we should formulate and discuss several options for the eventual handover of the Andhi Khola Power Plant, so that when the time comes there is a good base for decision. Among these options should be that of handing over in some way to local people or a company independant of Nepal Electricity Corporation.
- 5.7 Nepal Hydro & Electric (NHE) UMN will have no direct shares in NHE so the question of handover of share ownership does not arise. We see the need to second people to NHE for some time but because of the newness of this project and the studies already done, the group does not feel that they should make any recommendations about the scale or degree of involvement at this time. We see secondment of UMN personnel to NHE as worthwhile on the same basis as secondment of UMN personnel to any other project which is in line with our aims and objectives.
- 5.8 Gobar Gas Company It appears that this is not a commercially viable company in its present form, but is in the process of re-organisation. We feel that we should not withdraw too quickly but work to strengthen the programme, whether through the company or by other means.

Notes

- a) We should put more emphasis on recruiting qualified and experienced personnel (both expatriate and Nepali) to fill senior positions, and on training them for their tasks. This would include training of Board members to fulfill their responsibilities. We also recommend that UMN representatives on company Boards as far as possible serve for a minimum period of 2 years.
- b) We regard all existing UMN companies as being in line with our rationale and objectives (statements 1 and 2). They each draw out and emphasise different aspects of these objectives.
- c) We should constantly be aware of the sociological impact of our work in setting up and running industrial units. We must work to making this impact of a positive nature, not a negative one.
- d) The study group does not feel that the report up to this statement offers a fully comprehensive evaluation of our industrial involvement. There may therefore be some benefit in asking an outside group of people to complete a fuller evaluation of our industrial work in Butwal over the last 20 years. If this was done the study should at least include our impact in areas of development, Christian witness, and environment and sociological change.

Postscript

On BTI: Some new thinking has emerged on the renewal of the ITID Agreement after this report was prepared. This may change statement 5.1. However the study group wants to maintain the guiding principle of ensuring the successful hadover of BTI and not introducing problems that cause delay.

On BEW: NHE cannot at present be a shareholder of BEW. According to the current laws of Nepal, BEW will have to dispose of all its shares in NHE before NHE can take shares in BEW. Some members of the IDPMC saw the tension between training and production as inevitable and even positive; still the study groups prefers to have the priority of training vs production more clearly defined.

Statement No 5
The options for future new industrial projects.

Statement No 6

The options for future new industrial projects.

Statement:

Any new project must be evaluated against the criterion set in Statement No 4, however, the Group offers the following for consideration.

- 6.1 Existing industries will require strong UMN input in the coming years. We have a strong commitment to these companies and should avoid further expansion or new projects which weakens this commitment. However, this should not provide an easy excuse for holding on to companies which are ready for handover- even the most successful company would have some problems, and we are committed to handover to Nepali management and ownership.
- 6.2 We should consider setting up, or being involved in setting up new apprentice training centres in other places; For the near future this would not be above the level of BTI Tradesman.
- 6.3 It seems that there is a great need to strengthen what we can offer in terms of advice in technical, managerial, marketing, and production areas. We therefore recommend setting up an Industrial Advisory Service within the UMN organisational framework, and that this service be offered to both local and rural industries.
- 6.4 Investigation should be made on how we can involve ourselves in technical and managerial training of a level higher than the existing BTI level. This would be a practically based course allowing students to continue their work part time in industry while strengthening and broadening their theoretical understanding.

Note:

UMN should inform itself of HMG's long term plans so that it does not work against those plans.

Examples of Nepalization in Related Industrial Institutions

There are seven directly related industrial institutions and they are each at a different stage of Nepalization, so it is difficult to make any general statements. To avoid making this paper too long, I shall limit myself to giving a few examples covering the entire width of the spectrum. The views expressed here are my personal views only and have not been presented to the IDPMC.

Let us start with an example of a fully Nepalised institution the Tinau Power Plant once owned and operated by BPC. It is now part of the Nepal Electricity Corporation with no more links with UMN. As far as I know, it is the first and only time that a UMN project has been handed over completely in a planned way. It is not an unmixed success, however, Local consumers have been complaining of a steady deterioration of their power supply ever since. It would be interesting to ponder on what we should do if we are ever asked to step in again.

Next, a brief look at BPF, an institution far along the road of Nepalization. The workforce from the manager down is completely Nepali, but UMN still owns a majority of BPF's shares and dominates its Board of Directors. Next month (March), a UMN forester will join the management of BPF to start up their forestry programme which will be vital both to the future of BPF and the environment of Nepal. This secondment does not violate our idea of a full Nepalized institution (see EDB-146/84), but some still see it as a step backwards in the Nepalization process. Concerning UMN's shares in BPF, I would have liked to see them handed over quickly, and would have recommended it if it were not for our desire to let BPF's employees own the shares. As it is swift Nepalization conflicts with employee ownership (which is bound to be a long drawn out process) and the latter has won, so far.

In BEW, we have an example of a serious setback to the pace of Nepalization. As short as two years ago, the managerial staff were completely Nepali and the only two approved posts for UMN personnel in BEW were both in technical areas. Since then, circumstances have forced us to start seconding managers again to run the company. One might surprise that this happened because UMN is not willing to let go or to trust Nepalis, but in this particular case, the real reason is just the opposite. With the benefit of hindsight, I would venture to say that we had been over-eager to Nepalise the management of BEW and had left the Nepali manager on his own without the support or restraint of a strong Board of Directors, thus paving the way for later troubles. Now UMN is once again phasing out its involvement in managerial areas after trying our best to ensure that we won't make the same mistake again.

Finally, we come to Himal Hydro which is at the low end of the spectrum. Currently there are around ten UMN expatriates seconded to Himal Hydro who virtually run the entire operation. Considering the tremendous difficulty in recruiting good Nepali engineers and the fact that Himal Hydro will have to increase its capacity even more to attain its objective of displacing foreign contractors in medium-size projects, one cannot realistically expect much progress in the Nepalization of personnel in the near future. The possibility of handing over UMN shares before the staff is Nepalized has been discussed, but there are marked differences in opinion among UMN personnel as to whether this is advisable.

Over my few years in Butwal, I have heard the question asked many times directly or indirectly why is UMN so reluctant to let go of the industrial institutions in Butwal? The questioners range from UMN Board members and sending mission executives to Board Appointees and the question was asked sufficient times to give me an unmistakable impression that, somehow, people have come to believe that in Butwal, UMN is unwilling to Nepalise, unable to let go. There is certainly more than a bit of minunderstanding here, and some clarification is called for. To me, Butwal is and has always been at the frontier of the push for Nepalization in UMN. The commitment early on to have a fixed date for the handover of BTI and to work towards that is itself a bold innovative step in Nepalization, so is the idea of undertaking our industrial development work in the form of private limited companies so that there is a built in requirement to be self sufficient, self-regulating, and self propagating. Many activities in Butwal managed now by Nepalis could not have been so without concerted efforts in the past to find and train Nepalis for those positions, and such efforts are still continuing relentlessly. There is, of course, much room for improvement. Sometimes we have been too conservative and cautious, other times we have been overzealous and impatient, but on the whole the commitment to Nepalization comes through clearly, and I can foresee no reason for any change in that commitment in the future.

T.W. 2/85

UMN ECONOMIC DEVELOPMENT BOARD

Minutes of the meeting held on February 28th and March 1st 1985
(17th and 18th Falgun, 2041) in the UMN Board Room, Kathmandu.

Roll Call

Voting members	Mr. Howard Barclay, UMN Exec. Director, Chairman. Mr. Muni Sakya, Exec. Comm. Appointee Dr. Bill Hawes, Exec. Comm. Appointee Mr. Mike Wheller, Staff Repr. Butwal. Mr. Andrew Bulmer, Staff Repr. non-Butwal
Ex-officio members	Mr. Al Schlorholtz, Economic Development Secty. Mr. Anders Kammensjo, Assistant EDS Mr. Erling Wennemyr, Treasurer Mr. Esa Ahonen, EDB SO Manager Mr. Ken Webster, DCS Director Mr. Tom Wong, ID PMC Executive Secretary Mr. John Williamson, RDC Director Mr. Ian Curtis, Andhikhola Project Director (Mr. Andrew Bulmer, Surkhet Project Director)
Coopted members	Mr. Raghu Sharma, DCS Appointee Mr. P.P. Adhikari, ID PMC Appointee Mr. Devi Prasad Paudyal, RDC PMC Appointee Mr. Lionel Mackay, Minute Clerk Mr. Bucky Sydnor, NPHDP PMC Representative Mr. Odd Hoftun (part time)
Observer	Mr. Graeme Gugeri (part time)

Devotions

February 28th	Mr. Howard Barclay
March 1st	Mr. Anders Kammensjo

EDE-1/85 Minutes of last meeting

RESOLVED to approve the minutes of the October 21st and 22nd 1984 meeting as circulated.

I. GENERAL MATTERS

EDE-2/85 Finance and Executive Committee actions

The actions of the Finance and Executive Committees relating to the EDB were reviewed. The following were noted in particular:

EC(2)-5/84 Minutes arising from Reports and Statements

b) Madhubasa Program. It was noted that this program has now been completed, and appreciation expressed for the work which has been done there. It is recommended:

- that funds be used for publicity and the writing up of a report of the history of the project;
- that encouragement be given to continue the practice of baseline studies being made at the beginning of a project, so that an evaluation may be made later of the effects of changes in the area.

It was reported that a pictorial report would be prepared in time for the Executive Committee and that a written report would be ready later.
EC(2)-62/84 UMN Structure Development.

The Executive Director reported that the Integrated Development Committee and the Planning and Management Committees are being greatly strengthened to meet the needs of the changing emphasis in administrative responsibilities and the need for adequate input in the running of integrated projects.

It was noted that this was a subject of ongoing discussion.

EDE-3/85 General report by EDS

The EDS presented a written report, emphasising areas of growth. This was received and forwarded to the Executive Committee.

II. ORGANIZATIONAL MATTERS

EDE-4/85 EDE seminars (EDE-105/84)

- a) The seminar on Management of Conflict organised by the Butwal Coordinating Committee had been held in January, with Father E.H. McGrath, of the Xavier Labour Relations Institute, as the main speaker. This had been successful, with 50 people attending for 2 days. Much of the business had been conducted in Hindi, which had been helpful for many of the participants.
- b) A seminar on Farming Systems had been organised by RDC during the first week of January, 25 had attended including a number of UMN agriculturalists. This had been a good meeting for agriculturalists, and also gave them input from Lumle Agricultural Centre and a USAID cropping systems project.
- c) A seminar on Forestry had been held at RDC, and attended by all the UMN foresters. This had included a tour of the Phewa Tal Watershed Management Project.
- d) A workshop of the Management of Rural Development Projects had been held for 2 days in Kathmandu, and attended by a number of directors of projects with rural development components. The papers from this seminar would be circulated.
- e) The EDS reported on the proposal for seminars on sector and priority planning. There had not been

time since the last meeting to arrange these. It was hoped that each project would have such a workshop for their whole staff, and that project directors would take the initiative in setting dates for them. The EDS and AEDS would visit projects for them.

f) It was suggested that a seminar on management for non-rural development projects would be useful. It was agreed that Anders Kammensjo and Tom Wong would coordinate planning for this.

EDB-5/85 UMN structures and authority (EDB-108/84, IDC-39b/84)

It was reported that the process of strengthening of PMCs had been discussed at the Coordinating Committee. The preparation of a chart of the UMN authority structure by the Coordinating Committee, in response to EDB-108/84, had been deferred.

In response to the request of the IDC, to try to have the role and composition of PMCs finalised by the time of the February meetings, it was noted that it had been decided that for EDB projects this would be taken up in October 1985 (See EDB-11/85).

EDB-6/85 Decision making for rural development projects (IDC-39a/84)

This subject was discussed in a group during the meeting. The report from the group listed, first, a number of problems felt by people working in rural development within UMN. It was then observed that changes in structure would not in themselves solve the problems, but move them to a different level. Lastly the report listed a number of ways UMN could move in working towards a solution of some of these problems. A fuller report is given in APPENDIX Ia.

It was RESOLVED to forward the report to the Task Force which the IDC had requested the Coordinating Committee to establish on this subject.

It was also noted that some of the problems listed apply to seconded personnel in non-rural development projects; and also that perhaps the whole UMN strategy with regard to location of personnel in isolated places needs examining.

EDB-7/85 Authority for ASO matters (EDB-110/84, FC(2)-19/84 6f)

It was noted that the Coordinating Committee had requested that Area Committees be re-activated, who would be responsible for dealing with ASO matters, and forwarding them to the Functional Boards (for information), then the Coordinating Committee for approval, and finally to the Finance and Executive Committees.

EDB-8/85 EDB SOWR amendments (EDB-7/84, 109/84, EC(2)-63/84, FC(2)-19/84 6a)

a) The proposal by the Executive Committee regarding changes to the voting membership of Functional Boards was discussed. Some members felt that an increase in the number of voting members could diminish the sense of responsibility in making decisions, or

alternatively could slow down business. However it was RESOLVED to approve the following changes in the EDB SOWR, subject to the appropriate changes in the Bye-laws being approved by the UMN Board:

The following sections are to read as below:

WR 1.1.4 Two voting members shall be the EDS, who shall be the secretary of the EDB, and the AEDS.

WR 1.1.5 Other voting members shall be the UMN Treasurer and the Executive Secretaries of the EDB PMCs.

WR 1.2.2 A quorum is 50% of the voting members. In the case of a tie the Chairman shall have a casting ballot (a second vote).

b) A policy has been approved by the Coordinating Committee that appointments by Functional Boards of Nepali personnel to administrative posts shall be without a time limit. It was therefore RESOLVED to amend the following rule to read:

WR 1.3.12 It shall on the recommendation of the EDS appoint Project Directors and other Officers of EDB Projects. Such appointments shall ordinarily be for 3 years term in the case of Board Appointees, but shall terminate when leaving Nepal for a period of 3 months or longer; in the case of Nepali personnel the appointments shall be without a time limit. The EDB shall also take action concerning transfer, suspension or dismissal of such officers. These duties may be delegated to other bodies.

(See also EDB-63/85.)

EDB-9/85 Programme budget procedures

It was noted that some on-going programmes, which were scheduled to finish at the end of the current Financial Year, were being extended by one year to include a budget for 1985/86.

The Treasurer requested that such programmes should usually be terminated as originally planned, and that new 3 year programme budgets should be prepared and presented to Functional Boards 9 months before they were due to commence. New programme budgets for the FY 1986/7 should be brought to the October 1985 EDB meeting as far as possible.

EDB-10/85 Correspondence and reports for EDS

A circular from the EDS regarding sending copies of correspondence and reports to the EDS was presented, and project directors were asked to note it.

EDB-11/85 Review of EDE procedures (EDB-108/84)

The procedure adopted at the October 1984 and present EDB meetings, of not dealing with all business from PMCs,

but retaining a right of review, was discussed at the close of the meeting. It was felt that it had been useful, and that eventually items dealt with in this way could be forwarded directly from PMCs to the Finance and Executive Committees; however for the time being they should continue to be brought to the EDB for review. It was noted that plans and budgets for new programmes should be brought to the attention of the EDE (i.e. they should be minuted under "Matters for EDB action" in PMC minutes).

It was RESOLVED to request the EDS to prepare proposals for amendments to SOWRs of EDE and projects, incorporating the new procedures, to be brought to the October meeting.

III. PERSONNEL MATTERS AND APPOINTMENTS

EDB-12/85 Staff representatives' reports (EDB-114/84)

- a) Butwal. Mike Wheller reported that the team had been grateful for the encouragement from the last EDB to look for ways of getting better opportunities for recreation, and that steps were being taken in this regard. (See also EDE-62/85).
- b) Non-Butwal. Andrew Bulmer reported that people working in rural development were experiencing problems which affected their morale, vision and commitment. They were working outside institutions, and many were seconded to other Functional Boards. They felt that they did not have clear policies to guide their work, and that they were not clear as to how they related to the administrative structure of UMN. It was felt that people who had experience of administration were needed to look at this. The EDB affirmed its concern for the problems expressed, and noted that many of the problems affected personnel involved in other kinds of work besides rural development. It was also noted that this matter was being looked into by the UMN administration (See EDE-6/85).

EDB-13/85 UMN EDB personnel: arrivals, departures and new offers

Arrivals LOP/LAMP February 1985

Barbara Fargher	UK EMMFI, Veterinary Surgeon
Susan Friesen	USA MCC Medical Technician
Wim & Margreet Korstanje	VL EMMFI, Electrical Technician/Teacher
Tom & Elizabeth Moncrieff	Australia BMMFI Civil Engineer & BA

Arrival from furlough etc.

Ken & Gwynneth Brookes
Leiv & Mary Grimes Boyum
(Marriage)
Peder & Ulla Ericsson
Randy Friesen
Norman & Maija Holbrook
Muriel Twinem (HSB)
Niekie Waaning (HSB)
Frank & Anita Younkin
Marjetta Tolvanen
Jean Sibley

Short Termers:

Gunnar Espevik
Paul Hakan Petersson
Siri Stokseth
Eivind Wium
Astrid Hovengen
Martin Hoftun
Aart Stolk
Peter Cleland
Ken Kyte
Tor Mogedal

Departures

Seija Hjelt
Joop & Janna de Zwaan
Kari Punkinen
Leiv & Mary Grimes Boyum
Peter & Agnes Storey
Satoshi & Masako Mori
Duane & Joy Poppe
Frank & Anita Younkin
Muriel Twinem (HSB)
Jean Sibley

New Offers

The EDS reported on a number of new offers.

Concern was expressed at the small number of Asians being offered, and it was noted that a suggestion had been made that the Executive Director tour Asia seeking more active participation. (See also EC(2)-72/84.)

EDB-14/85 Approved UMN posts under EDB (EDB-116/84)

A list of proposed changes to the approved posts, as requested by PMCs and other Functional Boards, was presented. RESOLVED to approve the list as presented. The complete list of approved posts incorporating these changes is attached as APPENDIX II.

EDB-15/85 Selection process for new appointment of EDS (EDB-45/83)

It was reported that the current appointment of Al Schlorholtz as EDS was for a 3 year term which will terminate in April 1986. The EDB must make a nomination or nominations for a new appointment to the Executive Committee, and in order to allow time for a handover of responsibilities, the EDB should make such nomination(s) at the October 1985 meeting, so that an appointment can be made by the Executive Committee in November/December 1985.

The Executive Director will circulate Board Appointees under EDB seeking nominations, and their comments, for presentation to the October 1985 EDB.

EDB-16/85 Project Director appointments

- a) EDB SO Manager (EDB-117/84 a)
It was reported that the EDS had set the date of appointment of Esa Ahonen as 22nd November, 1984, and that it would be for a 3 year term.
- b) RDC Director (EDB-94/84)
It was noted that John Williamson would be leaving for furlough in May 1985. The EDS may make an appointment of an Acting Director.
- c) Surkhet Project (EDB-117e/84)
It was reported that the EDS had set the date of Andrew Bulmer's appointment as 20th February 1985, for a 3 year term.

EDB-17/85 Appointments to Committees (EDB-16/84, 118/84)

RESOLVED to make the following appointments and nominations of EDB representatives to committees:

a) Exec. Comm. and Board (from May'85)	Butwal EDB Staff Repr
b) IDC	Henk Ymker
c) Personnel Policy Committee	Bucky Sydnor
d) Audit Committee nomination	Lionel Mackay
e) CDAP PMC	Esa Ahonen
f) CPHCP PMC	David Cooke
g) Palpa CHP PMC	RDC Representative
h) Gorkha CHP PMC	David Ramse
i) Okhaldhunga PMC	RDC Representative
j) Jumla Project PMC	" "
k) LOP PMC	Anders Kammensjo
l) TSC	Esa Ahonen
m) EDE SO PMC	Anders Kammensjo
n) ID PMC	Dilli Raj Devkota
o) RDC PMC	Guenter Beyrich
p) NPHDP PMC	Walton McCaslin
q) Surkhet Project PMC	Devi Psd. Paudyal
	Henk Ymker

EDB-18/85 Nomination of Executive Committee appointees to EDE
(EDB-17/84)

It was noted that the nominating committee had met and would nominate the following to the Executive Committee:

Dr. Bill Hawes
Mr. Muni Sakya.

IV. PLANNING AND MANAGEMENT COMMITTEES' MATTERS

The minutes of the recent PMC meetings were received. Actions of EDB are recorded below under each PMC.

EDB SERVICE OFFICE PMC

EDB-19/85 EDB SO Promotion Criteria (EDB-121/84, EDB SO-3/85)

It was reported that the PPC had not approved the proposal to delete barriers to promotion, and that the EDB SO PMC had reaffirmed their earlier decision to delete them, saying that the DCS Promotion Criteria did not contain such barriers. It was stated at EDB that DCS Promotion Criteria did include academic barriers.

It was RESOLVED to forward the matter to the Personnel Policy Committee, and to request the EDB SO Manager to provide a clarification to the PPC.

It was noted that some descriptions of duties had been amended to fit with the revised job titles.

EDB-20/85 EDB Service Office PMC SOWR amendment (EDB-122/84, EDB SO-4/84)

It was RESOLVED to approve the proposed change in WR 3.1 f), to read "Level 10" instead of "Level 11". (This is the level above which the PMC should approve the promotion and recruitment of staff.).

EDB-21/85 Motorcycle duty travel for EDB SO employees (EDB SO-5/85)

It was RESOLVED to approve the proposed increase of the rate paid for duty travel for EDB SO business to Rs. 1.00 per km., noting that this rate had recently been approved for local travel by Board Appointees (CCE-2/85).

EDB-22/85 Liaison between EDB SO and DCS management (EDB SO-6/85)

It was RESOLVED to encourage liaison between the management of the EDB SO and DCS whenever matters regarding their Employment Rules and Salary Scale are being raised.

EDB-23/85 Computer for EDS Office (EDB SO-7c/85)

It was RESOLVED to request the Finance Committee to approve this budget of Rs. 120,000, pending a final decision by the Coordinating Committee on which system UMN should adopt.

It was further RESOLVED to request the Coordinating Committee to expedite this decision.

EDB-24/85 Promotion of Apprenticeship Training budget (EDB SO-7d/85)

It was RESOLVED to recommend to the Finance Committee that the programme budget for the Promotion of Apprenticeship Training Programme be increased by Rs. 212,000 from Rs. 350,000 to Rs. 562,000.

It was further RESOLVED to request the EDB SO Manager to forward to the Finance Committee a note to the budget, explaining the reason for the increase.

DEVELOPMENT AND CONSULTING SERVICES PMC

EDB-25/85 DCS and BTI agreements (EDB-136/84, 151/84, DCS-3a/85 ID-4/85)

It was reported that the Department had asked why we wished for an agreement for DCS separate from BTI, and that as a result of this and other questions a sub-committee of the DCS PMC had been established to draft a response. The ID PMC had asked the same sub-committee to consider the possibility of seeking a renewal of the Institute of Technology and Industrial Development (ITID) agreement which had expired in 1978. This committee had met, and a report was presented.

The ITID agreement, as revised in 1976, shows the Institute in 2 sections, BTI and DCS. BTI, as understood in the agreement, is substantially the same as BTI is at present; however DCS, as understood in the agreement, is wider than the present DCS, and also covers UMN's financial interests in and secondment of personnel to the UMN-related companies. In the section on DCS there is provision for consultations with HMG regarding the planning and implementation of projects under DCS; however there has not been active liaison between UMN and the Department of Cottage and Village Industries over the operation of DCS. As a result, in the thinking of the Department BTI and ITID have become virtually synonymous, and the proposed BTI agreement, as submitted, is seen as a successor to the ITID agreement, and the proposed DCS agreement, as a new agreement.

In the light of this, the committee recommended that UMN seek to renew the expired ITID agreement, with revisions where necessary, in place of the proposed separate agreements for DCS and BTI. It was also recommended that this should give a basis for UMN's present involvement in the companies, and for possible further indirect involvement in stimulating industrial development.

It was RESOLVED to approve the principle of seeking to renew the ITID agreement, and to affirm the following principles which should be incorporated in a draft agreement:

b

- a) There should be established a mechanism for HMGN's input into the planning and management of DCS and the possibility of setting up a joint Managing Board should be explored. If that is done, there should be clear limitations to its authority in matters of UMN personnel, policy, and finance. These matters would have to be dealt with in EDB or in a PMC under the EDB.
- b) The Agreement should provide a clear basis for UMN's involvement in industrial development at the national level, both in Butwal and outside. It should also allow DCS to be located outside Butwal.
- c) The validity of the agreement should not be limited, but linked to the validity and renewal of the UMN General Agreement, on the same or revised terms. The handover of BTI should be kept as November 1986.
- d) Financial support for BTI should be guaranteed.

It was noted that involvement in a base for national industrial development would involve a UMN commitment of personnel and finance, and that implementation of this would be dependent on these being available.

Since there was a possibility of this renewed ITID agreement covering part of the activities of RDC, it was RESOLVED to request the sub-committee to coopt a representative from RDC, when appropriate, and to send copies of their minutes to RDC.

It was noted that the sub-committee would be continuing its work, and would have discussions with the Department of Cottage Industries, in preparation for drafting a revised ITID agreement. It was hoped that a draft would be ready for presentation to a possible Extra-ordinary meeting of the EDB in May.

EDB-26/85 Community ownership of mills (EDB-102/84, DCS-3d/85)

The DCS Director presented a report which was accepted with some amendments. It was RESOLVED to request the DCS Director to prepare a brief description of the Small Farmers' Development Project, which would be forwarded to the UMN Board together with the report.

Concern was expressed about the reported subsidy by UNICEF of mill installations by one private company. It was RESOLVED to request the AEDS to find out more about this from UNICEF.

EDB-27/85 DCS Allowances (EDB-57d/83, DCS-5/85)

It was RESOLVED to refer the proposed revised DCS Allowances to the Personnel Policy Committee for their decision, noting that there were the following differences between the recently approved UMN Allowances General (CCE-7/85) and the proposed DCS Allowances:

- a) The Field Allowance has 5 different levels, whereas the equivalent section in the UMN General Allowances has been given only 2.

- b) Where allowances may be paid at one of two levels (Grade I or II in the DCS Allowances) these are defined in terms of the DCS Salary Scale levels.
- c) The DCS Allowances apply to Board Appointees as well as Nepali employees (FC(2)-17/83 6b), whereas the UMN Allowances only apply to Nepali employees.

EDE-28/85

Evaluation of R & D work in UMN (DCS-6/85 RDCPMC-10/85)

A proposal was received that a study should be undertaken of the scope and effectiveness of R & D work in UMN, how proposals for R & D work should be evaluated before being taken up, and that a systematic analysis of all the components involved in the total system be done.

It was RESOLVED to refer this to the EDB administration to investigate how this study could be implemented, noting that there are various areas of work under EDB, such as technical and agricultural, in which R & D is carried out.

EDB-29/85

Revised programme budgets (ECS-4/85)

It was RESOLVED to recommend to the Finance Committee the following revisions:

a) Rural Electrification Programme

This programme is extended by one year to 1987, and the total budget is increased by Rs. 150,000 from Rs. 590,000 to Rs. 742,000. This Rs. 150,000 increase is added as a supplementary budget item for 1984/5, for the purchase of generators.

b) Rural Equipment Development Programme

This programme is extended by one year to 1986, and the total budget increased by Rs. 375,600 from Rs. 608,000 to Rs. 983,600. A new programme should be started in 1986, and the budget for this presented in October 1985.

INDUSTRIAL DEVELOPMENT PMC

ETI agreement (ID-4/85) (See EDB-25/85)

EDB-30/85

Industrial development in West Nepal (EDB-144/84, ID-5/85, SP-6/85)

A report of the committee responsible for studying this was presented. It was noted that the concept was broader than just an Apprenticeship Training Centre, and could include small workshops which would be the base for training. Concern was expressed about the possible growth in expatriate personnel located in Surkhet. It was noted that at present about 25 expatriates are living in Birendranagar, and that it is becoming a second administrative base for INF, and they expect to eventually have over 20 expatriates based there.

It was RESOLVED:

- a) To approve the recommendation that the name of the proposed project be changed to 'Surkhet Industrial Centre' (SIC).
- b) That the committee established under EDB-144b/84 continue to be responsible for the feasibility study, but that it be encouraged to make use of the resources of RDC or other agencies, and may delegate parts of its work. They are requested to bring a final report to the October 1985 EDB.
- c) That the Coordinating Committee may appoint a person to be Feasibility Study Programme-in-charge, on the recommendation of the EDS. This would not prejudice the issue of whether to proceed with the project, which had not been decided.

EDB-31/85 Personnel Contributed Services of seconded personnel
(EDB-153/84, ID-6/85).

It was RESOLVED to approve the recommendation that the revised PCS policy as amended by the L. PrC be approved and implemented from 1st Shrawan 2042 (16th July 1985) and that the policy be reviewed three years after that date, or earlier if necessary. The policy is attached as APPENDIX III.

EDB-32/85 Industrial Development long term planning report
(EDB-145/84, ID-7/85)

The final report of the working group was presented and studied. A number of comments were made and amendments suggested.

It was RESOLVED to commend the work of the group and to forward the final report, incorporating the amendments made at the EDB, to the Executive Committee and the EDB group of the UMN Board.

It was noted that the report would be summarised into a Long Term Plan for the ID PMC.

EDB-33/85 UMN representatives on Boards of related institutions
(EDB-47/84, ID-8/85)

It was RESOLVED to make the following appointments:

- a) BTI: Anders Kammens jo
Tom Wong
One person nominated by the Butwal Coordinating Com.
Mike Wheller (alternate)
- b) BEW: Ben van Wijhe
Dave Heuft (alternate)
- c) BWI: Ken Webster (up to end of Asadh 2042)/one person
nominated by BWI workers (from 1 Shrawan 2042)
Joop de Zwaan (observer)
- d) EPF: Roger Lunden
Dave Heuft
Richard Gijsbers (alternate)

- e) HH: Anders Kammensjo
Dave Heuft
Ed Kramer
Tom Wong (alternate)
- f) EPC: Anders Kammensjo
Erling Wennemyr
Lionel Mackay
(no alternate)
- g) G.G.Com: Lionel Mackay
Tom Wong (if allotted a second seat)
Al Schlorholtz (alternate)

EDB-34/85 Disposal of EPF dividend (ID-9/85)

It was RESOLVED to recommend to the Finance Committee that the dividend amounting to Rs. 47,460 declared by EPF be used first to supplement the BWI dust extractor budget and any balance left over be used to reimburse EPF for the training expenses of Mr. K.P. Choudhary.

EDB-35/85 Gobar Gas Drum Replacement Programme budget increase (ID-10/85)

It was RESOLVED to recommend to the Finance Committee that the total budget be increased by Rs. 156,000 from Rs. 363,000 to Rs. 519,000, due to the increase in the cost of drums.

EDB-36/85 Bank Guarantee for BEW (EDB-46/84, FC(1)-11/84, ID-11/85)

It was RESOLVED to recommend to the Finance Committee that the terms of the previously approved bank guarantee be broadened to include guarantees for contract advance, subject to the same limits as before.

It was noted that the Coordinating Committee had approved the request for a guarantee or loan of Rs. 1,000,000 for a contract which BEW was seeking (CCE-11/85) but that BEW had not obtained the contract.

EDB-37/85 Working Capital Fund rules (EDB-149a/84, ID-14/85)

It was noted that there had been no changes to the rules as presented to the October 1984 EDB, and that they were being implemented for a trial period of one year from 1st Magh 2041 (14th January 1985). The rules are attached as APPENDIX IV.

EDB-38/85 Galvanising Programme budget (EDB-142/85)

It was reported that the supplementary budget request of Rs. 530,000 approved by the last Finance Committee was the total amount of extra funding needed by the programme. The funding that had been received on the basis of the original budget had been considerably higher than requested, but no increased budget had been presented to cover this increased funding. It was therefore RESOLVED to note, and forward to the Finance Committee, that the total budget for the programme was increased by Rs. 748,000 from the

original figure of Rs. 880,000 to Rs. 1,628,000. This increase included the extra funding received and the supplementary budget.

EDB-39/85 Share investment in Gobar Gas Co. (EDB-137/82, 140/84)

It was RESOLVED to note that the request for funding of Rs. 1,000,000 for extra share capital investment in the Gobar Gas Co. had been dropped, in favour of the Gobar Gas Promotion and Extension Programme.

EDB-40/85 Handing over shares in UMN related companies to the local community (ED-34/84)

A small group met and discussed some questions relating to the idea of handing over some of UMN's shares in companies to the local community. The group reported that they favoured the setting up of an Association to act as a Board of Trustees to manage shares in companies on behalf of the local community. A full report of the group's discussion is attached as APPENDIX Ib.

It was suggested that it may be easier to get community involvement when a company is being established, than after it has been set up and is operating.

It was RESOLVED to refer the report to the ID PMC, and to encourage further exploration of the idea.

EDB-41/85 Nepal Hydro and Electric (EDB-16b/83, 50/84)

It was reported that the licence had been granted after much delay, but that clarification of the terms of the licence is needed before registration can proceed.

RURAL DEVELOPMENT CENTRE PMC

EDB-42/85 RDC legitimacy (EDB-163/84, RDCPMC-5/85)

It was noted that there had been no progress made on this issue.

EDB-43/85 RDC charges for services (EDB-164/84, IDC-50/84, RDCPMC-6/85)

It was noted that a middle tier of charges, to be applied to UMN non-rural development work, companies and other missions, had been approved by the RDC PMC, as requested by the EDB. It was also noted that there was some flexibility built into the guidelines.

EDB-44/85 Role of RDC (RDCPMC-7/85)

A proposal was received regarding the function of RDC in relation to planning of rural development work.

It was RESOLVED that EDB rural development projects be strongly urged to use RDC in the planning process on a collaborative basis as follows:

1. That RDC personnel visit projects to become familiar with their needs and conditions.
2. That during these visits RDC personnel and project staff discuss upcoming plans, the resources

necessary to achieve these plans, and what professional support is necessary to achieve the project objectives.

3. That prior to PMC meetings project directors be encouraged to send draft plans to RDC for comments, to be returned prior to their PMC meetings.

EDB-45/85 RDC evaluation (RDCPMC-8/85)

It was reported that a final draft report of the evaluation of RDC, prepared by Ken Afful, had been presented to an RDC sub-committee, and that further recommendations would be made in addition to those listed in the RDC PMC minutes. It was suggested that the first recommendation should be amended to read: "That RDC staff must have a high degree of professional competence,....".

(RDC cooperation with DCS (EDB-137/84, RDCPMC-10/85))

(The issues raised have been dealt with under EDB-28/85.)

EDB-46/85 RDC SOWR amendments (EDB-160/84, RDCPMC-11/85)

It was RESOLVED to approve the following amendments to increase the membership of the PMC:

WR 3.2 (4) Change to read:

"Two Staff Representatives of the RDC
(elected)."

Add "(10) Administrative Officer of RDC."

EDB-47/85 RDC new and revised programme budgets (RDCPMC-4/85)

It was RESOLVED to recommend the following new and revised programme budgets to the Finance Committee:

a) Animal Health Improvement Programme

The programme is extended by one year to 1986, and increased by Rs. 346,000 from Rs. 781,000 to Rs. 1,127,000.

b) Horticulture/Agronomy Programme

The programme is extended by one year to 1986, and increased by Rs. 192,000 from Rs. 454,800 to Rs. 646,800.

c) Rural Industries Programme

This is a new one year programme, with a total budget of Rs.677,250.

New 3 year programme budgets should be prepared for each of these programmes, if possible in time for the October 1985 EDB.

EDB-48/85 Forestry Task Force recommendations (EDB-158/84)

It was noted that the recommendations of the EDB had been fully discussed and approved by the Executive Committee, although this had not been minuted. This had been affirmed by the Coordinating Committee (CC-51/85).

It was noted that a Tree Planting and Forestry (TREES) sub-committee had been established by the RDC PMC, and they had been given responsibilities relating to the setting of policies for forestry work, and assisting in planning and evaluating of forestry programmes.

EDB-49/85

UMN Forestry Policy

A draft policy for UMN's work in forestry was presented. It was asked if we had the personnel available to implement it: it was reported that Nepali personnel are being trained in this area.

It was RESOLVED to approve this policy and to recommend it to the Executive Committee and UMN Board. The policy is attached as Appendix V.

ANDHI KHOLA PROJECT PMC

EDB-50/85

Andhi Khola Forestry Assistance Project (AKPMC-6/85)

It was noted that work was in progress to draft an agreement for forestry work under the Andhi Khola Project. It was hoped to have a draft agreement ready for an extra-ordinary meeting of the EDB in May.

EDB-51/85

Irrigation programme agreements (EDB-104c/84, ARPMC-7/85)

Following further negotiations with the Rastriya Banijya Bank, a proposed agreement was presented. It was noted that this draft agreement had been submitted to the Bank, and they had suggested some minor amendments: details of these were not available. It was noted that, as the Rastriya Banijya Bank was the only one with a branch in Galyang, it would not be possible to consider financing through any other bank.

It was RESOLVED to approve the draft agreement in principle, and forward it to the Finance Committee. The following points were affirmed for continuing negotiation:

1. Flexibility in the timing of the investment in the Fixed Deposit should be maintained.
2. We should press in negotiation to keep the difference in interest rates charged on loans, and paid on deposits, as small as possible.

It was noted that before the agreement could be signed by the bank, UMN would need approval from HMG for involvement in the programme, and the bank would need a detailed cash flow analysis of the programme. It was recommended that the **advice of the Treasurer** be sought in preparing this analysis.

The draft agreement is attached as APPENDIX VI.

It was also reported that discussions were taking place with the Ministry of Water Resources to investigate if it would be possible for UMN to obtain approval for this programme under the AHREP agreement, or if

a separate agreement would be needed. A revised draft agreement with the Ministry of Water Resources was presented: this was similar to the draft agreement approved in May 1984, and would be submitted if a separate agreement was needed. It was noted that it should be added that the accounts of AKWUA should be audited by a licensed auditor.

EDB-52/85 AKP programme budget increases (AKPMC-9/85)

It was RESOLVED to recommend the following increases in total programme budgets to the Finance Committee:

a) AHREP

This is increased by Rs. 3,142,000 from Rs. 39,138,000 to Rs. 42,280,000. It was noted that the budget for the whole programme is being revised, and when this has been done a budget for the whole programme will be brought and compared with the original budget. This would be in a format which would match the accounting structure of BPC.

b) Agriculture Programme

This is increased by Rs. 31,500 from Rs. 254,700 to Rs. 286,200.

c) Cooperative Society Aid Programme

This is increased by Rs. 25,000 from Rs. 209,000 to Rs. 234,000 due to increased construction costs..

d) Forest, Soil and Water Conservation Programme

This is increased by Rs. 18,000 from Rs. 171,000 to Rs. 189,000.

e) Non-Formal Education Programme

This is increased by Rs. 11,000 from Rs. 90,000 to Rs. 101,000.

f) Project Administration

This is increased by Rs. 146,300 from Rs. 182,200 to Rs. 328,500.

NAWAL PARASI HILLS DEVELOPMENT PROJECT PMC

EDB-53/85 NPHEP agreement proposal (EDB-104d/84, NPD-7/85)

It was reported that the previous draft agreement had not been acceptable to the Ministry of Panchayat and Local Development. A new agreement proposal was submitted and discussed, and some amendments made. It was noted that the proposed ownership and management structures would represent a new way of working for UMN, and also that the agreement contained provision for UMN to have assistance in the form of finance and personnel from other organizations; if any personnel were seconded to UMN they would first be vetted by UMN. It was also noted that the matter of the project duration was being studied by the Studies and Evaluation Programme of RDC.

It was RESOLVED to approve the draft agreement for negotiation, and to authorize the EDS, in consultation with the Executive Director and others as necessary to negotiate with the Ministry of Panchayat and Local

Development. The draft agreement is attached as APPENDIX VII.

It was also reported that the Health Services Board were also seeking an agreement with the Health Ministry which would cover NPHDP, and that if this was obtained first then the project would be operated under that agreement, and transferred to the Health Services Board.

EDE-54/85 Evaluation of NPHDP (EDB-173/84, NPD-6/85)

It was noted that this was not complete, but that results so far showed that there had been definite positive results from the project. The question of dependency was a difficult issue.

EDE-55/85 Expenses for negotiation of agreement for NPHDP (EDB-172/84)

It was RESOLVED that, even though the NPHDP funds are being held in suspense, expenses incurred in negotiating an agreement, by HSB as well as by EDB, can be charged to NPHDP account.

SURKHET PROJECT PMC

EDE-56/85 Surkhet Industrial Centre agreement (EDB-104/84 e)

It was reported that UMN had been asked by HMG to update the projected cost of the Centre, and also the description of activities. It was also noted that there had been discussion about covering the proposed centre for industrial development (EDB-30/85) under this agreement, and that the Surkhet Project PMC felt that this would not be detrimental to their work, provided that there was clear separation of administrative structures and funding.

The revision of the agreement would be deferred until the feasibility report of the proposed industrial development centre was complete, and until the long term objectives of the Surkhet Project had been developed.

EDE-57/85 Projected duration of Surkhet Project (IDC-49/84, SP-9/85)

It was reported that the project was planned to stay in the area until 1991 when it would be concluded, and that there would be evaluations at various stages.

V. POLICY MATTERS

EDE-58/85 Nepalisation (EDB-146/84, 179/84)

Two papers giving examples of Nepalisation were presented. A paper discussing Nepalization in industrial institutions was discussed, and the issue was raised of whether we should continue to expand into new areas, or consolidate our work. It was pointed out that consolidation usually involved further growth at existing centres, and yet we were looking for ways of reducing the number of Board Appointees located in Butwal.

The question was also raised as to whether we should seek to involve Nepalis in the running of new institutions right from the start; it was pointed out that in the case of NHE the management will be almost entirely Nepali, while Board Appointees will provide technical support.

It was noted that, although there are, as the paper states, currently about 10 UMN expatriates working in Himal Hydro, there are nearly 20 approved posts.

A report from Andhi Khola Project was received which was felt to be helpful in outlining the situation in that project.

It was RESOLVED to forward the reports to the Executive Committee and UMN Board.

EDE-59/85 Holidays for national mourning (EDE-177/84,FC(2)-19/84 41)

The policy passed by the Coordinating Committee was noted.

EDB-60/85 Long term leave without pay (HSB-66/84)

It was reported that the HSB had discussed a suggestion that long term leave without pay for up to one year could be given, and that the Personnel Policy Committee would be discussing this matter.

It was noted that in HMG one year was at times given for study leave, and sometimes more.

It was felt that such leave should be a privilege rather than a right, and that it should only be given for specific reasons. Account should also be taken of whether such leave had been given before.

EDE-61/85 Training and study for Board Appointees and senior employees

A small group met and discussed a proposed policy that all Board Appointees and senior Nepali employees be given one week per year for study on a subject relevant to their work. There was discussion as to how this would relate to in-service training, and what the definition of senior level is.

It was noted that the Coordinating Committee had approved a mission-wide policy, that one week of work-time be available annually as a privilege for Board Appointees for professional study, to be approved by the Functional Secretary (CC-48/85).

It was RESOLVED to refer the matter to the Coordinating Committee for discussion and further action.

A full report from the group is attached as APPENDIX Ic.

EDB-62/85 Holidays for Board Appointees assigned to Butwal

A proposal from Butwal Project Meeting for extra leave was presented. It was noted that at present the amount of leave for Board Appointees in Butwal is roughly

althgh comparable to that for Nepali employees; also that there/ are Board Appointees working with Himal Hydro at Andhi Khola, this proposal would not affect them, and that there is already a situation there where people working in Andhi Khola Project have different working hours from those working for Himal Hydro.

It was RESOLVED to recommend to the Coordinating Committee that eleven half days extra leave per year be granted to Board Appointees assigned to Butwal, on the following conditions:

- a) Each half day is to be systematically approved and recorded by whoever is normally responsible for giving approval for holidays.
- b) These half days cannot be accumulated together to form whole days or groups of days. A maximum of one half day can be taken in any one week..

EDB-63/85 Evaluation of project officers

In the light of the change to the EDB SOWR (EDB-8b/85) concerning the term of service of Nepali officers, there was discussion as to whether the evaluation process was adequate.

It was RESOLVED to request the Personnel Policy Committee to consider the subject of the evaluation and accountability to PMCs of project officers appointed by the PMC, and to offer the suggestion that a verbal report of the evaluation of project officers should be presented to PMCs.

EDB-64/85 Cooperation with FAKT (EDB-14b/83)

A proposed "Basis for cooperation between FAKT and the UMN" was presented. It was noted that FAKT is able to offer assistance in technical R & D, and that such cooperation should be subject to review under any overall evaluation of R & D (See EDB-28/85). Some amendments were made to the proposal.

It was RESOLVED to approve the 'Basis for cooperation as amended, and to authorise the EDS to make minor changes in negotiations with FAKT, and to negotiate agreements for work done under this Basis on behalf of projects.

The 'Basis for Cooperation' is attached as APPENDIX VIII.

EDB-65/85 Duration of UMN projects (EDB-178/85)

It was reported that the recommendations of the EDB had been discussed at the IDC, and referred to all Functional Boards.

It was RESOLVED to amend and adopt the following as guidelines for EDB projects:

- a) All project agreements and long term plans should have termination dates written in them, unless they are clearly not intended to be handed over to Nepali ownership.
- b) There should ideally be a clear undertaking from the community, or HMG or other groups, to continue the running of the project after UMN involvement

has finished.

VI. REPORTS AND REFERRED MATTERS

EDB-66/85 Reports from non-EDB Committees

Reports were received from EDB representatives on the following committees:

- a) Integrated Development Committee
- b) CDAP PMC
- c) CPHCP PMC
- d) Palpa CHP PMC
- e) Gorkha CHP PMC
- f) Okhaldhunga CHP PMC representative could not attend
- g) JUMP PMC
- h) LCP PMC
- i) TSC

Matters referred have been dealt with under other minutes.

EDB-67/85 Training and Scholarship Programme guidelines (EDB-184/84, 185/84)

Revised guidelines were received for comment. It was noted that a commitment for training can be incorporated in project long term plans, and this will meet the concern expressed in the October 1984 EDB.

It was RESOLVED to endorse the guidelines as presented.

EDB-68/85 Advanced Training Coordinating Committee (EDB-184/84)

It was reported that the Committee sees one of its functions as finding courses, and projects were requested to send lists of their training needs to the AEDS.

A person will be evaluating management training courses in Madras, and there is also investigation going on of courses for training beyond BTI level.

EDB-69/85 Project training plans

In relation to the new guidelines for the Training and Scholarship Programme, projects were encouraged to make long term plans for training.

* * * * *

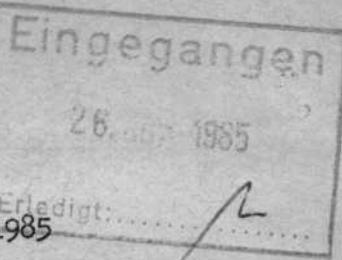
EDB-70/85 Date of next meeting

An extra-ordinary meeting of the EDB was provisionally set for 9th May 1985 at 8.45 a.m., in the UMN Board Room.

There being no further business, the meeting was closed with prayer.

Minutes of the
UMN BOARD OF DIRECTORS MEETING

held in Kathmandu : 16-19 April, 1985



The Annual Meeting of the Board of Directors of the UMN was held in Kathmandu at the Blue Star Hotel. Sessions began at 7:30 p.m. on Tuesday, 16th April, and continued until noon on Friday, 19th April.

The Bible studies on the opening evening and at the beginning of the morning sessions were led by Dr. Bill Hawes, emphasising the centrality of the Cross and servanthood in leadership. These studies were greatly appreciated by members of the Board, and other who attended for this part of the meetings only.

A session with a number of church leaders to hear up to date reports was also very much appreciated, and shared, with deep interest.

BD-1/85. Schedule of Membership and Roll Call. The schedule of membership of the meeting was as follows, with delegates present except as indicated.

A) Member Body representatives:

American Lutheran Church: Dr. Jack Reents
Assemblies of God: Dr. Ronald Peck
Baptist Missionary Society: Rev. Neil McVicar
BMMF International: Miss Janette Cowan
Christian Church (Disciples): Mr. Keith Jamieson
Church Missionary Society, Australia: Dr. Alan Cole
Church Missionary Society, UK: Mr. Malcolm Warner
Church of North India: Bishop John Ghose
Church of South India: Bishop Sam Ponniah
Committee for Service Overseas: Mr. Heinz Klein
Darjeeling Diocesan Council & Church of Scotland:
Danish Santal Mission: Mr. Jorgen Pedersen
Finnish Evangelical Lutheran Mission: Rev. Paavo Kilpi
Free Church of Finland: Miss Vappu Rautamaki
Gossner Mission: Miss Else Furthmuller
Japan Antioch Mission: None
Japan Overseas Christian Medical Cooperative Service: Mr. Kentaro Shiozuki.
Lutheran Church in America: Rev. Warner Luoma
Mennonite Board of Missions: Rev. Paul Kniss
Mennonite Central Committee: Mr. Paul Myers
Methodist Church: Rev. Swaminathan Jacob
Norwegian Himal-Asia Mission: Mr. Einar Kippenes
Orebro Mission: Rev. Ingemar Berndtson
Presbyterian Church in Canada: Rev. Glen Davis
Presbyterian Church in Ireland: Miss Maureen Patterson
Presbyterian Church Synod, Mizoram: Rev. L. N. Ralte
Presbyterian Church, USA: Rev. Newton Thurber
Regions Beyond Missionary Union: Miss Anthea Evans
Swedish Free Mission: Mr. Billy Johansson
Swiss Friends for Missions in India & Nepal: None
TEAR Fund: Rev. David Applin
United Church of Canada: None
United Church of Christ, Japan: Rev. Yozaburo Kimijima
United Methodist Church: Rev. Nirmal David
Wesleyan Church: Dr. J. D. Abbott
World Concern: Mr. Bob Parker
World Mission Prayer League: Rev. Surendra Moral

B) Christian Community:

Mr. Adon Rongong
Mr. Loknath Manaen

C) Ex-officio members:

Executive Director: Mr. Howard Barclay
Treasurer: Mr. Erling Wennemyr
Education Secretary: Mr. Richard Clark
Health Services Secretary: Miss Jeanette Hyland
Economic Development Secretary: Mr. Al Schlorholtz
Health Services Board representative: Mr. Pat Fulks
Economic Development Board representative: Mr. Andrew Bulmer
Education Board representative: Mr. Richard Cameron
Workers Conference representative: Mr. Adrian Slater

D) Co-opted members:

Assistant Economic Development Secretary: Mr. Anders Kammensjo
Assistant Health Services Secretary: Dr. John Sibley
International Nepal Fellowship: Dr. Bill Hawes
Leprosy Mission: Dr. Sundar Jesudasan

E) Observers:

Christian Church (Disciples): Rev. Eric Gass
Gossner Mission: Mr. Dieter Hecker
Mennonite Board of Missions: Mr. Ron Yoder
Orebro Mission: Rev. Gustav Sundstrom
Presbyterian Church in Ireland: Dr. Jean Shannon
Swedish Free Mission: Mr. Kjell Anderson
World Concern: Mr. Paul Kennell
UMN Information Officer: Mr. Gene Glassman

BD-2/85. Change of name of Member Bodies. The following changes are noted and recorded:

- a) The Finnish Missionary Society is now known as the Finnish Evangelical Lutheran Mission;
- b) The World Mission Prayer League, Norway is now known as the Norwegian Himal-Asia Mission.

BD-3/85. Agenda. It was RESOLVED to adopt the Agenda as presented by the Executive Director.

BD-4/85. Confirmation of Minutes. The Minutes of the Board of Directors held on 10-13 April, 1984 had been circulated to all members of that meeting. It was RESOLVED to accept these and to confirm them as correct.

BD-5/85. Tribute to Jonathan Lindell.

The Lord took Jonathan Lindell home to glory on 23rd January, 1985. He and Evey came to Nepal in 1956, and served in three locations: Jonathan pioneered the Gorkha Project, then served as Executive Secretary of the UMN for 11 years; later he went to Pokhara as Headmaster of the Boys' Boarding School, and finally transferred back to Kathmandu as UMN Historian and Acting Education Secretary before returning to U.S.A. in 1979. In each place Evey made a home for her family and many others, and at times officially ran a UMN guesthouse, and their united ministry brought God's love and blessing to hundreds of Nepalis, UMNers and others.

As Executive Secretary in the early 1960s, Jonathan was used under God to establish the coordination of administration and a sense of united teamwork and loyalty to UMN at a time when the mission was still relatively new and small, and the projects scattered and isolated owing to lack of communication facilities. The United Mission today is running firmly on the basis laid down in those early formative years, and along the prophetic understanding of God's purposes for the UMN set out in the Policy Guidelines of 1970 in which Jonathan envisioned the future direction and development of the mission. His leadership in those years has had an invaluable and lasting effect on the UMN.

His love for the mountains and land of Nepal, his wide knowledge of the history and culture, his understanding of the people in villages and towns were combined with a God-given burden and commission to use his many gifts in serving with humility, teaching formally and informally, ministering to the total needs of groups and individuals, and sharing the love of Christ and the message of God's love and salvation. His total commitment to Christ and to the fulfillment of this task were an example and challenge to all who would seek to obey their Lord in such service and witness. All who knew him loved him and many testify to the great debt of gratitude which they owe to him.

The Board of Directors records its deep gratitude to God for Jonathan's leadership and service, his vision and outstanding contribution to the UMN and to the strengthening of the Church in this land. We thank God for every remembrance of him, and commit Evey and their four daughters to His love and care.

BD-6/85. Orientation Session. The opening meeting of the Board took the form of an orientation session, during which the Executive Director, the Functional Secretaries, the Treasurer and the Personnel Secretary highlighted the main events and areas of concern or development within their particular spheres of work and responsibility. Many of these items were dealt with later in the small group discussions.

BD-7/85. Long Term Plans. The Long Term Plans for the whole Mission were available for members, with several revisions which had been approved during the year.

BD-8/85. Annual Reports and Statements. The "annual" reports and financial statements for the UMN and its various projects were received and studied as appropriate in each of the small groups. These covered the 18 month period from mid-January 1983 to mid-July 1984. On the recommendation of each of the small groups, it was RESOLVED to accept and approve these reports and statements with gratitude. They are found listed in EC(2)-4/84, and are printed in detail as appendices to those minutes.

SMALL GROUP DISCUSSIONS

The Board members were divided into four groups, augmented by other Nepali and UMN colleagues as resource personnel, and met in these groups for discussion in several sessions. Their reports and recommendations were then brought back to the plenary sessions of the Board. These reports, and consequent actions of the Board, are recorded in the ensuing minutes.

BD-9/85. Administration Group. A number of subjects were discussed and reported to the plenary session without calling for formal resolutions of the Board. These included:

- a) Annual Reports. The Executive Director highlighted some factors which need to be kept in mind in considering the progress of work in Nepal:
 - The lack of trained people in the country;
 - The lack of adequate communication in Nepal;
 - The recent introduction by His Majesty's Government of a policy of decentralisation.
- b) Budgets for 1985/86. The consolidated budgets, as approved and accepted by the Executive Committee, were received as information. It was encouraging to note the confidence that necessary funds will be available to meet the needs for this coming year.
- c) Asianisation. The first Board Appointee from Korea has been welcomed to the UMN, and several other Asian colleagues have been accepted for service.
- d) Mothers in language study. The difficulty of mothers trying to cope adequately with language study and the care of children was raised. Administration will seek ways to help to alleviate this tension, but it is recognised that mothers with small children will not be able to give fulltime to the LOP curriculum, although the language study and orientation is very important.
- e) Personnel chart and information. Board members were given up-dated copies of the personnel charts, as of 1st April 1985. It was noted that the number of workers is very similar to that of last April, but there is a sizeable increase in the number of approved posts.

BD-10/85. Screening papers for personnel. It was RESOLVED to affirm the request of UMN administration that member bodies offering candidates send their own mission's screening papers and the Nepal Information Form, together with the routinely requested references and medical reports.

Note was taken of:

- a) The sincere appreciation of administration for the good cooperation of member bodies in the screening process;
- b) The action of the Executive Committee concerning receipt of medical report, found in EC(1)-59/85.

BD-11/85. Study of reasons for people leaving. An interim report was received on the progress of this study, which is not yet complete. It was RESOLVED:

- a) That the process of analysis and enquiry be continued, and that efforts be made to contact all those who have left during the 11 year period under review. Member bodies and other sending agencies are requested to render all possible assistance.
- b) That the administration be requested to prepare a suitable questionnaire to meet the needs of this enquiry.

BD-12/85. Per Capita Grant, 1985/86. It was RESOLVED that the per capita grant for the coming year remain at \$800., with gratitude expressed that this is still sufficient to cover the needs.

BD-13/85. Per Capita grant policy. It was RESOLVED to approve the following policy relating to per capita grants, which includes already approved guidelines and new actions:

- a) The constitutional provision that all member bodies are asked to pay an annual per capita grant for their workers is noted again.

- b) The amount of the per capita grant is set by the Board annually.
- c) The money is used to cover recurring and capital items for personnel support and general administrative costs of the UMN, as per an approved budget.
- d) The per capita grant system is a method of calculating the amount requested from each member body; however, the money is given to the administrative fund as in c) above, and is not linked directly to the Board Appointee worker.
- e) Member bodies are requested to pay the per capita grant to cover the full period of furlough for workers who are away for up to six months. For workers who are away for longer than six months, member bodies are requested to pay the grant for at least six months of this period.
- f) If a worker resigns from the UMN after less than six months service in a fiscal year, the member body is requested to pay six months' per capita grant for that worker. In other cases a full year's per capita grant is requested.
- g) Short-term workers who are in Nepal for less than one year should pay the grant on a monthly pro-rata basis.
- h) The above guidelines also apply to Board Appointees sent by agencies other than member bodies, and all Direct Appointees (including students), whether the grant is paid by a sending agency or personally.

BD-14/85. Per Capita Grants for Asian member bodies. UMN administration is requested to consider ways by which the per capita grant for member bodies based within Asia may be met, and to report back to the next Board meeting.

BD-15/85. Ratification of Constitutional amendment: ref. BD-16/84. It was RESOLVED not to ratify the amendment made at the Board meeting of April 1984, but rather to recommend to the Board of 1986 that the following amendments be made:

- a) Const. V, B, 1, to read -
"Representatives elected by the member bodies, and from amongst the Christian Church in Nepal."
- b) Bye-law II, D, to read -
"There will be two voting members appointed annually by the Executive Committee from the Christian Church in Nepal."
- c) That the term "the Christian Church in Nepal" be used in documents and publicity material.

BD-16/85. Constitutional amendment. It was RESOLVED to approve the following amendment to Constitution V, B, 2 (to be ratified at the next Board meeting), to read:

"Ex-officio members: The Executive Director, Treasurer, Functional Secretaries, Assistant Functional Secretaries, one Board Appointees' representative from each Functional Board, and the elected representative of the Workers Conference, all of whom will have voice but no vote."

BD-17/85. Bye-law Amendments. It was RESOLVED to approve the following amendments:

1) Bye-law II: Basis of Representation on the Board of Directors.

- A. Each member body will be entitled to one representative to the Board, and this delegate will not be permitted to be a Board Appointee.
- B. Delete.
- C. (Re-number as B). Member bodies are requested, insofar as possible, to appoint representatives to the Board who can serve a number of years consecutively.
Where a change in representative of a member body is anticipated, the member body will be invited to send their future representative to the Board meeting prior to his/her appointment, as an observer without voice or vote."
- D. (Re-number as C). There will be two voting members appointed annually by the Executive Committee from among the Christian fellowship in Nepal. (Ref. BD-17/85, b).
- E. (new numbering) Observers at the Board meeting will consist of:
 - a) Executive Committee members attending the Executive Committee meeting prior to the Board, but not appointed to the Board.
 - b) New delegates to be appointed the following year (as in new B above).
 - c) Officials of member bodies in addition to the one voting member.
 - d) Representatives of other groups sending personnel to the United Mission, outside the member bodies.
 - e) One observer only from any one member body or other agency.

2) Bye-law III. C. Voting procedures of the Board for major policy matters:

- a) The Board will decide whether or not a subject is to be treated as a major policy matter -
 - i. Any voting member may appeal to the Board in session that a specific motion is in fact a major change of policy from his or her point of view;
 - ii. A majority vote of those present and voting would be needed to confirm the appeal as in i. above, and to set the following procedure into effect.
- b) The Board will take action on the subject as presented -
In order for a change of major policy to be effected,
either
 - a two thirds majority vote at the meeting of the Board in session would be necessary for passage; or
 - a majority vote, which would then be ratified or not ratified at the next meeting of the Board by at least a two-thirds majority vote of those present and voting."

3) Membership of Functional Boards.

- i) Bye-law XV, Health Services Board. Section A: alter as follows:
 3. Two voting members will be the Executive Director, who will be the Chairman of the Health Services Board, and the Treasurer.

4. Two voting members will be the Health Services Secretary and the Assistant Health Services Secretary. The Health...Board.

5. Other voting members will be one or two representatives of each related Project/Program, or PMC (excluding the Functional Secretary), one of whom will be the Project Director.

Delete present para. 5.

ii) Bye-law XVI, Education Board. Section A. Alter to read -

3. Two voting members will be the Executive Director, who will be the Chairman of the Education Board, and the Treasurer.

4. Two voting members will be the Education Secretary, and the Assistant Education Secretary. The Education Secretary will be the secretary of the Education Board.

5. Other voting members will be one or two representatives of each PMC (excluding the Functional Secretary), one of whom will be the Project Director; also education area representatives, the Language Consultant and the Administrator of the Training and Scholarship Program.

Delete present para 5.

iii) Bye-law XVII, Economic Development Board. Section A.

3. Two voting members will be the Executive Director, who will be the Chairman of the Economic Development Board, and the Treasurer.

4. Two voting members

5. Other voting members will be one or two representatives of each PMC (excluding the Functional Secretary), one of whom will be the Project Executive Secretary.

delete present para 5.

iv) Bye-laws XV, B, 2; XVI, B, 2; and XVII, B, 2.

A quorum is fifty percent of the voting members. In case of a tie, the Chairman will have a casting ballot (a second vote).

BD-18/85. Discussion on Bye-law amendments.

a) Election of President of UMN. The recommendation of EC(1)-57/85 was noted, together with that of EC(2)-64/84. In order to guard the right of each member body to elect its own delegate to the Board, it was RESOLVED to continue to follow the present system of election of President, but to ask the Nominating Committee to seek to ensure that the President chosen is the appropriate member body's delegate to the Board for the ensuing year.

b) Observers from funding agencies. The action of EC(1)-58/85, ii) was noted and discussed. After discussion it was decided by a majority vote that only agencies sending personnel to the UMN be invited to send observers to the Board.

c) Status of observers. It was RESOLVED to request the President to appoint two people to define what an observer is and what are his/her rights and privileges.

d) Assignments, Bye-law VII,C,12. It was RESOLVED to recommend to Board in 1986 that the second sentence of this Bye-law be amended to read:

"In case of appeal by the Board Appointee or member body involved, the decision of the Executive Director will be carried out until the appeal is heard by the Executive Committee."

BD-19/85. Distribution of Minutes, etc. In view of the volume of reports and statements, etc. and the cost of wide distribution of these, it was RESOLVED:

- a) That the Minutes of Board and Executive Committee meetings be sent only to member bodies, Board members, Coordinating Committee members, Assistant Functional Secretaries, Functional Board members, and 3 copies to projects. Other copies may be circulated at the discretion of the Executive Director.
- b) That full financial statements be made available to Executive Committee members, but only the consolidated statements and summaries be circulated to the member bodies and Board members.

BD-20/85. Purchase of Asha Niketan, Thapathali. It was RESOLVED to approve negotiations with Himal Hydro for them to seek the purchase, at an appropriate price, of Asha Niketan for use in providing facilities to enable greater coordination of the UMN Headquarters administration and its functions.

BD-21/85. Basis of Faith and Salvation. Following discussion about various views expressed, it was RESOLVED:

- a) That the Board affirms the Basis of Faith as in the Constitution;
- b) That the Board also affirms and holds to the uniqueness of salvation in Christ alone.

BD-22/85. Structure of UMN. The Executive Director outlined the review of structures being undertaken at present, as referred to in EC(1)-58/85. It was RESOLVED:

- a) To encourage administration to continue to explore ways and means to amend and/or adjust the UMN structures to make it more meaningful and effective for the changing conditions in Nepal and UMN;
- b) To note that many of these possible structural changes may be effected by the decisions of administration at various levels, and where deemed necessary, with recommendations for consideration and action by the Executive Committee and/or Board.

BD-23/85. Education Group. The group discussed many items, and reported to the plenary session on the following:

- a) GAMV Regional School, Pokhara. Appreciation is expressed for the introduction of the Community Service Program in the school, and the development of this should be encouraged.
- b) Education of UMN children.
 - a) The development of tutorial groups is noted with appreciation.
 - b) The development of tutorial groups for the education of primary-age UMN children, as well as the continuous thought being given to their secondary education, was noted with appreciation.
 - c) UMN administration is encouraged to investigate the possibility of paying for the rent of the UMN Children's Hostel from the per capita grant account.

c) Non-Formal Education. The report of work done through the mission, and support given, by the Non-Formal Education Resource Office was received with gratitude.

d) Language and Orientation Program.

i) It was recorded with satisfaction that the former UMN language school has now been handed over to the Nepali staff of the school, and has now become the Language Activities and Research Centre Pvt. Ltd. (LARC).

ii) The strengthening of the various elements of the basic course of language study was noted with appreciation, but it is hoped that the Review in progress will also strengthen the implementation of the program in the projects.

BD-24/85. Teacher Training. It was RESOLVED to encourage an increased commitment to teacher training, exploring the following ways of further involvement:

- a) The possibility of seconding an experienced teacher to Tribhuvan University for curriculum development assistance.
- b) The formal secondment of teacher trainers to the Institute of Education, rather than of volunteers.
- c) The increase of approved posts for teacher trainers.
- d) The presentation of a Long Term Plan for teacher training to be to the next Board meeting.

BD-25/85. Economic Development group. Reports of discussions and recommendations from the group were received on the following topics:

- a) Andhikhola Project. The identification and planned intentional training of local personnel for the Andhikhola Project is reaffirmed. It was noted that the AHREP estimated budget may need to be increased by 50% due to initial delays, unexpected construction difficulties, and inflation.
- b) Nawal Parasi Project. The Executive Director is specifically requested to use his good auspices in presenting the new proposed agreement for the Nawal Parasi Hills Development Project to HMG.
- c) Telecommunication systems. UMN administration is requested to look into ways in which the UMN may encourage or become involved in the development of telecommunication systems within the country.

BD-26/85. Surkhet Project. It was RESOLVED to affirm the following recommendations:

- a) That whatever initiatives are taken by the UMN to fulfill the agreement requirements under discussion for the Surkhet Project, these should not conflict in approach and strategy with the ongoing work as it has progressed so far.
- b) That efforts be made to fill the posts of community health educator and non-formal education for the Project.
- c) That, because of the difficulties for expatriates or even Nepalis from other areas to fully understand particular village situations or to be accepted by the villagers, consideration be given to the selection, by the villagers themselves, of one or more persons from among themselves for special training as volunteer socio-economic facilitators. There need not be any educational requirements so even illiterate people may in many circumstances fulfill this role very well.

a) Report of UMN Forestry Task Force. It was noted that this Report had been presented initially to the Executive Committee in December, where it received approval of the plans and budget proposed. It was RESOLVED to accept and approve this Report, with its recommendations:

- i) UMN should negotiate with the Forestry Department for a community forestry program as a part of the Andhikhola Hydroelectric and Rural Electrification Project. The nature of such a program should be generally along the lines of the Report.
- ii) The UMN should support, and if necessary become involved in, the planning of the Butwal Plywood Factory's plantation development work.
- iii) The Committee looking at an apprenticeship training scheme at Surkhet should include forestry training in their deliberations and investigations.
- iv) Future work agreements for rural development and other projects (where relevant) should include consideration as to whether or not a forestry component ought to be included in the draft agreements to be negotiated.
- v) It is realised that, as its expertise develops and as finance and manpower become available, further areas for UMN involvement in forestry could arise. The UMN would be open to such opportunities in the future.

b) UMN Forestry Policy. It was RESOLVED to accept the Forestry Policy, which is found as Appendix 30.

c) Further response to action of BD-33/84. Although it was recognised that the Forestry Task Force did not address itself fully to the terms of reference given in 1984, especially with respect of to "a large new program," nevertheless the Forestry Policy as presented is a step in the right direction. The mechanism by which the Policy may be applied should now be worked out; and consideration given to the infrastructures, personnel and finance necessary for implementation, as well as ways by which forestry programs may become an integral part of existing UMN projects.

Therefore, while accepting the initial Report and Policy with appreciation, it is requested that the UMN Forestry Task Force look further into the implementation of the program as mentioned above, and report to the next Board meeting.

BD-28/85. Industrial Development planning. The final report of the Industrial Working Group on long term planning was received by the economic development group, and approval is given for the preparation of long term plans. However, it is requested that when the ID PMC and the EDB consider specific proposals, the following points be kept in mind:

- a) That the motivation of UMN in industrial development should be properly communicated and understood by others;
- b) That adequate consideration be given to the long term effect of industrial development upon the limited UMN resources;
- c) That full consideration be given to the effect of industrialisation on rural areas;
- d) That opportunities for person-to-person relationships should not be weakened or destroyed;
- e) That further thought be given to the possibility of really attaching a "Christian rationale" to industrial development, or for Christians to endorse specific social, economic and political systems.

In approving the above recommendation of the Economic Development group, the Board also affirms again the commitment of the UMN to industrial development as a part of its total ministry to the people of Nepal.

BD-29/85. Health Services Group. All the aspects of health services work were reviewed by the group, and expressions of affirmation and advice received.

- a) Gorkha Project. Support is warmly expressed for the policy of controlled admission at the hospital, and the increasing sense of responsibility for the hospital on the part of the local community. It is recognised that the change of emphasis in the CHP from the role of "providers" to that of "motivators" will pose problems to existing programs and staff.
- b) Palpa CHP. The restriction of work to panchayats where communities have organised themselves is commended, although this demands real effort to motivate poor communities with little local initiative.
- c) CPHCP. The development of the work in this project in Lalitpur is noted with appreciation, and the need for funding commended to donors.
- d) CDAP. The continuation of work in Lalitpur is affirmed in the light of the local poverty and isolation, with adjustments to comply with the new decentralisation policy of HMG.
- e) Nursing Campus. Affirmation is given to Executive Committee action in approving budgets for the purchase of the property, and the need for funding for this is commended to donor agencies. Study should also be given to further ways in which UMN policies on leadership development may be applied to nursing services in view of the serious shortage of nurses and other categories of health workers.
- f) Patan Hospital. It is recorded with thankfulness to God that the building program has been completed. Appreciation is expressed for the statistics and progress report on the drive for cost curtailment and income generation; and concern about the shortage of trained staff available.
- g) Health Services Offices and programs. The amalgamation of HSO and HSSP was noted, and the reasons for this as given in the revised Plans for 1984/85 (Appendix 31). The development of the Mental Health Program and the Dental Program were noted with appreciation; also the work which is being done on the evaluation of the total HSB work and projects.
- h) Agreement. Appreciation is expressed for the negotiations on the overall Health Services agreement with HMG.

BD-30/85. Okhaldhunga Project. After discussion, it was RESOLVED:

- a) To approve discussions about the possibility of the present Dispensary becoming the new District Hospital, of an appropriate scale and nature, under an independent Board, the necessary acquisition of land having already been made.
- b) To approve investigation into the possibility of increasing the surgical facilities of the present Dispensary, with a report back to the Executive Committee.

BD-31/85. Tansen Hospital. It was RESOLVED to affirm the recommendation of the health services group:

- a) Appreciation of the extensive building improvements being undertaken;

- b) Encouragement for further investigation of the possibilities of cooperation with HMG;
- c) Concern that the staff be strengthened as soon as possible to cope with the workload;
- d) Rejection of the suggestion that restriction of patient numbers is unethical, while accepting that this may be difficult to implement.

BD-32/85. Board Appointee Health and Adaptation.

- a) While the UMN strongly desire to have more Asian Board Appointees, it is recognised that the present membership means that the mission has a predominantly "western" element, and new Asian workers have to make an adjustment to both that and the Nepali culture. The Board therefore requests more adequate preparation for the reception of such Asian Board Appointees, noting the already commissioned "Human Resources Management Study" commencing in July.
- b) Appreciation is expressed for the present arrangements for health care of Board Appointees. However, in view of the present shortage of trained dentists in Nepal, the member bodies should give special care **and** attention to dental care of workers before arrival in Nepal and during home leave.

BD-33/85. Training of personnel. In view of the heavy workloads in many areas, and the shortage of medical and health workers, it was **RESOLVED** to:

- a) Commend the local training of health personnel at ANM and lower levels by UMN;
- b) Request an inquiry into the reasons for the non-retainment of fully trained staff at UMN institutions, in particular considering whether higher salary, better conditions, or greater security are potent factors in producing such a dearth.
- c) To request a study of the workload situation in terms of the nation-wide shortage of trained staff, and whether this demands a new order of priorities in the training of personnel in order to stabilize the present situation, or the return to an older order.

GENERAL MATTERS

BD-34/85. Nepalisation. The United Mission continues to keep this as a matter of on-going concern at all levels of policy, work and planning, and each of the discussion groups considered the subject, some in more detail than others.

The commitment of the Mission to the principle of Nepalisation is re-affirmed, although it is recognised that in some areas, such as health services, the present rate of implementation cannot be maintained because of the shortage of personnel. In other areas it is easier to maintain the extent of implementation of this principle, and the strategies and philosophies of several projects were shared in the economic development group, and received with appreciation.

BD-35/85. Timing of Board Meeting. With the change of the UMN financial year, several groups suggested that the timing of the Board Meeting also be altered to fit into the pattern of planning and reporting for the year. Members present indicated that they would welcome the meeting to be held in late November instead of in April.

It was RESOLVED to request UMN administration to give careful thought to the most appropriate timing for the next Board meeting, and to prepare materials accordingly, with the recommendation that November 1986 be considered.

BD-36/85. Role of the Board of Directors. It was further RESOLVED to refer to administration a study of the administrative structure, role and responsibilities, policy and relationships of the Board, its small group discussions, and the Executive Committee. The philosophy and strategy should be clearly outlined, indicating what matters should be dealt with by the Executive, and what should come through the Executive Committee to the Board. A report should be brought back to the Executive Committee in November.

It was further recommended that papers on all major policy items should be made available to all Board members rather than those of particular small groups only. Also that it may be helpful to have proposed resolutions presented for adoption or amendment.

BD-37/85. Report of Workers' Conference. The elected representative to the Board from the 1984 Workers' Conference, Mr. Adrian Slater, reported on the week of fellowship and sharing held in May 1984 at Budhanilkantha School for UMN personnel. A large number of adults and children shared in this, and a brief outline was reported on the studies given by the guest speakers, Rev. Vinay Samuel and Rev. Chris Sugden, on the subject of "transformation," with a strong Biblical basis. Some projects have been able to apply the principles learned to their work, but it is recognised that much more discussion and action is needed to bridge the gap between the ideal and its application.

BD-38/85. Report on renewal of General Agreement The Executive Director reported on the progress made concerning the renewal of the General Agreement, which expires in May 1985. Strong encouragement has been received to trust that this will be approved and a new agreement signed in the very near future.

BD-39/85. European Consultation, May/June, 1985. The Executive Director outlined his planned visits to the offices of almost all the European member bodies in the next couple of months. The Board affirmed that this should be of real value to UMN administration and to the member bodies, while expressing concern at the very heavy schedule of visits planned.

BD-40/85. Publicity materials. The Information Officer brought to the attention of the Board several new publicity items which have been produced during the last year, including the booklet "Introducing Nepal" which is a response to the request of the Board in BD-7/84, b.

BD-41/85. Power of Attorney. It was RESOLVED that the Executive Director and the Treasurer hold the Power of Attorney in order to defend or sue, as the case may be, on behalf of the United Mission to Nepal.

BD-42/85. Tribute to Dr. Cecil Pedley and Dr. Elizabeth Miller.

a) Dr. Cecil Pedley. The UMN records the passing of Dr. Cecil Pedley in February 1985 in England. Dr. and Mrs. Pedley, after spending many years in India under the Leprosy Mission, came to work in Nepal, seconded to the UMN. Dr. Pedley established the leprosy work at Anandaban in 1958-60, and then worked in Tansen from 1961-1973. His contribution was not only in concerned treatment for

patients, but also in research, in which he made valuable contributions, some of which were proclaimed worldwide.

Because of his deep and continuous interest in UMN and Nepal, we have lost a long and truly supportive friend. We thank God for the life and ministry of Cecil Pedley, and commend to God's care his wife, daughter Rosalind (who with her husband also served several years in Tansen), and other members of the family.

b) Dr. Elizabeth Miller. Word was received of the passing of Dr. Elizabeth Miller in U.S.A. in November 1983. Dr. Elizabeth, accompanied by her husband, Dr. Edgar Miller came to Nepal in 1956. Although near normal retirement age, these friends came to a pioneering situation in Shanta Bhawan Hospital.

Dr. Elizabeth made many contributions as a gynaecologist, but her heart was moved towards the village people of Kathmandu Valley as a member of the District Clinic, an outreach of SBH. Her name and ministry will be long remembered in many villages of the Valley. We wish to assure Dr. Edgar of our prayers that God's comfort and peace will support and strengthen him in his bereavement.

BD-43/85. Nominating Committee. A Nominating Committee had been appointed as follows: Mr. Paul Myers (Coordinator), Mr. Billy Johansson, Mr. Richard Clark, Dr. Alan Cole, Miss Janette Cowan. On receiving the recommendations of this Committee, the new Executive and Finance Committees were elected.

BD-44/85. Executive and Finance Committees. It was RESOLVED to appoint the following members of these two committees, to serve for the period from this meeting until the next meeting of the Board:

a) Executive Committee:

President: Rev. Neil McVicar
Vice President: Bishop John Ghose
Other members: Miss Janette Cowan
Rev. Newton Thurber
Dr. Alan Cole
Mr. Kentaro Shiozuki
Mr. Jorgen Pedersen
Rev. Ingemar Berndtson
Miss Else Furthmuller

b) Finance Committee:

Chairman of Finance Committee: Mr. Jorgen Pedersen
Chairman of the Board: Rev. Neil McVicar
Other member: Mr. Kentaro Shiozuki

BD-45/85. Appreciation.

a) A special vote of gratitude was expressed to Rev. Paul Kniss for his chairmanship of this meeting, and for his leadership as President of the UMN during the past two years. The special effort he has made to visit almost all projects of the mission and to become personally acquainted with the work was particularly commended.

b) Warm appreciation was also expressed to the Executive Director and administration for the work in preparation of materials and arrangements of the Board meeting, and its small groups; also for the input of all UMN and Nepali colleagues to the discussions of these groups, and the leadership of the Chairmen of the groups;

c) This was further extended to UMN workers across Nepal for their dedicated and often sacrificial service in implementing the policies of the Board.

BD-46/85. Date of next meetings. The dates for the coming meetings were set as follows:

Finance Committee: November 25, 1985.
Executive Committee: November 27-28, 1985.

Finance Committee: April 11, 1986
Executive Committee: April 13-14, 1986.

Further meetings: To be arranged later.

There being no further business, the meeting was closed with prayer.

Minutes of the

UMN EXECUTIVE COMMITTEE MEETING

held in Kathmandu. 14-15 April, 1985

The Executive Committee met for two days at UMN Headquarters. Each morning opened with devotions, led by Bishop John Ghose and Rev. Newton Thurber respectively. The first session was also preceded by the official opening of the Bishwas Niketan offices, conducted by Bishop Ghose.

Roll Call. Members were present, except as indicated:

President:	Rev. Paul Kniss
Vice President:	Miss Janet Cowan
Other members:	Miss Pauline Brown (absent) Rev. Ingemar Berndtson Dr. Alan Cole Bishop John Ghose Rev. Neil McVicar Mr. Jorgen Pedersen Mr. Kentaro Shiozuki Rev. Newton Thurber
Ex-officio:	Mr. Howard Barclay, Executive Director Mr. Erling Wennemyr, Treasurer Miss Jeanette Hyland, Health Services Secretary Mr. Richard Clark, Education Secretary Mr. Al Schlorholtz, Economic Development Secretary Mr. Richard Cameron, EB Representative Mr. Pat Fulks, HSB Representative Mr. Andrew Bulmer, EDB Representative

Agenda. The Agenda was accepted as presented by the Executive Director.

EC(1)-1/85. Confirmation of Minutes. The Minutes of the meeting held on 2-3 December, 1984 were accepted and approved as correct.

It was noted that these minutes included the approval of the Community Forestry program plan and budget contained in the Forestry Task Report, indicating provisional acceptance of the Report.

EC(1)-2/85. Correspondence vote. The following actions are recorded as having been approved by correspondence vote since the last meeting of the Executive Committee:

- a) Herbert Campbell and Kirstin Kirkhoff, doctor, offered by PC, USA. It was RESOLVED to accept Herbert Campbell and Kirstin Kirkhoff for service with the UMN, with thanks to God and to their sending mission.
- b) Representatives to the Board from the Christian Community. It was agreed to appoint Pastor Robert Karthak and Mr. Adon Rongong as the two representatives to the Board meeting in April, 1985. (See BD-64/85)

EC(1)-3/85. Executive Director's Overview. The Executive Director gave an overview of many of the main events and factors affecting the situation in Nepal and the UMN, which was greatly appreciated.

Arising out of this overview there was discussion about the need for management personnel in many areas across the mission, and note was made of the appointment of two personnel to give specialised input into training, etc. during the coming year.

PLANS AND BUDGETS FOR 1985/86.

EC(1)-4/85. Plans and Budgets. The plans for each of the projects of the mission were presented, and all major points reviewed. It was noted that the Finance Committee had recommended acceptance of the amended budgets, and amendments are received in the plans for Headquarters and Health Services Board, general.

It was RESOLVED to accept and approve the Plans and Budgets for 1985/86 in amended form, for the following projects:

a) Administration:

Appendix 1 - Treasurer's consolidated budgets
Appendix 2 - Headquarters Project

b) Education Board:

Appendix 3 - Education Board, general
Appendix 4 - Seconded Teachers
Appendix 5 - Pokhara Education Project
Appendix 6 - Jumla Project
Appendix 7 - Language and Orientation Program
Appendix 8 - Training and Scholarship Program
Appendix 9 - Student Financial Assistance Program
Appendix 10 - Education Service Office
Appendix 11 - Children's Hostel
Appendix 12 - Business and Secretarial School

c) Economic Development Board:

Appendix 13 - Economic Development Board, general
Appendix 14 - EDB Service Office
Appendix 15 - Development and Consulting Services
Appendix 16 - Industrial Development PMC
Appendix 17 - Rural Development Centre, Pokhara
Appendix 18 - Andhikhola Project
Appendix 19 - Surkhet Project

d) Health Services Board:

Appendix 20 - Health Services Board, general
Appendix 21 - Health Services Offices and Lahan
Appendix 22 - Palpa Project
Appendix 23 - Gorkha Project
Appendix 24 - Okhaldhunga Project
Appendix 25 - Lalitpur Community Primary Health Care Program
Appendix 26 - Lalitpur Community Development Assistance Program
Appendix 27 - Nurse Campus, UMN Program
Appendix 28 - Patan Hospital

e) Personnel Posts

Appendix 29 - Consolidated list.

EC(1)-5/85. Language study for UMN workers. Of the several matters discussed in more detail arising out of the budgets, it was RESOLVED to minute the Committee's concern that the policy for ongoing language study for UMN workers following the initial five month course be implemented. Member bodies are urged to follow this up with reference to their own workers, and encourage them to do this, and refresher courses at the beginning of the second term, to assist UMN administration in the carrying out of the policy.

OTHER FINANCIAL MATTERS

EC(1)-6/85. Finance Committee Minutes. The draft Minutes of the Finance Committee held on 13th April, 1985 were noted and approved, and the actions confirmed. Particular attention was paid to the following major topics, and decisions taken accordingly.

EC(1)-7/85. Provident Fund Statement. The Statement of the Provident Fund for the year 1984 was received with the Auditor's report, and approved.

EC(1)-8/85. Supplementary budgets for 1984/85. It was RESOLVED to approve the following:

GAMV, Pokhara, School bus	Rs.350,000.
GAMV, Pokhara, Health Centre (matching grant)	200,000.
Nurse Campus, additional 3 ropanis of land	1,350,000.
Nurse Campus, additional for renovations, etc.	700,000.

It was noted that the property for the Nurse Campus, UMN Program will probably be purchased in the name of the Institute of Medicine, Tribhuvan University.

EC(1)-9/85. Purchase of Headquarters Property, Asha Niketan. It was RESOLVED that the Executive Committee recommend to the Board approval of negotiations with Himal Hydro to seek the purchase, at an appropriate price, of the Asha Niketan for use in providing facilities to enable greater coordination of the Headquarters function of the UMN.

In authorising these developments, the Executive Committee reaffirms its commitment to decentralised planning and management, and to the policy of Nepalisation of its development programs and projects. In seeking these facilities, the Executive Committee also reaffirms that the UMN does not seek large appropriation of properties.

EC(1)-10/85. New/extended programs.

- a) CPHCP/CDAP, Lalitpur. It was RESOLVED to authorise and encourage negotiations for the amalgamation of these two projects as detailed in FC(1)-6/85, b.
- b) Palpa CHP. It was RESOLVED to approve the new budget for the extended program for 1986-89.

EC(1)-11/85. Per Capita Grant Policy. It was RESOLVED to accept and recommend to the Board the Per Capita Grant policy as outlined in FC(1)-8/85, for final approval.

Further to recommend that the per capita grant for 1985/86 be continued at the rate of \$800. per person.

PERSONNEL MATTERS

EC(1)-12/85. New Board Appointees who have arrived since the last meeting.
(for information)

Marie Auld	Ruth Lee
Alie Bulten	Marie-Luise Ley
Reiny de Wit	Tim and Joy Linton
Barbara Fargher	Brian Little
Susan Friesen	Tom & Elizabeth Moncrieff
Carolyn Gallagher	Ruth Powys
Graeme Gugeri	Olivia Rountree
Gene & Terry Howard	Taeko Takatsu
Uli & Sue Kohler	Aino Tuppurainen
Wim & Margreet Korstanje	

EC(1)-13/85. New Board Appointees expected (already accepted, for information)

Paul & Sue Collier	Tim Lehane
Lynne Davies	Russ & Marge Liechty
Nancy Eimer	Hieke Ludwig
Michael & Helen Francis	Cordula Rau
Dorothy Gale	Michael & Valerie Roake
Christine Hease	Klas & Maria Ulenius
Stuart & Janet Kidd	

EC(1)-14/85. Board Appointees returned from furlough since last meeting.
(for information)

Ken & Gwyneth Brookes	Alan & Jane Iles
David & Rosemary Cooke	Robert & Lena Jonzon
Ray & Karen Cross	Susie Merry
Peder & Ulla Ericsson	Geoff & Aileen Pike
Randy Friesen	Ryohei Takatsu
Norman & Maija Holbrook	Niekie Waaning

EC(1)-15/85. Board Appointees expected back from furlough before the next meeting (for information)

Ken & Jill Anderson	Seija Hjelt
Stu & Susan Clark	Kirsti Kirjavainen
Val Collett	Marketta Lehti
Paul & Julie Curtis	Delos & Hazel McCauley
Joop & Janna de Zwaan	Tjerk & Corrie Nap
Trevor & Janet Durston	Anja Patila
Marlene Evans	Tanja Storm
Ennie Hokkanen	Tomoe Tawara
	Markku & Ritta-Leena Voutilainen

EC(1)-16/85. Board Appointees who have left since the last meeting (for inform.)

Ken & Jill Anderson	Seija Hjelt
Martin & Inge Anhorn	Alex & Myrena Mercken
Joyce Baldwin	Satoshi & Masako Mori
Valerie Collett	Tjerk & Corrie Nap
Joop & Janna de Zwaan	Steve Normanton
Trevor & Janet Durston	Jim & Elsie Pettibone
Hanne Egner	Marian Smith (DA)
Marlene Evans	Jenny Sutton
Gene & Grace Fox (med. emergency)	Tomoe Tawara
Marq & Marlene Gorton	Dave & Lois Williams
Rigmor Hildershavn	

EC(1)-17/85. Board Appointees who have changed their member body.

Maija Holbrook, from FMS to UCC.

EC(1)-18/85. Board Appointees who have resigned. It was RESOLVED to accept with regret resignations from the following:

Neil and Robbie Anderson, Business Manager, UCC
Gudrun Bonnedal, Information Office, OM
Trevor and Stella King, Business worker, BMS.

EC(1)-19/85. Board Appointee retirement. It was RESOLVED to thank Joy Carter for her service with the UMN.

EC(1)-20/85. Board Appointees leaving indefinitely: The following UMN workers will soon be terminating service with the UMN without definite plans to return in the foreseeable future. It was RESOLVED to thank them for their service in the Mission, and to encourage them to re-apply if and when they are able to return to Nepal:

Ad and Karin Breedveld, teacher, BMMF Int.
Robert Bruce, forester, C.of S.
Cliff and Chris Eaton, architect, BMS.
Adrian and Justine Slater, engineer, TF
Tore and Ragnhild Skeie, engineer, NHAM
Sze Kiat and Kuan Thai Tang, engineer, BMF Int.
John and Lynn Williamson, engineer, MCC.

EC(1)-21/85. Board Appointees leaving on furlough. The following persons will be leaving on furlough, and plan to return to Nepal within the next two years or less. It was RESOLVED to thank them for their service with the UMN, and to welcome their return to Nepal at the end of furlough:

Jean Baird, teacher, BMMF Int.
Kerry Brown, nurse, BMMF Int.
Margaret Cranston, teacher, CMS, UK.
Richard and Heather Cameron, teacher, BMS
Valerie Collett, nurse, BMMF Int.
Steve and Gail Erickson, health educator, MCC
Richard and Vivienne Fletcher, engineer, MC, UK
Gene and Jane Glassman, information officer, PC, USA
Raija Hannila, secretary, FCF
Kathy Horton, non-formal educator, WMPL
Helen Huston, doctor, UCC
Ruth Judd, nurse, CMSA
Ed and Annie Kramer, engineer, BMMF Int.
Lionel and Alison Mackay, engineer, RBMU
Mirjam Bergh, nurse, OM
Ann Matthias, social worker, BMS
Mel and Betty Meyer, doctor, UMC
Wendy Moore, nurse, CMSA
Asbjorn and Anne-Theresa Ness, teacher, NHAM
Rut Peterson, nurse, OM
David and Miriam Ramse, agriculturalist, LCA
Ray and Barbara Reeves, maintenance supvr., PCI
Silvia Scholz, doctor, CSO
Birgitta Sharma, nurse, OM
Neil and Clarice Solvik, pharmacist, LCA
Graham and Sue Toohill, doctor, BMMF Int.
Marjatta Tolvanen, food technologist, FEIM
Nora Vickers, counsellor, RBMU
Diane Williams, social worker, YWAM
Glenys Walker, teacher, BMS
Betty Young, secretary, RBMU

EC(1)-22/85. Jim and Karen Allen, agricultural engineer, offered by BMMF Int. It was RESOLVED to accept Jim and Karen Allen for service with the UMN, with thanks to God and to their sending mission.

EC(1)-23/85. Wendy Beesley, teacher, offered by RBMU. It was RESOLVED to accept Wendy Beesley for service with the UMN, with thanks to God and to her sending mission.

EC(1)-24/85. Bent and Kirsten Bondergaard, teacher/hostel parents, offered by DSM. It was RESOLVED to accept Bent and Kirsten Bondergaard for service with the UMN, pending clearance of medical reports, with thanks to God and to their sending mission.

EC(1)-25/85. Doug and Maggie Curry, community motivator, offered by BMMF Int. It was RESOLVED to accept Doug and Maggie Curry for service in the UMN, pending clearance of medical reports, with thanks to God and to their sending mission.

EC(1)-26/85. Roydon Chesswas, food technologist, offered by BMMF Int. It was RESOLVED to accept Roydon Chesswas for service with the UMN, pending medical clearance, with thanks to God and to his sending mission.

EC(1)-27/85. P.V. and Annie Chandy, teacher, offered by UCC. It was RESOLVED to accept P.V. and Annie Chandy for service in the UMN, with thanks to God and to their sending mission.

EC(1)-28/85. Stephen and Elizabeth Cox, dentist, offered by BMMF Int. It was RESOLVED to accept Stephen and Elizabeth Cox for service in the UMN, pending clearance of medical reports, with thanks to God and to their sending mission.

EC(1)-29/85. Katie Dick, teacher, offered by C.of S. It was RESOLVED to accept Katie Dick for service with the UMN, with thanks to God and to her sending mission.

EC(1)-30/85. Hilary Green, teacher, offered by CMS, UK. It was RESOLVED to accept Hilary Green for service in the UMN with thanks to God and to her sending mission.

EC(1)-31/85. Sabina Hausler, forester, offered by GM. It was RESOLVED to accept Sabina Hausler for service with the UMN, with thanks to God and to her sending mission.

EC(1)-32/85. Jostein and Martha Holm, business manager, offered by NHAM. It was RESOLVED to accept Jostein and Martha Holm for service again in the UMN, with thanks to God and to their sending mission.

EC(1)-33/85. Heather Hunt, hostess, offered by BMMF Int. It was RESOLVED to accept Heather Hunt for service in the UMN, pending clearance of medical reports, with thanks to God and to her sending mission.

EC(1)-34/85. Elly Jensen, nurse, offered by DSM. It was RESOLVED to accept Elly Jensen for service in the UMN, with thanks to God and to her sending mission.

EC(1)-35/85. Arthur and Hilary Jones, teacher, offered by BMMF Int. It was RESOLVED to accept Arthur and Hilary Jones for service in the UMN, pending clearance of medical reports, with thanks to God and to their sending mission.

EC(1)-36/85. Mark and Darlene Keller, teacher offered by MBM. It was RESOLVED to accept Mark and Darlene Keller for service in the UMN, with thanks to God and to their sending mission.

EC(1)-37/85. Vuokko Konola, dentist, offered by FELM. It was RESOLVED to accept Vuokko Konola for service in the UMN, with thanks to God and to her sending mission.

EC(1)-38/85. Ilona Lepola, nurse, offered by FELM. It was RESOLVED to accept Ilona Lepola for service in the UMN, with thanks to God and to her sending mission.

EC(1)-39/85. Stephen and Margot Longley, computer programmer, offered by MBM. It was RESOLVED to accept Stephen and Margot Longley for service in the UMN, pending medical clearance, with thanks to God and to their sending mission.

EC(1)-40/85. Maureen Maybin, teacher, offered by BMMF Int. It was RESOLVED to accept Maureen Maybin for service in the UMN, pending medical clearance, with thanks to God and to her sending mission.

EC(1)-41/85. Gordon McConkey, administrator, offered by UCC. It was RESOLVED to accept Gordon McConkey for service in the UMN, with thanks to God and to his sending mission.

EC(1)-42/85. Gillian Norval, agriculturalist, offered by BMMF Int. It was RESOLVED to accept Gillian Norval for service in the UMN, pending medical clearance, with thanks to God and to her sending mission.

EC(1)-43/85. Jens Olesen, engineer, offered by DSM. It was RESOLVED to accept Jens Olesen for service in the UMN, pending medical clearance, with thanks to God and to his sending mission.

EC(1)-44/85. Peter and Maureen Price, administrator, offered by REMU. It was RESOLVED to accept Peter and Maureen Price for service in the UMN, pending medical clearance, with thanks to God and to their sending mission.

EC(1)-45/85. Aart and Ineke Stolk, electrician/maintenance, offered by BMMF Int. It was RESOLVED to accept Aart and Ineke Stolk for service in the UMN, with thanks to God and to their sending mission.

EC(1)-46/85. Shwu Eng Tan, secretary, offered by BMMF Int. It was RESOLVED to accept Shwu Eng Tan for service in the UMN with thanks to God and to her sending mission.

EC(1)-47/85. Willem and Mieke van Dis, agriculturalist, offered by BMMF. It was RESOLVED to accept Willem and Mieke van Dis for service in the UMN, pending medical clearance, with thanks to God and to their sending mission.

EC(1)-48/85. Stan and Dorinda Visness, agricultural engineer, offered by WMPL. It was RESOLVED to accept Stan and Dorinda Visness for service in the UMN, with thanks to God and to their sending mission.

EC(1)-49/85. Appointments to Functional Boards. It was RESOLVED that the following persons be appointed as the Executive Committee appointees to the Functional Board for the year 1985/86:

Health Services Board: Dr. Bill Hawes, Dr. Parsai.

Economic Development Board: Dr. Bill Hawes, Mr. Muni Sakya.

Education Board: Fr. Jim Dressman, Mr. George John.

MINUTES OF FUNCTIONAL BOARDS, ETC.

EC(1)-50/85. Minutes of meetings. The Minutes of meetings of the three Functional Boards, the Integrated Development Committee and the Coordinating Committee were received. Some major issues were discussed elsewhere on the agenda, and others noted from the Minutes.

OTHER MATTERS

EC(1)-51/85. Madhubasa Reports. Ref. EC(2)-5/84, b. An illustrated account of the work in Madhubasa was received from Andrew Bulmer, and the report that a further account would be compiled from taped interviews with the village leaders.

It was RESOLVED that the latter report should be made widely available to other villages in Nepal, and that the illustrated report be duplicated and made available as deemed most appropriate by UMN administration.

EC(1)-52/85. Language School Ownership. It was noted that the Language School had been handed over to Nepali ownership as previously authorised, effective from mid-January 1985, and that the new company is known as Language Activities and Research Centre, Pvt. Ltd.

EC(1)-53/85. Mental Health Program. Ref. EC(2)-59/84. The report of the HSB that the problem of expatriate drug addicts could not be handled by UMN was accepted with understanding. Concern was further expressed for religious seekers, and this matter should be discussed with Dilaram.

EC(1)-54/85. Computer Program. A few machines have been procured, and expert workers are now awaited to lead and develop this program.

EC(1)-55/85. Board and Executive Committee Minutes Books. It was agreed to refer this matter to the Board's administration group for decision on the circulation of Minutes, Reports and Financial Statements.

EC(1)-56/85. UMN structures. The Executive Director reported that several matters are under serious review at the present time, including:

- Headquarters project structure and scope of work;
- Functional Board, PMCs, and the possibility of area administration;
- Project administration, and the possible need for Project Directors;
- Policy direction for rural development work and its place in UMN administrative structures.

A further report is anticipated at the November Executive Committee meeting.

EC(1)-57/85. Election of President of UMN. Further to EC(2)-52/84, it was noted that the following recommendation had been circulated to the Board members for action at the April 1985 meeting: Bye-law II, new para D:

"The member body providing the President will be permitted to send a second delegate to the ensuing Board Meeting, who will have voice and vote. This privilege is not extended to the member body providing the Vice President, except in the event that it is known that the President cannot attend the Board meeting and there is time to arrange for a second delegate."

It was RESOLVED to recommend this to the Board for approval.

EC(1)-58/85. Observers at the Board meeting. Further to EC(2)-52/84, it was noted that the following recommendation had been circulated to the Board members for action at the April 1985 meeting: Bye-law II, new para E:

"Observers at the Board meeting will normally include -

- a) Executive members attending the Executive Committee meeting prior to the Board, but not appointed to the Board.
- b) New delegates to be appointed the following year (as in B above).
- c) Officials of member bodies in addition to the one voting member.
- d) Representatives of other groups sending personnel to the UMN, outside the member bodies."

It was RESOLVED to recommend this to the Board for approval, with the following further amendments:

- i) Addition of section e) - recommending by the Coordinating Committee - e) Only one observer may attend from any one member body."
- ii) Addition of the following words to section d) - "Representatives of Christian agencies contributing regularly to the financial needs of the UMN."

In doing so, it was noted that the Coordinating Committee had not proposed this amendment, but recommended that the opening sentence read:

"Observers at the Board meeting will normally only include: ."

EC(1)-59/85. Offers of service - Medical Reports. It was RESOLVED to approve the policy that no offers of service be brought to the Executive Committee for acceptance in future unless the medical reports have been cleared by the UMN.

EC(1)-60/85. Re-assignment from situations of stress. This matter was discussed and is referred to the administration group of the Board for recommendation, keeping in mind the need to strengthen the authority of the Executive Director with reference to the Bye-law VII, C, 12.

EC(1)-61/85. Annual study time. It was RESOLVED to approve that one week of work time annually, non-accumulative, be available as a privilege for professional study, as approved by the Functional Secretary, and with the recommendation of the Project Director. UMN workers taking advantage of this study time are expected to report back to the Functional Secretary and Project Director on what has been accomplished during the week of study. This week is not regarded as leave, but worktime.

EC(1)-62/85. Leave for workers in Butwal. It was RESOLVED to approve that because the Board Appointees in Butwal work 44 hours per week, eleven half days extra leave per year be granted to Board Appointees assigned to Butwal on the following conditions:

- a) Each half day is to be systematically approved and recorded by whoever is normally responsible for giving approval of holidays;
- b) These half days cannot be accumulated together to form whole days or groups of days. A maximum of one half day can be taken in any one week.

EC(1)-63/85. Rent allowances for children over 19. It was RESOLVED to affirm the present policy that rent allowances be granted for children of Board Appointees up to the 19th birthday.

EC(1)-64/85. Representatives to the Board from Christian community. As Pastor Robert Karthak is unable to accept this appointment (EC(1)-2/85, b), it was RESOLVED to appoint Mr. Loknath Manaen in his place.

EC(1)-65/85. Executive Committee materials. The problem of Executive Committee members having adequate time to read the papers supporting the agenda before the time of the meeting. UMN administration is asked to propose a solution to this matter.

EC(1)-66/85. Closed session for voting members. The voting members met for a closed session on the second day, and invited the Executive Director to a part of this discussion.

There being no further business, the meeting was closed with prayer.

Minutes of the
UMN FINANCE COMMITTEE

held in Kathmandu, 12th April 1985

The Committee met for most of one day at UMN Headquarters, Thapathali. The meeting was opened with devotions led by Rev. Neil McVicar.

Roll Call. All members were present, as follows:

Chairman of Finance Committee:	Rev. Neil McVicar
Chairman of the Board:	Rev. Paul Kniss
Other member:	Mr. Jorgen Pedersen
Ex-officio:	Executive Director - Mr. Howard Barclay
	Treasurer - Mr. Erling Wennemyr
	Education Secretary - Mr. Richard Clark
	Health Services Secretary - Miss Jeanette Hyland
	Economic Development Secretary - Mr. Al Schlorholtz

Agenda. The agenda was adopted as presented by the Treasurer.

FC(1)-1/85. Confirmation of Minutes. The Minutes of the meeting held on 30th November, 1984 were accepted and confirmed as correct.

FC(1)-2/85. Budgets for the year 1985/86. The consolidated budget for the whole Mission was noted carefully, and important changes in the project budgets. Two major increases in figures were explained:

- Tansen Hospital deficit is considerably higher because fewer patients can be treated while the building program is in progress, which means a reduction in local income;
- Andhikhola Project, AHREP program budget figure is the total amount for the whole program, and not just for three years as is normally shown.

It was RESOLVED to recommend to the Executive Committee acceptance and approval of these budgets for the coming year, with the confidence that funds will be available to meet them.

FC(1)-3/85. Provident Fund Statement. The Provident Fund Statement for the year 1984 and the auditor's report, were noted and approved to be forwarded to the Executive Committee for approval.

FC(1)-4/85. Supplementary budgets for the year 1984/85.

It was RESOLVED to recommend approval of the following supplementary budgets for the current year (noting that Coordinating Committee has approved many other minor items also):

GAMV Pokhara, School bus	Rs. 350,000.
GAMV Pokhara, Health Centre (matching grant)	200,000.
Nurse Campus, additional 3 ropanis of land	1,350,000.
Nurse Campus, additional for renovation	700,000.

FC(1)-5/85. Amendments to current Program Budgets. It was RESOLVED to recommend approval of the following extensions and increases, and other amendments to Program Budgets:

a) EDBSO, Promotion of Apprenticeship Training. The program is prolonged to December 1986, and the budget increased by Rs.212,000 to a total of Rs.562,000.

b) DCS, Rural Electrification Program. The program is extended to mid-1987, and the budget increased by Rs.150,000 to a total of Rs.742,000.

c) DCS, Rural Equipment Development Program. The program is extended to mid-1987, and the budget increased by Rs.375,600 to a total of Rs.983,600.

d) Gobar Gas Drum Replacement Program. The program will be completed at the end of 1985, and the budget is increased by Rs.156,000. to a total of Rs.519,000.

e) Galvanising Program. This program will soon be completed, and the budget has been increased by Rs.748,000. to a total of Rs.1,628,000.

f) RDC, Animal Health Improvement Program. The program is extended to mid-1986, and the budget increased by Rs.346,000. to a total of Rs.1,127,000.

g) RDC, Horticulture/Agronomy Program. The program is extended to mid-1986, and the budget increased by Rs.192,000 to a total of Rs.646,800.

h) Andhikhola Project.
- AHREP, The budget is increased by Rs.13,362,000. to a total of Rs.52,500,000. for the whole period of the program.
- Agriculture program: The budget is increased by Rs.31,500. to a total of Rs.286,200.
- Cooperative Society Aid: The budget is increased by Rs.25,000. to a total of Rs.234,000.
- Forest, Soil and Conservation program: The budget is increased by Rs.18,000. to a total of Rs.189,000.
- Non-Formal Education program: The budget is increased by Rs. 11,000. to a total of Rs.101,000.
- Project Administration: The budget is increased by Rs.146,300. to a total of Rs.328,500.

i) CPHCP, Lalitpur. The program is extended to mid-1986, and the budget increased by Rs.4,127,800. to a total of Rs.10,193,200.

j) Palpa CHP. The program is reduced by one year (at the donor's request) and will end in mid-1986. The budget is reduced by Rs.3,390,375. to a total of Rs.3,458,600. (Ref. also FC(1)-6/85, a).

k) Jumla Project. The project is extended to 1990, and the budget is increased by Rs.5,798,326. to a total of Rs.24,066,326.

FC(1)-6/85. New Program Budgets. It was RESOLVED to recommend the following:

a) Palpa CHP. Program Budget for the period 1986-89; Rs.7,410,800.

b) CPHCP and CDAP, Lalitpur. In view of the decentralisation program of HMG, which will transfer responsibility for all development programs in any one area to the local District Panchayat, it is proposed to amalgamate CPHCP and CDAP. These were originally one program, and were divided some years ago to fit into the then government structures.

It is recommended that Executive Committee approve this amalgamation, and a provisional 3 year Budget of Rs.20,000,000. with the authority to begin seeking funds. The detailed budget will be presented in November 1985 to the Finance and Executive Committees.

FC(1)-7/85. Per Capita Grant, 1985/86. It was RESOLVED to recommend to the Board that the per capita grant be held at the present level of \$800. per person for the coming year.

FC(1)-8/85. Per Capita Grant Policy. The background history, method of calculation, etc. of the per capita grants was noted, and it was resolved to forward the following statement to the Executive Committee and Board for affirmation:

- a) The constitution provision that all member bodies are asked to pay an annual per capita grant for their workers is noted again.
- b) The amount of the per capita grant is set by the Board annually.
- c) The money is used to cover recurring and capital general administrative costs of the UMN, as per an approved budget.
- d) The per capita grant system is a method of calculating the amount requested from each member body; however, the money is given to the administrative fund as in c) above, and is not linked directly to the Board Appointee worker.
- e) Member bodies are requested to pay the per capita grant to cover the full period of furlough for workers who are away for up to six months. For workers who are away for longer than six months, member bodies are requested to pay the grant for at least six months of this period.
- f) Short-term workers who are in Nepal for less than one year should pay the grant on a monthly pro-rata basis.
- g) The above guidelines also apply to Board Appointees sent by agencies other than member bodies, and all Direct Appointees (including students), whether the grant is paid by a sending agency or personally. (See BD-13/85.)

FC(1)-9/85. Guarantee for UMN-related companies. (Amendment to FC(1)-11/84.) It was RESOLVED to authorise guarantees for maximum of Rs.2,000,000. of performance bonds and guarantees for contract advances for companies which are related to UMN, with a limit of Rs.1,000,000. for any one company.

FC(1)-10/85. Disposal of BPF Dividend. It was RESOLVED that the dividend, amounting to Rs.47,460., declared by the Butwal Plywood Factory be used to supplement the budget for the Butwal Wood Industries dust extractor; and that any balance left over be used to reimburse BPF for the training expenses of Mr. K. P. Choudhary.

FC(1)-11/85. Funding Structure of UMN. It was RESOLVED that the present system of centralising funding the system of UMN in the Treasurer's office be continued on a permanent basis.

FC(1)-12/85. Audit Reports. It was RESOLVED:

- a) To accept with gratitude the audit reports on the various projects, and the minutes of the Audit Committee;
- b) To note the Auditor's comments on the Okhaldhunga statements, and arrangements made;
- c) To note that the Audit Report on Lalitpur CDAP is on an amended statement, which is included as Appendix 33, nullifying the statement given in Appendix 33 to the December 1984 Minutes;

- d) To note two actions of the Audit Committee on the recommendation of the Auditor -
 - i) That request forms sent to HQ for cheques to be issued will require two signatures in future;
 - ii) That more concern must be given by the projects to valuing stock at the end of each year.

FC(1)-13/85. Purchase of Asha Niketan, HQ. It was reported that the Asha Niketan property could be purchased at this time; also that it has been confirmed that UMN cannot hold property because of government rulings, and that it is not possible to form a Property Holding Trust Company in Nepal.

It was RESOLVED to recommend to the Executive Committee that negotiations to purchase Asha Niketan through Himal Hydro be authorised, recognising that this appears to be a good investment and would greatly strengthen the establishment of UMN Headquarters, even though it is not the policy of UMN to involve itself widely in similar transactions.

FC(1)-14/85. Liquidity situation. The Treasurer reported that the present situation is good, with major funds held in US dollars and in Nepali rupees. Expert advice on the placement or transfer of large funds would be appreciated if available.

FC(1)-15/85. Matters reported for information. The Treasurer reported on several relevant matters of interest:

- a) Patan Hospital: Funding has been available for both UMN and HMG commitments to the budget.
- b) LARC: The agreement for the handover of the language school had been signed, with effect from mid-January 1985, and so far seems to be running satisfactorily.
- c) BTI and related companies: A report was received updating the information given in December. The licence for the new NHE company has been received.
- d) Patan Project. The building program of the hospital has been completed, and the provisional closing statement was noted.
- e) Financing of AKIDAP. The action of EDB-51/85 was noted, and the principal of giving the guarantee approved.
- f) Gobar Gas extension and promotion program. Amendments to the conditions presented at the December 1984 meeting were noted and approved.
- g) Bishwas Niketan and Nir Bhawan purchase. It was reported that the purchase of Bishwas Niketan by Himal Hydro has been completed. It is hoped that funding for Nir Bhawan may be promised soon.
- h) Case of dishonesty in HQ. A further report was given to that noted in FC(2)-18/84, c.

FC(1)-16/85 CCE Minutes. The minutes of executive actions taken by the Coordinating Committee since the last meeting of Finance Committee were noted. These were accepted and approved, and are appended for record.

COORDINATING COMMITTEE ACTIONS

1. BANK ACCOUNTS.

a) CCE-10/85. Bank accounts. It was RESOLVED to approve:

- i) Tansen bank account: That the Tansen UMN bank account No. 43 be operated by any two of the following authorised signatories, signing jointly: Project Director, CHP Director, Medical Director, Administrative Officer, Nursing Superintendent, and UMN Treasurer.
- ii) Jumla bank account: That the Jumla UMN bank account be operated by any two of the following authorised signatories, signing jointly: Project Director, Area Services Officer, Site Engineer, Business Manager, UMN Co-Principal, and UMN Treasurer.

b) CCE-14/85. Bank accounts. It was RESOLVED to approve the following:

- i) That the United Mission to Nepal account at Chase Manhattan, No. 949-1-092228, be operated by any two of the following signing jointly: Howard Barclay, Erling Wennemyr, Frances Swenson, Colin Law, Elizabeth Young, Anita Younkin.
- ii) That the United Mission to Nepal accounts held at the Nepal Bank Ltd., Kathmandu be operated by any two of the following, signing jointly: Howard Barclay, Erling Wennemyr, Elizabeth Young, Colin Law, Anita Younkin.
- iii) That the UMN account held at the Punjab National Bank, Nayagung, Kanpur, India, be operated by any two of the following, signing jointly: Erling Wennemyr, Kenneth Webster, Raghu Nath Sharma, Bhim Sen Thapa.

2. SUPPLEMENTARY BUDGETS FOR 1984/85

a) CCE-12/85. Supplementary Budgets for 1984/85. It was RESOLVED to approve the following supplementary budgets for 1984/85:

i) Gorkha Area Services:	Housing in Thalejung	8,000.
ii) Open House Clinic:	Examination table	3,200.
	Closed cupboard	3,500.
iii) HSO:	Office furniture	6,800.

b) CCE-23/85. Supplementary budgets, 1984/85. It was RESOLVED to approve the following:

i) HQ Project.	Bishwas Niketan renovation, maintenance and some furniture	40,000.
ii) Okhaldhunga Dispensary:	Metal stretcher, micropipettes, auto dropenser, battery and charger	9,850.
iii) Tansen Hospital:	Rewiring	25,000.
	Cash Registers	65,000.
	Microscope	52,000.
	X-ray parts	15,000.
iv) HSO:	Salaries	18,500.
	7 telephones	3,500.
	Computer disks	1,500.
v) Okhaldhunga Area Services:	Advance rent for two houses	38,400.

3. GRANTS FROM UNDESIGNATED FUNDS FOR 1984/85

a) CCE-3/85. Grants from Undesignated Fund. It was RESOLVED to approve the following grants to be made for approved budget items*

Butwal, Asha Craft -	Rs. 8,000.
HSOs, Computer -	44,561.

b) CCE-13/85. Grants from Undesignated Fund. It was RESOLVED to approve grants for the following approved items:

Open House Clinic: Examination table	3,200.
Closed cupboard	3,500.
HSO: Office furniture	6,800.

c) CCE-24/85. Grants from Undesignated Fund. It was RESOLVED to approve the following grant for approved budget items:

Okhaldhunga: Metal stretcher, micropipettes, auto dropenser, battery and charger	9,850.
--	--------

4. EMPLOYMENT AND SALARY MATTERS

a) CCE-4/85. Bond repayment by nurses. It was RESOLVED to approve the following policy:

1. All nurses beginning training in UMN Program should sign a bond to work for at least three years from the date of result publication, if offered UMN or Patan Hospital employment.
2. Nurses will be released from this bond if:
 - a) They are requested by TU IOM for employment by them immediately after graduation as teaching staff;
 - b) Having worked at least one year in UMN, they obtain TU IOM employment as teachers;
 - c) No UMN project can offer employment within six months of result publication;
 - d) In the event of no UMN project offering immediate employment, they obtain alternative employment as a nurse in Nepal.
3. The Nurse Campus should send a copy of the bond for each UMN employed nurse to the employing project and the nurse concerned. The project is to be responsible for any collection of money on behalf of the UMN Treasurer.

b) CCE-5/85. Employment Policy - Annual and Sick Leave. Annual and sick leave should be calculated according to the UMN financial year. Those projects/programs which still calculate for the year beginning 1st Magh should extend the current leave year for their employees by six months up to the end of Asadh 2042 (mid-July, 1985), adding half of the annual entitlement.

c) CCE-6/85. DCS and EDBSO Employment Rules. It was RESOLVED to approve the following policy:

Conflict of Interest: If an employee of DCS or an unseparated spouse, child, parent, brother or sister, uncle or aunt has an interest in a business in the form of share ownership, partnership or other forms of ownership, and where such business is a potential customer, supplier or competitor of DCS, that must be declared to the DCS Director.

Where such interests may constitute a conflict of interest, this must be brought to the attention of the DCS Planning and Management Committee, who will then decide whether a conflict exists, and, if so, what restrictions should be placed on the employee's work.

In cases of direct conflict of interests involving an employee or his/her spouse or minor child, the employee may be invited to tender his resignation or may be dismissed.

No employee of supervisory level or above may take on any additional employment unless permission is given by the DCS Planning and Management Committee.

d) CCE-7/85. Employment Policy, Allowances. Many revisions in the details of allowances were approved as recommended by the Personnel Policy Committee. These have been incorporated into a complete listing of allowances, as found in Appendix A to the CCE minutes.

e) CCE-18/85. Employment Policy: Calculation of Leave. It was RESOLVED that Section 10 of the Employment Policy dealing with Leave be amended as per Appendix B to these Minutes. The amendments reflect implementation of the decision that leave should be calculated in hours rather than days.

f) CCE-19/85. DCS Allowances. It was RESOLVED to approve the revised DCS Allowances as presented at EDB, with effect from 12th February 1985, applying only to DCS.

g) CCE-21/85. Salary scale, COL. It was agreed that this matter be referred to the PPC this year before being acted upon by the CC, on an experimental basis.

5. BOARD APPOINTEE MATTERS

a) CCE-2/85. Travel Expenses. It was RESOLVED to make the following change in the Duty Travel refund rates for motorcycles:

Local travel - Rs. 1/- per km.

Long-distance travel - .80 p per km.

b) CCE-16/85. Duty Travel Policy. It was RESOLVED to approve the following amendments to the Duty Travel Policy for Board Appointees (found as Appendix E to FC(2)-17/83, 6, c):

a) Section D, c to read -

Refunds within Nepal will be made as per the following for room and food:

- The worker will pay the first Rs.20/- NC per day;
- Up to a further Rs.80/- NC may be refunded by the UMN, per day;
- Amounts over that total figure of Rs.100/- NC per day will be paid by the worker, except in special circumstances as authorised by the Executive Director.

b) Section D, d, i) - amounts quoted are I.C.

c) Section D, d, ii) to read -

For food charges, up to the following refunds may be made:

- The worker will pay the first Rs.15/- I.C. per day;
- Up to a further Rs.65/- I.C. per day may be paid for food for journeys of over 24 hours;

- Amounts over that total figure of Rs.80/- I.C. per day will be paid by the worker, except in very special circumstances as authorised by the Executive Director.

d) Section E, b) - include also the further policy concerning freight allowance to Jumla as approved in FC(2)-19/84, 5, d.

c) CCE-22/85. Rent Allowances, Tansen. It was RESOLVED that the following new rent allowances for Tansen be approved as from 1 Shrawan (15 July 1985):

Single workers	Rs. 600/-	per month
Couple without children	1,100/-	" "
Couple with one child	1,250/-	" "
Couple with two or more children	1,350/-	" "

6. GENERAL MATTERS

a) CCE-1/85. Post for Computer Manager. It was RESOLVED to approve a post for a Computer Manager for the UMN, based at Headquarters.

b) CCE-9/85. Ram Kumar deficit. It was RESOLVED to debit "Accounts Receivable" with the sum of Rs.173,929.61, owed by Ram Kumar.

c) CCE-11/85. Guarantee or loan to BEW. It was RESOLVED that in the event that BEW is unable to secure necessary funding elsewhere, the UMN will guarantee or grant a loan totalling not more than Rs. 1,000,000 for the purpose of undertaking the Kumaon Area Irrigation Gates.

d) CCE-15/85. Policy on thefts and losses in cash. The following policy is approved concerning cash shortages/loss of cash while being handled by employees or by Board Appointees/Direct Appointees:

- a) It is expected that everyone handling cash will do so with maximum care to ensure that no discrepancy or loss occurs.
- b) Only employees who receive the cash handling allowance should handle cash. If a shortage/loss occurs through negligence, then the cash allowance, or salary if necessary, will be withheld until the shortage is made up.
- c) If a Board Appointee or Direct Appointee handles cash and a shortage/loss occurs through negligence, then that person is expected to make good the shortage/loss.
- d) If the shortage/loss comes about in circumstances in which it is deemed to have been through no negligence on the part of the employee, Board Appointee or Direct Appointee, then he or she will not be called upon to meet the shortage/loss.
- e) In cases where the Mission is to be asked to bear the shortage/loss, under d) above, the Treasurer is to be consulted. The Coordinating Committee may have cases brought before it to consider and give a final decision.

e) CCE-17/85. Consolidated Budget for 1985/86. It was RESOLVED to approve the Treasurer's consolidated budget for the coming year, and the amalgamated budgets for the whole Mission, and to forward them to the Finance Committee.

ALLOWANCES FOR UMN GENERAL

Effective from 1 Falgun 2041 (12 February 1985)

1. Village Allowance

This is to be paid to workers posted to work in villages outside the District Administrative Centre and outside each specific UMN Project/Programme headquarters.

- a) This Allowance will normally be 4%, calculated as a percentage of starting salary.
- b) For employees working in Lalitpur District there will be two specific village areas:
 - i) in between the Ring Road and Lele Khola the Allowance will be 2% of starting salary;
 - ii) between Khane Khola and the Bagmati River in the south the Allowance will be 8% of starting salary.
- c) All who work in villages will receive Village Allowance regardless of where their residence may be (see CCE-79/84).

2. Out of District Allowance

- a) Employees who live in the District where the Project/Programme is are locally employed, and do not receive the Out of District Allowance. Employees working in a Project/Programme who do not have their homes in the same District, have no land there, etc., should receive the Allowance. In cases where it is difficult to define into which of these categories an employee falls, the Allowance may be given at the discretion of the Project/Programme.
- b) The Allowance is to be paid as a percentage of the starting salary (and not as increments) as below:

i) Palpa and Kaski Districts, and Lalitpur District from the Ring Road to Lele Khola.	6%
ii) Gorkha and Syangja Districts and Lalitpur District from Lele Khola to Khane Khola	10%
iii) Nawal Parasi District and Lalitpur District from Khane Khola to the Bagmati River in the south	12%
iv) Okhaldhunga, Surkhet and Jumla Districts	18%
- c) For the purpose of Out of District Allowance, 'Lalitpur District' is defined as all of Lalitpur District and the portions of Kathmandu and Bhaktapur Districts which lie within the rim of the Kathmandu Valley (see CCE-80/84).

3. Adjustment Allowance

This is to be paid for employees required to have qualifications in the following fields:

Agriculturalists	20% of starting salary
Foresters	20% of starting salary

The allowances will be reviewed annually.

4. Cash Responsibility Allowance

Over Rs. 2,000 per day	Rs. 60. per month
Up to Rs. 2,000 per day	Rs. 50. per month

5. In-charge Allowance

(Minimum 3 employees in the department, and where work done is not the normal responsibility for that particular post) Rs. 70 per month

(This should not be given together with Acting Allowance)

6. Acting Allowance

Where somebody is acting for another employee in a higher level for a longer period of time, the acting employee will receive the difference between their present salary including increments and the starting salary of the employee relieved.

(This should not be given together with In-charge Allowance)

7. Uniform Allowance

To be given in cases where Project/Programme policy requires uniform to be worn:

Female nursing staff (including campus)	Rs. 100 per month
Other staff	Not above Rs. 65 per month - or uniform given.

8. On-call Allowance

Up to level 8 inclusive: - if staying at home (staff quarters or otherwise) Rs. 5 per month
- if it is necessary to use on-call quarters Rs. 8 per night

9. Duty travel within own Project/Programme

This may be refunded in one of two ways. PMCS should decide which staff are to be refunded in each way:

Either

a) (i) Walking Allowance

If an employee must walk from the office to reach his location of work, an allowance will be paid for each kosh walked, except for the first two kosh of every round trip, according to a distance chart held in the Project/Programme office. Rs. 5 per kosh

and

a) (ii) Overnight Allowance

If an employee's work responsibilities involve an overnight stay away from their usual place of posting, an allowance per night will be paid in order to compensate for possible involvement in work, personal inconvenience, and the extra cost of food and lodging compared with home (this recognizes that food will often be provided free of charge). The rate per night will be:

Levels 1 and 2	Rs. 20
Level 3	Rs. 22
Levels 4 and 5	Rs. 24
Levels 6 and 7	Rs. 26
Levels 8 and above	Rs. 28

Or

b)

Field Allowance

The Project/Programme Director should work out with each staff member affected an estimate of the kosh to be walked and the nights to be spent in the field. The Project/Programme Director will then set a fixed monthly Field Allowance for that employee, which will not change whether the employee does more or less walking than estimated, or spends more or fewer nights in the field.

10. Duty travel outside own Project/Programme

a) Travel

If available, public transport should be used. Within Nepal travel should normally be by bus, and within India by bus or 2nd class sleeper.

Please or 1st class rail travel will be refunded only when authorised in advance by the Project/Programme Director.

Expenses incurred will be reimbursed according to written claims, with tickets and receipts where possible. If a Project vehicle is used, the mileage cost will be billed direct to the Project/Programme.

b) Food and lodging for urban areas

i) Food Allowances (for trips of less than 24 hours)

(In Nepal N.C. and in India I.C.)

	<u>Breakfast</u>	<u>Lunch</u>	<u>Dinner</u>
Levels 1 - 6	4	12	12
Levels 7 and above	5	15	15

(Food Allowance should not be given together with Daily Allowance)

ii) Daily Allowance (for trips of 24 hours or more)

In Nepal, Rs. N.C. In India, Rs. I.C.

Levels 1 - 6	35
Levels 7 and above	40

(Daily Allowance should not be given together with Food Allowance)

iii) Hotel Allowances

<u>Level</u>	<u>In Nepal, Rs. N.C.</u>			<u>In India, N.C.</u>		
	<u>A Class</u>	<u>B Class</u>	<u>C Class</u>	<u>A Class</u>	<u>B Class</u>	<u>C Class</u>
1 - 6	30	20	16	65	30	25
7 and above	40	25	20	70	35	30

In Nepal

<u>A Class</u>	<u>B Class</u>	<u>C Class</u>
Kathmandu	Birganj	Tansen
Biratnagar	Hetauda	Butwal
Pokhara	Janakpur	Narayanghat
	Nepalganj	Bhairawa
	Dharan	Surkhet
	Mahendra- (Birendra- nagar)	
	Bhadrapur	Dhankuta
		Tulsipur
		Ghorahi
		Baglung

In India

<u>A Class</u>	<u>B Class</u>	<u>C Class</u>
Bombay	Kanpur	Balarampur
Delhi	Lucknow	Bahirach
	Gorakhpur	Nautanwa
Calcutta	Varanasi	
Madras		
Bangalore		

No Hotel Allowance will be paid when travelling overnight. Employees are advised to stay in a lockable room where available, and not to share the room with strangers. Cities not mentioned in the above list may be categorised by Project/Programme Directors.

Food, Daily and Hotel Allowances should be paid to employees at the rates fixed, irrespective of actual expenses incurred by the employees. Claims should be based not on bills and receipts, but on a statement of days spent in travelling, and towns and cities stayed in.

c) Food and lodging for rural areas

i) Food Allowances (for trips of less than 24 hours)

	<u>Breakfast</u>	<u>Lunch</u>	<u>Dinner</u>
Levels 1 - 6	4	12	12
Levels 7 and above	5	15	15

(Food Allowance should not be given together with Rural Area Allowance Allowance)

ii) Rural Area Allowance (for trips of 24 hours or more)

This is paid to compensate for cost of food and lodging, and also hardships and irregularities.

Levels 1 - 6	Rs. 40 per day
Levels 7 and above	Rs. 45 per day

(Rural Area Allowance should not be given together with Food Allowance)

iii) Remote Area Allowance

This is to be paid in addition to Rural Area Allowance for work in the following Districts:

A. Baitadi,
Darchula, Doti, Bajhang,
Achham, Kalikot, Manang, Ramechhap,
Solukhumbu, Sankhuwasava, Tehrathum Rs. 5 per day

B. Mustang, Dolpa,
Jumla, Taplejung Rs. 20 per day

11. Implementation

The responsibility for implementing these allowances rests with Project/Programme Directors. When staff are given new assignments within their own Project/Programme, it should be fixed in advance which allowances will apply to that assignment. Employees who regularly spend time both in the Project/Programme headquarters and in villages, should have it clearly fixed which place they are assigned to, and have allowances based on that. This decision, which is the responsibility of the Project/Programme Director, should be based on where the employee is expected to spend most of their time, and therefore where they are expected to live.

In cases of uncertainty advice should be sought from the appropriate Functional Secretary.

Note: Where the word Programme appears in the above, it is to be understood to mean those Programmes which have their own Programme Director and PMC. It does not mean those programmes which are responsible to Projects with Project Directors and PMCs.

EMPLOYMENT POLICY : LEAVES AND HOLIDAYS

(Section 10 of Employment Policy)

All leave and holidays shall be granted so as to maintain the smooth functioning of the Project/Program.

a. Annual leave (leave with pay). Employees shall be entitled to a total of 259 hours leave per UMN financial year. This leave includes annual, religious and national holidays. When an employee takes annual leave, the number of hours which would have been worked on that day or days will be deducted from this annual total.

- i) Before the completion of six months service, a new employee can take only his/her earned leave on a pro rata basis (see Probationary Employment).
- ii) Employees must avail themselves of at least 219 hours annual leave per leave year or forfeit that leave. In special cases, and at the convenience of the Project/Program, that leave may be taken up to a maximum of three months later.
- iii) Annual leave may be accumulated at a maximum rate of 40 hours per annum up to a total of 160 hours. This accumulated leave may only be used by period arrangement with the Project/Program administration.
- iv) Annual leave may be taken in minimum 4 hours blocks of time.
- v) Records for annual leave shall be maintained for each employee in the Project/Program administration.
- vi) Pay in lieu of annual leave: This will only be given when annual leave has not been taken during the year at a specific request of the Project/Program director. Consultation with the Functional Secretary should take place before final decision.
- vii) The time for annual leave will ordinarily be allocated, in consultation with the administration of the project, by the authority under whose charge an employee performs the duties of his post.
- viii) The following holidays will be granted as leave to all employees. Time taken off for these days will be deducted from the annual leave entitlement:

A. Their Majesty's birthdays.

B. Five days religious holiday (three days at Dasai and two at Tihar, or at the time of other religious festivals).

C. One national holiday; for example, Democracy Day.

The six days holiday under B and C above must only be taken after permission is granted by the Project/Program administration.

Employees who join or leave UMN part way through a financial year will be entitled to annual leave for that year on a daily pro-rata basis, according to the following formula:

Number of days in UMN service during financial year x 259
365

b. Sick leave. Employees shall be entitled to 90 hours of sick leave per UMN financial year, with full pay, in addition to annual leave.

- i) At the discretion of the Project/Program director, a doctor's certificate need not be obtained for single days off if these days are infrequent, but for sick leave of two or more continuous days a doctor's certificate is required. In case of emergency, the recommendation of an HMG doctor, or a Health Post In-charge, if out of reach of a UMN doctor, may be accepted.

No Hotel Allowance will be paid when travelling overnight. Employees are advised to stay in a lockable room where available, and to share the room with strangers. Cities not mentioned in the list may be categorised by Project/Programme Directors.

Food, Daily and Hotel Allowances should be paid to employees at the rates fixed, irrespective of actual expenses incurred by the employees. Claims should be based not on bills and receipts, but on a statement of days spent in travelling, and towns and cities stayed in.

c) Food and lodging for rural areas

i) Food Allowances (for trips of less than 24 hours)

	<u>Breakfast</u>	<u>Lunch</u>	<u>Dinner</u>
Levels 1 - 6	4	12	12
Levels 7 and above	5	15	15

(Food Allowance should not be given together with Rural Area Allowance Allowance)

ii) Rural Area Allowance (for trips of 24 hours or more)

This is paid to compensate for cost of food and lodging, and also hardships and irregularities.

Levels 1 - 6	Rs. 40 per day
Levels 7 and above	Rs. 45 per day

(Rural Area Allowance should not be given together with Food Allowance

iii) Remote Area Allowance

This is to be paid in addition to Rural Area Allowance for work in the following Districts:

A. Baitadi, Darchula, Doti, Bajhang, Achham, Kalikot, Manang, Ramechhap, Solukhumbu, Sankhuwasava, Tehrathum	Rs. 5 per day
B. Mustang, Dolpa, Jumla, Taplejung	Rs. 20 per day

11. Implementation

The responsibility for implementing these allowances rests with Project/Programme Directors. When staff are given new assignments within their own Project/Programme, it should be fixed in advance which allowances will apply to that assignment. Employees who regularly spend time both in the Project/Programme headquarters and in villages, should have it clearly fixed which place they are assigned to, and have allowances based on that. This decision, which is the responsibility of the Project/Programme Director, should be based on where the employee is expected to spend most of their time, and therefore where they are expected to live.

In cases of uncertainty advice should be sought from the appropriate Functional Secretary.

Note: Where the word Programme appears in the above, it is to be understood to mean those Programmes which have their own Programme Director and PIC. It does not mean those programmes which are responsible to Projects with Project Directors and PMCs.