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NEPAL TRANSITION INITIATIVE

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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:

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

USAID/OTI commenced its program at the request of, and in close coordination with, the Embassy and the USAID Mission to Nepal.

The implementing partner for USAID/OTI in Nepal is Chemonics International, Inc., selected through a competitive bidding process. The program consists of a series of small grants and short-term technical assistance activities in furtherance of Nepal's transition process.

COUNTRY SITUATION

CA elections postponed, political parties reach agreement to hold election by mid-April 2008. On October 5, 2007, the Election Commission (EC) announced the cancellation of all election related activities slated for November 22, 2007 after the government submitted a request for postponement of the elections. No fresh dates were announced. This is the second time the elections have been postponed; the first were scheduled for mid-June 2007. The postponement of the elections came after the Seven Party Alliance failed to reach consensus on the 22 demands raised by the Maoists including the abolition of monarchy prior to the CA elections and adaptation of a fully proportional electoral system. On November 4, 2007, a special session of the Interim Parliament adopted two proposals tabled by the Communist Party of Nepal (UML) and the Maoists to adopt a fully proportional representative electoral system and republic, to be implemented by the first meeting of the CA, through a simple majority. However, amendments to the constitution require a two-thirds majority. After lengthy consultations among the political parties, an agreement has been reached among the seven main political parties, and the Maoists are slated to return to the government. The parliament has passed bills that commit to holding elections by the end of the Nepali calendar year (mid-April 2008). At the writing of this report, eleven amendments have been registered in the parliament, including one by the leaders of the three main political parties (NC, UML, and Maoists) which includes the provision of declaration of a republic through the first meeting of the CA and the adoption of a mixed electoral system (42% of seats for a first-past-the-post system and 58% of the posts through a proportional representation system for a total of 601 seats in the CA). However, there have been criticisms from various quarters, including other large parties that are not part of the government. The agreement was made after pressure from the international community, as well as Nepali civil society. The Maoists have compromised by withdrawing their demand of a cabinet reshuffle.

Anniversary of the CPA, Maoists continue violations. This reporting period also marked the first anniversary of the signing of the Comprehensive Peace Accord (CPA). Reports have stated that the Maoists have been engaged in more cases of violations of the CPA, but have also pointed to government indifference to implementing several clauses of the CPA. The political parties formed a committee to review the CPA and have submitted recommendations to the government. The recommendations include implementation of the promises made in the CPA on forming various commissions, publicizing the fate of the disappeared, and mapping and defusing landmines. This reporting period has seen an increase in atrocities committed by both Maoists and the Maoist affiliated youth group, the Young Communist League (YCL). In some places, "People's Courts" have been reactivated. The Maoists have also

publicized a program for ‘donations’ and several incidents of extortion of large amounts have been reported. Similarly, incidents of beatings, abduction, and torture have also increased. These activities are taking place in the background of proven Maoist involvement in the murder of a journalist in the Terai. On November 19, 2007, the YCL abducted five persons, including doctors, and tortured them. The Maoist leaders have pledged to not engage in such violations of the CPA and there has recently been a decrease in such incidents.

UNMIN’s mandate likely to be extended by six months, verification completed. The United Nations Mission in Nepal (UNMIN) is likely to have its mandate extended by six months after the cabinet and the major political parties reached an agreement. On November 27, 2007, the Prime Minister met with UNMIN Chief Ian Martin and assured him that an official request would be made soon. UNMIN’s mandate expires on January 28, 2008. The verification process has been completed as scheduled. A total of 19,602 Maoist combatants have qualified during the verification process, including 3,846 women. However, UNMIN is facing increased pressure after being criticized by political parties of overstepping its mandate by talking to armed groups in the Terai and reportedly once in India.

Law and order in the Terai continues to deteriorate, Special Task Force deployed. The law and order situation in the Terai continues to deteriorate. A report released by HimRights, a human rights organization, claims that more than 80 people have been killed in the Terai in the last six months up to November. In early December, the government deployed Special Task Forces (STF) in eight critical Terai districts and three districts in the Kathmandu valley. The STF consists of 50 personnel from the Armed Police Force (APF) and Nepal Police, including intelligence officers. More than 100 arrests have been made so far. Similarly, APF has been heavily deployed in the area. With the anniversary of the Madhesh movement approaching in January 2008, Madhesi political leaders have vowed to start fresh agitations. On December 10, 2007, four Madhesi MPs, including senior NC leader and Minister of Environment, Science and Technology Mahanta Thakur, resigned from their parties and the parliament citing government indifference towards Madhesi demands. They have been joined by other Madhesi leaders. It is expected that in the coming weeks, a new party will be formed under the leadership of Mahanta Thakur which will be a broad alliance of Madhesi leaders. Many leaders representing various parties are expected to follow suit. There have also been growing demands of autonomy from other ethnic groups which has affected far-eastern Terai and some portions of the hills where such minorities predominate.

OTI Highlights

A. OTI- Nepal Grant Activity Summary

During the reporting period, OTI approved 24 new activities with grants totaling \$917,006. These activities include peace messaging in the eastern Terai, CPA education through cultural events and dramas in the Kathmandu valley, two activities that use street dramas in the eastern and central Terai, and one that uses radio drama in the eastern Terai, a comic strip on key transitional issues. Three grants were cleared to increase the capacity of FM stations to reach a wider audience at a grassroots level and one will train the staff of these stations. One grant will explore how to create a positive and secure environment for media in the Terai. USAID/OTI also cleared grants to replicate successfully implemented activities. These include using comedy for information dissemination on transitional issues, educating farmers on the CPA, using a photo exhibition to educate the population about the conflict, and training a different group of youth on conflict management. An extension was also approved for a grant that trained youth peer educators in eight critical Terai districts, with the budget increased by \$141,688.

Since August 2006, OTI, through Chemonics as an implementing partner, has funded a total of 121 small grant activities¹, totaling \$4,828,092. The Itahari field office has contributed substantially over the

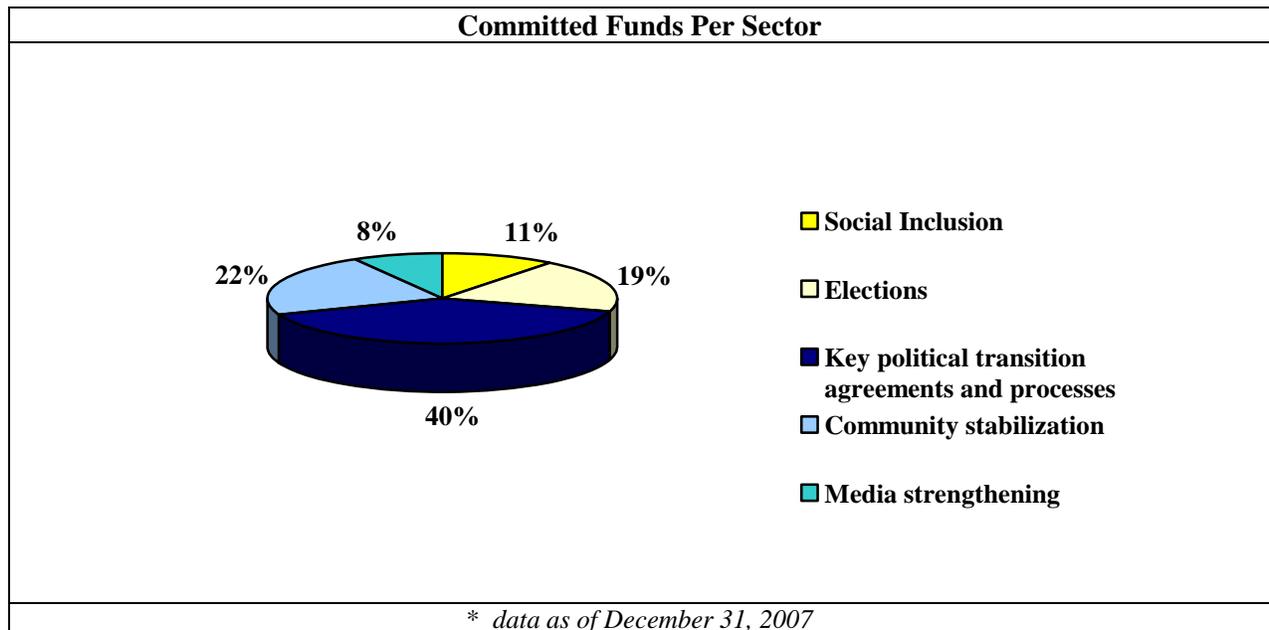
¹ This figure excludes the four grants implemented by USAID/OTI prior to the commencement of the Chemonics contract.

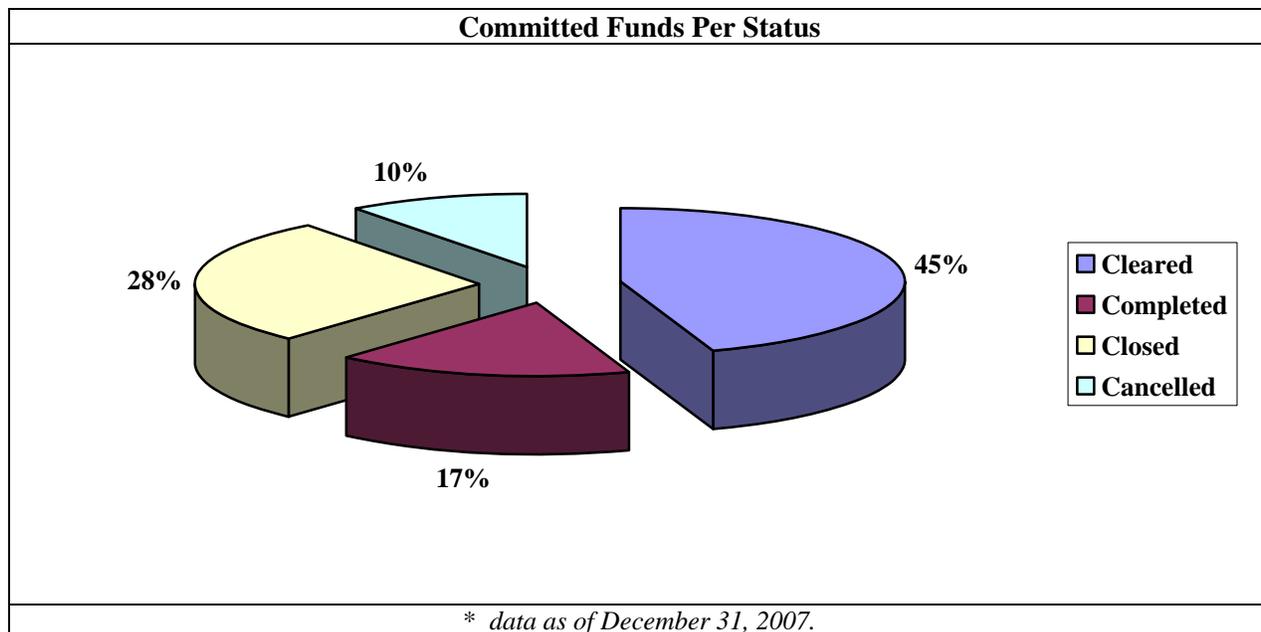
quarter clearing nine grants for \$176,964. As reflected in the following table and graphic, OTI activities are distributed among five main “sectors”: key political transition agreements and processes (40%), elections (19%), community stabilization (22%), social inclusion (11%), and media strengthening (8%). Few activities were cleared in the month of October due to the festival season in Nepal. The cancellation of elections without consensus on a new date has also adversely affected USAID/OTI program development and the current portfolio. Some election-related grants have been discontinued and the program team has been focused on determining the impact of this event on the activity portfolio. The disbursements for the Communication Corner and Nepal Press Council grants have not been finalized. As a result, in the future we expect the percentage (monetary amount) of cancelled grants to decline as the numbers are currently based upon total obligated budget numbers and not the total amount dispersed under the grants.

Grants Committed by Sector

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. OTI- Nepal Grant Activity Highlights

Community Stabilization

In response to a worsening law and order situation and rising levels of violence in the Terai, USAID/OTI is supporting four youth focused activities to train youth on peace building and conflict management and to create a network of peace volunteers who can be mobilized based on the political context.

A grant with Samjhauta Nepal, a tested USAID/OTI partner, has completed the training of youth on community peace building and conflict resolution. Samjhauta Nepal used a training model, previously used in programs with women's groups, that has received favorable feedback and was proven to be an effective method. The trainings were conducted in eight of the most volatile districts of central and eastern Terai, covering at least half of the VDCs in each of these districts. Using the peer educator method, the local trainers organized orientations on conflict resolution for local youth. The program has reached 391 VDCs and an estimated 11,000 youth. The local youth have organized 782 grassroots campaigns to impart what they have learned in the trainings. Due to the success of the activity, the grant was extended until April 2008 and the budget was increased by \$141,688. The amendment will provide the 391 peer educators with means of local transportation, i.e. bicycles, as well as enable the grantee to mobilize them according to the political and peace and security context of the region. A monitoring trip to the Terai has found that this activity has been extremely successful. Another activity is currently being implemented with the same partner utilizing the same model of implementation and materials, which will diversify the target actors. The new activity focuses on training youth of the Chure Bhawar region, which has seen increased violence in retaliation to attacks against Pahadis in the Terai. The activity will train 24 peer educators to be mobilized in 24 VDCs in six districts, who in turn will train 50 youth per VDC for a total of 1,200 youth.

Similarly, another grant with International Alert has established Youth Steering Committees (YSC) in the eastern Terai districts of Morang and Sunsari districts. The YSCs have been formed and are very representative. This grant too has been extended in order to add advocacy components, both at a local and national level, and the budget has been accordingly increased by \$2,844. Another grant with Alliance for Peace is currently in the process of conducting VDC level activities after the completion of a Training of

Trainers and follow-up workshops. The grant is training youth on peace building and conflict transformation in six districts experiencing instability and conflict (Bara, Dolakha, Rupandehi, Sunsari, Rolpa and Kailali districts). The activity will also establish youth peace centers as fora in which youth can voice their concerns and identify and act upon opportunities for positive engagement in conflict mitigation and peace building.

Youth in the Terai are also being trained on peaceful ways of protesting, keeping in mind that while the grievances raised by the Madhesi community are genuine, their political expression has been violent. An umbrella organization of political science students has already completed the training of 40 Community Non-Violence Motivation Committees (CNMC) in four Terai districts. The monitoring trip to the Terai has found that the CNMC members are energetic, dynamic and eager to conduct the activities.

USAID/OTI has also partnered with Nepa-laya in three grants aimed to stabilize the community. This includes the immensely successful photo exhibition, 'A People War'. The second phase of the exhibition was completed, with ten exhibitions in central and eastern Terai. It is estimated that more than 200,000 people have visited the exhibition. Currently, USAID/OTI has approved the third phase of the exhibition that will travel to the Far Western, Mid-Western and Western regions of the country. Due to the grantee's professionalism and artistic capabilities, two other grants are also being developed with the grantee. One activity will produce a documentary on issues critical in the Terai. The grantee is currently editing and engaged in post-production activities after completing the filming, with more than 50 hours of footage. The activity also had a component that aired twenty short features of such issues during the news of Kantipur Television. Another grant developed a music video of one of Nepal's most famous musical bands emphasizing Nepal's diversity and fostering communal harmony. The shooting of the music video has been completed and it is currently airing on several television stations and has begun rotations at various radio stations in the Kathmandu Valley.

A survey on people's perceptions of peace and security conditions has also been conducted. The final report has been submitted to USAID/OTI. It is expected that this survey will provide feedback to stakeholders which will help to improve the security conditions in the country. On October 24, 2007, NIEFO presented the findings of their survey at the US Embassy/USAID building for the ambassador and other Embassy and USAID staff. The presentation was an excellent exercise for revisiting the data and for further refining the report. The audience asked thought provoking questions and made suggestions and recommendations which will further enhance the report. After the presentation, it was decided by the USAID/OTI team that the Kathmandu press release event should be postponed until further consultation with the ambassador and the USAID/OTI team. The report is currently under review.

An environmental impact assessment to study the impact of reconstructing water infrastructure destroyed during the conflict has been completed. The Terms of Reference (ToR) of this activity which will promote social reconciliation in a central Terai district has already been submitted to the concerned ministry. Women in Environment conducted a public hearing and a survey of farmers to be better informed about the reconstruction projects. USAID/OTI is currently working to develop grants that will reconstruct/rehabilitate the recommended infrastructures.

Key political transition agreements and processes

A total of six grants focusing on awareness-raising on the CPA in five Terai districts have all been successfully completed. Five of the grants focused on the implementation of the activities while one grant monitored and coordinated the activities. On December 3, 2007, a two-day long post activity reflection meeting was organized in Kathmandu with representatives from all the organizations. It was learned during the meeting that the activities have been extremely successful. The grantees shared their success stories, difficulties in implementing the program, as well as their experiences. The success stories

included that of a woman who persuaded her husband to leave the Maoist party and stop extortion, a man who was displaced and was living in a cave due to fear of the Maoists returning to his home, and several stories of people being empowered to refuse forced donations to Maoists. The grantees shared that the program period was too short and suggested extending the activity. New ideas were also discussed. USAID/OTI has learned that working with grassroots level local NGOs is an effective model to be emulated for future activities.

Marking the first anniversary of the signing of the Comprehensive Peace Accord (CPA), Population Watch organized a press conference in Kathmandu on November 21, 2007 to publicize the findings of the monitoring of the CPA from July to October, 2007. The report states that Maoists were involved in far more instances of violations of the CPA, while it also blamed the government for being indifferent to and not having the political will to fully implement the CPA. Similarly, between November 12 and November 20, 2007, press conferences were held in all five development regions to publicize the region-specific monitoring reports for the month of October 2007. Press events were also organized for the month of December. All the national-level and the regional level press conferences have been well covered in the media. Population Watch also publishes monthly bulletins in Nepali which provide a chronological list of violations of the CPA in addition to reporting on particular violations.

Another successful activity has been mobile media fairs (*melas*), using 'doko' radio (transportable radio units assembled in a traditional bamboo basket), and covering nine districts, in cooperation with three local FM stations in areas with minimum access to radio broadcasting. The first trip was completed in October and the second trip was completed November. The third and final trip is currently underway and will be completed by the end of the year. The grantee has received overwhelmingly positive feedback from participants, particularly about Antenna Foundation's focus on local issues rather than national issues. Many have requested such fairs be organized again. Similarly, VDC level dialogues at the grassroots level have also been held with a radio station in 28 VDCs in the central Terai district of Dhanusa. The grantee has shared that the programs have been popular in the region and villagers are eager to share their thoughts and views on the radio.

The third of the 3D animated PSAs, a new and creative approach supported by USAID/OTI, has been aired on television. The minute long PSA focuses on community efforts in the reconstruction of the nation. Preliminary findings of an AC Nielsen / BBC World Service Trust show that about 50% of the people surveyed recognize the characters. The survey was conducted when only one 30-second long PSA had been aired. The fourth PSA has been developed focusing on the CPA. To leverage on the popularity of the PSAs, USAID/OTI has developed another grant that will use the same technology and characters to publish comic strips in four of Nepal's leading dailies. A press conference will be organized to formally release the fourth PSA and the comic strip. The characters will be branded as Messengers for Change.

Two activities that aim at qualitatively assessing CPA related grassroots level awareness raising grants and youth specific grants, funded by USAID/OTI, are currently underway. The field survey of the CPA assessment has been completed. The report will be helpful in informing future activities with a similar focus. The findings show that CPA related activities have been extremely successful in most cases and there are several suggestions on how to better prepare posters and other IEC materials. Street plays were found to be effective. However, it was commonly suggested that the programs be held for a longer period of time, as the current period was not sufficient time. Some grantees also encountered difficulties with the working mechanisms of USAID/OTI.

With USAID/OTI support, a local NGO deployed and supported 20 trained community-level workers to provide 2-day community awareness building sessions on the CPA and CA, covering all 60 VDCs and the Rajbiraj municipality of Saptari district. These community awareness sessions included dissemination of IEC materials on the CPA and the CA to each community. Participants, who were chosen in consultation

with village leaders, local government officials, and local NGOs, included local government representatives, members of VDC-level NGOs, and other community leaders. All such VDC level sessions were completed by mid-October. Another activity implemented in the eastern Terai was a 14-day training on feature writing for 20 Madhesi journalists in Biratnagar. During the training, participants were sent on field visits around Biratnagar to research feature stories on issues of the Madhesh. Three bulletins with feature stories have been published and disseminated to local media. The stories have been widely published in the local newspapers. Koshi FM, a popular regional FM radio station, has also organized and broadcast grassroots level dialogues on the peace process. In response to the postponement of elections, the issues covered have been adjusted to address pressing issues apart from the Constituent Assembly.

In the face of growing human rights violations in the eastern Terai, Informal Sector (INSEC) – one of Nepal’s leading human rights organizations – organized four one-day “peace and harmony” rallies in Morang, Sunsari, Saptari, and Siraha districts. To encourage attendance at the rallies, a 60-member committee and another 140 members of INSEC-affiliated NGOs traveled en masse to rally sites from their VDCs. Prominent artists and civil society leaders also attended the rallies. In Sunsari, Saptari, and Siraha, strikes were ongoing during the rallies however participants continued on with the activities despite these obstacles with an average of 6,000 people attending per rally. The Morang rally attracted over 12,000 people. The events received widespread national, regional and local media coverage.

CPA booklets have also been distributed to 50,000 Female Community Health Volunteers (FCHVs). Initially, it was planned that the voter education booklet published by the Election Commission would also be distributed, but it was cancelled after the postponement of the elections.

Some successful activities have been replicated to cover a wider geographic area. A youth organization that organized debates in Kathmandu colleges has repeated the debates in five other districts including Chitwan, Arghakhanchi, Dhading, Sindhupalchowk, and Illam. The debates were successfully completed in all locations, despite some delays resulting from strikes in the eastern region.

Elections

During the reporting period, four grants directly related to the elections were cancelled due to the postponement of the elections. These included two grants supporting the Election Commission and two others for media monitoring during the elections and reporting on the elections. The postponement of the elections also required the readjustment of several grants which were CA based or had CA components. Where possible, grants were revised to include only CPA information and/or transition information. As there was no deadline for conducting activities, all grassroots activities were to be concluded one month prior to the election, the cancellation provided more time to conduct several activities and a total of 7 grants were extended. Furthermore, television, theatrical and radio PSAs, as well as a 50 minute television film, which had already been produced have not been aired. These materials may be used if elections are rescheduled and there are no significant changes to the election system.

Social Inclusion

In order to promote social inclusion, USAID/OTI supported a women’s micro-credit group in organizing bi-weekly dialogues at a grassroots level in 30 VDCs of Morang and Sunsari districts, for a total of 1,350 dialogues. Parallel dialogues were also held among youth and ordinary people. All the activities under this grant have been completed. Thus, a total of 540 volunteers have been trained, who have completed orientations for an estimated 12,000 people. Monitoring of the activity has indicated that the program has been enthusiastically received at the grassroots level.

USAID/OTI has also supported several activities focusing on social inclusion of the Madhesi community. These have included dialogues at a grassroots level within and between communities. One such activity was to create a model parliament in three districts of the Terai. However, due to threats from armed groups as well as the CA specific nature of the activity, the activities could not be completed so the grant was closed out. Similarly, another activity that aimed to hold dialogues within the Madhesi community and between the Madhesi and the Pahadi communities also faced several problems. However, after discussion with the grantee, a new schedule was developed with performance benchmarks. Within the reporting period, three workshops were organized in critical areas including Dhangadi, Kapilvastu and Parsa districts. Similarly, a grant to advocate for proportional representation of Madhesi women in the CA elections was also closed as the modification was not at all similar to the grant's original intent and objectives. However, the modified idea was of interest and the program will look to develop the activity over the coming month.

In order to sensitize the women in the Terai, particularly of the Madhesi community, USAID/OTI has supported an activity that will raise awareness of Women, Peace and Security (WPS) in 7 districts in the central Terai. In November, day-long media workshops on WPS were conducted in all of the seven districts, with 30 participants in each of the events. It is expected that all activities will be completed by the end of the year.

On November 26, 2007, a musical album with six songs emphasizing communal harmony and advocating for peace was released through a press event. The event was covered on national television as a unique work, and praised the collaboration of noted Maithali musicians and poets. The response has been overwhelmingly positive. Several national-level media programs targeting the Madhesi community have featured the album in their programs, including a program called "Hello Mithila" which aired all six songs. The grantee has reported that many people feel that the album was unique and have lauded the quality of the songs. Following the success of the album, the grantee has requested to develop 8 more songs, which is under consideration.

Media Strengthening

USAID/OTI has engaged in strengthening media in order to increase access of information to a larger number of people. A permanent FM station is currently being set up in the remote hilly district of Humla. Most of the activities have been completed. However, the station has not been inaugurated because of difficulty in procuring one critical piece of equipment. Similarly, USAID/OTI is supporting another FM station in Jumla to provide a permanent power supply to the station.

USAID/OTI has also supported expanding the Ujyalo network that distributes programming to local FM stations. USAID/OTI had earlier supported the expansion of the network under a previous grant. This activity targeted 23 FM stations where Digital Audio Broadcast Receiver (DABR) in new FM stations including seven back-up receivers will be used to reduce the disruption to stations if repairs are necessary.

Similarly, USAID/OTI has supported five radio stations in increasing their technical capacity to increase their coverage as well as their ability to reach out on a grassroots level by holding dialogues at a VDC level. USAID/OTI is currently supporting five such radio stations, including Koshi FM in the eastern region, Radio Janakpur and Radio Palung in the central region, Radio Bheri in the mid-western region, and Radio Suklaphanta in the far western region. Antenna Foundation will provide trainings to the staff in the radio stations as well as monitor them.

C. Indicators of Success

Speed

After the postponement of the elections, USAID/OTI has responded with speed to reorient several ongoing activities that were CA specific to include broader issues of the political transition and to refocus on CPA awareness-raising. Discussions were held with the grantees to adapt their activities to the changing political context.

Re-targeting/Flexibility

Several grants that had activities which were focused on CA and elections were re-targeted to address other transitional issues, including awareness-raising on the CPA. With the anniversary of the CPA this month, a quarterly press conference releasing the findings of CPA monitoring was postponed to make it coincide with the anniversary, and data for the last four months was released. Similarly, the 3D animated PSA was developed and will also focus on the CPA.

Community-based

Many USAID/OTI activities, such as the CPA awareness-raising activities, have outreach at the grassroots level. The mobile media fairs have been particularly successful in giving people the opportunity to express themselves. USAID/OTI is also supporting initiatives of local FM stations to reach out at a VDC level and hold dialogues there. Similarly, USAID/OTI has worked with several organizations that have a wide reach and network in the community level, which has made it possible to operate despite the worsening law and order situation, particularly in the Terai. A large network of peer educators has been mobilized at a VDC level in eight critical Terai districts. USAID/OTI has also incorporated the lessons learned from earlier activities. For example, after learning about the effectiveness of street plays, a new grant that will conduct 40 street plays in three Terai districts has been cleared.

SUMMARY OF ACTIVITY IMPLEMENTATION AND APPRAISAL; PROBLEMS ENCOUNTERED AND PROPOSED REMEDIAL ACTIONS

Summary of Activity Implementation and Appraisal

October was a rather difficult month due to the cancellation of elections and a considerably slowed activity development and implementation cycle due to extended holidays and vacation. Staff morale was low after the cancellation of the elections and the Dashain holidays proved to be a blessing in disguise as staff were able to take a much needed break after a year of such a fast paced program, especially the last quarter. November turned out to be one of the highest months on record for the program.

Overall, the program was able to effectively re-target its election related activities as well as develop new activities that better fit the ever-changing environment in the Terai. Staff morale has since bounced back with a focus on new activities. However, the current political impasse has proven to be very frustrating for everyone. It is hoped that with the signing and political consensus on the 23-point agreement, there will be positive momentum and space for forward movement in the transition.

The permanent implementation teams were finalized and all grants are now assigned to these teams. After the central Terai monitoring trip, in consultation with USAID/OTI and staff, the team structure (PDO, GMS, PS) will now focus geographically. One team will cover Parsa, Bara, Rautahat; another Dhanusha, Mahottari and Sarlahi, and the third team will become surge support for the field office and handle national level activities. This will be monitored closely to ensure balanced workloads. National level grants can also still be assigned to anyone on the team depending upon workload. Chemonics will be keeping close track of how this new staffing structure works and take any necessary corrective actions.

Several monitoring trips were conducted over the quarter including Makwanpur, central Terai, eastern Terai, and a visit to the Doko radio station.

Problems Encountered and Proposed Remedial Actions

There were considerable problems with the cancellation of the Press Council Nepal grant. As the cancellation of elections occurred at the end of the training for the media monitors and prior to their deployment to the regions, the termination of this activity has been difficult. During the final payment of monitors, an incident occurred between Chemonics staff and the monitors. Both Chemonics staff and USAID/OTI worked very closely to resolve this matter. The disposition of the equipment purchased under this activity was discussed in depth with the Election Commission and is currently in process. Additionally, close-out continues to be bogged down by financial discrepancies. We do, however, expect to resolve the final invoice early next quarter.

While activity development slowed considerably, many proactive, informal strategy sessions were held with the PDOs to develop a laundry list of potential ideas and prioritize ideas ready for development. The team had an accelerated clearance process during the months of November and December to compensate for the low figures in October.

Content approval remains problematic however, the team remains diligent in assessing problems immediately to streamline the procedures and encourage staff to be stricter with the grantees.

NEXT STEPS/IMMEDIATE PRIORITIES

Emergent issues

- Developing election scenarios and strategic plans.
- Continuing unrest and violence in the Terai is predicted, warranting special programmatic focus.

In the next quarter, OTI Nepal will

- Develop activities in support of the CA elections, if an election date is announced.
- Maintain activity development that is responsive to political and conflict issues in the Terai.
- Assess and refine, as necessary, the OTI-Nepal media activities.
- Continue to support programming that targets youth.
- Assess and refine the OTI Nepal Monitoring and Evaluation system.