



Government of Nepal

Ministry of Energy, Water Resources and Irrigation

Alternative Energy Promotion Centre

Alternative Energy Promotion Centre Financial Discipline and Good Governance Regulation 2018

August 2018

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In exercise of the power conferred by Section 13 of the Alternative Energy Promotion (Development Committee) Formation Order, 2053 Alternative Energy Promotion Development Board has framed the following rules.

Chapter One

Preliminary

1. **Short title and commencement:** (1) These rules may be called “Financial Discipline and Good Governance Regulation 2075”
 - (2) These regulation shall come in force on the date approved by the Alternative Energy Promotion Development Board.
2. **Definition:** Unless the subject or context otherwise requires, in this regulation:
 - a. “Committee” means Alternative Energy Promotion Development Board
 - b. “Centre” means Alternative Energy Promotion Centre
 - c. “Ministry” means Ministry of Energy, Water Resources and Irrigation

Chapter Two

Administrative Procedures

3. **Daily administrative operations:** (1) Under the general guidance and control of the committee, operation and execution of financial and administrative duties and functions of the centre shall be the responsibility of the executive director.
 - (2) Pursuant to Sub-rule (1), it shall be the duty and responsibility of all the employees of the centre to support the executive director in the operation and execution of the financial and administrative functions.
4. **Job description:** (1) The job description of the every employee of the centre shall be approved by the executive director. The job description shall clearly include designation, duties, responsibilities, authority and qualification.
 - (2) Along with the appointment letter, the incumbent employee shall be provided his/her job description and indicators for performance evaluation based on the job description.
 - (3) Pursuant to Sub-rule (1), it shall be the responsibility of every employee of the centre to execute their duties based on the approved job description.

5. **Foundation/Basis for administrative operations:** While executing administrative functions of the centre, besides the provisions set in the constitution and other prevalent laws the officials shall execute their operations on the basis of following:
 - a. Larger interest of the Nation and the Citizens
 - b. Inclusiveness and equity
 - c. Rule of Law
 - d. Transparency, Objectivity, Accountability and Honesty
 - e. Financially Disciplined and Corruption Free, Proficient and Public Oriented Administration
 - f. Fair and Firm Administrative Mechanism
 - g. Accessibility of the General Public on the Decision Making Process and Information
 - h. Public Participation and Optimum Utilization of Local Resources
6. **Decision making within fixed time period:** Respective incumbent responsible and authorized for decision making shall decide based on the timeline prescribed by the prevalent laws. If prescribed timeline on the subject matter do not exist, based on the nature of the subject matter the incumbent shall affix appropriate timeline to execute the decision making process.
7. **Maintaining transparency while making decisions:** (1) Pursuant to this rule or other prevalent laws, the authorized officials shall be transparent on the decision making process.
 - (2) Pursuant to Sub-rule (1), to maintain transparency the authorized official of the decision making process may consider the opinions of subordinates and consult with subordinates.
 - (3) The decision making process should initiate from one level and decided by the next level. Every officials involve in the decision making process shall clearly present/submit their opinions on the subject matter to the official authorized for making decisions.
8. **Disclosure of reason and basis for decisions:** Pursuant to this rule or other prevalent laws, the respective official (decision maker) shall clearly mention the reason and the basis for the decision.
9. **Decisions on public interest:** (1) The Centre prior to giving decisions on subject matters of public interest may consult with relevant stakeholders and civil societies.
 - (2) Pursuant to Sub-rule (1), during consultation both the positive and negative aspect of the decision shall be analyzed along with evaluation of the potential impact of the decision.

10. **Not avoiding one's responsibility:** (1) Pursuant to this rule or other prevalent laws, while performing ones' tasks, the responsible official the task shall execute the task within the stipulated time and requirement.

(2) Pursuant to Sub-rule (1), the responsible official shall not avoid their responsibility of executing the task or transfer the task to someone else.

Chapter Three

Financial Procedures and Responsibilities

11. **Budgeting and planning process:** (1) The budgeting and planning of programs and activities for the fiscal year shall be the responsibility of the executive director.

(2) Pursuant to Sub-rule (1), while preparing the budget, grants and loans both in cash or kind to be received from development partners and international agencies shall be included in the budget.

12. **Expenditure procedure:** Financial and other provisions related to security deposits on activities, projects and program, fees, service charges, advance and settlement, preservation of current and fixed assets, auctions procedures, granting pardons shall be based relevant guideline and procedures.

13. **Accounting/Recording transactions:** (1) The accounting of the transactions shall be in accordance with the prevalent rules of Government of Nepal

(2) Accounting and recording the transactions shall be in accordance with the format prescribed by Office of Auditor General.

(3) All the transactions of the centre including international grant, loan, investment, revenue, deposits, allocations and others shall be accounted for and recorded.

14. **Posting and accounting of income:** (1) In accordance with law, all the income received by the centre shall be deposited into the respective bank accounts.

(2) Maintaining the books of accounts of received incomes, submission of statement of income, ensuring the audit and recording of the transactions shall be the responsibility of the executive director of the centre.

15. **Posting and recording of cash and kind:** (1) Responsible officials, in case of cash received by the centre shall maintain the books of account either within the same day or the next day of the received date, in case of kinds the books of accounts shall be maintained within seven days from the received date.

(2) Pursuant to Sub-rule (1), in case the official responsible is not able to maintain the books of account within the stipulated time, the responsible official shall request for extension with valid reasons to the immediate superior. The immediate superior may grant the extension once or twice not exceeding the period of forty-five days if the reason is deemed valid.

16. **Recovery of loss:** Pursuant to these rules, if the centre suffers from loss due to negligence while maintaining the books of account, the responsible official shall be liable for the loss and recovery shall be as per the rules on of government arrears.

17. **Audit:** (1) The centre shall conduct internal audit in accordance with Financial General Comptroller Office.

(2) The final audit of the centre shall be conducted by the Office of Auditor General.

(3) If the findings of the internal and external audit depict loss to the centre due to mislaid cash and kinds or an act of evasion, the executive director or the respective section head upon receiving such information shall recover the amount and based on the severity of the case may take departmental action.

18. **Responsibility of settlement/adjustment of arrears:** (1) Settlement of arrears and regularizing the findings of the audit shall be the responsibility of the executive director and head of finance department.

(2) Pursuant to Sub-rule (1), in accordance with prevalent laws, the executive director shall be responsible for the oversight and settlement of the arrears.

19. **Settlement and regularizing arrears:** (1) Recovery of arrears, regularizing the findings of the audit shall and assessment of the findings shall be the responsibility of the executive director and head of finance department.

(2) Besides the arrears to be recovered, in the case of other arrears not fully complying with the prevalent laws shall be assessed. The assessment shall include evidence on no loss incurred by the government in terms of cash and kinds. If there are appropriate reasons, in accordance with the prescribed work plan procedure to settle the arrears shall be implemented by the centre.

20. **Handover:** In case of promotion, transfer, retirement or long absence from work, the respective official shall handover all the cash, kind or relevant documents of the centre under their jurisdiction within twenty one days.

21. **Sanctions on misuse of cash and kind:** In the case of misuse of cash, kind and property of the centre based on the findings of internal external audit and any other investigations, the executive shall take the necessary sanctions and remedial actions on the person responsible for the misuse.

22. **Safeguarding property of the centre and utilizing on intended activities:** (1) It shall be the duty of the responsible official to safeguard all the property, cash and kind of the centre.
- (2) The amount received by the centre shall be expended only for the intended activity and in predetermined quantity. In case of the amount spent beyond the intended purpose, the amount shall be recovered from the responsible official and may be subject of departmental action.
- (3) Damages on the property of the centre due to personal use shall be recovered from the responsible officials involve in allocation and utilization.
23. **Auction:** In accordance with the prevalent laws, if during inspection items and inventory of the centre are deemed useless, the executive director based on the inspection report and necessary verification may auction the useless items as per the prevalent laws.
24. **Restrictions on financial evasion and mismanagement:** (1) All the employees of the centre whether knowingly or with wrong intention shall not cause loss and financial mismanagement at the centre.
- (2) Employees found guilty of financial evasion and mismanagement shall be prosecuted in accordance with prevalent laws.
25. **Risk management:** (1) The centre shall prepare risk management work plan based on the analysis of fund available for investment and the risk associated with it.
- (2) Pursuant to Sub-rule (1), in accordance with the prepared risk work management plan, activities shall be conducted. It shall be the responsibility of the executive director to implement the risk management work plan.

Chapter Four

Miscellaneous

26. **Maintaining high morale and professionalism:** The centre shall prepare and implement code of conduct for transparency of work and procedures and high morale and professionalism.
27. **Punctuality and regularity:** Employees of the centre shall regularly within the stipulated time be present at the centre. Employees to their fullest extent shall obtain approval for leave prior to their absence from work.
28. **Discipline and obedience:** (1) Employees of the centre shall perform their duties staying discipline with utmost integrity and willingness.
- (2) The employees of the centre shall promptly execute the tasks related to the centre assigned by their superior officers.

(3) The employees of the centre shall exhibit appropriate respect to the staff superior to them and appropriately treat the staffs inferior to them.

29. **Not administering political and undesirable influence:** The employees of the centre shall not try to administer or administer political or undesirable influence/pressure for fulfilling their self interest.
30. **Restriction on involvement in politics:** The employees of the centre shall not be involved in politics.
31. **Restriction on obtaining donation, gifts and borrowings:** The employees or their family members without the pre-approval of the centre shall not obtain donation, gifts and borrowings that may affect the tasks of the centre or task related to government proceedings.
32. **Behavior and treatment towards recipient of services:** (1) The employees shall behave with the recipient of services or beneficiaries in dignified manner.
- (2) Clear and prompt information regarding the subject matter, process and timeline for the executing of task shall be made available to the recipients of services or beneficiaries.
33. **Conducting oneself in accordance of service and designation:** Every employee of the centre shall conduct themselves in behavior suitable as per their designation or position.
34. **Complaint Management:** (1) In case of dissatisfaction or inconvenience caused by the procedures and performance of the centre, such individuals or group may register their complaints at the centre.
- (2) Pursuant to Sub-rule (1), for submitting complaints, the centre shall maintain compliant box and other complaint management mechanism.
35. **Conducting investigation:** (1) In case of financial mismanagement and evasion by employees of the centre, based on such information the executive director shall conduct internal investigation.
- (2) Pursuant to Sub-rule (1), based on the investigation if additional detailed investigation is deemed necessary, in accordance with prevalent laws the national institution with the authority to conduct such investigation shall be requested.
36. **Dissemination, update and publication of information:** (1) The centre shall maintain its' up to date information.
- (2) The centre shall publish the following information:
- a. Nature and form of the centre,
 - b. Duties, responsibilities and authority of the centre,

- c. Number of employees and their job descriptions,
- d. Services provided by the centre,
- e. Responsible sections and officers,
- f. Provisions, fees and timeline required to receive the services and description of performed activities,
- g. Name and designation of Information Officer, and
- h. Up to date financial report of income and expenditures.

37. **Internal Control Mechanism:** (1) Compliance Unit shall be institutionalized to serve the oversight function to ensure internal control at the institutional level. The oversight of the unit shall be done by Compliance and Ethics Sub-committee with the following members:

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| a. Committee member nominated by the committee | Chairperson |
| b. Head of legal department from the Ministry | Member |
| c. Head of finance department from the Ministry | Member |
| d. Independent legal expert nominated by the committee | Member |
| e. Independent finance expert nominated by the committee | Member |

(2) Pursuant to Sub-rule (1), the sub-committee shall monitor and evaluate the performance of the centre and provide recommendations for improvements on the work procedures of the centre including findings of the audit reports.

(3) Pursuant to Sub-rule (2), implementation of the recommendations shall be the responsibility of the centre.

38. **Whistle blower protection:** In the case financial mismanagement or possibility of financial evasion in the centre, the whistleblower shall not be punished. The protection of the whistle blower shall be in accordance with the prevalent laws.

39. **Provision for information officer:** (1) For dissemination of information, there shall be provision of information officer at the centre.

(2) Pursuant to Sub-rule (1), for dissemination of information all the employees of the centre including the executive director shall make the information under them available to the information officer.

40. **Restriction on giving decisions with conflict of interest:** Subject matters under analysis that benefits employees or board members or their close relatives shall be pre informed by the individuals having stake on the outcome of the decision and such individuals shall not be involved in the decision making process.
41. **Prohibition on misuse of position:** (1) Employees, auditor, advisors, representatives or consultants/employees/firms under contracts of the centre shall not disclose confidential information or the sources of such information except the information required to be disseminated by the prevalent laws to other individuals.
- (2) Pursuant to Sub-rule (1), such confidential information accessed during performance of tasks by officials or individuals shall not be used to gain benefit, facility, convenience or advantage for themselves or their family members.
- (3) Employees, auditor, advisors, representatives or consultants/employees/firms under contracts of the centre while in position in centre or performing tasks for the centre shall not give and take benefit, facility, convenience or advantage for themselves or their family members.
- (4) In case of tasks/activities deemed unfavorable to Sub-rules (1), (2) and (3), the violator shall be considered not fulfilling his/her duties and shall be penalized in accordance to the prevalent laws.
42. **Financial and property disclosure:** Employees of the centre shall submit the up to date source and evidence of financial and physical property belonging to them and their family members within sixty days of the end of the fiscal year.
43. **Oath taking:** Prior to the commencement of work, employees of the centre shall take oath for the position and confidentiality.
44. **Authority to prepare and implement guidelines or guidance rules or mechanism or resource books:** The committee in order to implement effective, efficient and economical working procedures may prepare and implement guideline or guidance rules or mechanism or resource books.