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FY13 Q4 Quarterly Report

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Inclusive Resource Management Initiative (IRMI)

USAID Cooperative Agreement No. AID-367-A-13-0001

1. Program Overview

To support Nepal's transition to a more peaceful, equitable society, the Inclusive Resource Management Initiative (IRMI) aims to enhance stability through natural resource conflict resolution and inclusive natural resource management. This will be achieved through a holistic, people-to-people approach that: 1) facilitates the resolution of resource-based conflicts; 2) promotes inclusive decision-making related to natural resource use and management; and 3) reduces natural resource competition through joint environmental and economic initiatives. Implemented by Mercy Corps in partnership with Backward Society Education (BASE) and Sahakarmi Samaj, the program will target 20 Village Development Committees in four districts of the western Terai, including Kailali, Bardiya, Banke, and Dang. The program will benefit approximately 237,000 people living in the program area.

2. Performance Summary

During the reporting period, IRMI was primarily engaged in program start up activities. Program Manager (PM) J. Cavanaugh arrived in Nepal on August 4, 2012, completed Mercy Corps (MC) orientation, and participated in a series of coordination meetings with USAID's Democracy and Governance Office (DGO), A Saferworld (SW), The Asia Foundation (TAF), and local implementing partner Backward Society Education (BASE), and addressed a series of start up administrative activities, including developing IRMI's Performance Monitoring and Evaluation Plan (PMEP), Performance Indicator Reference Sheets (PIRS), Environmental Mitigation and Monitoring Plan (EMMP), and the FY 2013 Implementation Plan.

Early in the reporting period, MC filed program approval application materials with the Government of Nepal's (GoN) Social Welfare Council (SWC), Memoranda of

Understanding (MoUs) were developed and signed by MC and implementing partners BASE and Sahakarmi Samaj, and IRMI Pre-consensus Agreements were developed and signed by local partners with District Development Committee (DDC) Offices in Banke, Bardiya, Kailali, and Dang.

The DDC pre-approval documents list the following Village District Committee (VDCs) for proposed IRMI participation:

Banke: Mahadevpur, Khaskushma, Kanchanpur, Chisapani, Naubasta

Bardiya: Motipur, Dhadhwar, Baniyabhar, Neulapur, Bagnaha

Kailali: Hasuliya, Ratanpur, Pabera, Geta, Shreepur

Dang: Pawannager, Haluwar, Tarigaun, Manpur, Hekuli.

In mid-August, PM J. Cavanaugh developed position descriptions and position announcements for IRMI's Deputy Program Manager (DPM) and Technical Officer (TO) positions, and together with an experienced MC hiring committee conducted an exhaustive search for qualified candidates and a series of interviews with shortlisted applicants from across Nepal. MC received 74 applications for DPM and 37 applications for TO, and interviewed 9 candidates for each position (total 18 interviews). In late September, a decision was made to offer Shyam Prasad Ojha the position of DPM, while Dol Raj Thanet will be offered the TO position, contingent upon the successful completion of reference checks. Ojha brings to the project significant foreign donor management and conflict resolution experience, while Thanet, who is ethnically Tharu, rounds out IRMI's small but versatile team, bringing extensive natural resource field experience to the program. Ojha will join IRMI on November 11 after complying with contractual responsibilities to his previous employer. Thanet will join the program immediately after the Dashain holiday.

In September, MC engaged in a dialogue with TAF concerning the potential use of TAF community facilitation training manuals in IRMI programming. MC is requesting that TAF training manuals and community mediation resources, developed and adapted to local context over the course of a decade of community mediation programming in Nepal, be made available to IRMI. TAF is reviewing MC's request, and has suggested that MC also coordinate with the Natural Resource Conflict Transformation Center (NRCTC) in this regard. In response, on September 26, PM J. Cavanaugh met with NRCTC Executive Director Chup Bahadur Thapa and his staff at NRCTC's Bhaktapur headquarters and agreed to explore opportunities. Also in September, PM J. Cavanaugh conducted a review of internal MC conflict mapping resources for potential application in Nepal. Select resources, including MC field manuals and USAID's "Conflict Assessment Framework," were shared with implementing partner BASE.

On September 31, PM J. Cavanaugh travelled to Kailali District to initiate IRMI field activities through an extensive series of introductory partner and stakeholder meetings and work plan discussions with local implementing partners BASE and Sahakarmi Samaj. In addition to introductions and general program overviews, these meetings focused on developing and refining locally contextualized conflict and resource mapping and community identification tools which will be used to identify conflict systems in twenty VDCs.

3. Contextual Update

Nepal is in the midst of a rapid social and political transition. The decade-long Maoist insurgency, which ended in 2006 with the signing of the Comprehensive Peace Agreement, shook the social hierarchy, disrupted patterns of political dominance, and highlighted issues of identity and equity. Under the current Maoist-led government, a new constitution was to be drafted by May 2012, potentially restructuring the state as a federal system recognizing ethnic and regional identities. Though this timeframe was extended an additional four years, the elected Constituent Assembly failed to make a new constitution and the assembly was dissolved in May 2012. The irreversible gains of 2011 had excited widespread expectation of further consolidation in Nepal, with the hope that the political class would settle their deeper political rifts through a substantially consensual political process. Regrettably, Kathmandu remained as fractious as ever through 2012 and 2013, deepening the political uncertainty in the country. At the end of 2011, there was optimism regarding the formation of a National Consensus Government (NCG); today, Nepal is led by a Government which has lost its constitutional mandate, having missed the November 22, 2012 deadline for elections. The fragile political situation has led to a weak economic situation and has given rise to a loose governance structure of obstruction and paralysis.

In September 2013, as the GoN prepares to ramp up security for the scheduled November 19, 2013 Constitutional Assembly Elections by deploying an Army “Election Unit,” the political situation has become increasingly unstable, and has been marked by serious incidences of pre-election violence, including the shooting of candidate Mohammad Alam on the final day of candidate submissions and the October 5 immolation of a passenger bus in Dhulikhel. As the election approaches, the Mohon Baidya-led CPN-Maoist 33 party alliance has announced their intention to “strongly” boycott the poll and has called for a country-wide strike from November 10 through 20, raising new concerns about the increasingly precarious security environment in the country.

4. Overview of Achievements

Program activities were delayed due to the “late” August 4, 2013 arrival in Nepal of PM J. Cavanaugh and delays at SWC in reviewing IRMI’s program approval application. While IRMI’s application was filed in a timely fashion, MC has been informed by SWC that INGO applications will not be reviewed until after the scheduled November 19, 2013 Constitutional Assembly elections. MC sensitivity about deploying expat staff to the

Western Region prior to receipt of SWC's program approval letter has inhibited PM J. Cavanaugh's access to the field. During this period, SWC was engaged in a series of surprise, or one-day advance notice, visitations to INGO offices to inspect expatriate working documentation. While it is difficult to read SWC intentions or concerns, it is reasonable to assume that they are election related, and therefore MC has exercised a policy of caution in regard to deploying expat staff in the Terai in this environment. The "mood" at SWC appeared to relax marginally towards the end of September, allowing PM J. Cavanaugh to visit Dhangadhi on September 31 to meet with local partners and jumpstart field activities.

5. Challenges and Lessons Learned

Looking ahead, factors that may contribute to further delays include the October Dashain festival calendar and unpredictable issues associated with the November 19 Constituent Assembly elections. The elections may impact the program differently under different scenarios. Clearly, while most IRMI's stakeholders are not directly involved in the upcoming elections, other than in their role as potential voters, the security environment, the conduct of elections and the outcome of the elections may certainly impact the lives of forest community stakeholders in profound ways. While we do not believe the election will delay the community mapping activities, which are scheduled to proceed within the 30 day period in late October and early November, although the campaign has been marred by serious acts of pre-election violence across the country, it is the post-election environment which is of greatest concern and is of course most unpredictable. Should the election itself be marked with acts of violence or should the results not be accepted by national political stakeholders, this could potentially seriously degrade the security environment in IRMI program districts.

Under a more favorable scenario, should the election unfold in a free and fair democratic manner, and the country emerge from the event in a state of relative political stability, government officials at the district and local levels may be distracted by post-election positioning and government coalition development processes, creating new challenges for Mercy Corps and partners BASE and Sahakarmi Samaj to recruit government officials into IRMI participation. Furthermore, should the November 19 elections usher into power a new political order in Nepal, surely many of the local and district government officials now in place will be replaced by a new government through the political party patronage system.

Finally, the impact of the timing of elections on IRMI program activity is already being felt on the GoN local governing planning process, which is integral to the successful implementation of IRMI Activity 2.3.1 (provide active support for the bottom-up planning process that the government is rolling out through the DDC). It was originally foreseen to begin during the month of November, but is now anticipated to begin in earnest in January. IRMI's implementation plan has been adjusted accordingly.

6. Monitoring and Evaluation

PM J. Cavanaugh, with assistance from MC M&E Officer B. Shrestha, developed IRMI's Performance Monitoring and Evaluation Plan (PMEP) and corresponding Performance Indicator Reference Sheets (PIRS). The PMP was approved by USAID on August 28.

In September, MC M&E Officer B. Shrestha developed a draft stakeholder baseline assessment tool to be shared with implementing partners BASE and Sahakarmi Samaj.

7. Coordination

On September 10, PM J. Cavanaugh met with Saferworld's Julie Brethfeld for an introductory coordination meeting. Cavanaugh and Brethfeld provided overviews of MC and SW conflict resolution programs respectively, discussed coordination, timing, and agenda development for the first quarterly CMM field visitation and agreed to share conflict mapping and community mediation training experiences and best practices throughout the program, as well as conflict mapping data, results, and best practices. Later, through discussion with USAID, it was agreed that, due to the timing of the Dashain, the first CMM quarterly coordination session among MC, SW, and PACT (Sajhedari Bikass) would take place in Khatmandu on November 24/25.

While initial efforts to coordinate with PACT/ Sajhedari Bikass were delayed due to leadership transition issues at PACT, PD J. Cavanaugh and PACT interim Country Director Chris Hennemeyer coordinated initially by email, and have scheduled a coordination meeting in early October. The primary issue of discussion will be sharing conflict mapping tools, data, and best practices, as Sajhedari Bikass has 50% VDC coverage in IRMI districts.

On August 28, PM J. Cavanaugh participated in the DGO partners meeting and election briefing with US Ambassador Peter W. Bodde and a visiting delegation from the US Senate Foreign Relations Committee. Following the Ambassador's remarks, IFES, NDI, and TCC provided an overview of election preparedness.

On September 6, PM J. Cavanaugh attended the USAID D&G Office's farewell reception for departing IFES Country Director Alan Wall.

On September 16 PM J. Cavanaugh met with TAF Senior Program Office Preeti Thapa to initiate a dialogue with The Asia Foundation (TAF) concerning the potential incorporation of TAF and Natural Resource Conflict Transformation Center (NRCTC) community facilitation training manuals, developed and adapted to local context over the course of a decade of community mediation programming in Nepal, into IRMI's training curriculum. TAF is currently reviewing MC's request.

On September 19, 2013 PM J. Cavanaugh participated in the DGO's presentation for three

visiting USAID Deputy Assistant Administrators (DAA) to help inform the revision and update of the Mission's five-year Country Development Cooperation Strategy (CDCS). The team was in Kathmandu to look at USAID/Nepal in relation to USAID's Resilience Policy and review the CDCS' integrated approach. The visiting USAID delegation included Asia Bureau Senior DAA Denise Rollins, Global Health Bureau Senior DAA Wade Warren, and Bureau for Food Security DAA and future USAID/Nepal Mission Director Beth Dunford. Cavanaugh also participated in the DGO portfolio review and implementing partners meeting to provide additional country context and insight.



IRMI Chief of Party responds to a question at DAA presentation.

In late September Mercy Corps Nepal's Communications Officer Pratab Rai prepared for USAID's October 2 – 4, 2013 Outreach and Communications Conference at Hotel Annapurna.

8. Conclusion

During this reporting period, despite the constraints outlined above, IRMI was successful in completing USAID program start up administrative activities, developing a 12-month implementation plan, coordinating with USAID implementing partners, recruiting and hiring capable and professional program staff, and identifying resources to help inform BASE and Sahakarmi Samaj's conflict mapping activities. While the pre- and post November 19 Constitutional Assembly elections may impact program activities in ways that are difficult to predict, MC is well positioned to advance IRMI objectives and will accelerate program activities in the next quarter (barring post-election political instability in the Western Development Region).