ANNUAL REPORT
of
THE UNITED MISSION TO NEPAL

to His Majesty's
Government of Nepal

July 1986    July 1987
ANNUAL REPORT TO HIS MAJESTY'S GOVERNMENT OF NEPAL
OF THE WORK OF UNITED MISSION TO NEPAL
JULY 1986 - JULY 1987

OUTLINE OF REPORT

1. The UMN in Nepal - Background
   a) Agreements
   b) Personnel
   c) Headquarters
   d) Planning

2. Finance

3. Employment and Training of National Staff

4. Education Projects and Services:
   a) Assistance in the Gandaki Boarding School (Regional School), Pokhara
   b) Assistance in Village Schools
   c) Assistance in Mahendra Bhawan Girls High School, Kathmandu
   d) Assistance in the Karnali Technical School and District, Jumla
   e) Assistance in Teacher Training
   f) Business & Secretarial School
   g) Training & Scholarship Programme
   h) Education Service Office

5. Health Services Projects
   a) Patan Hospital
   b) Lalitpur Community Development and Health Project
   c) Tansen Hospital and Palpa Community Health Programme
   d) Amp Pipal Hospital and Community Health Programme
   e) Okhaldhunga Dispensary and Community Health Programme
   f) Nursing Campus - UMN Programme
   g) UMN Mental Health Programme
   h) Drug Abuse Prevention Programme
   i) UMN Dental Programme
   j) Health Services Office

6. Engineering and Industrial Development
   a) Institute of Technology and Industrial Development & Companies, Butwal
   b) Development & Consulting Services
   c) Promotion of Apprenticeship Training Programme
   d) Andhikola Project
   e) Engineering and Industrial Development Office, Kathmandu

7. Rural Development
   a) Income Generating and Development of Cottage Industries
   b) Rural Development Centre, Pokhara

8. Personnel and Financial Assistance

9. Plans for 1988 and beyond

Appendix 1: General Agreement between HMGN and UMN
Appendix 2: Map of Nepal with UMN Project Locations
1. THE UMN IN NEPAL - BACKGROUND

This report is submitted with sincere thanks to His Majesty's Government of Nepal (HMGN) for enabling the United Mission to Nepal (UMN) to continue its development of Nepal. We seek a continuation of that relationship at all levels in the Government Structures in accordance with the terms of the general Agreement under which UMN works in Nepal.

a) Agreements
This year has completed the second year of the five-year General Agreement signed between HMGN and the UMN. Because the General Agreement calls for separate agreements for all projects with concerned Ministries and Departments of HMGN these are being negotiated to enable the fullest cooperation between us as well as seeking the best interests and the welfare of the people of Nepal whom we serve.

b) Personnel
Throughout the current year of this report about 300 professional members of the UMN including short-term volunteers have served in its projects and supporting services. These expatriate people work alongside over 2,200 Nepali colleagues who are engaged in the work of the various projects being done.

c) Headquarters
This is conveniently situated in Thapathali and seeks to coordinate the entire work of the UMN. Associated with the Headquarters are various support aspects to assist those working in UMN projects in various places of the country. These support aspects include a five-month language & orientation course for helpful adaption to Nepal of all new long-term workers; a missionwide support section with a variety of activities to assist the projects; tutorial assistance for children of school age enabling parents to continue their activities; a small team of professional consultants especially in Pokhara (Rural Development Centre) to assist rural development project workers.

d) Planning
The UMN has continued its services to the nation's development in areas of health, education, engineering & industrial development and rural development. Much thought has gone into the planning for both present and future with an increasing desire to avoid a dependency on the UMN both in terms of finance and personnel. With this emphasis, we would hope to release some of our resources in the present projects and make these available in other needy areas of the country. This policy calls for a strong emphasis on the training of local people as well as the stimulation of local communities to rise to their own responsibilities in working cooperatively, and to accept more responsibility for their own local needs.
2. FINANCE

Since each expatriate member of UMN comes as a volunteer worker, supported financially by his/her sending body including cost of overseas travel, it means that none of UMN’s finances are used in supporting foreign personnel. In addition financial grants from these and other agencies enable the operation of the various programmes in Nepal in which UMN is involved. The UMN is a non-profitable organization and all money received is used only in the approved work projects.

There are a few industrial projects assisted by UMN and run on a commercial basis. Any profits from these are directly reinvested into the industrial development.

In medical institutions fees are charged to those able to pay and these fees are used to help cover the expenses of the hospitals, clinics, etc. In each of the hospitals in which UMN is involved subsidies are provided by UMN to cover the cost of running the hospitals and is seen as free or subsidised care to patients unable to bear the costs of treatment.

The following figures indicate the total operation cost of UMN projects for 1986/87 together with income received. The expenses are given under the five main divisions of UMN work. The value of UMN expatriate staff services at equivalent Nepali salaries is included.

Overall statement of expenditures - July 1986 - July 1987

(All figures given in N Rs.)

<table>
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<th>Expenditures:</th>
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<td>Administration</td>
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<td></td>
<td>79,465,953</td>
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Note:
The above expenditures have been funded in the following manner:

Gifts and grants                          | 53,365,953 |
UMN expatriate staff services at equivalent Nepali salaries | 6,900,000 |
Income generated in Nepal (fees, sales etc)    | 19,200,000 |
                                        | 79,465,953 |

3. EMPLOYMENT AND TRAINING OF NATIONAL STAFF

One of the principal aims of the UMN is the training of Nepali citizens, and the replacement of foreign staff whenever and wherever possible with qualified Nepali men and women. In all UMN institutions in-service training is given, particularly to new employees. The following pages in this report will underline this emphasis. The main areas of training continued as in previous years, and scholarship assistance was given to many young people studying in various programmes.
4. EDUCATION PROJECTS AND SERVICES

a) Assistance in the Gandaki Boarding School (Regional School), Pokhara.
UMN has given strong assistance in the development of this first Regional School. Seven UMN personnel have been seconded to senior posts, and 11 of the Nepali staff have been able to take some kind of study or in-service training. Considerable improvements have been made to the facilities; and the tree-planting programme, which aims to plant 3,000 trees per year, has continued. UMN has provided the school with a 40-seat bus, and given grants for science equipment and library books. The Health Centre, funded mainly by UMN, consisting of consulting and treatment rooms, two wards, a tutorial room and quarters for the health supervisor, was opened by the Anchaladish. The first girl boarders were admitted to the school, and work is under way on the construction of an 80-bed girls' hostel. Over half of the 37 girls' students were in boarding during the year. Students have been recruited from all five regions of the country, and 71 of the school's 370 pupils are studying on UMN scholarships. UMN personnel have worked alongside the Nepali staff in strengthening the teaching and extra curricular programme of the school. Twenty clubs, including Boy and Girl Scouts, Cubs and Brownies, operate in the school. Seven of the school's classes are now fully English medium. SLC results were good, with 20 Ist-Division passes.

b) Assistance in Village Schools.
UMN volunteer teachers have filled six posts in four village schools in Gorkha district throughout the year, mainly teaching Science, English and Maths, with some help in health and pre-vocational subjects as well as in extra curricular activities. One teacher has taught English in Umbu school (Okhaldhunga district) and two have taught English in two schools in Jumla. In addition, UMN has given assistance through scholarships to 65 students, has helped in the establishment of a school library in one school, and organized in-service training seminars for teachers in two areas of Gorkha district. Community development as a whole has been encouraged through nonformal education activities including classes in literacy, hand-loom training, sewing and knitting, with particular assistance being given to women and girls.

c) Assistance in Mahendra Bhanu Girls High School, Kathmandu.
Two UMN volunteers - a nurse and a hostel worker - have been seconded to assist in this school hostel of 230 girls. One of the volunteers has also acted as the school's Scholarship Officer. 35 students have received scholarship assistance through UMN.

d) Assistance in the Karnali Technical School and District, Jumla.
22 students graduated this year from the school, which continues to run under a five-year agreement with HMG. The student body comprised 33 students in construction trades, 36 in health trades and 30 in agriculture trades. 11 of the students were girls. The building programme, employing 75 - 125 daily wage-earners, has continued on schedule. Instruction materials have been produced, including a maths text book for First-Year students.
Three of the KTS staff completed long-term training and four more are on in-service training, sponsored by UMN. 157 local people received some kind of training or attended short courses at KTS. This included a three-month course for forest guards. Outreach from KTS to the local community has continued in various fields. This has included forestry (tree planting, establishment of two nurseries, erosion control work, and forestry motivation in eight villages), health (maternity and child care in conjunction with the local Family Planning Office, provision of a diagnostic service), education (secondment of two teachers in local schools with an emphasis on teacher training) and irrigation (building of a small water mill for trials and demonstration).

e) Assistance in Teacher Training
By agreement with Tribhuvan University the UMN has seconded two volunteer teacher trainers to work on the Butwal and Pokhara campuses. These volunteers have been teaching English to Certificate-level students and one has worked with women primary-teacher trainees on English-teaching methodology. He has also worked with Nepali colleagues in preparing English reading materials.

f) Business and Secretarial School
Twelve students graduated during the year from the Secretarial Science course, which provides high-quality training in secretarial skills and office management. Well-qualified graduates from this course have had no difficulty in finding employment. The school has also provided courses at three levels in English as a Second Language to approximately 75 students.

g) Training & Scholarship Programme
This programme has enabled 52 young people to obtain a university education and given 50 in-service training grants to UMN employees to study in Nepal or overseas. Two of these were awarded Masters Degrees in Vocational Training from the USA. Preference has been given to students in courses which most meet Nepal's needs, e.g., in Education, Medicine, Agriculture and Forestry. In addition, 207 boys and girls in various schools of the country were given financial assistance to study at school level. Girls, underprivileged groups and those from remote areas were given special priority.

h) Education Service Office
This central support office in Kathmandu provides help and advice to UMN education personnel in Nepal. As well as supporting personnel for the Language and Orientation Programme for new workers, the office is the base for consultants in Nonformal Education and library services. The consultants have travelled widely to make their skills available to workers on the field. Training has been given to library staff, and to Nonformal Education facilitators. Literacy and numeracy materials have also been developed. Close contact has been maintained with Nonformal Education programmes and personnel of HMS.
5. HEALTH SERVICES PROJECTS

a) Patan Hospital
This 138-bed hospital is the District Hospital for Lalitpur District, providing services to a population of about 250,000 from Lalitpur District as well as to patients from other neighbouring districts. During the year the hospital treated 131,198 outpatients, 7,141 patients were admitted, and 3,523 operations were performed. The Dental Department treated 8,232 patients during the year, while the under - 5's clinic saw 31,968 patients and the TB Clinic 322 patients. Clinics for leprosy patients were held weekly by staff from the Leprosy Mission. There were 2,473 deliveries, and 13,736 visits to the antenatal clinic during the year. The hospital has continued to act as a teaching base. Six Nepali doctors received residency training and three Nepali doctors went through an internship programme, and other students in paramedical courses as well as student nurses received their practical training at Patan Hospital.

b) Lalitpur Community Development and Health Project (CDHP)
This project, consisting of both health and rural development sections, reaches a population of about 100,000 within Lalitpur District. The health section operates five fully integrated health posts (two in Kathmandu valley and three in South Lalitpur), and Mother and Child Health (MCH) clinics are held weekly in 31 of the District’s 43 panchayats, in one panchayat of Kathmandu District and in three panchayats of Bhaktapur District. Its activities include health education, immunization clinics, nutrition monitoring and rehabilitation, child health clinics, antenatal and postnatal clinics, family planning clinics, environmental sanitation, and the treatment of common diseases at its health posts. Health Posts are also used as a training base for medical students from the Institute of Medicine and for nursing students from both Maharaiganj and UMN Nursing Campuses. Two sub-programmes, in Mental Health and in Dental Health, operate within CDHP, using health-post staff to diagnose and treat patients suffering from psychiatric illness and dental problems respectively. The project has provided ongoing refresher training for 65 Traditional Birth Attendants and seminars have been held for Village Health Workers (VHWs) and Auxiliary Nurse Midwives (ANMs). During the year there were 19,560 patient visits to CDHP health posts, 44,468 patient visits to MCH Clinics, and the projects’ VHWs made 66,504 visits to homes for health education and motivation. The average completed immunization rate within the project’s work area is 58%. The project’s development section has continued its activities in drinking-water supply, installing a system in Bhattedanda Panchayat to the benefit of 256 households. A small irrigation scheme has been installed benefitting 15 families. Nonformal education classes have been held in five panchayats, with 434 participants. The forestry component has increased the number of contract nurseries from 12 to 19, and first-class seedlings grown to over 186,000. Agricultural work and animal-health work have continued, with the introduction of genetically improved breeds of livestock from the Mission’s Animal Health Improvement Programme at Pokhara.
The hospital continued to provide both outpatient and inpatient care to patients from Palpa and other districts. 109,160 outpatients and 3,736 inpatients were treated, and 3,218 operations were performed. Daily outpatient attendances increased to well over 500 patients and near the end of the reporting period a daily limit of 450 patients was set in order to ensure adequate care. The hospital has continued to provide a training base for nursing students from the nearby campus.

The Palpa Community Health Program has been engaged in the support of HMG Health Posts in promoting Primary Health Care and MCH Clinics; and seminars have been held for health post staff. In seven panchayats (population 22,848) CHP has been operating a multi-disciplinary programme including medical, agricultural, drinking water, animal health, and literacy activities. The programme's Village Health Workers have visited 3,384 houses for health education and motivation, and 170 volunteers, Community Health Leaders, and Midwife Volunteers have been trained. Immunization coverage has reached 48%, and functional latrine coverage is 24%. Malnourished children (9%) have been identified and followed up, and 24 Animal-Health Volunteers have received continued training and follow-up, treating a total of 1,403 animals. Considerable motivation has been carried out in all panchayats regarding soil conservation and fodder production, and planting has begun in one panchayat. Two drinking water systems (36 houses) were completed, and 13 water-source surveys were conducted in seven panchayats. The Tansen Town Clinic has continued to provide Maternal & Child Health services, and Midwifery services, as well as being a training base for medical assistants and nursing students from the Tansen CMA and nursing campuses. 8,651 clinic patients were seen during the year.

The 45-bed hospital at Amp Pipal provides services to patients from Borkha and surrounding districts. In the hospital outpatient department a total of 47,113 patients were treated. 1,927 patients were admitted during the year, and 1,354 operations performed.

The Community Health Programme has continued its work in five panchayats (population about 25,000), participating with local communities in activities which lead to improvements in the health status of the population. Volunteer training and follow-up has continued and 40 Health Volunteers were trained during the year. The immunization programme now operates in all five panchayats, and completed immunization coverage has reached 30%. Work in MCH Clinics, antenatal and postnatal care, health education, and nonformal education has continued. Twenty-six women have been trained in craft work, and 24 women have learned to read. The agricultural work of the programme has now been phased out, and the farmland handed over to the panchayat. A programme of repairs to existing drinking water systems has begun, with repairs on two of the systems having been completed.
e) **Okhaldhunga Dispensary and Community Health Programme**

This 20-bed hospital serves a population of over 150,000 in Okhaldhunga District. In the past year, 12,921 outpatients and 1,042 inpatients were treated, and 434 operations performed. A three-day eye camp was held in cooperation with Lahan Eye Hospital and CHP, and about 430 people were examined and 35 operated upon, mainly for cataracts. A visiting dentist from the Mission's Dental Programme spent one week at the hospital, during which over 100 patients were seen and training in dental work was given to both hospital and HMG Okhaldhunga Health-Post staff. There have been 7 one-day seminars for Health-Post In-charge from the surrounding HMG Health Posts.

The work of CHP has continued as planned in 14 panchayats within the District. Some 80 men and 20 women from 10 panchayats were trained as Community Health and Development Leaders, receiving training in basic health, hygiene, disease prevention, agriculture, and animal health. Seven MCH Clinics were run on a regular basis in conjunction with HMG Health Posts and the Expanded Programme of Immunization. Health Education classes were held in several schools, and dental scaling was performed on 3000 children. Six nonformal education classes were held, and two drinking-water systems (95 houses) were completed. Work in animal health, agriculture, nonformal education, forestry, and anti-erosion motivation has also been ongoing.

f) **Nursing Campus - UMN Programme under the Institute of Medicine, Tribhuvan University**

This programme, now in its 28th year, continued to offer high-quality certificate-level training to 94 female and 8 male students (first year 36, second year 29, and third year 27). In addition to theoretical classes, practical training was provided at Patan Hospital and CDHP as well as at a number of other hospitals and agencies. Building renovations have continued throughout the year and promise a more functional building. An application has been made to have the campus recognised as an independent campus relating directly to the Dean's Office (IoM) rather than a sub-campus of the Maharajgunj Campus.

g) **UMN Mental Health Programme**

The Mental Health Programme continued to promote the integration of mental health care into the existing primary health care structure at health-post level. The pioneering work of the Community Mental Health Pilot Project at CDHP was consolidated throughout the year, and is now being used as a training base for medical students from the Institute of Medicine. UMN's consultant psychiatrist began a secondment to the Institute of Medicine including a teaching and clinical load, shared research, and the production of a teaching manual for health-post staff.

h) **Drug Abuse Prevention Programme (DAPP)**

This programme, based in Kathmandu, has continued to stimulate and work with local drug abuse prevention programmes. Advice, information, and support was given to these programmes. DAPP has developed an information service, an information folder (used in police training), posters, a national symbol, and a short video slot warning of the dangers of drug abuse, which was added to home videos in some shops. The team conducted a study tour of South East Asia, and the first survey on drug use was started.
i) **UNM Dental Programme**  This programme continued to use the services of UNM's dentists to advise and support projects in the promotion of oral health. Visits were made to a number of UNM projects, a set of teaching flash cards was produced, and oral health training centres in Thailand and India were visited.

j) **Health Services Office**  The Health Services Office continued to provide support, direction, and guidance to all UNM health services projects and programmes. Based at UNM Headquarters, its areas of activity have included the screening and selection of expatriate applicants, the procurement and distribution of drugs and supplies, health education and library materials, nutrition consultancy, statistics and evaluation consultancy, and help for further training opportunities for Nepali staff working in health services projects. It houses the offices of the Health Services Secretary and Assistant Health Services Secretary.

6. **ENGINEERING AND INDUSTRIAL DEVELOPMENT**

a) **Institute of Technology and Industrial Development** and **Companies**, Butwal  The project remains committed to the development and utilization of local natural resources. Work was carried on in the areas of hydropower, biogas, manufacturing of foot suspension bridges, grain and water storage tanks, agricultural implements and machinery, and tree planting.

The institute, usually known as 'Butwal Technical Institute' (BTI), produced 15 skilled tradesmen through its 4 years apprenticeship training programme in local industries, covering both technical and bookkeeping trades. It has also continued its extension programme to expand its capacity to 96 trainees.

The local community in Butwal has profited from the creation of more than 750 jobs through the Institute and related companies. These companies include:

- **Butwal Engineering Works (BEW, 1978)** - Mechanical Workshop
- **Butwal Wood Industries (BMI, 1978)** - Furniture manufacture
- **Butwal Plywood Factory (BPF, 1973)** - The BPF Forestry Programme is viewed by many people in the forestry sector as an ideal example of what should be done for commercial forestry and is fully in line with rules laid down for forestry-based industries. The future of this programme is dependent on HMG giving BPF an agreement under the Leased Forest Rules.
- **Butwal Power Company (RPC, 1966)** - owner of Hydro Power station and a new Consultancy Division to work in the field of design of hydro power and irrigation projects.
- **Himal Hydro and General Construction Co.Pvt.Ltd. (HH, 1978)** - specializing in tunneling in connection with hydro power and irrigation. During the year mainly working with Andhikola Hydro Power and Tatopani projects.
- **Nepal Hydro and Electric Pvt.Ltd. (NHE, 1986)** - manufacturing and installation services, turbines, generators and transmission equipment.
b) Development and Consulting Services
Many fields are covered by the scope of the DCS, based in Kathmandu. The design office provides construction design consultancy to UMN projects as well as to outside projects, and gives practical work for BTI trainees as draftsmen. Work was also carried on in Small Turbines and Mills Programme with 16 turbines installed, rural equipment development, rural electrification with 8 village installations this year, and a village roofing programme which has set up 3 local industries. A programme has been started besides the earlier programme to provide higher level of training towards technician engineer level as well as providing management advice and training to companies.

c) Promotion of Apprenticeship Training Programme
Activities during the year have focused on assisting BTI in evaluating its training programme, and suggesting new patterns of training to supplement the existing 4-year programme.

d) Andhikhola Project
The major thrust of the project is the construction of a hydro-power plant, together with related community development programmes. Significant progress has been made during the year in the Andhikhola Hydel and Rural Electrification Project (AHREP), with progress on the tailrace (80% of total 1100m completed) and headrace tunnels (70% of total 1275m completed) the dropshaft (47% of total 270m completed) and the dam. Revised working methods on the dropshaft have enabled this to proceed steadily. Work is being done in many areas: rural electrification, drinking water and sanitation systems, animal health, craft/cottage industry development, soil and water conservation and rural youth training. Andhikhola displays a fine relationship between HMG, UMN, a team of Nepali workers, District Panchayat, and local officials. Plans are in process to assist the Andhikhola Water-Users Association in an Irrigation Scheme as the Second Phase of the implementation of the Andhikhola Hydel and Rural Electrification Project.

e) Engineering and Industrial Office, Kathmandu
This central office has given help, advice and support in both administrative and professional ways to UMN personnel in Nepal and the projects, including the area of negotiations with HMG departments and other offices. Connected to this were also offices and showrooms used by five Pvt. Limited Companies which the UMN helped to establish and with which it still has very close links.

7. RURAL DEVELOPMENT

a) Income Generating and Development of Cottage Industries
This pilot/feasibility support project working in the Kunathari Panchayat, Surkhet District, is seeking to respond to the felt needs of the local village people as they themselves see their priorities. There is an emphasis on working with women in all activities. The UMN workers are keen to share technical skills and appropriate technologies at the village level. This is a cooperative venture with HMG under the Department of Cottage and Village Industries, with close liaison with District and Panchayat officials and support personnel.
b) **Rural Development Centre, Pokhara**

This Centre serves primarily UMN Projects and Programmes as a consultancy service consisting mainly of agricultural specialist groups. Expert advice and training has been given to people in UMN project areas in the fields of: animal health, horticulture/agronomy, tree planting/forestry, drinking water systems, and rural industries. Facilities include an experimental farm and resource library.

9. **PERSONNEL AND FINANCIAL ASSISTANCE**

UMN personnel have been seconded to a number of projects and programmes outside the regular programmes of the UMN itself. Several of these have already been mentioned above. Financial aid and/or personnel is also given to the health and educational services and industrial projects listed below:

- Gandaki Boarding School (Regional School), to which UMN has seconded teachers and administrators;
- Gorkha District, where UMN has seconded teachers to high schools;
- The KTS in Jumla where teachers, administrative staff and builders are seconded;
- The Pokhara and Butwal Campuses, Tribhuvan University, where UMN has seconded two Teacher Trainers;
- Mahendra Bhawan Girls High School, Kathmandu, where UMN has a school nurse and a hostel worker assisting on the staff;
- Patan Hospital, to which a number of medical and technical staff are seconded;
- The Nursing Campus (UMN Programme), Institute of Medicine, to which several UMN nursing sisters with special qualifications and experience have been seconded;
- Six people have been seconded to Institute of Medicine, of which 3 nursing teachers worked in Nursing Campus, Maharajgunj, 2 doctors and 1 biochemist worked/taught in Teaching Hospital.

In addition, the UMN has seconded personnel to the staff of the companies based in Butwal for particular technical and administrative advice and work.

9. **PLANS FOR 1988 AND BEYOND**

a) **Looking into 1988 and beyond, the United Mission to Nepal continues its acceptance of present responsibilities and work in existing projects and programmes as provided for under the terms of the General Agreement with His Majesty's Government of Nepal, a copy of which is appended to this report.**

b) **The UMN is happy to carry on all the work and services in close cooperation and coordination with the concerned Ministries and Departments of His Majesty's Government.**

c) **The UMN is prepared to consider the possibility of entering into new programmes and projects of work as requested, in full cooperation with the relevant Ministries and Departments of His Majesty's Government, and within the framework of HMG plans for development.**
3) The UMN is fully prepared to second other overseas workers, in the fields of health services, education, technical assistance, agriculture and community development, to projects and programmes of HMG and/or other agencies and institutions where needed and requested.

4) The training of Nepali citizens, and the evolution towards Nepali management and ownership of institutions and projects, when feasible, will continue to receive strong emphasis in the work of the Mission.

5) We anticipate that the agreement for the Surkhet Rural Development project, presently in the pilot stage, will be finalised in the near future; also other fresh entries in the areas where we serve, dependent on HMG's concurrence, are anticipated.
GENERAL AGREEMENT
(between His Majesty's Government of Nepal and the United Mission to Nepal)

Being desirous of cooperating in undertaking various development projects in Nepal, His Majesty's Government of Nepal (hereinafter referred to as "HMGN") and the United Mission to Nepal (hereinafter referred to as "UMN") have agreed as follows:

1. Definition. The term 'Project' shall mean any Institution, Project, Programme or other activities in which the Mission is engaged under the terms and conditions of a separate Agreement entered into with the concerned Ministries or Departments of HMGN.

2. The UMN agrees to conduct its activities in the fields of Education, Health Services, Agricultural, Technical and Development Services and in other fields subject to separate Agreements concluded with the concerned Ministries and Departments of HMGN.

3. All financial involvement in running the Project shall be the responsibility of the UMN except where a Ministry or Department of HMGN agrees to provide assistance in respect of finance, staff or other facilities for a particular Project under a separate Agreement.

4. Appropriate training shall be given to the Nepalese employees in order to replace their foreign counterparts at all levels as soon as possible.

5. UMN shall submit yearly reports to HMGN of all its activities, and individual Projects shall submit reports as instructed by the concerned Ministry or Department of HMGN. The account of each Project shall be open for inspection by representatives of HMGN at any time.

6. UMN shall in all its activities attempt to work within the framework of HMGN planning, and shall ask for the advice and guidance of concerned Departments of HMGN regarding execution of the Projects in which they are involved. In any separate Agreement, concerning Project, reference shall be made to that Department of HMGN which will serve as liaison between HMGN and the Project.

7. The UMN and its members shall, during their stay in Nepal, be subject to the laws and regulations of Nepal.

8. The various Institutions run by the UMN shall be subject to the rules framed by the concerned Ministries or Departments of HMGN.

9. The UMN shall not open any new Institution or expand the existing Institution without obtaining the prior permission of HMGN.

10. The UMN and its members shall confine their activities to the achievement of the objectives of the Projects to which they are assigned and shall not engage in any activities that are outside the scope of their assigned work.

11. For the purpose of this Agreement the members shall mean all the personnel or officers working under the UMN.

12. The UMN shall not dispose of their properties both movable and immovable either by sale or gift or any other manner to any juridical or physical person. Whenever such disposal would be necessary the Mission shall notify HMGN in advance and act according to their instruction.

13. HMGN reserves the right to nationalize any one or all of the Projects run by the UMN whenever they desire, the question of paying compensation for such nationalization shall only arise if it takes place within a period of five years from the date of signing of this Agreement.

14. The UMN agrees to give preference to the Nepalese Citizens for being employed in the paid posts of teachers, trained nurses, compound dressers and other medical and technical posts, etc. in the Projects.

15. In case of violation of this Agreement, HMGN may at any time notify the UMN to wind up its activities.

16. This Agreement shall come into force from the date of its signing and shall remain valid for a period of five years unless terminated by HMGN by giving six months notice in writing to the Mission or for such further period as extended by HMGN upon six months prior request of the UMN in writing before the expiry of such period of five years on the present terms and conditions or on such terms and conditions as may be laid down by HMGN.

Renewed July 4th, 1985

May 29th, 1975