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FY14 Q1 Quarterly Report
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Inclusive Resource Management Initiative (IRMI)
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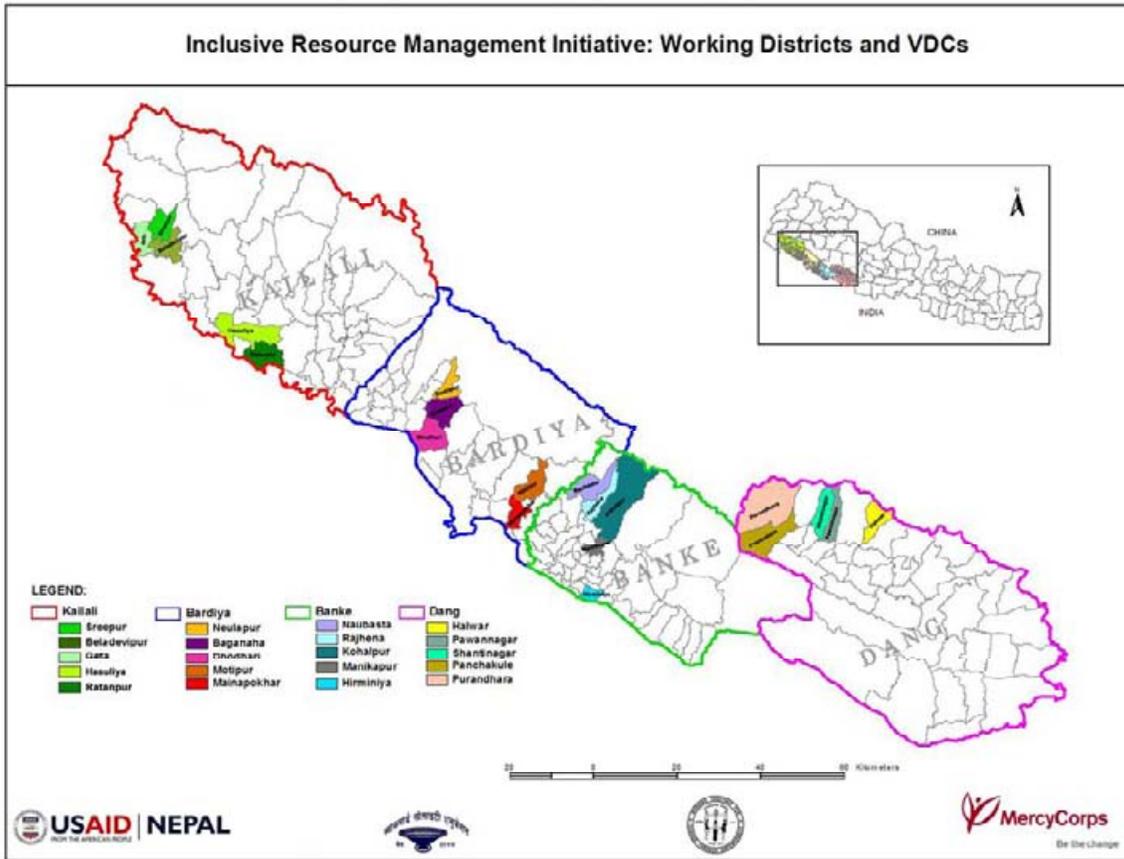


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Acronyms and Abbreviations

AFO	Area Forest Office
BASE-	Backward Society Education
CA-	Constituent Assembly
CDO-	Chief District Officer
CFUG-	Community Forest User Group
DEO-	District Education Officer
DFO-	District Forest Officer
FECOFUN-	Federation of Community Forest User Group
FGD-	Focused Group Discussion
INGO-	International Non Governmental Organization
IRMI-	Inclusive Resource Management Initiative
KII-	Key Informant Interview
MC-	Mercy Corps
SS-	Sahakarmi Samaj
TAF-	The Asia Foundation
USAID-	United States Agency for International Development
VDC-	Village Development Committee
WCO-	Women and Children's Office

1. Program Overview

Mercy Corps continues to implement the USAID-funded Inclusive Resource Management Initiative (IRMI) to support Nepal's transition to a more peaceful, equitable society. The program aims to enhance stability through natural resource conflict resolution and inclusive natural resource management in four districts. The program intervention strategy is through a holistic and 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;
- 3) Reduces natural resource competition through joint environmental and economic initiatives.

In a bid to support long term sustainability of implemented project activities that would support community ownership from inception, Mercy Corps works and facilitates two local partners, Backward Society Education (BASE) and Sahakarmi Samaj (SS), to implement assigned program activities targeting 20 Village Development Committees (VDCs) in four districts of the western Terai, including Kailali, Bardiya, Banke and Dang. The program is expected to benefit approximately 237,000 people living in the program area.

II. Performance Summary

During this quarter, MC and partner organizations continued to make progress, which included coordination with regional and District key players and USAID partners. MC further developed key stakeholder's selection criteria currently being used to facilitate the on-going selection of 400 program stakeholders. MC and partners have also discussed and scheduled orientation sessions for the identified stakeholders. The successful completion of the baseline study during this quarter marks another milestone as program teams seek to identify resource-based conflicts affecting target communities. The program teams have also been active in mobilizing 20 Village Development Committees (VDCs) through organized community consultation meetings, Key Informant Interviews (KIIs), and coordination meetings with likeminded organizations at the community level. Local partners have further concluded the identification and mobilization of Community Forest User Groups (CFUGs) through open community forums in the target 20 VDCs.

These consultative meetings have documented some of the conflict triggers between community members and groups, which IRMI will seek to address through trained key local stakeholders. Some of the issues/ conflicts triggers identified include the plight of landless members, Dalit and marginalized castes, abuse of women and girls, especially those whose livelihoods depends heavily on available natural resources. BASE and Sahakarmi Samaj have conducted series of organized district level orientation sessions. These meetings involved key district stakeholders such as the District Forest Officers (DFOs), Chief District Officers (CDOs), District Development Committees (DDC), Village Development Committees (VDCs), Area Forest Office, Federation of Community Forest Users Nepal (FECOFUN), Timber Cooperation and media were fully represented in all of the sessions. The purpose was to introduce the IRMI program to these local institutions and how they could be involved in



Figure 1 Group Capacity Assessment workshop

Forest Office, Federation of Community Forest Users Nepal (FECOFUN), Timber Cooperation and media were fully represented in all of the sessions. The purpose was to introduce the IRMI program to these local institutions and how they could be involved in

coordinating with likeminded stakeholders in the Districts to mitigate and resolve natural resource-based conflicts in the project areas. IRMI staff were intensively trained on facilitation skills, resource and conflict mapping techniques and reporting. As mentioned earlier, the two partners were actively involved in the IRMI baseline survey, the analysis and findings of which shall be disseminated to the donor and partners by the end of April 2014. The baseline was initially delayed when one previously selected community declined to participate in the IRMI program activities in one of the districts. In consultation with USAID, another community has just been selected to replace the previous one.

III. Contextual Update/ Operating Environment

Nepal is clearly on the path of a rapid social and political transition. Following the decade-long Maoist insurgency, which culminated in the signing of the Comprehensive Peace Agreement in 2006, Nepal is now on the verge of drafting a new constitution that is hoped to transcend the divisions, political stagnation and low level conflict afflicting the country in the years since. The constitution is expected to be drafted based on the commitment and mandate of the Constituent Assembly (CA) election from November 2013. The past and on-going countrywide fragile political situation continues to render a weak economic situation, especially with the loose governance structure.

It is believed that Nepal is the second water source richest country in the world. Forests cover 39% of the land in the country and are a prominent source of many of its natural resources. The people of Nepal depend heavily on forests and forest products, especially for timber, in which terrain forests are rich. Related, the internal migration trend is increasing, thus creating additional pressure on the limited forest resources, leading to the creation of more conflicts among people of the host communities and the new arrivals.

Historically, timber was a central focus even before the introduction of the centralized form of government structures on forest protection, which came into effect in 1927. The existence of *Raniban* (literal meaning – queen’s forest) throughout the hills of Nepal, even in rural and remote villages, where local people were prohibited from extracting forest products, specifically felling of trees, is an example of state control over timber. An ordinance promulgated in 1825 banned tree felling in specified areas. Contrary to this, the government used to grant forestland to the ruling elite until the 1940s with an aim of converting forests into agricultural land.

In Nepal, people extract stones, sand, water, timber and non-timber products from the forest. A high number of people depend on limited available resources and the management system thereof is weak. Typically, only the community elites have easy access to these resources and the exploitation thereof. The governance of the user groups tends to be very weak and this has exacerbated or failed to manage the majority of disputes and conflicts around these issues. Encroachment on land by landless people and populations at the instigation of various local political leaders for their own vested interest has become a major issue in the community forests. Other significant related issues in the districts include land grabbing, theft of woodland and hunting of wild animals. All these are significant contributing factors to conflict in the IRMI working locations.

However, in close collaboration with partners and the newly identified VDCs, IRMI places high priority on those locations where conflict associated with inclusivity and equity continue to manifest as conflict over natural resources— notably land, forests and water—which form the foundation of most people’s livelihoods.

Preliminary results from the just concluded baseline and resource-based conflict mapping survey confirmed the appearance of illegal settlements, the government’s inability to reach remote parts, theft of forest resources, destruction of crops and household property, occasional

outbreaks of violence, and persistent exclusion of particular groups, leading to high levels of vulnerability and grievance. As the country emerges from November 2013 CA elections, forest communities in the Terai, which had become increasingly fractionalized in the pre-election environment due to political manipulation of sensitive resource management issues, continue to compete for an overextended resource base with little or no assistance from local government bodies.

In spite of the above-mentioned potential triggers of conflict, the security situation in IRMI program locations, especially in western Terai, remains normal. IRMI program activities are being implemented in all four-target districts unhindered and the ongoing program stakeholders' selection continues to make progress. The daily activities of the people are found to be continuing normally in the IRMI communities and community people and stakeholders are found welcoming in all program areas. No threats are present to program or staff to date. Freedom of movement by donor and I/NGOs is experienced in all project locations.

IV. Overview of Achievements this Quarter

Mercy Corps has just completed the hiring of a new IRMI expatriate Program Manager/ Chief of Party to accelerate program activities in the first quarter of 2014 following initial delay as highlighted in the last quarterly report. As planned for this quarter, more robust participatory natural resource mapping exercises were conducted with the aim of mobilizing 20 CFUGs in areas where the program activities are being implemented. These activities have mobilized Community Forest Users Groups (CFUGs) through 3 Focused Group Discussions (FGDs) per CFUG. The program also has completed registering CFUG member lists totaling 7,557 households and, out of these, a baseline survey was conducted in 400 households. Following this activity, district level inception meetings were held in all target districts and program communities were successfully identified and are now ready for conflict management and resource-based trainings.



Figure 2 IRMI Conflict Mapping exercise

During this reporting period, partner organizations BASE and SS, with technical support from MC, are selecting 400 key program stakeholders. Mercy Corps designed the selection criteria guide for the partners and these are being used to complete the process. One of the underlining program principles of inclusivity related to the natural resource management and public decision-making is being observed and explained at all public meetings. This people-to-people approach has brought participants together in multiple forums, helping to involve divided communities through repeated interactions and collaborative engagements on issues that affect them.

Moving forward this quarter, MC is exploring all avenues to involve The Asian Foundation's (TAF) technical team to provide mediation training using their modules for interpersonal and group disputes, community peace building for community leaders, and multi-stakeholder mediation. This material developed and adapted to the local context over the course of a decade of programming in Nepal would, if a collaborative agreement can be achieved, be used through a Training of Trainers (TOTs) approach that would train community volunteer trainers who would be expected to train key program stakeholders. USAID and MC are trying to bridge this relationship despite a series of setbacks. During the training, participants will analyze

conflict and resource use in their own communities as a step toward developing an agreement that will resolve the conflict while meeting the interests of the affected individuals and parties.

As planned, the program will continue to work with the 20 identified and mobilized (CFUG) user group members in collaboration with the district and VDC level stakeholders to improve internal governance. Efforts have been made to involve and increase the participation of women and marginalized groups in all of the established groups so far.

This FY14 first quarterly performance report focuses on documenting project achievements within the period of January – March 2014 summarized below:

- Training to local partner's staff on facilitation and resource and conflict mapping techniques
- Completion of program baseline survey
- Coordination with regional and district level key stakeholders and USAID partners
- Development of key stakeholders selection criteria which is being followed by the on-going selection process
- Community level IRMI inception consultative meetings in the 20 VDCs
- Identification and mobilization of Community Forest User Groups
- CFUG capacity assessment tool developed and facilitators have been trained. Partners have started to facilitate the group self-assessments.

V. Challenges and Lessons Learned:

- Many government officials are quite critical about the work of INGOs in communities in general. However, the majority of local leadership appreciates and fully supports IRMI program activities. They report being impressed about the methods used in the selection of program stakeholders, particularly regarding transparency and inclusivity.
- IRMI faced a setback in one of the communities in Kailali when one local political party declined to participate in program activities. Kamal Pokhari CFUG of Hasulia VDC was subsequently selected to replace the non-participating community.
- IRMI partner staff turnover is another case in point causing setbacks in recruiting new staff to replace the outgoing ones.
- The issue of permission to use TAF's mediation-training manual has remained unresolved for far too long. However, the new IRMI Program Manager is determined to open doors of diplomacy and tact to involve TAF technical teams in IRMI trainings at community level.
- Mercy Corps and partners have also realized that, when local leaders are painstakingly involved in program activities, they could contribute towards consolidating joint agreements to enhance peace. It is possible that IRMI project locations can be a violent-conflict free society when development actors implement alternative livelihood activities for marginalized resource- based conflict affected groups.
- If people have the opportunity to engage each other regularly over concrete common interests, then they will increasingly trust each other as is evident from the improving relationship between the VDCs and CFUGs.

VI. Monitoring and Evaluation

MC staff and partner teams are monitoring the ongoing program activities in the field regularly through field visits and coordination meetings with likeminded development partners and community leaders. Monitoring focuses on reviewing project achievements/accomplishments versus targets, identifying issues and concerns affecting project implementation, and recommending corrective measures when necessary. A baseline survey has been conducted this

quarter, the results of which shall be disseminated to the donor and partners by the end of April 2014.

MC continues to provide technical support to partner staff to conduct planned activities in an effective manner. On site coaching is also being used to steer the project activities. Partner executive members are also monitoring activities and supporting IRMI in the conducting thereof. Mercy Corps is documenting quarterly beneficiary data through partner activities. The Mercy Corps Design, Monitoring and Evaluation Manager, together with the IRMI team, will continue to be an integral part of analyzing and reporting on data to the donor, stakeholders and, once relevant, project beneficiaries. IRMI program staff continue to analyze data on a monthly basis to inform project management decisions.

VII Coordination

- ✓ A Program collaboration meeting was held with TAF on 21st March to seek their support of their resource materials to train IRMI program stakeholders.
- ✓ A Coordination meeting together with Pact Inc, Kisan, and Health for Life was held at Hotel Sangrila on 7th March 2014. The meeting was held to coordinate/collaborate among the programs and share experiences among USAID's grantees in the field.
- ✓ MC had two monthly meetings with USAID on the 19th February and 25th March 2014 respectively to share IRMI monthly progress, challenges and plans for April.
- ✓ MC also participated in the monthly meeting with Democracy and Governance Office (DGO) partners at the US Embassy on 26th March 2014 and presented progress and plans for the next month.
- ✓ IRMI-DPM talked informally with Nick Langton (CoP-Pact) regarding the overlap with Pact in one community in Kailali District. The meeting was positive and concluded with agreement on strong coordination between both organizations.
- ✓ IRMI continues to strengthen good coordination links with other stakeholders in the program areas, a trend that will continue into the future.

VIII. Conclusion

Mercy Corps' overarching goal is to continue to provide technical support to local partners as they implement and monitor program activities in the four program districts and 20 communities. Despite initial kick-start constraints, Mercy Corps has recruited an experienced expatriate Chief of Party/ Program Manger with several years' background in designing and directing peace-building and conflict prevention programs to accelerate IRMI activities. While we remain cautious of potential challenges around the current political transformation that 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 as outlined below.

VIV. Upcoming activities for the next quarter

Project activities for the next quarter will include the following:

1. Facilitate the development of conflict resolution agreements by key stakeholders
2. Strengthen internal governance of community user groups (CFUGs)
3. Raise awareness of rights and responsibilities related to natural resources
4. Joint natural resource management initiatives
5. Support environmentally sustainable economic initiatives

Annex I. IRMI Beneficiary Numbers

Inclusive Resource Management Initiatives (IRMI) Beneficiary Numbers

S.N	District	Name of VDC	Name of CFUG	Total Household	Family members		Total
				Number	Male	Female	
1	Banke	Manikapur	Jaya Saraswati	410	1,223	1,306	2,529
2		Hirminiya	Hajrat	631	1,344	1,224	2,568
3		Kohalpur	Miteri	268	819	800	1,619
4		Rajhena	Jana Ekata Mahila	2,057	5,935	5,932	11,867
5		Naubasta	Sungava	722	1,960	1,984	3,944
6	Bardiya	Neulapur	Kopila	119	403	388	791
7		Bagnaha	Jharsaluwa	285	1,023	958	1,981
8		Dhodhari	Kotahi Women	184	613	550	1,163
9		Motipur	Ekata Samaj	394	1,397	1,388	2,785
10		Mainapokhar	Bhadohi Women	200	563	604	1,167
11	Dang	Panchakule	Saatpokhari Hurum	412	1,256	1,186	2,442
12		Shantinagar	Srijana	227	654	662	1,316
13		Pawannagar	Vieudhar	252	703	666	1,369
14		Halwar	Jarayotakuri	184	507	515	1,022
15		Purandhara	Devidanda	138	510	452	962
16	Kailali	Beladevipur	Sitaram	168	664	575	1,239
17		Ratanpur	Shivashakti	73	233	204	437
18		Shreepur	Suryodaya	382	1,322	1,291	2,613
19		Geta	Sahid Sanghari Bhim Dutta Pant	307	1,037	1,003	2,040
20		Hasuliya	Kamal Pokhari	144	617	595	1,212
Total				7,557	22,783	22,283	45,066

ANNEX II.

VDC CONSULTATION MEETINGS IN ALL FOUR DISTRICTS DATA

DATE	DISTRICT	VDC	MALE	FEMALE	TOTAL
9/01/14	Kailali	Geta	11	8	19
9/01/14	Kailali	Ratripur	24	12	36
10/01/14	Kailali	Shripur	36	9	45
12/01/14	Kailali	Belderipur	21	14	35
31/01/14	Kailali	Husuliya	7	6	13
Total			99	49	148
29/12/13	Bardiya	Dhadari	22	6	28
29/12/13	Bardiya	Mainapokhar	23	7	30
3/01/14	Bardiya	Bangnaha	25	1	26
5/01/14	Bardiya	Neulapur	23	5	28
7/01/14	Bardiya	Motipur	40	3	43
Total			133	22	155
27/12/13	Dang	Panchakule	22	4	26
29/12/13	Dang	Pawannager	25	2	27
02/01/14	Dang	Purandha	25	2	27
5/01/14	Dang	Shantinager	19	2	21
31/01/14	Dang	Halwa	25	2	27
Total			116	12	128
7/02/14	Banke	Kohalpur	27	15	42
11/02/14	Banke	Hiriniya	29	2	31
13/02/14	Banke	Manikapur	23	5	28
4/02/14	Banke	Rajhena	39	43	82
9/01/14	Banke	Naubasta	28	17	45
Total			146	82	456
Grand Total: 887			722	165	887

Annex III. Success Story:

IRMI PROGRAM 'INCLUSIVITY' STRATEGY BEING LAUDED

“This IRMI program seems quite interesting to me. I am struggling with some Community Forest User Groups; they have been trapped in resource-based conflicts for a long time and have been in this situation since. Many NGOs come up with readymade programs and predetermined VDCs. They like to work in more accessible VDCs and do not want to work in communities where there are more problems/conflicts like mine. In addition, they educate people on their rights but never provide further trainings to community structures that could help prevent localized conflicts. I like the IRMI program strategy and that you have included some of the worst affected communities and individuals in the program. The process you have started is really good and best fits with your project name (inclusive). I am keen to work with you,” said DFO, Yadav Prasad Dhital in Dang.



Figure 3 CFUG consultative meetings

Mercy Corps together with BASE and SS designed a participatory approach to select VDCs. Some tools were adopted from other IRMI program countries and contextualized. KII interviews and consultation meeting modules were designed and carried out at district levels to identify VDCs. Rajendraman Singh Bhandari, the District Forest Officer in Kailali, also said, “The program will really be a good support in resolving the natural resource based conflicts or tensions and I am optimistic about it.” Consultation meetings were carried out with likeminded organizations and networks to avoid duplications. The stakeholders are found to be supportive of the program and eager to collaborate in some ways. Some 20 Village Development Committees (VDCs) in the four districts were selected through that open selection process. Assistant Conservation Officer of Banke National Park, Dal Bahadur Bhandari said, “The VDCs you have selected best fit with your program objectives. We are happy to collaborate with you, but we need to have some written agreements with you to work within our working areas”.

Key Informant Interviews (KII) and VDC level consultation meetings were organized to select the target user groups. KII was carried out with user group representatives and their networks. Political parties, VDC secretary, community leaders, youth clubs, indigenous leaders, women networks, teachers, etc. were invited to participate in VDC level consultation meetings. They ranked the user groups based on their work performances in general. They also ranked groups based on the severity and impact of conflicts on people. A Campus chief in a VDC meeting at Bagnaha, Bardiya said, “Forests in the Terai are more resource rich, but some people are full of greed and they are constantly destroying these resources. Such attitudes are a major cause of conflict in this beautiful countryside. Previous CFUG members do not like to include marginalized and excluded community members into the group. They even demand high amount of donations to become a member. The IRMI program is unique to me. This time, even the excluded members can have a voice in the management of these God given natural resources that selfish individuals have been plundering for a long time.”

The open process for community selection has been very useful and supportive in identifying genuinely needy communities for program implementation. The Program Coordinator of BASE, Laxman Chaudhari said, “The process has itself been very useful, successful and realistic as well in identifying communities having some issues on the one hand and, on the other hand, engaging a broad range of stakeholders for coordination from the beginning.”