



Government of Nepal

Ministry of Federal Affairs and General Administration

## **Provincial and Local Governance Support Programme (PLGSP)**

National Advisory Fiduciary Risk Management Sub Committee  
(NAFRMSC) 1<sup>st</sup> Meeting

### **Aide Memoire**

May 10, 2021

SinghaDurbar, Kathmandu



(Final)

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The 1<sup>st</sup> National Advisory Fiduciary Risk Management Sub Committee (NAFRMSC) Meeting of the Provincial and Local Governance Support Programme (PLGSP) was held under the chair of Mr. Eak Narayan Aryal, Secretary of the Ministry of Federal Affairs and General Administration (MoFAGA), Government of Nepal (GoN), on 10 May 2021. The main purpose of the meeting was to provide updates on the implementation status of PLGSP, oversee and advice on fiduciary risks and propose mitigation measures, and recommend to forward the Fiduciary Risk Reduction Action Plan (FRRAP) to the PLGSP National Executive Committee (NEC) for approval. In addition, the independent audit report by the Office of the Auditor General (OAG), including audit opinions and arrears related to PLGSP, was acknowledged.

Joint secretaries of MoFAGA, senior officials of sectoral ministries, representatives of the Joint Financing Agreement (JFA) development partners (DPs), UNDP, and representatives of local government associations participated in the meeting. The list of participants is provided in Annex 2. Considering the COVID-19 pandemic, the meeting was organized in a mixture of in-person and virtual modality. The meeting concluded with the following decisions.

**Opening remarks:**

Mr. Chiranjivi Timsina, the National Programme Manager (NPM) of PLGSP, welcomed all participants at the 1<sup>st</sup> NAFRMSC meeting and briefly presented the agenda of the meeting.

Mr. Eak Narayan Aryal, Secretary of MoFAGA, addressed the meeting by welcoming the participants and appreciating their in-person and virtual presence. He stated that the NAFRMSC provided a platform for discussion about the fiduciary risks, associated areas on public financial management (PFM), and its reform. He stated that various government-led sectoral programs have been introduced with the aim of promoting people-centric development that delivers tangible results for citizens. Accordingly, the PFM reform initiatives introduced by the GoN support to minimize the fiduciary risks. He shared that this national programme also aimed to support the PLGs in improving their overall governance system.

He further mentioned that better infrastructure was likely to improve peoples' prosperity. He reiterated that PLGSP should focus on delivering on the results, engage in collaboration and coordination with stakeholders, and make concerted efforts to minimize the fiduciary risks.