

USAID/OTI Nepal Field Report

October - December 2007

Program Description

In August 2006, USAID's Office of Transition Initiatives (OTI) inaugurated a program to help advance Nepal's transition to peace and democracy. The objectives of the USAID/OTI program in Nepal are to:

1. Increase access to information and diversify public debate on issues critical to the political transition, and
2. Increase effectiveness of key political transition institutions.

OTI/Nepal's implementing partner is Chemonics International Inc., and the FY 2008 program budget is \$5 million. The OTI program provides small grants and short-term technical assistance.

Country Situation

CA Elections Postponed; Parties Agree To Hold Elections by Mid-April - On October 5, 2007, the Election Commission, at the government's request, announced the cancellation of all activities related to the scheduled November 22, 2007, Constituent Assembly (CA) elections. The postponement came after the Seven Party Alliance failed to reach consensus on 22 issues raised by the Maoists, which included demands for the abolition of the monarchy prior to the elections and adoption of a fully proportional electoral system. After lengthy consultations, the seven main political parties reached an agreement, and the Maoists returned to the government on December 31, 2007. The 23-point parliamentary agreement amends the interim constitution for a third time, declaring Nepal a republic (to be ratified at the first meeting of the CA) and adopting a mixed electoral system for the 601 CA seats. The seats are to be allocated as follows: 42 percent through a first-past-the-post system and 58 percent through a proportional representation system. The parties agreed to hold CA elections by mid-April 2008.

Anniversary of the CPA; Maoists Continue Violations - This reporting period marked the first anniversary of the signing of the Comprehensive Peace Agreement (CPA). However, reports indicate that the Maoists continue to violate CPA provisions. Violence and harassment perpetrated by Maoists and the Young Communist League, a Maoist-affiliated youth group, have increased. These activities are taking place against a backdrop of admitted Maoist involvement in the murder of a journalist in the Terai. Reports also indicate that the government has shown indifference to implementing several clauses of the CPA. In response to the recent political deadlock and the increasing violence, the political parties formed a committee to review CPA implementation. The committee has submitted its recommendations to the government.

UNMIN's Mandate Likely To Be Extended by Six Months; Verification Completed - Although its authority expires on January 23, 2008, the United Nations Mission in Nepal (UNMIN) is likely to have its mandate extended by 6 months. UNMIN is facing increased pressure after being criticized by political parties for overstepping its mandate by talking to Terai-based armed groups (in one instance, reportedly, in India). UNMIN has concluded that 19,602 People's Liberation Army combatants, including 3,846 women, meet its verification criteria. Currently, there is no agreement on security sector reform that would map out the future of cantonment-based ex-combatants.

Lawlessness in the Terai Continues; Special Task Forces Deployed - The security situation in the Terai continues to deteriorate. A recent human rights report claimed that more than 80 people were killed in the Terai in the six months prior to November. In early December, the government deployed Special Task Forces to eight critical Terai districts and three districts in the Kathmandu valley. Each task force is made up of 50 officers from the Armed Police Force and the Nepal Police. More than 100 arrests have been made so far. With the anniversary of the Madhesh movement approaching in January, Madhesi political leaders have vowed to incite fresh agitations.

New Political Party Formed in the Terai - On December 10, 2007, a new political party was formed under the leadership of Mahanta Thakur, with the goal of establishing a broad alliance among the Madhesi. Many leaders representing various parties are expected to join. It is hoped that this party can help unite the disparate groups in the Terai and provide legitimate, nonviolent leadership for the Madhesi movement.

OTI Highlights

A. Narrative Summary

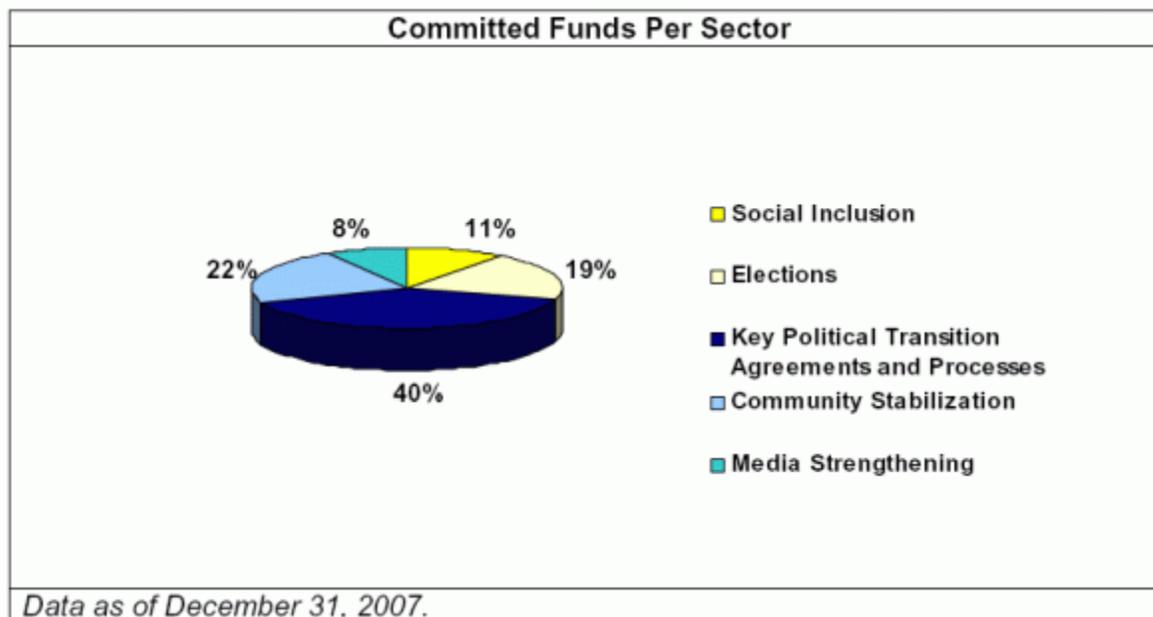
OTI approved 24 new activities with grants totaling \$917,006 during the reporting period. Since August 2006, OTI has funded 121 small grant activities* totaling \$4,828,092. As reflected in the following table and graphic, OTI activities are distributed among five main sectors: key political transition agreements and processes (40%), elections (19%), community stabilization (22%), social inclusion (11%), and media strengthening (8%). Fewer activities were cleared in October than in the rest of the quarter, as October is festival season in Nepal. In addition, the cancellation of elections without a consensus on a new date has adversely affected OTI grant development and the current portfolio. Some election-related grants have been discontinued and the program team has been refocusing the activity portfolio.

** This figure excludes the four grants implemented by USAID/OTI prior to the commencement of the Chemonics contract.*

Grants Approval Summary

Sector	Grants Cleared October - December 2007	Estimated Budget for Grants Cleared October - December 2007	Total Grants Cleared Since August 2006	Total Estimated Budget for Grants Cleared Since August 2006
Social Inclusion	0	\$0	17	\$512,070
Elections	0	\$0	15	\$921,392
Key Political Transition Agreements and Processes	9	\$329,122	54	\$1,911,734
Community Stabilization	9	\$390,609	23	\$1,079,673
Media Strengthening	6	\$197,275	12	\$403,223
Total	24	\$917,006	121	\$4,828,092

Data as of December 31, 2007.



B. Grant Activity

Community Stabilization - Amid a worsening security situation and rising levels of violence in the Terai, OTI supported four activities to train youth in peace building and conflict management. The youth-focused activities sought to create a network of peace volunteers that can be mobilized as the political context warrants. Youth in the Terai were also trained in methods of peaceful protest. The effort to promote peaceful protest sought to convey the following idea: while the grievances raised by the Madhesi community are legitimate, the violent expression of these grievances is counterproductive.

Samjhauta Nepal, a tested OTI partner, completed a project to train youth on community peace building and conflict resolution. The organization employed a training model that it had used successfully in past programs with women's groups. Training activities were conducted in eight of the most volatile districts of central and eastern Terai, and reached at least half of the village development committees (VDCs) in each of the districts. Using the peer-educator method, Samjhauta Nepal's local trainers organized orientations on conflict resolution for local youth. The program reached 391 VDCs and approximately 11,000 youth.

International Alert has established Youth Steering Committees (YSCs) in the eastern Terai districts of Morang and Sunsari through an OTI grant. YSCs that are representative of district constituencies have been formed, and the grant has been extended in order to add advocacy components, both at a local and the national level. Another OTI grant will establish youth peace centers. At these centers, young people will be able to voice their concerns and identify and act on opportunities for positive engagement in conflict mitigation and peace building.

Key Political Transition Agreements and Processes - Six grants that focused on raising awareness of the CPA in five Terai districts have been successfully completed. Five of the grants focused on activity implementation while the sixth supported the effort to monitor and coordinate the work. On November 21, 2007, to mark the first anniversary of the signing of the CPA, Population Watch, an OTI grantee, organized a press conference in Kathmandu to publicize the findings of its CPA-monitoring report. The report states that the Maoists were involved in numerous violations of the CPA during the July to October 2007 period. The report also criticized the government for not having the political will to fully implement the CPA.

The third in a series of OTI-supported public service announcements (PSAs) has been televised. The minute-long PSA focuses on community efforts in the reconstruction of the nation. Preliminary findings from an AC Nielsen/BBC World Service Trust analysis show that about 50 percent of the people surveyed recognize the animated characters portrayed in the spots.

Elections - During the reporting period, four election-related grants were cancelled because the CA elections were postponed. The cancelled grants included two that were supporting Election Commission activities and two that were providing funding for media monitoring and election reporting. In addition, a number of television, theatrical, and radio PSAs that were produced for the election, as well as a 50-minute film, have yet to be aired.

Social Inclusion - On November 26, 2007, a musical album with six songs emphasizing communal harmony and advocating peace was released at a press event. Speakers at the event, which was covered on national television, praised the collaboration by noted Maithali musicians and poets. Response to the work has been overwhelmingly positive, and several national broadcasters that target the Madhesi community have featured the album on their programs.

OTI provided support to a women's microcredit group so it could organize bi-weekly dialogues in 30 VDCs in the Morang and Sunsari districts. Working at the grassroots level, the organization facilitated a total of 1,350 dialogues. Similar dialogues have provided training for 540 volunteers, and an estimated 12,000 people have completed orientations. Monitoring reports indicate that the program has been enthusiastically received.

Media Strengthening - By engaging in media strengthening activities, OTI seeks to provide increasing numbers of Nepal's citizens with access to information on the country's political transition. Five radio stations have received support to increase technical capacity and scope of coverage. This support enhances the stations' ability to address programming to the VDC level and spurs community discourse. A permanent FM station is currently being set up in the remote district of Humla, a hill area; however, the station has been unable to broadcast because there has been difficulty in procuring a critical piece of equipment.

OTI provided support for a mobile media fair project. In cooperation with three local FM radio stations, the grantee broadcast from lightweight, portable "doko" radio studios in radio blind areas or areas with minimal access to radio programming. (The units are known as doko radio studios for the traditional bamboo baskets that are used to carry the equipment to remote locations.) The activity reached citizens in nine districts, and the grantee received exceptionally positive feedback from participants for focusing a significant portion of the programming on local issues.

OTI also supported a training activity for 20 Madhesi journalists in the eastern Terai city of Biratnagar. During the 14-day feature-writing course, the participants were sent on field visits around the city to research stories on Madhesh-related issues. Three bulletins with feature stories have been published and disseminated to local media organizations, and the stories have been widely published in the local newspapers. In addition, Koshi FM, a popular regional radio station, organized and broadcast grassroots-level dialogues on the peace process.

C. Indicators of Success

Speed - After the elections were postponed in October, OTI acted quickly to retarget several ongoing activities that were narrowly focused on CA and election issues. Efforts to address larger political transition issues and to raise awareness of the CPA were expanded. OTI also met with grantees to discuss ways to adapt ongoing activities to the changing political context.

Re-targeting/Flexibility - Several CA- and election-focused activities were retargeted to free resources to address other transition needs, such as raising public awareness of the CPA.

Community-based - OTI activities, including CPA-awareness-raising activities and the mobile media fairs, have had effective reach to the grassroots level. OTI has also worked successfully with several organizations that have large networks of peace volunteers. These collaborations have made it possible to operate despite the worsening security situation, particularly in the Terai.

Next Steps/Immediate Priorities

Emergent issues:

- CA elections are being rescheduled for mid-April. Development of post-election scenarios and strategic plans will be necessary.
- Continued unrest and violence in the Terai is predicted. The circumstances will warrant special programmatic focus.

In the next quarter, OTI/Nepal will:

- Develop activities to support the CA elections, should an election date be announced.
- Continue to develop activities that are responsive to political and conflict issues in the Terai.

- Assess and refine, as necessary, OTI/Nepal media activities.
- Continue to support programming that focuses on youth issues.
- Assess and refine the OTI/Nepal Monitoring and Evaluation system.