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**UNDP**

# **Rural-Urban Partnership Programme (NEP/03/003)**

**The Minutes of the two-days 11th RUNET  
Meeting of Executive Officers of Partner  
Municipalities of Phase I ,II & III and  
Replicating Municipalities**

**November 14 & 15, 2005**

**Kathmandu**

November 2005

**Minutes of two-days 11th RUNET Meeting of  
Executive Officers of the Partner Municipalities of Phase I , II & III, and  
Replicating Municipalities  
Held at Kathmandu on**

November 14 & 15, 2005

**1. Present at the Meeting were:**

<b>S.No.</b>	<b>Name</b>	<b>Designation</b>	<b>Organisation /Municipality</b>
1	Narayan Bdr Thapa	NPD/Under Secretary	RUPP/MLD
2	Ramesh Ahikari	NPM	RUPP
3	Surendra Prasad Pathak	Executive Secretary	MuAN
4	Anand Dhakal	EO /Chair	Butwal
5	Durgabhakta Sharma Dhakal	EO	Ammargadhi
6	Bishnu Raj Lamichane	EO	Mahendranagar
7	Dinesh Kumar Thapaliya	EO	Biratnagar
8	Shiv Prasad Sapkota	EO	Prithvinarayan
9	Dhrub Kumar Pokharel	EO	Gulariya
10	Shankar Bahadur Karki	EO	Dhangadhi
11	Ram Krishna Upreti	EO	Mechinagar
12	Chakra Pani Sharma	EO	Ratnanagar
13	Shiv Prasad Rijal	EO	Inaruwa
14	Tufan Singh K.C.	EO	Birendranagar
15	Durganath Gautam	EO	Ithari
16	Basudev Rijal	EO	Tulsipur
17	Krishna Sharma Poudel	EO	Byas
18	Uday Rana Magar	EO	Kalaiya
19	Ganesh Prasad Timilsina	EO	Damak
20	Tek Raj Awasti	EO	Dipayal-Silgadhi
21	Ishwor Raj Dahal	EO	Dhankuta
22	Chok Prasad Poudel	EO	Tikapur
23	Humnath Sharma Dhakal	EO	Putalibazar
24	Krishna Prasad Lamsal	EO	Tribhuwannagar
25	Yadu Prasad Panthi	EO	Hetauda
26	Govinda Singh Bhandari	EO	Khandbari
27	Mohan Prasad Marasini	EO	Tansen
28	Suryanath Koirala	EO	Lekhath
29	Bhim Prasad Poudel	EO	Ramgram
30	Madhu Sudhan Burlakoti	EO	Ilam
31	Indra Karki	EO	Nepalgunj
32	Sudarshan Prasad Dhakal	EO	Pokhara
33	Premraj Joshi	EO	Lalitpur

**2. Agenda discussed in the Meeting**

- Progress Review of Programme Activities in Partner Municipalities,
- Importance of Rural Urban Linkage for Balance Development
- Roles of Tole Lane Organizations on Revenue Mobilization of Municipalities
- Integrated Property Tax
- Promoting RTCs through Partnership: A Prospect of Coordination between RUPP and The World Bank Funded TRSP
- Collection and Dissemination of Agriculture-price Information
- Declaration of RUNET chair; and Date & Venue for the next RUNET Meeting

### **3. Major Event**

#### **A. Inauguration**

The 11th RUNET Meeting was inaugurated by Mr. Yub Raj Pandey, Secretary, Ministry of Local Development in the august gathering of high level officials from His Majesty Government of Nepal, representatives of private sector, media, UN-implemented projects. Among the notable persons attending the inauguration ceremony were Mr. Som lal Subedi Joint Secretary, MLD, Mr. Surya Silwal, Joint Secretary, MLD, Mr. Sharad C. Neupane, ARR, UNDP, Mr. Krishna P. Sapkota, Chair ADDCN, and Bidur Mainali, Secretary General, MuAN Mr. Azad Shrestha. Third Vice President, FNCCI and Mr. Dambar B. Khadga, Member, HLCIT .

Delivering the inaugural speech, Hon. Minter, Mr. Yub Raj Pandey reiterated the Ministry of Local Development was ready to provide any kind of support to the Programme. Speaking on the occasion, Mr. Sharad C. Neupane ARR, UNDP said that Programme has been able to transform itself as the development concept in Nepal. Giving suggestion to the Programme, Mr. Krishna P. Sapkota, Chair of DDC, said that the Programme should now put more focus on inclusive development. Speaking on the occasion, Mr. Bidur Mainali demanded that RUPP should be implemented in all 58 municipalities. Mr. Mr. Azad Shrestha., Third Vice President, FNCCI, said that taking poverty reduction as corporate social responsibilities FNCCI had been involved in the Programme since the inception of the Programme. Mr. Dambar B Khadga speaking on the occasion, informed that HLCIT with the objective of promotion of good governance by enhancing access to information is joining hands with the Programme. NPD, Mr. Narayan B. Thapa shed lights on the objective of the RUNET. Mr. Anand Dhakal speaking as the chair of occasion highlighted effectiveness of the Programme.

#### **Decisions of the Eleventh RUNET**

In order to make the Rural Urban Partnership Programme more effective, a team comprising of under-mentioned members were formed to prepare draft decisions of the Eleventh RUNET. The meeting, discussing thoroughly in a point-wise manner on each point of the draft decisions took the under-mentioned decisions.

#### Draft Team

1. Mr. Dinesh Thapaliya, EO, Biratnagar
2. Mr. Sudarshan Dhakal, EO, Hetauda
3. Mr. Reshmi Raj Pandey, EO, Birgunj
4. Mr. Bishnu Lammichanne, EO, Mahendranagar
5. Mr. Chakra Pandi Sharama, EO, Ratnagar

#### **Following were the decisions taken by the Meeting:**

1. The Eleventh RUNET Meeting unanimously decided to elect Biratnagar Sub Metropolitan as the chair of the RUNET. The meeting further decided that the chair of RUNET, in consultation with all other partner municipalities, Programme Management Unit/RUPP and MoLD would decide the venue and date of the Twelfth RUNET Meeting.
2. The meeting decided to implement Human Resource Development, Social Mobilization, Financial and Social Development, Poverty Alleviation, Service Provision and Social Inclusion related Programs of Municipality only through the Municipal Partnership Development Fund by developing the Municipal Partnership Development Fund in such way so that it can work as Poverty Alleviation and Social Mobilization Fund:- provisioned in Local body (Financial Administration) Regulation 'rule 26 'ka' of 2056 B.S.
3. The meeting decided to mobilize each others the Municipal Partnership Development Funds for income generating activities as well as starting whole sale-lending - on the basis of priority and needs - between the municipalities with relatively more resources and the municipalities with relatively less resources to enhance inter municipality partnership. It is also decided the Ministry of Local Development and the Programme Management Unit would also play a supportive role.
4. To adopt the concept of Rural Urban Partnership Programme on the basis of Organization Development Analysis of respective municipalities, all the partner municipalities shall resolve the necessary issues of organizational structure, approval of positions and personnel management. The meeting, further in this line, requested the Ministry of Local Development to finalize the approval of positions demanded - after the completing all due and necessary processes - by the partner municipalities.
5. The meeting requested to the Ministry of Local Development and the Programme Management Unit to make a study on interest rates in order to promote uniformity in interest rates as much as possible and also recommend appropriate inter rates accordingly to the partner municipalities. It is also decided that those municipalities, which have already adjusted the interest rate, would maintain their existing interest rates while rest of the municipalities would fix their interest rates on the basis of the recommendation from MLD and PMU.

6. Realizing that institutional development and empowerment of Rural Markets centers is essential for strengthening the concept of Rural Urban Partnership, the meeting requested the Programme Management Unit to provide technical and financial support for the promotion of the existing Rural Market Centers (RMCs); and also identification and implementation of new Rural Market Centers (RMCs). Further in this line, the meeting, realizing that strengthening of RMCs can not be possible with efforts solely of the municipality, hence requested to the Ministry of Local Development and the Programme Management Unit for the policy guidelines outlining explicitly the roles and responsibilities of all the stakeholders including municipality, Municipal Partnership Development Fund, District Development Committee, Local Development Fund and Village Development Committee.
7. The meeting; realizing the need of outlining the roles of Tole Lane Organizations (TLOs) for its institutional development, activeness, capacity enhancement, and sustainability, also taking the note of the fact that the paper - with the title of "Roles of the TLOs in Resource Mobilization of Municipality" written by Mr. Som Lal Subedi - is very relevant for outlining the role of TLOs; has requested to the Ministry of Local Development for the policy guideline outlining the roles and responsibilities of the both TLOs and municipalities on the basis of above-mentioned paper.
8. The Eleventh RUNET meeting, thanked for Birgunj Sub Metropolitan - also present at the meeting as an observer, for its commitment of replicating the Rural Urban Partnership concept with its own resource and also requested to the Ministry of Local Development and the Programme Management Unit for their necessary technical supports to Birgunj Sub Metropolitan and other interested municipalities.
9. Realizing that the directive on the operation of bank account of the municipality provided by the Ministry of Local Development is ambiguous on the issue of operating the Municipal Partnership Development Fund through the interest-generating saving account; and also taking note of the fact that operating the Municipal Partnership Development Fund without the interest would fail both to maintain administrative cost and increase size of the Fund; the meeting requested to the Ministry of Local Development to take necessary step for addressing this problem by maintaining status quo ante.
10. Regarding the auditing of the Municipal Partnership Development Fund, the meeting, in accordance to LSGA 1990, decided to conduct the audit of the Municipal Partnership Development Fund according to the internal and final auditing process of the municipality. The meeting also decided to put the audit report before the municipal council.
11. The meeting requested to the Ministry of Local Development, Ministry of Finance, National Planning Commission and UNDP to consider the following points on the issue of merger of RUPP and PPPUE:

- In the context of MLD, UNDP and partner municipalities implementing the Programme, recognizing the RUPP as a development concept; the RUP concept should be further strengthened,
  - Poverty reduction through promotion and institutionalization of the urban social mobilization process and its structure, saving, skill and enterprise development,
  - Definitions of Public Private Partnership and Public Community Partnership with explicit explanation on their principals, process, areas, working procedures, similarities and differences,
  - Clarifying the roles, responsibilities, participation and investment of stakeholders for the promotion of Public Private Partnership and Public Community Partnership
  - Recognition of TLOs as grass-root institutions for development activities and public service delivery
  - Spelling clearly the roles, responsibilities, participation and investment of District Development Committee, municipality and private sector for the promotion of Public Private Partnership; and ensuring the provision of enough resources for investment for Public Private Partnership.
12. Realizing the stress on public service delivery as consequences of increasing number of displaced population because of conflict and disaster, the meeting realized the urgent need of resources for both to scale up of urban infrastructure development and to meet the livelihoods of displaced population. In order to carry out program targeting to Internally Displaced Persons as a major component of development program of Municipality, the meeting decided to request to the Ministry of Local Development and Programme Management Unit for additional resources. The meeting, further in this issue, decided to carry out IDPs related program also through own initiatives of the municipalities.
13. The meeting, realizing the need of resource and capacity based indicators in order to make the public service delivery system systematic, effective, responsive, transparent and accountable; has requested to the Ministry of Local Development and the Programme Management Unit to prepare model indicator on the public service delivery system and send it to the partner municipalities as soon as possible. The meeting, further in this line, decided to stipulate indicators for the municipal service delivery on the basis of the model indicators and implement them.
14. The meeting requested to the Ministry of Local Development and the Programme Management Unit to prepare a directive outlining the process and working procedure for the formulation of the ward-level and municipal -level TLO coordination committee for the institutional development of TLOs and easy information dissemination.
15. Realizing that only the Mayors get to participate in the Rural Urban Partnership in the RUNET meeting and also taking note of the fact, in absence of the Executive

Officers, the implementation of the RUNET decisions wouldn't be all that effective, the meeting also requested to the Ministry of Local Development and the Programme Management Unit to conduct the meeting in the presence of both the Mayors as well as the Executive Officers from the municipalities.

16. The meeting, realizing that the directive for the integrated property tax published by the Local Development Ministry with the help of the Rural Urban Partnership Programme, needs to be revised with reference to the Local Self Governance Regulation, requested to the Ministry of Local Development and the Programme Manage Unit to update the manual by refining it also taking account of experiences of those municipalities which are implementing the Integrated Property Tax.
17. Giving a due and timely attention to natural disasters that might take place in the municipality; it has been decided that all partner municipalities should prepare a workplan for natural disaster mitigation and send it to the Local Development Ministry

### **Closing Session**

Giving closing remarks to the Meeting, Mr. Sharad Neupane, ARR/ UNDP expressed his congratulation for the successful completion of the Eleventh RUNET Meeting . He further said that the UNDP would be committed for the implementation of the RUNET decision. Speaking on the occasion, Mr. Som Lal Subedi, Joint Secretary, MLD; emphasised the need to monitor the implementation of the decisions of the Eleventh RUNET. Giving his remarks, newly elected chair of the RUNET, Mr. Dinesh K. Thapaliya, said that as the RUNET decisions not only covered poverty reduction but also the management issues of the municipalities, the implementation of the Eleventh RUNET decisions would help to improve management system of the municipalities. Giving the vote of thanks to the gathering, Mr. Naryan B. Thapa said that the Eleventh RUNET provided valuable guidance to the Programme Implementation.