

**OPPORTUNITY FROM CRISIS:  
AN ASSESSMENT AND PRELIMINARY PROGRAMMING OPTIONS  
FOR USAID/NEPAL ELECTIONS-RELATED PROGRAMMING**

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*Submitted to:*

**USAID/Nepal**

*Under:*

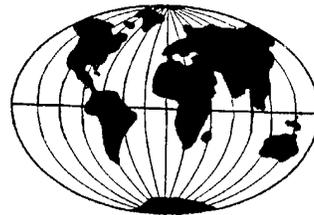
**Democracy and Governance: Elections & Political Processes IQC No. AEP-I-00-00-00008-00  
Task Order 809**

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## **INTRODUCTION AND EXECUTIVE SUMMARY**

This brief collaborative assessment of USAID/Nepal's election and political process (EPP) related program, conducted between 22 October and 13 November 2003, suggests that, despite the civil and political crisis gripping this beleaguered Himalayan nation, there is a sound basis for new initiatives in elections-related programming (ERP), particularly support to the Election Commission (EC) and the political parties in selected areas. Moreover, there are opportunities to expand and build new and expanded ERP on prior USAID SO1 and SO3 investments.

The assessment team, including Development Associates Team Leader, Dr. Malcolm Odell, USAID/Washington D&G Advisor, Dr. April Hahn, and USAID/Nepal D&G Officer, Bishnu Prasad Adhikari, worked together in both gathering assessment data, conducting group and individual interviews, and drafting a collaborative draft report which was reviewed by USAID/Nepal and Embassy staff prior to the consultants' departure from Nepal. While Development Associates takes full responsibility for the report, it should be seen as a team effort that combines the insights and experience of all team members, including USAID/Nepal.

While constrained by security and time considerations which condensed what was originally conceived as a 6-week effort into 3 weeks, and thus not able to conduct the full range of field visits originally planned, the Team was able to visit 3 district centers in the Terai, conduct over 100 interviews, and hold nine focus-group discussions with cross-sections of government, party, civil society, media, and grass-roots NGO activists. During the final week of the mission, the Team also hosted a 'Thought Leaders Forum' using the appreciate inquiry method, also used in focus groups convening national leaders from across EPP sectors. These meetings were particularly successful in distilling lessons learned, defining the scope for positive action to be taken in the future, and eliciting commitments from participants on steps they are ready to take now for the initiation of constructive change. Research also included reviewing existing documents and building upon the wealth of knowledge of the USAID/ Kathmandu team that works on Democracy and Governance (DG) issues. While acknowledging field research and data limitations, these discussions generated an encouraging degree of consensus among diverse groups around critical EPP and ERP issues and personal commitments among the players to move forward to implement positive change, including initial steps actually undertaken before the Team left Nepal.

Regarding current USAID elections-related programming the Team concluded that current and past initiatives are generally sound and on track, addressing clear needs and interests articulated by government, national political parties, and civil society. These efforts, however, are small in scale, largely in the nature of pilot projects. The Team found broad agreement that these should be enhanced by expansion into larger scale initiatives to reach all districts and sectors of society, particularly at the grassroots, to build broad-based demand for positive reform and implementation of free and fair elections, transparency, and accountability in government, the parties, and civil society.

Around the essential preconditions to successful implementation of elections, in particular, the Team also found a broad consensus around the need, potential, and strong collective commitment to the immediate resumption of peace initiatives at all levels of society. Participants in district focus groups and the Thought Leaders' Forum indicated this as a top priority, made personal commitments to help make it happen, and encouraged USAID to support ongoing policy dialogue as a key component in future EPP programming. Specific recommendations emerging from these discussions, and endorsed by the Team, include:

- ▶ Initiation of peace-building dialogues at all levels of society, including the grassroots
- ▶ The need and interest among political parties to continue to work together to resolve the constitutional and the Maoist crises and enhance the democratic process within parties
- ▶ The opening of discussions around constitutional reform, including the electoral framework and definition of citizenship
- ▶ The possibility and merits of new elections, once some measure of peace and security is assured – especially within the context of a coalition government and agreements on basic reforms
- ▶ Specifically, the Team noted the need for and considerable interest among diverse voices in promoting:
  - international mediation to resolve current crisis
  - conflict resolution and consensus-building
  - internal party reform, transparency, and democratization
  - parties to become more representative and accountable at all levels
  - voter, civic and conflict education and awareness-building at all levels
  - increased roles for civil society in advocating for EPP-related reforms and monitoring, at all levels, including need for coalition-building among civil society institutions
  - participation of youth, women, and marginalized groups where the potential for positive action appears especially promising
  - Election Commission (EC) efforts at strategic planning for institution-building, including:
    - decentralization and devolution,
    - voter identification/registration
    - planning and support for free and fair elections,
      - security
      - domestic and international observers/monitors
- ▶ Areas where USAID program support may be particularly effective include activities in support of proposed USAID/EPP objectives to
  - Mitigate conflict
  - Foster demand for and rebuild consensus on the democratic rules of the game
  - Promote greater accountability in the EPP sector

USAID inputs are envisioned over a flexible four-phase process, each conditional on circumstances and scenarios that may develop over time. These are summarized as follows:

## **Phase 1**

### **What can we do now within the context of these objectives?**

- Promote activities to convene political parties to continue visioning and consensus-building dialogues among themselves, civil society, government, and the Monarchy
  - Support EPP initiatives arising from these dialogues
- Build upon and enhance demand and action plans for restoring the democratic process, including:
  - Increase voter, civic and conflict education and awareness-building at all levels, including radio, television, and grassroots programs through existing community groups
  - Expand national networks; and promote visioning and conflict mitigation dialogues to reach the grassroots level
  - Support civil society coalition-building for advocacy and monitoring
  - Develop and support specific programs for the participation of youth, women, and marginalized groups
  - Enhance linkages among these initiatives, political parties, and government
- Support Election Commission strategic planning for institution-building and decentralization and devolution, including:
  - Planning and support for free and fair elections,
    - Ensuring necessary security, and
    - Domestic and international observation/monitoring
- Prepare and plan for different scenarios emerging as time progresses, for example:

## **Phase 2**

### **Options in the event of the following potential scenarios:**

#### ***Election is called***

##### Goals/Objectives of EPP program:

- Prevention/mitigation of conflict—promotion of peace-building initiatives
- Prevention of government and party manipulation of elections

##### Potential Scenarios and Indicated Action:

#### ***Agreement on constitutional reform***

- Facilitation/encouragement of visioning and consensus-building policy dialogues
  - Provision of appropriate support to any policy dialogues

#### ***Reconstitution of Parliament and/or coalition government***

- Assist as appropriate in creation of an action plan to move forward to address the current crises
- Promote citizen and civil society input into development and monitoring of the action plan

#### ***No movement forward on elections, reforms, Parliament, and/or coalition government***

- Build and deepen constituencies for reform and change among all sectors of society, youth, women, and marginalized groups and the international community
  - Continue to support all relevant Phase 1 initiatives

## **Phase 3**

### **An election is conducted**

#### Goals/Objectives of EPP program:

- Develop and solidify consensus and address issues that are in question

- Lack of accountability, poor governance, corruption, lack of real competition, and exclusion
- Build constituencies for reform around the above issues
- Continue to support all relevant Phase 1 initiatives

#### **Phase 4**

##### **Learning from Phases 1-3**

Focus on political party work and ongoing assessments to determine whether parties are committed to reform, responses to Phase 1-3 initiatives to promote governance reform and democratization, constituency outreach, and anti-corruption initiatives; evaluate patron-client networks and role for USAID in further strengthening civil society and working with any new parliamentary party that may emerge.

**Additional recommended activities** beyond the scope of this assessment but necessary for the effective implementation of these EPP objectives:

- Donor dialogue to support international mediation to resolve current crisis
- Donor/USAID action to address root-causes of the conflict and governance crisis especially:
  - Extreme and continuing levels of poverty and illiteracy
  - Inequitable structure of society and social systems
  - Deficiencies of Rule of Law and prevalence of impunity
  - Ineffective governing institutions

The following report elaborates on these findings, conclusions, and recommendations, including a brief outline of specific activities that USAID may wish to consider planning and implementing. The first section of the report outlines the country context and particular nature of the political crisis in which Nepal finds itself. The second section summarizes the objectives and purpose of USAID's elections-related programming. The third part of the report outlines the objectives and purpose of the mission, along with the methodology used. In section four, current USAID programs and results are summarized, along with relevant findings from interviews and meetings. These current activities are briefly assessed in section five, specifically addressing questions put to the Team by the Mission, and supported by findings from interviews and discussions. Section 7 provides Team recommendations for future USAID support, around questions posed by USAID/Nepal. Section 8 outlines elements of a proposed strategy and potential programs and activities for continued support to elections-related initiatives across Nepal, outlining these in terms of four phases and possible scenarios that might emerge over the near- and longer-term. A final section summarizes the opportunities for positive USAID participation within a context of crisis, indicating that now, perhaps more than ever, the potential exists for a powerful and productive partnership between USAID and the voices for effective democracy within Nepal.

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# **OPPORTUNITY FROM CRISIS: AN ASSESSMENT AND PRELIMINARY PROGRAMMING OPTIONS FOR USAID/NEPAL ELECTIONS-RELATED PROGRAMMING**

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## **1. THE COUNTRY CONTEXT**

### **BACKGROUND<sup>1</sup>**

Nepal is a small nation of 24 million people located on some of the most difficult terrain in the world, sharing the Himalayas with Tibet in the north, and bordering on India in the west and south. Its geo-strategic location wedged Nepal between India and China, two of the world's most populated giants, both with nuclear weapons. This renders Nepal more important to U.S. strategic interests than would be suggested by its modest size and very under-developed economic status as one of the world's poorest countries.

Since 1951, half-a-century of development assistance in Nepal, a significant portion from USAID, has brought modest improvements to the life of rural Nepalis in health, education, agriculture, transportation, communication and other sectors.<sup>2</sup> Yet, government economic planners and government-managed development assistance programs have ignored or bypassed a great many villages, particularly in the north and west, that remain seriously impoverished and without schools, roads, electricity, agricultural services, rural industries, or medical facilities. At the national level, the number of unemployed people who have some education is increasing rapidly. Each year, close to 100,000 rural youths fail high school examinations and have neither a job nor an opportunity to pursue further schooling. With little domestic capital and almost no foreign investment, average economic growth, approximately 4 percent per year in the mid-90s, is now declining and is insufficient to absorb the estimated 500,000 young people who join the labor force each year.

### **POLITICAL CONTEXT<sup>3</sup>**

Recent USAID assessments and analysis, confirmed by numerous press accounts and publications, indicate that Nepal faces an unprecedented political and security crisis brought about by a Maoist insurrection, which began in 1996, and the bankruptcy of the national political system, including political parties, to respond to it effectively. Peace negotiations have failed once again after three rounds of talks between the government and Maoists. The latest ceasefire, announced in January brought renewed hope across the country, only to be shattered in late August and leaving the country with mounting frustration, despair, and further uncertainty about the future.

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<sup>1</sup> Adapted from *USAID/Nepal "DG Next Steps" Concept Paper, FY 2003 through FY 2007*, draft version of Nov. 26, 2002, p. 4.

<sup>2</sup> See Joel Isaacson, ed.; "Half-a-Century of Development – the History of U.S. Assistance to Nepal, 1951-2001", USAID, Kathmandu, 2001.

<sup>3</sup> Adapted from USAID/Nepal, *Scope of Work-Consultant for Elections-Related Programming*, October 2003

Against this backdrop on serious and continuing violence, reports also suggest that since the institution of a democratic form of government in 1990 Nepal has made limited advances in economic liberalization, decentralization, and strengthening democratic government. Although there have been 12 governments between 1991 and 2002, the transitions of power from one party to another and from one leader to another have been in accordance with the country's constitution and relatively peaceful. The latest transition of power from the elected Prime Minister to the King in October 2002, and to two ad hoc governments under different appointed Prime Ministers, have similarly remained fairly smooth and peaceful. Periodic elections held both at national (1991, 1994, and 1999) and local levels (1992, 1997) were generally considered relatively peaceful, free and fair despite a number of reported improprieties by the major political parties.

The last parliamentary election to elect members of the House of Representatives was held in May 1999 in which the Nepali Congress (NC) party won a comfortable majority. Unfortunately, incessant intra-party wrangling since 1990 has not allowed any of the last twelve governments to be functional. Despite the growing threat from the Maoists insurgents, the government of Nepali Congress dissolved the parliament in May 2002 calling for a midterm-poll in November. In October, a constitutional deadlock was created when the Prime Minister recommended to the King that elections be postponed for one year citing security reasons. According to the constitution, the election for the House of Representatives should be held within six months from the dissolution of an active House. Instead of accepting the recommendation, the King dismissed the Prime Minister and stepped in to politics by assuming the executive powers and constituting a government that is now accountable to himself. As the mainstream political forces have been excluded from this government, a confrontation between the King and the political parties has developed.

Another complicating factor is the absence of any elected local governments since June 2002. Elections for the local government were due in May/June 2002, but were postponed for security reasons. Terms of the elected local governments (3912 Village Development Committees, 75 District Development Committees, and 58 municipalities) expired on July 16, 2002. Unexpectedly, the government decided not to extend their terms for up to one year as is allowed under local government law. Rather, the government has set up civil servant committees to conduct the executive exercises of local governments. In November 2003 the government directly appointed officers, resulting in decision-making bodies at both national and local levels now being controlled by officers at the command of the King with support from a cabinet that is led by a Prime Minister who lacks cooperation from the political parties.

To compound this political crisis, Nepal is facing its most serious challenge to date from the determined and brutal Maoist insurgency which began in 1996. The Maoists basically seek to overthrow Nepal's constitutional monarchy and establish a Maoist proletariat state. By late 2001, the Maoist movement frequently put the nation at a standstill. Government presence has been squeezed to the garrisoned district headquarters in over 15 districts, mostly in the mid west and east. Enforcement of state of emergency for over a year and subsequent deployment of the Royal Nepal Army since November 2001 has not contained the insurgents. On January 29, 2003, the Maoists and the Government announced a cease-fire, generating considerable hope and triggering a modest resurgence of a collapsed tourism industry and general economy. Three months later, peace talks were initiated in the midst of student strikes, rallies and days of shutting

down the capital. Unfortunately, Maoist walked away after three-rounds of talks breaking the ceasefire on August 27, 2003.

These intransigent political problems are compounded by poor education; rampant corruption; deep social and economic divides among rich and poor, castes, and ethnic groups; unaccountable government and the lack of development impact at the local level, which provide fertile ground for the Maoist insurgents. Modest gains in democracy and decentralization over the past decades are severely at risk. Many Nepalese had high expectations that their country would experience prosperity and development with the arrival of democracy in 1990. Unfortunately, the euphoria of democracy has faded so rapidly that many have begun to question the future and feasibility of democracy itself.

The general public has yet to realize that without an active and informed citizenry, democracy is unresponsive to citizens' needs. Government has made little effort to teach citizens about the roles and responsibilities of citizens and key institutions in a democracy, beginning with participation in electoral processes. Neither adults nor school children are educated on how they can positively influence their government's performance or how to choose responsible and responsive leaders. The intelligentsia – which is ideally the defender of democracy and the backbone of country – remains indifferent to the poverty and miseries of the general populace while the government machinery continues to fail in delivering promised services and support to impoverished rural areas. Grass-roots level people have minimal information on how their leaders are chosen, what a democracy means and how one can participate in decision-making processes.

Despite these compound failures of the political system and ongoing Maoist insurgency, the King and his appointed government continue to place a priority on holding local and national elections as soon as practical. The Team's assessment of the overall political crisis, concurs with that of the USAID mission: Paradoxically, both the democratic crisis and the Maoist insurgency offer *positive* opportunities for DG assistance. This crisis in governance has captured the attention of key stakeholders and appears to be generating a new seriousness among government partners, political parties, civil society and the business sector. An occasion for national dialogue for reform and positive action may never be better than the current moment.<sup>4</sup>

Specifically, with relation to elections-related programming, USAID has an opportunity to take an active role in the promotion of good governance and electoral reform and prepare the Nepali people down to the community level to 1) increase their awareness and understanding of legitimate processes for political participation in the context of functional representative democracy, including human rights, the rule of law, 2) develop their capacity to exercise critical roles in holding elected leaders accountable; 3) work with political parties and a broad cross-section of Nepali society to promote dialogue addressing the current Constitutional and Maoist crises and the need and capacity for deeper democratic reforms; 4) strengthen the institutional capacity the election commission and its capacity to conduct an impartial, secure and participatory electoral process.

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<sup>4</sup> USAID/Nepal: "DG Next Steps" Concept Paper; FY 2003 through FY 2007; Draft of November 26, 2002; p. 7.

## **2. OBJECTIVES AND PURPOSE OF USAID/NEPAL ELECTIONS-RELATED PROGRAMMING**

Within the context of Nepal's recent development and political situation described in the previous section, USAID, since the early 1990s, has provided critical support to Nepal's transition to democracy including assistance for developing a new constitution, improving parliamentary decision making, increasing the political participation of women, increasing civic understanding and educating voters. This section summarizes the overall objectives and purpose of USAID/Nepal's elections-related programming in light of the current crisis.

USAID/Nepal Mission's Strategy for FY2001-2005 addresses Nepal's most pressing development challenges in the areas of health, economic growth, democracy and governance, and natural resources. The Strategic Objective 5 (SO5), "Strengthened Governance of Natural Resources and Selected Institutions" supports those selected institutions whose improved performance would make an impact for strengthening and consolidating democracy and good governance. This broad democracy and governance objective has four intermediate results:

- IR 5.1 Increased management capacities of natural resource management groups
- IR 5.2 Increased advocacy capacity of selected civil society groups at community and federation levels
- IR 5.3 Increased women's participation
- IR 5.4 Improved performance of selected institutions

USAID's approach to building democracy and good governance has a two prong approach of building understanding and practice of good governance at the local level through citizen groups, and strengthening key institutions at the center whose role is critical to sustaining democracy. Ongoing SO 5 activities include assistance to strengthen the democratic functioning of community-based natural resource management groups and their federations/associations; training in advocacy skills to community groups and NGOs/federations and women and their application in policy and budget review; training for local women on campaign skills and former elected representatives at local level in preparation for the next elections; and activities to prevent trafficking of women and children. Recently completed activities include programs in civic and voter education and an expenditure tracking survey to assess how effectively government budgeted funds flow to the local level.

In the face of the worsening insurgency, USAID reassessed its programs in late 2002 and prepared an Action Plan for better targeting assistance to address both the root causes and immediate consequences of the conflict. This Action Plan called for an expansion of USAID/Nepal's efforts in democracy and governance to address several of the most pressing root causes, including widespread corruption; lack of access to justice; vast inequities based on gender, caste and ethnicity; and failure of the government to deliver basic services and development, particularly in rural areas. Among the activities identified for inclusion in the new Mission program were those to strengthen justice and rule of law, respect for human rights, anti-corruption and government accountability; and political and electoral reform. The design of a Rule of Law/Anti-corruption program is nearing completion. This assessment regarding interventions in electoral and political processes is the first step in the planned design of a program for political and electoral reform. Within the context of overall USAID/Nepal's

objectives for elections-related programming, the following section briefly summarizes the specific objectives, purpose, and methods of this assessment mission, particularly in light of the general environment of negativity and discouragement that currently plagues this beleaguered nation.

### **3. OBJECTIVES, PURPOSE, AND METHODS OF THE ASSESSMENT MISSION**

Given the overall objectives and purpose of USAID/Nepal's elections-related programming, this section outlines the specific objectives, purpose, and methods used during this assessment, especially given the current atmosphere of discouragement that has been noted by many seasoned observers. Overall the Teams purpose was to conduct a brief review of USAID's past and current electoral support activities in Nepal, what is working, what else needs to be done, and to provide the elements of a strategy and program for future support to electoral system strengthening based on lessons learned from past experience and current needs. Particularly, the assessment seeks to outline a general approach and suggest a range of activities to advance national capacity to ensure that:

- USAID immediately engages political parties, the election commission and other political processes with interventions that address the current crisis.
- Elections are organized and/or supported by selected election and political process institutions capable of and willing to conduct a more secure, and transparent free and fair electoral process.
- Information reaches voters at the grass-roots level and encourages their participation in and oversight of elections and other political processes,
- Local organizations have improved capacity to work in election and political process-related areas
- The emergence of an electoral system is demand-driven
- Political parties have the wherewithal to peacefully and effectively contribute to and participate in the consensus- and peace-building, as well as build constituencies for deeper democratic reforms.

The need for electoral reform is not limited to Nepal. In approaching this assignment, the Team recognized that Nepal's frustrating experience since democracy was introduced a decade ago reflects new thinking about the ways in which electoral systems are being effectively reformed in other countries to meet current needs and realities. This applies particularly to how electoral systems meet or fail to meet the aspirations of marginalized groups. A recent critique of US electoral systems by Steven Hill raises issues of relevance to Nepal, suggesting the need to consider means of providing for proportional representation and runoff voting:

... When you look around the world, you see that countries using winner-take-all voting systems like ours have low voter turnout. However, in countries which use a system called proportional (or full) representation, voter turnout reaches 75 to 95 percent.... For single-issue elections, like mayor, governor, or president, a better system than ... "highest vote-getter wins" method is called instant runoff voting (IRV). Voters get to pick the candidate they like but they also gain the option of ranking a second and third choice. If your first choice doesn't win, your vote goes to your second choice, and so on. The goal is to elect a winner that has support

from a majority of voters, and to get it over in one election.... Australia, Ireland, and Britain use instant runoff voting to elect different offices.<sup>5</sup>

While conducting this assessment the Team also reviewed a wide range of documentation, recent books, articles, and press reports on the current situation in Nepal, and held discussions with at least 100 Nepali and knowledgeable expatriate officers, professionals, journalists, and observers. What became clear at the very outset of this investigation was that there is a widespread climate of negativity, depression, and even despair over the current crisis and the disappointing results of the last decade of democracy in Nepal. There is a common belief that Nepal has joined the ranks of failed states and, at the least, represents failed development. In the words of one of the nation's most seasoned professional observers, Devendra Raj Panday, former Secretary of Finance and founding member of Transparency International and its local affiliate in Nepal:

For decades, aid has flowed into Nepal from every quarter, without discrimination on ideological or strategic grounds.... For reasons that are still being explored, Nepal failed to take advantage of these opportunities. The country now suffers from under-development and growing inequities. Aid dependence has become more critical now than ever before.... Nepal is the only country in South Asia with the ignominy of registering a fall in the domestic savings rate since 1980. Again, Nepal is the only country whose resource gap has increased in this period, doubling in a period of seventeen years. In the same period, another less developed country of the region, Bangladesh, has been able to reduce the resource gap from 13% of GDP to 8%....

Nepal's current debate regarding policymaking has to supercede the debate on policies. Ten years since the end of the authoritarian Panchayat regime and the introduction of a democratic political order in the country, Nepal is still hovering around in the dark in search of an agreement on the fundamental rule of the game concerning policymaking. .... Democracy becomes an incomplete notion if it cannot advance the economic and social development of the country for the benefit of all sections of the society including, in particular, the socially handicapped and the politically powerless. The implication of the growing Maoist movement in the Nepal is a case in point.... The country is blessed with political leaders who have made big sacrifices for the better part of their adult life in the cause of development and democracy. This is so of the leaders in the younger generation as well. Their current performance has, however, been dismal. Much of the shine has gone from the images they carried until recently, and they now lack not only in social effectiveness but also in personal credibility. The leaders are not unintelligent individuals, nor are they devoid of some personal qualities of leadership. After all, they did successfully mobilize the people and galvanize the nation to help usher in democracy in the country in 1990. What is the real problem then? It is possible that the leaders in Nepal basically suffer a collective loss of self-esteem and demoralization...? These, too, are questions that beg some answers from the country's development fraternity, including the donors and civil society actors.<sup>6</sup>

This “collective loss of self-esteem and demoralization” along with concern that current leadership is corrupt and unconcerned with the needs of the Nepal's people referred to by Panday in this and other Transparency International/Nepal documentation, was referred to repeatedly by those engaged in the Team's consultations. Perhaps most articulate among them was the founder of modern tourism in Nepal, creator of the now world-famous Kathmandu Guest House, Karna Shakya, who also founded Nepal's first cancer hospital:

Despite the immense potential and opportunities that we are blessed with, Nepalis have developed a strange complex. They don't believe in themselves anymore, they lack self esteem and underestimate their own capabilities. This inferiority is becoming a national epidemic. The intelligentsia that is supposed to lead society is gripped by negativism. People from all walks of life see nothing but despair and hopelessness in their sectors. The honest, creative people are demoralized. We must stop devaluing ourselves all the time....

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<sup>5</sup> Steven Hill, *Fixing Elections: The Failure of America's Winner Take All Politics*, reviewed in *Timeline*, # 71, ; Sept/Oct '03 [www.globalcommunity.org/cgpub/71/71d.htm](http://www.globalcommunity.org/cgpub/71/71d.htm)

<sup>6</sup> *Harvard Asia Quarterly*, Volume IV, No. 1; Winter 2000

But, let's face it, Nepal is not the only nation that has problems. We are going through a nation-building phase that has forced us to come to terms with some of the contradictions in our socio-political milieu. We have to tackle this head-on. With problems come opportunities. They demand solutions, which in turn invite progress that leads to development....

Democracy is a Pandora's box. The bad will get evil things from it, but for the majority, it will bring hope. We need to revive optimism among those who despair about the country's future. We need visionaries who can teach the Nepali people to dream again. We have to lift each other out of this morass. Each of us, in our little niches, have to maintain our integrity and our sense of national purpose.<sup>7</sup>

Given this climate of despair, the Team used an Appreciative Inquiry approach to evaluation proven highly effective in modern business, industry, government, and the not-for-profit sectors. The power of this approach for generating positive action is reflected in a recent article in the Harvard Business Review:

A positive focus tends to deliver a positive effect. The notion of accentuating the positive flies in the face of conventional business wisdom, which says the best way to overcome a major challenge is to focus on what you're doing poorly and determine how to improve.... there's too much emphasis on the negative in business. "You have 99 percent customer satisfaction and the first thing everybody says is let's look at that 1 percent" and determine what the company is doing wrong,... AI was born in 1985, when a team from Case Western Reserve University's Weatherhead School of Management (Cleveland) was consulting with The Cleveland Clinic, consistently ranked among the top hospitals in the country. As the team asked the clinic's employees questions focused on the positive aspects of their work, a wave of energy was unleashed. The factors that had contributed to the clinic's success were actually enhanced by the interview process. The team had unwittingly tapped into the organization's positive core.... Since the Cleveland Clinic study, practitioners have found that they can use AI in creating large-scale change that is focused on hard, as well as soft, organizational issues.... "When you focus on what works and you dream of the possibilities, it's very inspiring to people...." Hunter Douglas's Window Fashions Division... used AI as the foundation of its Focus on Excellence business process improvement initiative. Implementing the ideas that were generated saved the division \$3.5 million in the first year...<sup>8</sup>

With the climate of negativity across Nepal and throughout the donor community, this approach had particular relevance. This is especially important given that the method used involved discovering successful experiences around democracy and governance and thus seeing to uncover "...factors that... contributed to... success." Using dialogues and focus group meetings the Team found that sharing these positive experiences energized participants and led to the discussion of openings of opportunities for action, as well as personal commitments for positive change that "were actually enhanced by the interview process...." The appreciative approach used by the Team appeared, in fact, to make a contribution to helping reverse the climate of negativity that has gripped the nation and donor community, while also initiating modest initial steps in the process of planning and taking action for positive change.

Building on this affirmative approach to assessment, the following section briefly reviews USAID's programs and results, focusing particularly on what appears to be working and where the most significant successes have been found that can be built upon in the future.

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<sup>7</sup> *Nepali Times* # 168, 31 Oct-6 Nov'03 & *Himal Khabarpatrika*, 3 Oct-1Nov 2003

<sup>8</sup> Theodore Kinni, "Exploit What You Do Best," Harvard Management Update, Vol. 8, No. 8, August 2003.

#### **4. REVIEW OF USAID/NEPAL'S PROGRAMS AND RESULTS**

USAID/Nepal's elections-related programming comes under the Mission's Strategic Objective 5 (SO5), "Strengthened Governance of Natural Resources and Selected Institutions." Within this SO, the Mission seeks to realize three key intermediate results:

- IR 5.2 Increased advocacy capacity of selected civil society groups at community and federation levels
- IR 5.3 Increased women's participation
- IR 5.4 Improved performance of selected institutions

In order to achieve these intermediate results, USAID/Nepal has undertaken and completed programs including civic and voter education and women's participation in elections. The International Foundation for Election Systems (IFES) has also conducted a series of studies which bear directly upon USAID initiatives. These are outlined in this section, along with representative observations from individual and group discussions.<sup>9</sup>

#### **VOTER EDUCATION PROGRAMS**

The Election Commission of Nepal (EC) has established 30 new district-level offices, and has plans to create such offices in all of Nepal's 75 districts. The staff in these new offices have not been oriented regarding their responsibilities, nor have citizens been informed about what role these offices play or how to make use of their services. Furthermore, many local civic and political leaders are unaware of their responsibilities during the polling process. Due to these circumstances, violations of the Election Code of Conduct -- designed to prevent voter intimidation, vote buying, illicit fundraising, spending and electioneering at the polling stations - are common in Nepal.

In response to these problems, and in collaboration with the EC and district election offices, USAID initiated a Voter Education program in July 2000, aimed at increasing Nepalese knowledge about their electoral system and the workings of their democracy. The major activities of the program included:

1. Conduct of district and constituency-level forums for electoral officials and civic and political leaders about the electoral rules and regulations including the election code of conduct
2. Design, production and distribution of voter awareness resource books for citizens and resource manuals for civil/political leaders
3. Design, production and airing of short radio dramas as awareness campaigns related to voting rights, rules and regulations.

Team review of documentation, interviews with USAID staff, and conversations with Election Commission staff, party members, and key informants from civil society institutions at district centers in Rupendehi, Chitwan, and Morang, suggest that the Election Commission has been assisted in increasing its capacity, and particularly the effectiveness of the decentralized district level election offices in 30 districts. The program appears to have enhanced knowledge of

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<sup>9</sup> This section draws heavily upon the Team's Scope of Work, pp. 5-9, referenced above.

election laws, codes of conduct and procedures for elections among a limited cross-section civic and political leaders. Reports indicated that 180 district election officials and 1227 civic/political leaders from 30 districts and five constituencies have received training on conducting proper elections. Similarly, there are indications that a substantial number of voter awareness booklets with pertinent election laws and voter's resource manuals containing simple, easy-to-understand messages to general voters have been printed and distributed, although the extend of this distribution is not known. It has similarly been reported that 30 episodes (20 five and 10 fifteen minutes) of entertaining and informative serial drama on voter's rights and responsibilities were aired through national and local radio in ten different local ethnic languages. While security issues prevented field verification, there were reports from key informants that these efforts have increased awareness of election procedures and the electoral process among the district election officials, local political party and civic leaders, and general voters. These also appear to have strengthened capacity and influence of district election offices and increased concerns among the major political parties on the needed reforms in election process. As party members, Election Commission officers and civil society representatives in Biratnagar agreed:

There has been a growing awareness and commitment to rule of law.... Grassroots, district and village level politics advancing.... The parties are moving toward increased transparency, accountability, and democratic practice....

After the call for mid-term national elections for parliament in May 2002 and at the request of the Election Commission, additional funding was added for voter awareness raising in the period leading up to the national elections in November. An additional 50,000 voter awareness booklets were reported to have been produced and distributed throughout Nepal, along with additional radio spots aired through local FM and national stations through May 15, 2003. In addition, through an ongoing advocacy program, a component was added which is reported to have conducted voter awareness activities through constituency level public meetings with political leaders in 175 constituencies. A series of public meetings, open to the public, were reported to have been held with proceedings covered live through community FM radio.

## **IFES STUDIES AND RECOMMENDATIONS**

Through USAID grant assistance the International Foundation for Election Systems (IFES) provided technical assistance to the Election Commission of Nepal (ECN) to improve the transmission and reporting of election results for the May 1999 national election. The main activities completed were software development assistance, procurement of hardware, and consulting and technical assistance. Secondly, IFES conducted an assessment in late December 1999-January 2000 on administrative and procedural framework of Nepal's election system. The assessment identified three broad areas of the election administration process as 1) strengthening of the structure for Election Administration, 2) Voter Registration and the Voter ID Card Process, and 3) Electoral Code of Conduct.

The assessment provided the following recommendations to improve and strengthen the election process in the above areas:

1. The Five-Year development plan of the Election Commission and the issuance of voter ID cards should be reviewed. The review should address the impact of the establishment of commission offices at district level including human resource needs of the Commission.

2. The Commission should begin the process for establishing of its own independent professional secretariat outside of the regular civil service system along the lines of the Judicial Service.
3. With the establishment of district offices the Commission should allow people to register to vote at the district office at any time during the year.
4. The Commission should convene a workshop of political parties and civil society to review the election code of conduct.

IFES and Mission reports, confirmed by Team discussions, indicate that the first recommendation was partially implemented with the review of the five year plan and the ID card system in 2001, and a workshop with political parties on the election code of conduct was held in 2000. The other recommendations have not yet been implemented. IFES conducted a follow-up assessment in July-August 2000 to make further specific recommendations focused more closely on issues relating to the sustainability of the voter identity card and the effectiveness of the code of conduct. The recommendations made were:

1. EC should revisit, review and re-launch the program for opening of district election offices.
2. Necessary changes should be made in the election laws to transfer responsibilities for electoral rolls, voter identity cards and conduct of elections to district election officers/offices.
3. Action should be taken to establish the Commission's own independent staff.
4. Rolling program of voter ID work should be developed.
5. The present complex series of limits and spending ceilings in respect of individual campaign activities related to the code of conduct should be simplified.
6. The Election Commission should establish an enforcement unit in respect of the code, staffed by experienced election officials.

From the revised EC Development Plan which ends in December 2003, the activities implemented to date with assistance from a Danish project are the revision of the voter registration system and its pilot implementation in five districts. Under this EC/Danish project an innovative 'Family Card' system has been developed and piloted which appears to show promise as an alternative to the cumbersome and flawed voter ID program now being used in most districts. Built directly on 50 years of national census experience, and drawing on the computerized systems already in place with the census bureau, the Family Card system seems to combine the best of a voter ID system with cross-verification of household data. If supplemented by digital camera capacity at the local level, it has the potential to streamline the process of issuing voter ID cards, reduce risk of error and manipulation, and increase the numbers and accuracy of voter registration.

This need was echoed by a multi-party dialogue in Rupendehi which told the Team that

...the most important task these days is to get an accurate voter list, one without false names, non-citizens, etc., according to law. We need a way for the parties to verify lists and help correct errors. The scientific system now being introduced by the Election Commission is a great improvement....

Most of the other recommendations and other actions in the Development Plan have not been implemented due to lack of funding (e.g. establishment of election offices in all districts), staffing (transferring responsibility for electoral rolls to the district election offices), prevailing

political uncertainty, and the Maoist insurgency which limits activities largely to district headquarters. As participants in a multi-party dialogue in Rupendehi agreed:

The Election Commission is behind but working to improve system; it doesn't really have the capacity to do the job that has to be done, even though it has the authority; CDOs have held the authority in the past and believe they also have the capacity to assume these election functions but there is consensus among the parties that this is not the case and both authority and function should shift 100% to the EC; from VDC to national level the EC should have its own network. There is broad confidence expressed in the EC, even though it is under performing in this area at this time. The problem is that the EC doesn't have the resources it needs.

In addition to these activities directed specifically to the elections and electoral process, other related activities funded by USAID/Nepal and reviewed by the Team include:

### **INCREASING WOMEN'S POLITICAL PARTICIPATION PROGRAM**

Despite considerable rhetoric among leaders and the intelligentsia at both national and local levels, and a quarter century of USAID and other donor support to programs for women's literacy, education, and economic empowerment, females in Nepal remain underrepresented in government institutions, businesses, schools, and universities. Before 1997, women had only 0.5 percent representation in local government. Literacy and education rates among women is also half that of men and has been increasing only at a extremely low rate. As a result of a provision under the Local Self-governance Act of 1999 to reserve 20 percent seats for women at Village Development Committee's Ward level, the lowest organ of local government structure, over 37,000 Nepali women were elected to local office. These women, as newcomers to politics, found themselves lacking the necessary knowledge, skills and information to carry out their new responsibilities. To date, while data varies, reliable estimates suggest that only one in five women can read and write and boys still receive more and better education than girls. This dilemma was summarized by civil society representatives in Bhairawa:

Women are behind the men in political awareness and we need to find ways to reach them, encourage them to become involved; but first we have to start with helping them to improve their lives, incomes, and status in the community, to form groups, savings clubs, start their own credit programs and get into business to increase their incomes, and increase their self-confidence and awareness of the political process; raise their expectations for their daughters so they, too, will become aware and active in public affairs.

In response to this gap in knowledge and skills, and to encourage an increase of women beyond the reserved seats in local government, USAID began conducting training programs for women candidates and elected representatives in 1997. The current program on "Increasing Women's Participation" in politics under SO 5 began in September 2001 with an agreement with the National Democratic Institute to train approximately 10,000 locally active women to run for elected bodies in 12 districts (Mohattari, Rautahat, Bara, Parsa, Saptari, Siraha, Dhanusha, Sarlahi, Chitwan, Nawalparasi, Rupendehi and Kapilbastu). Due to the increasing Maoist insurgency and constant political uncertainty throughout 2002, and with postponement of local and national elections indefinitely, the program has been adjusted. Reports suggest that to date over 6,000 potential candidates from six major political parties have gained skills in campaigning and local governance. Another 2500-3000 women were scheduled for training on the same skill areas through September 2003. It was instructive to meet trainers and learn from district authorities in Morang that the government has picked up on these initiatives with its own program for engaging women more actively in the civil service:

Women's Empowerment is being given priority by HMG. There is a civil service empowerment training program being piloted here in Morang right now. There is a team here training women for joining civil service. It focuses on women from college level, but builds on women's empowerment programs at grass roots level promoted by various NGOs and INGOs.

Under the second component of the training, a reported 1500 local women have received skills on effective representation as elected or local community leaders. A second program agreement for training of community level women leaders was signed in September 2002, under which 3400 locally active women members of political parties and 950 former elected women representatives in two districts (Surkhet and Kailali) are to be trained under training courses proposed for the near future. A Nepal Congress Party official in Rupendehi praised the NDI program for women and the USAID-funded grass-roots women's empowerment program that preceded it:

The women's empowerment program has been very successful over the past 5 yrs. It was conducted all through the district and in most other districts in this area. Voter awareness can be increased through these self-help groups and through the National Women's Organization.

Party programs training for 3 days done by NDI were excellent, very effective. NDI ran a specially good program in Chitwan that I had a chance to visit.

## **CIVIC EDUCATION PROGRAM**

Reports and interviews with NDI staff in Kathmandu and Biratnagar confirm that USAID conducted a civic education program through NDI in Nepal from June 2000 to December 2002. The main objectives of the program were to promote civic education in the education system; introduce the concept of civic education to civic, political and local leaders; and to create the foundation for institutionalizing civic education in Nepal. The main activities of the program were to develop and distribute a textbook on civic education and a teachers' guide for the course to teachers, principals and students; and to train teachers on how to teach the newly introduced civic education course at the Higher Secondary level. While the Team was not able to confirm the status of these activities through direct observation in the field, this program was described articulately in a Rupendehi focus group including a cross section of parties:

The NDI program focuses on voter education training, including booklets, posters, radio programs on voter facts, and women's empowerment for elections. The booklets are of good quality, appropriate, but quantities are not sufficient to distribute widely. It is good for folks like us in urban areas but not for rural people. They are insufficient for distribution and need some sort of reading groups. Parties and civil society and local NGOs could help with this, working with groups. Civil society groups could take a great lead in this and the District Election Officer could take a bigger role in voter awareness.

This review of programs and results is followed in the next section by the Team's assessment of these initiatives, specifically addressing questions put forward by the Mission.

## **5. ASSESSMENT OF USAID VOTER EDUCATION AND INSTITUTIONAL STRENGTHENING ACTIVITIES, INCLUDING WOMEN'S POLITICAL PARTICIPATION AND CIVIC EDUCATION ACTIVITIES AND LESSONS LEARNED**

To elaborate the review of programs and results in the previous section, the assessment now turns to a more detailed review of USAID's voter education and institutional strengthening

activities, with particular attention to women's participation and civic education initiatives and the lessons learned from them. This section specifically addresses questions put forward by the Mission.

**1. Given the strengths and weaknesses in Nepal's democracy and electoral system, were the intermediate results and interventions funded by USAID appropriately selected and adequately resourced?**

Yes. In the view of the Team, the IRs and interventions were appropriately selected and adequately resourced, given that they were pilot projects of limited scope and scale. The initiatives are largely limited to projects conducted by three civil society organization one international NGO and two at national level. No work was conducted by grass roots NGOs. With relation to IR 5.2, "Increased advocacy capacity of selected civil society groups at community and federation levels," contracts have been issued to Pro Public and INSEC, while for IR 5.3, "Increased women's participation," a program has been conducted by NDI that has provided training for women candidates for election. These generally appear to be excellent pilot projects drawing on existing '2<sup>nd</sup> generation' programs funded in past by USAID. These are limited, however, in that they are limited to selected areas such as Terai and Kathmandu valley, which are hardly representative of the nation as a whole. They are also generally focused at the district level with very limited VDC level activities. Only one INGO is involved and the Team did not hear of subcontracting to national or grassroots NGOs of the type active with other USAID community-based programs. Regarding IR 5.4, "Improved performance of selected institutions," the Team saw evidence of performance improvement on the part of Pro Public, which has developed and distributed a series of high quality publications and materials, although these appear largely limited to outreach at district level; with minimal exposure at the grassroots/VDC level. Pro-public has also instigated actions that have lead to positive institutional changes in Nepal. Similarly INSEC's performance has improved. The organization appears to have become somewhat less politicized, gaining increased credibility among parties, government, and civil society. Of the NGOs reviewed, INSEC appears to have the strongest connections and access to the Maoist organization and its leaders. Their human rights focus at the district level, however, may limit general awareness building and training capacity at VDC/grassroots levels.

**2. Were the objectives achieved?**

Generally the objectives appear to have been achieved, and the Team heard only positive comments about the accomplishments of the initiatives, although it was not possible within the limits of this brief assessment and travel restrictions, to conduct more than a sample assessment of activities and end users in field.

**3. Have the interventions reached their intended target audiences?**

As with the objectives, these initiatives generally appear to have reached their intended targets, although there is some question as to whether the targets may have been rather too narrowly defined. Grassroots capacity-building appears limited to none, and the Team was not aware of the direct involvement of youth groups, existing farmers organizations, forestry user groups, mothers clubs or community health networks, or women's literacy, or empowerment groups, clubs, or Village Banks – all of which have been supported by USAID/Nepal and proven

extremely successful, including the introduction of fundamental democracy and governance training around conduct of elections, transparency, and accountability. One observer with 3 decades of field experience in rural Nepal noted pointedly:

When we asked members of the highly successful community forest user groups how they planned to improve their accounting and record-keeping they said they were recruiting women from the empowerment program and village banks. And when we asked “Why?” they replied, “The women are honest, hard working, have good accounting skills, and will keep very good track of our money. With half of all Nepali families now involved with community forestry, we wondered why USAID had limited their women’s empowerment program to the Terai. It’s needed all over the country, especially in the hills where the best community forestry programs are located.

**4. What strengthening of local institutional capacity has been achieved?**

The Team observed what appeared to be a general increase and enhancement of professionalism, data management, analytical, and publication capacity.

**5. Have voter education materials produced been of good quality and appropriately distributed?**

While only a limited number and quantity of materials has been produced, it appears to be generally of good quality and appropriate particularly for the educated middle class. There is very little if anything in the way of materials for the illiterate and/or neo-literate populations, although a number of posters were observed that may reach such populations. Thus far distribution has, of course, been limited to the pilot areas in the Kathmandu Valley and selected Terai districts. There was no apparent penetration of hill areas, except perhaps by INSEC, but no confirmation of this from the field was possible. Very good reports were heard about a variety of radio programming initiatives which were encouraging but not verified directly.

**6. Should similar activities be carried out in future?**

Yes. Pilot programs should now be expanded to reach all districts. Focus needs to be place on scaling-up to reach large numbers in all parts of the country.

**7. What programmatic improvements and/or changes could or should be made?**

Direct interventions should reach more broadly and in greater depth.

- First, they need to reach down to youth, those living in remote areas, the poor and marginalized groups, and women still are largely left out of voter education equation and need to be included in future initiatives.
- Second voter-education campaigns need to be in greater depth substantively, explaining the roles and responsibilities of election officials and citizens.
- Third, in the current climate it is critical the education includes conflict mediation and mitigation skills.

- Fourth, the institutional capacity of local organizations and the election commission to plan and conduct voter/civic education should be enhanced.
- Fifth, new initiatives should expand radio coverage and explore expansion of remote radio-learning clubs, about which the Team heard encouraging reports. However, it is noteworthy that our literature review of past radio efforts indicated that radio alone is not sufficient at the village level and the follow-up through interactive activities is also needed to improve understanding and promote behavior change.
- Finally, and of special importance, efforts should be designed to reach youth clubs and illiterate and neo-literate groups via existing and expanded SO1, SO2, and SO3 initiatives including female community health volunteers, farmers, irrigation, community forestry groups; mothers' clubs; literacy, savings and credit groups; women's empowerment groups and their Village Banks.

There are over 15,000 community forestry user groups and women's empowerment groups and Village Banks already functioning successfully in virtually all districts—all through programs directly or indirectly supported by USAID over the past several decades. These are reported to engage up to half of the families in Nepal and, in the Terai alone, 150,000 women in 6,000 economic groups that have already received basic training in good governance, transparency, accountability, and conducting proper elections. An additional 350,000 women in almost every district completed USAID's 'Women Reading for Development' (WORD) literacy program also provide a significant opportunity for promoting voter education through the more than 1,000 grassroots NGOs that implemented WORD and/or new radio learning clubs. Youth groups/clubs are still almost totally unexplored as far as team could ascertain and seem an important new sector to be seriously explored.

## **6. ASSESSMENT OF CURRENT CONTEXT AND NEEDS FOR REFORM AND STRENGTHENING OF THE ELECTORAL AND POLITICAL PARTY SYSTEMS**

### **1. What are the current strengths and weaknesses of the system?**

Within the context of a limited time frame and restricted field travel, the Team found evidence of significant strengths within the present system that can be built upon effectively for enhanced performance in the future. Among these strengths:

- Relatively strong, independent, and moderately experienced Election Commission with Constitutional mandate and judicial protection

Interviews with the EC Secretary, DANIDA advisor, and staff in three Terai districts indicated that the constitutional and legal framework for the Commission are relatively strong, well-grounded in the current system, and familiar with running elections under very difficult physical and political circumstances. The Commission appears to have a strong constitutional mandate and has been protected by a relatively strong, independent judicial system. There did not appear to be evidence of political manipulation or

interference in existing and prior Commission activities. In the words of the Secretary, echoed by staff at the district level,

The Election Commission has the constitutional authority to mandate support and second officers from any or all other government offices to provide necessary support to the election process.... During election the Commission has full power over all other offices of the country, even over the Prime Minister; the EC effectively runs the country during elections; no staff transfers are permitted without consent of the Commission.

- Relative strong, experienced traditional Local Authority system which has run most elections, although with mixed reports on impartiality, since democracy introduced

The current Secretary of the Commission, who had served several decades as a local government official, Chief District Officer in Sankhuwasabha District, former Secretary of Education, Home, and Water Resources, a UN election-observer in South Africa - 1993/94; former CDO 1991/92; and oversaw elections in 1991/National; 1994/Mid-term; 1999/National, expressed a measure of confidence in the local authority system which was reflected by other interviews and focus group discussions:

At the local level the impartiality of the Election Commission is believed by the people; it is trusted; seen to be free from government interference. District level EC offices are subject to pervasive misperceptions, because people are unaware of what they really do and the EC gets blamed for other institutional failures and unclear lines of authority. The people may not believe or trust a CDO who is a government appointed official, who may tilt machinery toward a certain party or Prime Minister, the EC is seen as above all this. People trust the EC even when it does the exact same thing as a CDO or Judge may do; it is seen to be fair; people demand that the EC should be even stronger and in charge of entire election process.

- Well-developed multi-party system rooted in basic democratic principles
- Strong social democratic tradition and principles embraced by majority of parties particularly among second tier leaders. While historically active in bringing democracy to Nepal and committed to basic democratic principles, the top tier of some of the larger national parties are widely perceived as relatively unconcerned with the public good, and more with personal gain.

For all that plagues democratic institutions and governance in Nepal, the Team found that, as suggested by Embassy staff, that there is some good news evident within the current situation.

The countryside has clearly become politicized. There is a broad grassroots commitment to self-government, especially at the local level.

The Team's interviews and focus group discussions clearly reflected that the multi-party system is widely accepted and builds on democratic principles. Sample comments:

- We have conducted free and fair elections in past under difficult circumstances
- We have the necessary procedures, institutions, and authority to conduct free and fair elections
- We can conduct free and fair elections even under current crisis

As one senior civil servant closely involved with elections for the past several decades observed:

I supervised 4 elections as an Election Officer; 2 under Panchayat, 2 under parliamentary democracy in Saptari in 1991. Then the Election officers and judges had little awareness of what elections were about and there were many difficulties. But the judges are independent from Government and had many irregularities to deal with. There were local, national, and international observers involved and considerable excitement, “We have achieved democracy.” We were optimistic. At that time the Maoists also took part in the elections and we were monitoring voting in a border area with no security. I saw some vote capturing going on and brought a stop to it. We took bold action in face of irregularities and were successful in sorting it out. I’m very proud of that experience and the action I took. That was a free and fair election, even though the polling was lower than we would like.

This experience was reflected in the views of those civil society organizations contacted by the Team. Comments from focus group discussions reflect a general consensus that there is a broad commitment to democracy and democratic principles:

- Parties have been extremely successful in bringing politics and political thinking, including political pollution, to all levels and all corners of society
- We believe that we will not lose our real democracy; we just have to solve Maoist problem
- Within 8-10 years we have made great progress toward clean democratic system
- We’ve passed through the forming stage, are now in the storming stage, and moving toward the norming stage...
- There is still much hope: within 10-15 yrs. we can have clean democratic government and parties
- We’re more excited than frustrated

There is, of course, considerable room for improvement in both the structure and implementation of democratic principles. Among the suggested activities emerging from focus group discussions that merit consideration:

- Substantially increased financial support for the Election Commission and the overall electoral process. As indicated in the previous section, the EC is severely underfunded by government...  
“The problem is that the EC doesn’t have the resources it needs.”
- Inclusion of and role for the Maoist party within mainstream multiparty system. This principle seems widely accepted by both party officials and government officers consulted. What remains to be seen is whether the Maoists would agree to returning to the mainstream. As focus group participants indicated:  
“Addressing Maoist issue is the primary task these days....” And “Even Maoists are not denying need to hold election....”
- Increased democracy and transparency within political parties – widely recognized by party members at the national and local level as well as by civil society:
- Need to discuss reforms in the electoral framework and other constitutional reforms, such as the definition of citizenship and the role of the monarchy.
- Enhanced role for parties in voter education and voter registration
- Restriction and checks/balances among parties to limit/eradicate voter manipulation

## **2. What are the government’s priorities and programs?**

While recognizing that the Team’s assessment was largely limited to the Election Commission and district staff, local government officials including Chief District Officers, District Judges,

and Police Officials in three Terai Districts, there is no doubt that, in terms of rhetoric, elections remain a priority for government. Government has allocated a budget for elections and recently appointed commissioners to the EC. The Team found that commitment to elections remains strong and plans to conduct elections are in place with the EC, District Authorities, Police, and the Royal Nepal Army -- potentially on phase-wise basis to provide the necessary security. Whether elections are realistic within the current security context, and whether elections could be free and fair, however, was questioned widely by seasoned observers. Yet, in the spirit of widespread belief in the importance of elections, these closing words from an experienced District Superintendent of Police in a Chitwan meeting with the Chief District Officer, Chief District Judge, a National Intelligence Dept. Inspector, and District Election Officer, received warm nods of approval:

- “Elections are the need of the nation. And we must hold them sooner rather than later.”

### **3. What are the views of the political parties and other major stakeholders?**

Political parties represented in Team interviews and consensus meetings, particularly at the local level, appear genuinely committed to multiparty democracy, to internal reform, transparency, and democratization, to free and fair elections. There is a clear dividing line between first and second tier leaders, however. Second tier leaders and those at the local level seem more willing to undertake democratic reform than those at the top. Those polled appear willing to work together to create a new government and to participate in dialogue and/or a constituent assembly tasked with revising the constitution to promote increased diversity and proportional representation of marginalized groups. An experienced civil society political activist summarized the views of the overwhelming majority of those interviewed and participating in focus group discussions:

Under all these problems is that within the democratic parties there is little or no basic democracy; no more than 20% of delegates are elected by the grassroots; the rest represent different groups and communities which are nominated by ‘establishment’ – 80% loyal to establishment, 20% are the voices of dissent; within the Central Committee of the parties, 60% are elected by membership, 40% are nominated; the parties maintain no personnel records, no qualifications for positions; they have none of the guidelines and controls that exist even in our flawed government.

Party officials at both the national and local level echoed these sentiments, calling for “democratizing decisions of Central Committee,” and acknowledging:

- Reforms are needed, including financing, state funding of parties, more transparency, and limiting contributions of business....
- We need to be democratized.... We’re not really internally democratic yet....
- We have to clean our own house before we clean up the national house....
- People are suspicious of us; we have to regain their trust; we’ve been too much top-down, focused on what’s happening at the top

### **4. What types of electoral-strengthening activities (civic and voter awareness, electoral institution capacity building, etc) are being carried out by civil society and other donors?**

While the team had limited team access to civil society beyond the few working with USAID now, interviews and dialogues suggest both a wide range of activities have been conducted and

that these are generally held in high regard. A member of a civil society focus group reflected the views of many of those interviewed by the Team:

The DDC and NDI program is going on and we're hearing about it and about elections, voter education is taking place over the 3 local FM stations; good programs, supporting elections and democratic principles. I attended one of the NDI programs or something like that with the CDO. It was interesting and there was good interaction. Party leaders were there and interacted well. Booklets and training have been (provided) in various places. FM radio stations are getting wide coverage. People listen while they work; NDI programs have been interesting. Pamphlets, booklets, training programs, posters...are already here but on limited basis... We need much more....

The role of the media was also generally well regarded, along with specific radio-based voter education programs. Nepal has an active and independent media and is known for having perhaps the most open air-waves in South Asia, with upwards of 40 private AM and FM stations, owned by private companies, NGOs, and local community organizations. As a senior UNICEF official with wide international experience put it, when asked about the best that he has personally witnessed or been part of since Democracy was introduced in 1991:

- The media—It is relatively free and of generally of high quality
- Private sector development – now booming in spite of crises
- Transparency has improved, at least to some extent, and at least is being seriously talked about at all levels, including substantial and regular media attention

Civil society also appears to be taking full advantage of Nepal's relatively free airwaves. Selected quotations from those interviewed or participating in group discussions:

- INSEC arranges media coverage by press, radio, TV; local FM station in Sunsari regularly broadcast activities of these groups for several weeks; Rupendhi, similar... 200 letters asking us to come to their districts
- Freedom, free press/media; and general respect for diversity is deeply rooted in Nepali society
- Two main outcomes from attaining democracy are corruption and the media. The free-press actively reports and pressures for action against corruption
- The media is highlighting internal corruption and authoritarianism

USAID programs currently work through a small number of national NGOs reaching limited numbers of people. Given that there are well over 10,000 civil society organization across Nepal, maybe 2000 at national level, and at least 1,000 grassroots NGOs that have already worked with USAID-funded agricultural, environmental, women's empowerment, and health programs, there is considerable scope for substantial expansion of these voter education initiatives.

Regarding the involvement of other donors, the American Embassy indicated that there is considerable such involvement in democracy, governance, and elections-related programming. Denmark, Switzerland, the UK, Norway, Germany, and the UN appear to be among the most active. While beyond the scope of the Team's inquiries, it appears that

- DANIDA program support to EC appears to complement USAID role very well
- DIFID, UNDP, Swiss, and NORAD/SNV were reported in interviews to be playing useful roles which provide considerable scope for collaboration
- Germany's GTZ program through the is particularly strong on research, documentation, and publication, reported through its excellent websites:

- <http://www.fesnepal.org>
- <http://www.nepaldemocracy.org>

## **5. How successful are such programs?**

While not subject to assessment, the Team was favorably impressed by DANIDA's past role with the Election Commission, its computerization at national and district level appear sound, and as observed in two district officers, are reported to be functioning well. The voter identification system, however, does not appear to be successful due to poor technical arrangements and procedures between the EC and the Home Ministry and deteriorating security across the country. Review/reassessment, especially the system administered by Local Government is clearly needed. The momentum on continuing and improving these reforms seemed to have stalled, in part due to the absence of an election commissioner for a long time. On the positive side, the 'Family card' system being developed by DANIDA technical assistance seems extremely promising, especially because it is closely linked to the Census Bureau and draws on 50+ yrs. of census experience, and that of the primary advisor who is reported to have been responsible for substantial computerization of Census systems.

### ■ **Do any merit replications exist?**

The DANIDA 'Family Card' system merits examination and potential universal application nationally

## **6. Are any implementing organizations particularly effective?**

As observed above, the Election Commission structure, credibility among voters, and independence is noteworthy, but the EC is severely under-budgeted by HMG. There is considerable scope for donor support, such as that provided by DANIDA, which should be carefully and discretely handled, within context of inclusive policy dialogues.

Both of the active INGOs interviewed by the Team, Pro Public and INSEC, appear well-regarded by the national parties, other civil society organizations, and EC officials at both the national and district level in Chitwan, Morang, and Rupendehi. Consensus dialogues held in these three district centers, as indicated above, showed generally high regard for these organizations and their voter education, media, and good governance activities.

## **7. RECOMMENDATIONS FOR FUTURE USAID SUPPORT**

The Team found broad consensus among those interviewed participants at district focus group meetings and the national Thought Leaders' Forum that USAID should continue, and expand, its support for democracy, elections, and good governance at all levels. USAID, furthermore, should build on existing and past programs, especially those promoting income generation, education, literacy, empowerment and decentralization. New programs are also recommended for supporting elections and the electoral process, political parties and political party system, and linkages and advocacy for expanding the role of civil society organizations at all levels.

## **1. Is the environment propitious for USAID involvement?**

Yes. The Team found a generally a positive environment which welcomes US involvement, despite current obstacles. Involvement can begin in some areas immediately; such as consensus, peace-building initiatives at all levels, especially among parties and civil society and building linkages with parties for capacity building and reform, voter education/civic awareness, and the expansion of conflict mitigation initiatives to the grass roots. There is also scope for supporting EC planning and security and administration for elections, the training of Election Commission staff in conflict mitigation/resolution, and the continuing EC decentralization process, including voter identification in collaboration with DANIDA, where exploration of expansion of 'Family Card' system should be undertaken. When asked directly if USAID can be involved without spoiling the process, a senior American INGO officer working on a USAID-funded initiative replied:

- No problem; (we are) working with ultra left parties without problems

Senior officers of two leading national parties and a leading human rights organization reflected the same opinion:

- We welcome US support to Democratic development
- Do something for democracy; to save democracy; esp. training at grassroots; qualitative leadership, not just numbers
- Democratic nations like US, Norway, Sweden, Denmark, UK, Switzerland should come together to support these types of democratic initiatives

In none of the interviews or meetings held by the Team was USAID participation questioned. If anything, the Team heard more complaints about USAID's failure to maintain its strong role in successful initiatives than doubts about any future role. This frustration was clearly articulated by the leader of a leading civil society organization working in all districts:

(The) story of USAID pulling out from supporting good programs (has been a) bitter experience for INSEC as for WEP, when USAID pulled out prematurely leaving great bitterness; but we'll do our best to keep going and keep things going... we still conduct training programs and keep in touch with close relationship.... WEP groups visited by (USAID) last year found women had organized to bring electricity to their village, over obstacles put up by political and government departments; 5 yrs. before these women covered their faces and wouldn't speak to strangers.

Additional activities to be supported down the road include working with political parties on internal reform and anti-corruption actions, building on the above, multi-donor election support if election called, and general support to the Election Commission, political parties, and civil society in the electoral process. These should include training of domestic monitors through civil society, support and orientation of international monitors, and media training on overseeing elections. Support should also be provided for review, strengthening, and implementation of the Code of Conduct.

There is also need for further assessment to explore and verifying these recommendations and examine the following questions in more detail as part of the project design process.

**2. In light of the political instability and uncertainty over the timing of future elections, could USAID have a positive impact on strengthening the electoral system and citizens' participation in electoral processes?**

Yes. USAID can play a positive role in strengthening the electoral system and enhancing citizen participation. Even if elections are not called, or are further delayed, several activities may be explored as reasonable avenues for involvement. Paramount among these is to continue to build constituencies for reform, political openness, and voter awareness; to work with civil society, media, and reformers within the political parties, and interested government institutions like the Election Commission and Commission to Investigate the Abuse of Authority (CIAA) to build grass roots demand and advocacy from existing networks, to encourage US diplomacy to promote free and fair elections, to support consensus-building and conflict resolution, and to promote advocacy for positive change including constitutional reform and improvement of the electoral framework for enhanced representation of marginalized groups. Links with USAID's CCM/Conflict Resolution program are essential and should include broad involvement of civil society organizations already engaged in peace-building and positive dialogue beyond those currently working directly with USAID. Among those already active are the Nepal Participatory Action Network (NEPAN), as well as the growing Appreciative Inquiry/Appreciative Planning and Action and Imagine Nepal networks. Collectively these networks actively involve several dozen national NGOs and have positive links with several hundred grass roots NGOs involved in previously funded USAID initiatives. The leader of one such organization summed up the views of most of his colleagues:

Women are telling us that if we get the support we will take this program to every district, 5 constituencies in each; done similar thing in Campuchia under TAF

**3. If further voter education is recommended, what specific interventions for which target groups should be carried out?**

Yes. Voter education and several specific interventions are strongly recommended to reach what Thought Leaders referred to as "the 81%" beyond the current systems. These include:

- Special initiatives to reach the poor, marginalized groups, youth and women, especially at the village level.
- Programs to move beyond voter education to civic awareness and rights, conflict mitigation and consensus-building at the local level
- An Election Commission-driven voter awareness/education program directly conducted by EC District Offices where already established, and via the Chief District Officer, and Local Development Officer in the remaining districts.

Programs should include:

- Radio, TV, and print media programs
- New and improved materials for illiterates and neo-literates
- Training of civil society NGOs and the EC on how to reach marginalized groups, women, particularly at the grass roots.

Particular attention should be paid to the utilization of existing and prior USAID activities that directly targeted such groups with environmental, agricultural, literacy, empowerment, health, and income generation initiatives. Several of these operated effectively in many, if not virtually all districts, including those that are still functioning in heavily impacted by insurgent activities. Where suspended or reduced, serious consideration should be given to new efforts building on past successes and lessons learned.

#### **4. What role should USAID play in preparing for the next elections?**

USAID should assist Nepal in preparing for the entire electoral process, viewing it beyond the event itself. It should strive to make the process as secure, impartial and participatory as is possible. The following are considered important in USAID's elections-related program expansion:

- Voter education is a key role for USAID.
- A pre-election assessment will be critical for USAID and its partners to refine their interventions. These should include external specialists as appropriate to promote conflict prevention and consensus-building, to address the potential for violence and for voter and balloting manipulation by the government in power and political parties and to investigate other key areas of the electoral process, including adherence to the code of conduct.
- Support for Civil Society and media awareness and oversight and monitoring of the entire electoral process, for international monitoring and their close coordination among domestic monitors.
- Provision for the training and support of international monitors, especially to enable them to play effective roles at district and VDC levels. These require special attention due to the major lapses that were observed to have taken place at these levels in the past.
- Technical support for the election commission in administering election and election results, as well as general institutional support.
- Support for Parties in conducting peaceful, clean campaigns and building policy platforms for internal and civil society monitoring in post-election period.
- Training for poll workers, party agents, and poll-watchers will need training in non-violent conflict mitigation.
- Support for post election follow-up around violations to the Code of Conduct and political finance law for ongoing monitoring in future.
- Build capacity of local institutions to enhance prospects for Nepalis to conduct and participate in impartial elections.

All interventions should maintain a conflict prevention and mitigation lens, in order to enhance the prospect that the entire electoral process provides an opportunity to return to peace and undertake deeper democratic reform, rather than a trigger a deeper conflict. The inclusion of an Appreciative Inquiry approach to conflict management, already widely understood and implemented successfully by at least 200 grassroots organizations across Nepal, most with previous USAID links, may be particularly useful and efficient in this regard.

Please see the attached Conflict and Election toolkit for more on this issue. (*Annex I*)

**5. Should USAID consider a long-term engagement, and if so, what would be the results over the near and long-term?**

Yes. The Team recommends that USAID plan for effective long-term engagement. This is especially important since there is considerable concern that USAID might withdraw from this important role, as it has from other successful programs in the past. Staying the course is essential if USAID is to maintain credibility within government, the parties, and civil society. It is especially important that long-term programs be planned that will continue to support electoral systems and parties to promote good governance, party, and electoral reform, including transparency, compliance to political finance laws, Code of Conduct, democratization within parties, and constituent relations. The critical process of generating grass-roots demand from government for increased and expanded income generation, literacy, and education initiatives is a long-term one that requires sustained support, monitoring, and adaptation over time to meet changing circumstances. This applies, as well, to the strengthening of the media, including independent and national radio and TV, independent FM stations, particularly those at the District level, for addressing EPP issues.

Anticipated results of such support in the near-term includes:

- Development of consensus for resolution of the current crisis,
- Assurance that elections will be held, and
- More participatory, peaceful, and fair elections when they are held.

In the long-term, results from continuing USAID support will include:

- Enhanced credibility of USAID as a reliable long-term donor,
- Improved perceptions of US involvement in the context of fears that military and security concerns overshadow legitimate development priorities,
- The development of a more informed and active citizenry at all levels,
- A more informed, strengthened, and active civil society and media,
- More accountable and representative political parties, and
- Enhanced prospects for peace and prosperity in a climate free of rebel insurgency.

**6. Any program proposed should contribute toward mitigating the causes of conflict, and must be feasible in the current political and security context.**

The initiatives recommended by the Team, within the constraints of time and access to field operations, are based on consensus among a cross-section of civil society, government, party, media, and leading citizens and thus appear feasible within the present security and political environment. There appears to be broad support for the CIAA and other corruption reduction programs, including those promoted by civil society organizations including Pro Public, INSEC, and Transparency International. There is also consensus for urgent attention to underlying national problems that fuel instability and insurgency, including corruption,<sup>10</sup> poor governance, poverty reduction, income generation, literacy, education, and the promotion of diversity initiatives for reaching marginalized groups. Recommended initiatives need strong links to

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<sup>10</sup> Over 98 of respondents in a New Era study agreed that corruption is the root cause to all problems in Nepal, cited from *Democratic Governance Under Threat: Nepal's Internal Conflict* November 30, 2001, 24.

USAID's CCM/Conflict Resolution program, as well as reinforced linkages to civil society groups actively engaged in conflict resolution, such as INSEC, Pro Public, the Appreciative Inquiry/Appreciative Planning and Action Network, Imagine Nepal, and political parties engaged in peace process.

**7. If USAID support is not recommended at this time, why not? Under what conditions future involvement would be recommended? Are there steps that USAID could take to improve the conditions for our involvement?**

The judgment of the Team, supported by consensus recommendations from all focus groups and the Thought Leaders' Forum, is that this question is not applicable. USAID has a clear, continuing, and positive role to play in the advancement and development of democracy, good governance, and free and fair elections in this struggling democratic nation. In fact, consensus among those polled suggest that USAID's absence would be a blow to the democratic process, prospects for free and fair elections, and US credibility in Nepal.

**8. Elements of strategy and potential programs**

This section provides a preliminary outline of the notional elements of a potential strategy for USAID engagement, including near and longer-term objectives and a range of potential activities with suggested goals, priorities, and actions recommended to be taken now, in the short-term preceding an election and following any election that may take place. Provision is made for several optional scenarios, depending on whether the political situation stays the same, improves with resumed peace negotiations, or the country returns to active conflict, and whether elections are held or not held. This outline is presented in four phases representing options for responding to a fluid, changing political environment:

1. Regaining consensus through strategic election and political process interventions during the "Next Chapter" of Governance in Nepal
2. Working with immediate outcome of consensus-building, through EPP Interventions – including different scenarios for
  - Some type of election being held
  - A new or revised Constitution
  - No election, and/or
  - Reconstitution of Parliament
3. Continuing to build and solidify consensus, mitigate conflict and foster accountability through EPP interventions if a legitimate election is conducted
4. Learning from Phases 1-3, including political party work and ongoing assessments

A revised and elaborated framework for future USAID involvement is being developed by the USAID/Washington Elections Specialist from the Team which will be submitted to USAID/Nepal as an addendum to this report and as the basis for a Scope of Work for next steps.

## **Recommendations and Outline for a Proposed Action Plan**

### **PHASE 1**

#### **Regaining consensus through strategic election and political process interventions during the “Next Chapter” of Governance**

The most prescient need for Nepal’s democratic development is to bolster that already fragile, now fading consensus over the rules of the democratic game. On November 6, 2003, Prime Minister Thapa announced that Nepal is in the “next chapter” of governance, which is his roadmap to create peace before holding elections. The announced plan of action indicates an attempt to close off the political space that Nepali’s have been working to broaden, since the first major democratic opening in 1991. However, consensus is waning not only at the top of the political hierarchy – the King and the RPP – but also at the grassroots, as the Maoists insurgency continues its violent campaign for change. The dual crisis has made political parties acutely aware that action must be taken to move to a more peaceful, productive democratic stage. For the Nepali public, the dual crisis has deepened their disillusionment with their leaders and perhaps in democracy generally.

Nepalis have been working to build consensus for over 12 years, since the experiment with democracy began in 1990. It is upon this consensus, with actors and institutions that were vital to it, that USAID must work in Phase 1. The phase will undertake three activities to fulfill two goals. These goals for USAID involvement should include:

- Supporting political parties, government officials and civil society to engage in productive conflict mediation dialogue. While in this negotiation stage, USAID should take this opportunity to build linkages among political parties and civil society, particularly at the local level and foster constituencies for democratic reform. USAID can work with political parties to explore and assist the initiation of improvements in accountability of the political parties and their incentives and capacity to represent citizens.
- Encouraging government and non-government actors to remind the King and the RPP that they must move beyond the crisis to an election, through elections-related education across all sectors of society without rushing an RPP-dominated and highly insecure election.

To meet these goals USAID activities are recommended to:

- Support capacity-building, devolution, and planning within the Election Commission to assess the real security and administrative needs if an election is held. Capacity building for the EC and the DEOs and support for the EC’s devolution will also help to relay the image of state presence, which is desperately needed to deter conflict, build consensus and conduct meaningful elections in Nepal. Moreover, careful planning by the EC will increase the likelihood of peaceful and participatory elections and decrease the changes that the election outcome will incite greater conflict.
- Conduct activities that result in convening political parties, state actors, and civil society for dialogues that aim to mediate conflict
- Encourage political parties to create a realistic multi-party action plan to exit the current constitutional and Maoist crises, and strengthening political parties’ capacity to outreach to the government and civil society in these dialogues and in explaining the action plan

- Enhance civil society's capacity to outreach to government officials. Dialogues on the electoral framework for this component may follow at a later date as suggested under Phase 3). The positive inquiry approach tested successfully in this assessment could be the applied methodology.

The following steps are suggested:

- Step 1: Political parties and government officials gain access to what Nepali's believe is at the heart of the crisis. Advocacy and monitoring NGOs give testimony regarding how Nepali's view the government and political parties.
- Step 2: Private mediation dialogues begin at the central level with political parties, state actors and Maoists if possible. Local level party leaders should be invited. A neutral party would help to facilitate this and should offer experiences from similar situations around the world.
- Step 3: Mediation dialogues move to the district level among parties, civil society and local officials. Perhaps political parties at the district level should prepare for these meetings by convening all sectors in the district to discuss local solutions to the problem.
- Step 4: National and local mediation initiatives compare notes. A joint action plan is created. The association of municipalities could play a potential role in this process.
- Step 5: Dialogues are widely publicized and political parties outreach to the media and civil society explaining how they plan to enact the action plan. This would offer political parties a chance to enhance their skills at citizen and media outreach and platform development. It could also present an opportunity for civil society to enhance its capacity to develop platforms and access political parties and leaders.
- Step 6: Civil Society begins to monitor the action plan.

As part of these steps, USAID should explore ways that radio and television can contribute to peace-building and support to peace-building groups.

Specific activities recommended for inclusion in Phase 1 include:

- Bolstering demand to conduct an election (local, parliamentary, or constituent assembly) by political parties, civil society and the international community, through
  - Expanding and improving existing voter education efforts to include:
    - Teaching citizens a broader understanding of what political processes mean and the right of the citizens to exercise oversight
    - Conflict mediation and mitigations skills
    - Enhancing linkages to existing organizations at the village level, such as those related to past USAID women's empowerment programs
    - Involving youth
    - Reviewing how programs can reach a greater number of those associated marginalized groups; training implementers in these techniques
    - Exploring how the existing DEOs can play a vital role in improving the reach of voter education, including meetings with various sectors to plan these campaigns. Perhaps the new chairman of the EC could launch an invigorated effort.
  - Mobilizing women's political participation programs to engage in and advocate for the consensus-building process, sustaining demand for a democratic resolution

- to the crisis through an election, and overseeing follow-up on the multi-party action plans and steps toward that end
- Conducting civil society dialogues at the district and national level on the prospects and needs at the district level for an election. These could be hosted by the DEO in districts where they exist.
- Ensuring US engagement with the current government including statements to the press and meetings with multi-party fora
- Enhancing the capacity of the Election Commission to assess and plan the following to enhance the prospect for a peaceful and participatory election:
  - Addressing security needs for an election under different political scenarios, with or without Maoists participation
  - Administering an election
  - Expanding election administrators' skills in conflict mitigation
  - Determining what is realistically feasible under the current Maoist threat
  - Supporting the Election Commission process of decentralization, devolution, review of voter rolls, and opening of registration. This would include:
    - Completing the various by-laws to transfer more authority to DEOs
    - Expanding the number of district offices
    - Educating officials, parties and civil society on the meaning of these by-laws – perhaps conducted during Phase 2
    - Issuing voter identity cards, especially through the family card system

These actions would have a positive impact overall because they would strengthen among voters the impression of state presence and functioning government and the expectation that an election is coming down the road.

## **PHASE 2**

**Working with immediate outcome of consensus-building, through EPP Interventions – including different scenarios for potential elections, Constitutional reform, and/or reconstitution of Parliament**

- **2A: Some Type of Election is Called**

In this phase the essential questions to be asked start with will an election be held? If so, what type of election? Will it be a referendum, local or parliamentary or constituent assembly election? It is possible that one of these four will be called within the next year. The type of election will determine the type the intervention USAID should plan on taking, thus mandating a flexible response strategy be provided within the USAID planning and implementation framework.

Additional questions include, is the environment for a fair and free election auspicious? Will government institutions be relatively impartial? Will all parties participate? The main goals of any election should include:

- Preventing the outbreak of conflict
- Forestalling the RPP from stealing the election
- Improving the EC capacity to hold a fair and peaceful election
- Ensuring a peaceful and legitimate transfer of power

- Promoting expansive citizen participation and oversight should be the main goals of any election

The types of interventions necessary to realize these goals should include:

- Supporting the Election Commission and other involved parties – in election administration and administering plans for Phase 1, including special needs for voter registration and security, such as staggering campaigns and polling.
  - Re-launching the code of conduct, including the EC and DEOs hosting inter-party, state official, civil society and media for discussions on how to implement the code of conduct.
  - Encouraging parties and the EC should to initiate district and village level discussions between state and security officials, civil society and political parties on the needs and role of the communities in conducting elections
  - Supporting the organization and training of civil society domestic monitoring groups for the entire electoral process and post election environment, including following party platforms and code of conduct complaints in the post-election environment.
  - Ensuring the presence of international election and human rights observers during elections, the coordination of both domestic and international monitoring, and the issue of pre-election assessment statements
  - Improving media capacity to monitor and report on the election, including
    - Training in the new political finance law and how to investigate and report on it
  - Assisting political parties to create peaceful platforms, conduct peaceful meaningful campaigns and encourage them to run women candidates and those from other marginalized groups
  - Training more women candidates; training candidates from marginalized groups
  - Conducting voter education that not only encourages citizens to vote, but targets marginalized groups and teaches a citizen his/her role in oversight. If elections are staggered or fewer polling stations exist than in the last election, the education process will need to be further strengthened.
  - Conducting parallel vote tabulations and/or a quick counts.
  - Providing appropriate tools when and if violence is a concern, (See the election and conflict toolkit, **Annex 1: Conflict Mitigation around Elections: Potential Activities**)
- **PHASE 2 B: Constitutional Revision**

Essential questions to be asked in formulating objectives in the event that a revised Constitution is proposed include: Will constitutional reform be open for debate? Will women and marginalized groups have a voice? Can citizens have confidence that the RPP does not steal the process? Activities to be included under this scenario should include:

- Encouraging selection of EPP issues that should be addressed in the constitution and the means to do so (This is further outlined under Phase 3)
- Conducting an education campaign and public consultations to accompany this process as an opportunity to enhance political parties, at the national and local levels, and civil society's skills in outreach and awareness
- Providing technical and logistical support for constitutional reform

- **PHASE 2 C: No election**

In the event that no election is called, it is recommended that USAID take steps to keep political parties and civil society alive and active in advocating for a return to democracy. Civil society support should be enhanced and deepened to support various NGOs including those outside of the advocacy, education and other traditional DG sectors. US diplomacy should push for a return to the democratic process.

- **PHASE 2 D: The Parliament is reconstituted**

If the Parliament is reconstituted then USAID should assess the terms under which it is productive to support this body including whether a viable road-map has been created for moving forward. Assuming that is the case, then USAID should consider supporting the process through activities that include:

- Public education campaign and dialogue
- Citizen oversight of the roadmap and the institution.
- Support to parties in good governance

Elaboration of these activities is provided in the preceding section.

### **PHASE 3**

#### **Continuing to build and solidify consensus, mitigate conflict and foster accountability through EPP interventions once a legitimate election has been conducted**

The goals of this phase should be to continue to build and solidify consensus and mitigate conflict while addressing some of the issues that have continually brought consensus into question including lack of accountability, poor governance, corruption, lack of real competition, and exclusion of women, marginalized groups, and youth. Working with political parties, citizen oversight of EPP process, and political party civil society interaction may make inroads against these consensus spoilers. USAID activities should aim to move political parties and civil society toward becoming accountable and representative while supporting civil society to have a larger voice in the national arena. These forces should act together in building constituencies for reform. Activities should continue to support the EC, assuming it has remained relatively independent, and to improve the capacity for elections to truly represent the will of the people.

During this phase USAID should continue existing interventions outlined for Phase 1 and 2, while also engaging in select new interventions to determine the political will among the political parties for engaging in further reforms, and helping civil society monitor political parties and other EPP institutions. All activities should promote reaching with greater depth to women and other marginalized groups.

At this point, in order to better address areas of competition and inclusion, changes in Nepal's legal framework may need to be seriously considered. Political parties, government officials, academics and civil society should be encouraged and supported to discuss reforms in the rules of the game that govern competition and transparency in political party systems, political parties and elections. Within this framework, four considerations are suggested for review and potential reform:

1. Electoral Framework—Proportional Representation: Currently Nepal operates in a ‘first past the post system’ for the lower house of Parliament. Many civil society members and political parties during this assessment strongly encouraged the idea of a mixed system of proportional representation and ‘first past the post.’ Provisions for proportional representation, as recognized increasingly widely by emerging democracies around the world, will help to improve the inclusion of excluded groups. A potential negative outcome of this switch is that parties already not responsive to citizenry will be less so in a PR system that operates on party lists, where parties (not citizens) chose candidates. Provisions need to be made to help ensure that this does not hurt the budding independence of political party leaders at the local level. If parties become more internally democratic and party lists are open, increased control of the central elite leaders of political parties will be less of an issue.
2. Electoral Structure—Constituencies: Several parties raised the need during this assessment to lower the number of constituencies which could make elections less expensive while potentially reducing corruption, and changing the number and type of positions in the elections at district, village and ward levels. Does this improve governance? What are the pros and cons of such changes?
3. Citizenship: This is question is particularly acute in the Terai region with regard to distinguishing between legitimate residents and recent migrants from India, but also across Nepal – where too often only the those with land title are considered citizens. The most marginalized groups still do not have even the most basic right of citizenship, thus they are still subjects to the King, not citizens.
4. Political party law: Reviewing whether the threshold for becoming a national party is too high and relevant implications of the new political finance law – is it practical, implementable and likely to result in the desired changes?

During this phase where national and district level national visioning and consensus-building exercises from Phase 1 have proven productive, USAID should continue to support them and, where improvements are suggested, necessary changes should be made to enhance their effectiveness.

### **Phase 3 Activities Related to Political Parties**

During Phase 3 support should be provided for political party participation in regional and national Conferences, enabling parties to share experiences, anti-corruption efforts, internal reforms, internal democratization, campaign finance reform, and related issues with colleagues from other countries. This support should include second tier reformists within the political parties as well as influential actors at the local level. Parties should develop platforms to share with constituents. USAID should use this period to assess political will, appropriate actors, and party needs to conduct research and undertake initiatives in

- Internal reforms and internal democratization
- Campaign finance compliance
- Constituency outreach, particularly at the district and village levels, including:
  - Training to better understand and respond to marginalized groups and ethnic politics generally

### **Phase 3 Activities Related to Civil Society**

Activities related to the role of civil society, which may be included in USAID’s Intermediate Results for citizen participation, are recommended to include:

- Improving citizenry outreach to political parties, using existing USAID networks, and focusing on advocacy and skills
- Building upon, supporting the creation a national network, or using existing networks for advocacy, including:
  - Training these networks to better understand and respond to marginalized groups
  - Bringing youth into these networks
  - Including the village level in these networks
- Assessing and supporting organizations interested in improving citizen oversight of political parties, developing a roadmap to end the crisis and an anti-corruption agenda that results from the regional and conferences, and other areas of EPP such as existing domestic monitoring organizations. Make provision to:
  - Provide necessary training for social audits in these areas, e.g. political finance
  - Build the capacity of civil society groups involved in this type of activity to operate independently, perhaps through a national network
- Continuing to support in women's participation, while expanding their scope for getting elected to community leadership and party leadership; include provision for
  - Supporting women's access to literacy and income generation initiatives, especially through renewal of activities successfully supported by USAID in the past upon which effective political participation depends

### **Phase 3 Activities Related to Media**

- Assess and support as appropriate the use of radio, particularly at the local level, and complementary television programming where suitable, for building reform coalitions and supporting accountability.

### **Phase 3 Activities Related to Election Commission**

- Hold a post-election roundtable and evaluate the performance of political parties, the EC, the DEOs, domestic and international monitors.
- Create plans for follow-on support for the devolution of the EC and the distribution of the voter identity cards

## **PHASE 4**

### **Learning from Phases 1-3, including political party work and ongoing assessments**

While each of the above phases should include ongoing assessment and improvement, provision should be for a thorough re-assessment of progress, the activities and results that have been most successful, what has happened that should be expanded and/or redesigned to be even more effective. Some of the key questions to be asked in Phase 4 include:

1. What do parties say? Are they really committed to reform?
2. Have there been any moves responding to USAID efforts to encourage internal reforms and democratization, constituency outreach, and other anti-corruption initiatives? If so, what are the best means to expand these, to continue to advise and move forward.
3. What is the status of patron-client networks and what are the best means to engage these effectively?

4. And, in the event these seem unproductive or not advisable for political or social reasons, what is USAID's most effective way to continue work on the civil society demand side of the democratic process?
5. In the event that a new Parliamentary emerges, should USAID work with the various parties which make up a new government, and if so, how?

## **9. Conclusion: Finding Opportunity within Crisis**

A negative climate, approaching despair, has reached virtually epidemic proportions across Nepal and among many in the media and donor communities. Some are pronouncing Nepal to be 'a failed state' or, at best, a nation that is well on the road to failure. The data to support such perceptions is considerable, yet, despite the real civil and political crisis gripping this beleaguered Himalayan nation, this assessment Team found a sound basis for optimism and effective action. The Team, through consensus meetings with a cross-section of parties and civil society, identified a strong voice across Nepal for building and expanding dialogue on peace and democratic reform. With those from the consensus meetings, they found a wide range of successful developments and programs, and opportunities for new initiatives in the promotion and support of the many voices for democracy and good governance that are found across the country. Opportunities are clear for expansion and development of substantial elections-related programming, particularly support to the Election Commission (EC) and the political parties in selected areas. Moreover, there are definite opportunities to develop and build new and expanded ERP on prior USAID SO1, SO2, and SO3 investments which have put in place strong foundations for democratic decision-making, transparency, and widespread participation of women and marginalized groups, particularly at the grassroots level.

This assessment found that current and past initiatives are generally sound and on track, addressing clear needs and interests articulated by government, national political parties, and civil society. These current efforts, however, have been found to be small in scale, largely in the nature of pilot projects, although they build on prior USAID investments of major scale, particularly in community forestry, agriculture, health, and women's empowerment. These include major national civil society organizations, several hundred local NGOs, and literally thousands of agriculture, forestry, health, and women's literacy, village banks and/or savings groups in virtually every district in Nepal. The Team found broad agreement that current ERP should be enhanced by expansion into large scale initiatives, building on these past USAID success, to reach all districts and sectors of society, particularly at the grassroots, to build and increase broad-based demand for positive reform and implementation of free and fair elections, transparency, and accountability in government, the parties, and civil society.

The words of the Chitwan District Superintendent of Police that "Elections are the need of the nation... and we must hold them sooner rather than later" were echoed in the action plans and commitments of the Thought Leaders convened at the Yak and Yeti Hotel as the Team was working on the first draft of this report. There, reflecting a cross-section of party, government, and civil society leadership, participants indicated that elections are a top priority, made personal commitments to help make it happen, and encouraged USAID to support ongoing policy dialogue as a key component in future EPP programming. Their priorities, reflected in this report, included

Democratizing the democracy... providing for disadvantaged groups and women -- “the 81%”-- to increase their participation and leadership... promoting advocacy and local governance accountability and an alliance/network of partners... (and) increasing access to knowledge about democracy around Asia as well as inside Nepal.

This group at the national level also confirmed clearly the voices from District level focus groups that “USAID has a definite role to work with the parties,” confirming that some leaders are clearly out of touch with reality and endorsing the appreciative inquiry approach used by the Team, encouraging USAID and each other to “Look toward the positive, toward what’s working; not just the problems; finding the positive, effective, honorable people who are doing great things for their communities... (promoting) appreciation and finding value in what works.”

Karna Shakya’s viewpoint, endorsed by those at the Thought Leaders Forum, sums up the Teams assessment and paints a picture and suggests an effective role that USAID can help play in the future:

Democracy is a Pandora’s box. The bad will get evil things from it, but for the majority, it will bring hope. We need to revive optimism among those who despair about the country’s future. We need visionaries who can teach the Nepali people to dream again. We have to lift each other out of this morass. Each of us, in our little niches, (has) to maintain our integrity and our sense of national purpose.

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## ANNEXES

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**ANNEX 1**  
**POLITICAL PRACTICE**  
**RESPONDING TO PRE-DISPOSITION TOWARD ELECTORAL**  
**VIOLENCE**

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**Conflict Mitigation around Elections:  
Potential Activities  
Prepared by USAID/DCHA/DG/EPP**

- **Political Party Development.** USAID activities can help parties develop effective platforms, messages, media and campaign strategies, and coalitions to institutionalize outreach efforts and develop a credible and representative multiparty structure. Stronger parties have the potential to develop programmatic rather than ethnically or religious based platforms, which potentially reduces the incentive for party leaders to exploit volatile ethnic or social divides. However, USAID needs to exercise caution to assure that political parties receiving assistance are not contributing to the violence.
- **Support to Civic Organizations.** Elections can generate political participation and expand political space for the emergence of new democratic civic organizations or expanding the scope of ones that already exist. For example, in Cambodia and Sri Lanka, domestic monitoring groups focused on human rights to help curtail violence in the election period and monitor violence beyond elections. Monitoring groups in other countries have helped to mobilize people from areas affected by conflict.
- **Get Out the Vote (GOTV) Campaigns.** USAID can provide assistance to political parties or local NGOs, not linked to conflict, in designing and implementing GOTV campaigns, which are intended to increase participation in the election. USAID has amassed significant experience in implementing GOTV campaigns.

## **ELECTORAL ADMINISTRATION**

### **Creating a legal framework and institutional capacity to organize and hold fair and unbiased elections.**

- **Developing an Impartial Electoral Framework.** Reaching agreement on how to structure the electoral process — via the constitution, laws, regulations and implementing institutions which govern the electoral process — is one of the basic building blocks for a society to manage successfully its conflicts into the future. To that end, USAID can engage in helping countries to consider options for designing or reforming the electoral framework, and in helping to build consensus among elites and between the elite and the electorate overall so that the framework is considered legitimate. USAID has significant experience implementing such activities.
- **Electoral Administration.** The State entrusts the administration of an election to a particular election authority within the government. Whether this institution is a fair and

impartial manager and arbiter of the electoral process is key for effective conflict resolution. In cases where the responsible institution is generally seen as fair and impartial, but lacks capacity, USAID assistance can be effective in bolstering the State's capacity to conduct the range of election administration tasks (e.g. registering parties, conducting voter registration, training and mobilizing poll workers, counting the vote, communicating results, and adjudicating disputes if this is a role for electoral rather than judicial bodies).

- **Election Official, Staff and Poll worker Training.** USAID can train election officials, their staff and poll workers at all levels in management and operations skills that will familiarize them with the electoral law, voting, ballot counting and other procedures, and relay the concepts of civic responsibility and voter rights. These efforts will help to ensure a transparent and democratic process that is less likely to be contested, perhaps violently, by the losing party.
- **Election Security.** If compromised by violence, the basic objective of elections – to replace violent conflict with peaceful competition – is undermined. Approaches to prevent violence from becoming so widespread that it undermines the integrity of the result, either in terms of the ability of a party to compete, of voters to register and vote, or in the count of the vote and determination of the winner, by providing support to local or international groups that define peaceful electoral standards and monitor compliance have been applied in a variety of conflict prone settings. Special attention should be paid to domestic actors responsible for security, which may not be impartial.
- **Expanding Participation to Marginalized Groups and Refugee/Internally Displaced Persons (IDP) Voting.** As certain groups are often left outside of the electoral processes, the legitimacy of these processes can be compromised, which can ultimately exacerbate conflict. In these circumstances, USAID can expand suffrage to marginalized groups -- including women, youth and indigenous -- by helping them to gain access to the political and electoral processes, providing information, and helping to deepen the participation of target groups. This activity is especially important in the case of refugee and/or IDP voting. If refugees and/or IDPs are enfranchised, then the incentive for those competing for power to use expulsion as a political tool is significantly reduced. USAID has accumulated significant experience expanding political participation to marginalized groups, but is only beginning to address refugee/IDP enfranchisement.
- **Non-Violence Training.** The principles and techniques of non-violence can counterbalance or dampen the tendency toward violence during elections, especially party leaders, police, and volatile organizations. There is no mechanism at present for these activities, however, grants to organizations with non-violence training experience, such as The Martin Luther King Center, have been used by selected Missions.

## **MONITORING**

**Assuring that elections are held according to established rules and actors live up to commitments toward peaceful elections.**

- **International Observation Delegations.** Having 'outsiders' present to monitor the election period can help to coalesce regional and international organizations and governments around

the objective of resolving a given conflict via free and fair elections and potentially deter fraud and violence. USAID electoral observation is the method by which the efficiency, transparency, professionalism, and integrity of campaigns are judged. USAID has significant experience implementing international observation delegations.

- **Domestic Electoral Oversight.** Enabling domestic actors to oversee the electoral process helps to deter fraud, provide information, and make the process more effective at resolving conflict. If an indigenous monitoring effort exists, USAID partners have provided support in a number of ways. Providing political party poll watchers with training on how to oversee voter registration, polling, and the vote count helps give parties first-hand information on the freeness and fairness of these processes, and the presence of poll watchers from multiple parties makes it less likely that competition will be compromised.
- **Voter Education.** In countries where violence is anticipated around an election, voter education programs often highlight the importance of peaceful participation and non-violence. If local institutions do not have the time, resources, or expertise to undertake voter education, USAID's institutional partners and on-site technical experts may provide this support. This involves the design of the voter education campaign, all production aspects, and even covering broadcasting or distribution costs. Often, an institutional partner will prepare a voter education program working with an election commission and training of trainers. USAID has significant experience implementing voter education programs in various regions.
- **Establish Safe Havens.** When elections are taking place in a situation where intimidation, fear and violence are pervasive, USAID can be helpful in providing a safe haven to lawyers, journalists, human rights activists, political candidates and others who are being attacked. Although we have limited experience, safe haven activities have been proposed to provide assistance to national and local networks, such as churches and other selected organizations, capable of providing refuge and basic needs to victims of political violence. In other cases, Missions have considered supporting local NGOs already involved in providing safe havens.

## **ADJUDICATION**

### **Unbiased, equitable response to complaints.**

- **Election Mediation.** If the losing party or individual is likely to resort to violence, election mediation can be key to facilitating a peaceful transfer of power. USAID can conduct activities aimed at persuading losing contenders to peacefully accept the results of the election or dialogue and negotiate with contenders in the pre-election period.
- **Legal Representation.** USAID has identified the need to provide legal representation for domestic monitoring groups, political parties deemed ineligible to compete and journalists (among others) to help uphold the integrity of the electoral process. If certain groups are unable to obtain legal representation, the ability of the elections to resolve or mitigate conflict may be undermined.

## ANNEX 2

### UNOFFICIAL NOTES

**Democracy, Good Governance, and Elections:  
Roles for Parties, Government & Civil Society**  
*A Thought-Leaders Forum*

**Yak & Yeti Hotel, 11 November 2003**

Major topics/time	Process	NOTES Content/Output
<p><b>Welcome</b> 2 pm</p> <p><b>DISCOVERY Interviews</b> 2:15-2:45</p> <p><b>Introduction of Participants</b> 2:45-3 pm</p>	<p>Purpose of Forum and Anticipated Outcomes; Role of USAID in Democracy, Governance, Electoral, and Party Reform</p> <p>Reflections on Field Conversations</p> <p><b>DISCOVERIES</b> Pair-wise Interviews among Participants</p> <ul style="list-style-type: none"> <li>• During the past 13 yrs. what has been your most positive personal experience relating to elections, political parties, and/or peace-building? During the past year?</li> <li>• What is your vision for elections and the parties and how they will contribute to peace and democracy and to good governance in the post-conflict period? (2020/2080)</li> <li>• What do you see as your most</li> </ul>	<p><b>Discovery/Selected stories of personal experiences</b></p> <ul style="list-style-type: none"> <li>■ Elections have been held; electoral process has been strengthened; systems in place</li> <li>■ Women climbing the hill in my village to vote: “If I don’t vote, we can’t have water or electricity in our village.”</li> <li>■ Active local, grass-root NGOs engaged in promoting civil society</li> <li>■ ImagiNepal Initiative for peacebuilding started</li> <li>■ National and District civil society organizations functioning and monitoring abuses and promoting transparency, good governance</li> <li>■ Peace Process --- initiated, functioned, can function again</li> <li>■ Youth taking active positive roles in their communities, particularly at grass roots level;</li> <li>■ Youth training programs in place, going on</li> <li>■ Elections in Indonesia have replace 33 yrs. dictatorship</li> <li>■ Channel Nepal carrying positive stories from the democracy era</li> <li>■ Hotels built against negative opinions of many, and now making profit, in spite of the crisis</li> <li>■ Women’s Commission has visited/held forums in 69 Districts in spite of crisis</li> </ul> <hr/> <p style="text-align: center;"><b>GROUP REPORTS &amp; COMMITMENTS</b></p> <p><b>Shiva Shakti Group – Men and Women</b></p> <p><b>Dreams</b></p> <ul style="list-style-type: none"> <li>■ Peaceful Nepal/Peace dove</li> <li>■ Exemplary Democratic Institutions</li> <li>■ Elections</li> <li>■ Representative Electoral System—to incorporate all heterogeneous groups, gender; mix Proportional Representation and Direct Representation</li> <li>■ Representation, participation, inclusion</li> <li>■ Diversity/representation/inclusion</li> <li>■ Electronic voting machines</li> <li>■ No corruption</li> <li>■ Equality of men and women</li> <li>■ Equity – enfranchised – empowered – equality</li> <li>■ Schools for all with voter education</li> <li>■ Justice</li> </ul>

Major topics/time	Process	NOTES Content/Output
<p><b>DREAM Vision for 2020/2080</b> 3:00-3:15</p> <p>Tea, Coffee, Snacks</p> <p><b>DESIGN</b> 3:15-3:45</p> <p><b>DELIVERY</b> 3:45-4 pm</p>	<p>positive contribution to achieving this vision?</p> <p>Participant introduce each other and share highlights of their stories and visions</p> <p><b>DREAMS</b> Wall of Dreams Sharing of visions for peace and democracy in the post-conflict period—including the Electoral Process and Role of Political Parties</p> <p><b>DESIGN</b> Creating an Action Plan to move toward achievement of our common vision (Include roles for women and marginalized groups)</p> <p><b>DELIVERY</b> Group and personal commitments for getting started this year, this week, this month</p>	<p><b>Design</b></p> <ul style="list-style-type: none"> <li>■ Increase Government               <ul style="list-style-type: none"> <li>○ Supply side to meet demand side through improvement of strategic direction; management schemes, &amp; organizational culture</li> </ul> </li> <li>■ Rule of Law/Independent Judiciary/corruption-free</li> <li>■ Political party reform               <ul style="list-style-type: none"> <li>○ Democratic culture within parties – democratize parties</li> <li>○ Inclusive/diverse selection of candidates</li> <li>○ Financial transparency</li> </ul> </li> <li>■ Civil education to build democratic values; voter education</li> </ul> <p><b>Delivery</b> Fatiq/Rohit: Policy dialogues with gvt/parties/ Arzu/Rohit: Civic education Bishnu: Advocacy for influencing govt./parties Ron/USAID: Solidarity for democracy All: Responsible to people of Nepal-support</p> <hr/> <p><b>Dialogue Group</b></p> <p><b>Dreams</b></p> <ul style="list-style-type: none"> <li>■ Good governance, accountable parties, representative government</li> <li>■ Free, fair, peaceful elections</li> <li>■ Dialogue among all parties incl. King, parties, Maoists, all sectors of society</li> <li>■ Peace and prosperity</li> <li>■ Bringing rebels into the process</li> <li>■ Security</li> </ul> <p><b>Design</b></p> <ul style="list-style-type: none"> <li>■ All parties should mediate for unified common agenda</li> <li>■ Conduct round table all party peace dialogue at Lumbini</li> <li>■ Neutral/third party mediator – UN and/or Carter Center</li> <li>■ Pressure for consensus building</li> <li>■ Build up power of positive thinking -- campaign/movement</li> </ul> <p><b>Delivery</b> Hem: Organize meeting of our team in my NGO federation; ImagiNepal to build a solidarity, create pressure for putting down the guns by Durga—tonite I will write an article to meet at Lumbini Karna—Power of Positive Thinking campaign—Channel Nepal, to reverse the crisis of conscience—tonite 7 pm – building consensus for democracy—don’t find the fault, find the remedy Bishnu—informed decisions for positive initiatives around Nepal April—support USAID Nepal Dev Raj—Nov. 30 major party dialogue</p> <p><b>Voters’ Empowerment Group</b></p> <p><b>Dreams</b></p> <ul style="list-style-type: none"> <li>■ Smiling Voters,</li> <li>■ Balloting widespread, free and fair</li> <li>■ Peaceful interaction – place for interaction</li> </ul>

Major topics/time	Process	NOTES Content/Output
<p><b>POLICY DIALOGUE</b> 4-4:45 pm</p>	<p><b>POLICY DIALOGUE</b> What are the appropriate roles that USAID can play in the achievement of these visions and action plans?</p>	<ul style="list-style-type: none"> <li>■ Men and women together</li> <li>■ Representative electoral system</li> <li>■ Political Parties are neutral</li> <li>■ Every ethnic group/gender proportionally represented</li> <li>■ Voter education for all</li> </ul> <p><b>Design</b></p> <ul style="list-style-type: none"> <li>■ Power of two...cascading interviews.. 2 x 2</li> <li>■ All districts, all ethnic groups, all Nepalis</li> <li>■ Three questions:               <ul style="list-style-type: none"> <li>○ Your vision, your dream?</li> <li>○ How to reach this vision?</li> <li>○ What is your contribution/commitment to do that?</li> </ul> </li> <li>■ Interview</li> <li>■ Analyze</li> <li>■ Mega workshop—representing all</li> <li>■ National Document</li> <li>■ Incorporate in 11<sup>th</sup> National Development Plan</li> </ul> <p><b>Delivery</b></p> <ul style="list-style-type: none"> <li>■ Ganapati—develop interview protocol</li> <li>■ INSEC—Mega Workshop</li> <li>■ Purus—81% for free, fair, impartial elections; opinions from all, including women, small Maoists,</li> <li>■ Peter—remind all my colleagues of their commitments; work with them to make most thoughtful intervention we can in context of complexities; in spite of that, continue to listen, make adjustments</li> <li>■ Increase women’s roles</li> </ul> <hr/> <p><b>‘Policy Dialogue’ – Concluding Discussion &amp; Role for USAID</b></p> <ul style="list-style-type: none"> <li>■ “All Nepali Men and Women”</li> <li>■ Mediation program with TAF.... Doing excellent work—practical, building civil society groups for complementing the legal system... getting to the 81%</li> <li>■ Inclusive election system; 60% voting; 45% below poverty level; need literacy and incomes as foundation for democracy;</li> <li>■ Election Commission: Voters education; electoral reforms, resources required; studies, research on voting pattern;</li> <li>■ Democratizing the democracy</li> <li>■ Disadvantaged groups and women have increased their participation; leadership development among these groups</li> <li>■ Advocacy and local governance accountability project TAF</li> <li>■ But...when you admire a project it is discontinued....</li> <li>■ Create an alliance/network of partners</li> <li>■ Access to knowledge about democracy around Asia, around Nepal; in Nepali way, in Nepali language</li> <li>■ USAID has a role to work with the parties; some leaders are out of touch with reality; building new leadership; people are looking for alternatives and this includes violence; helping parties to represent the people</li> <li>■ Look toward the positive, toward what’s working; not just the</li> </ul>

Major topics/time	Process	NOTES Content/Output
<p><b>“A” Valuation</b> 4:45-4:55 pm</p>	<p><b>‘A’ VALUATION</b> Assessment of session, methods, outcomes The best and even better</p>	<p>problems; finding the positive, effective, honorable people who are doing great things for their communities</p> <ul style="list-style-type: none"> <li>■ Healing process for war widows, war babies, disabled, displaced people from the violence – training for non-traditional work like driving for women</li> <li>■ Civic education at all levels               <ul style="list-style-type: none"> <li>○ with USAID and NDI</li> <li>○ mobilizing and educating people</li> <li>○ not just to schools but the illiterate, too;</li> <li>○ the business community;</li> </ul> </li> <li>■ Political process; politics as ‘a good thing’</li> <li>■ Poverty Alleviation/ economic empowerment</li> <li>■ Positive thinking and positive action</li> <li>■ Knowledge management</li> <li>■ Civil society</li> <li>■ Building on strengths of stakeholders, positive attributes</li> <li>■ Coordination and sharing among sectors/agencies/interests</li> <li>■ Networking, sharing...</li> <li>■ Appreciation and finding value in what works</li> <li>■ Reaching the 81% usually left out</li> </ul> <hr/> <p><b>“A” Valuation</b> <i>The best of today’s forum</i></p> <ul style="list-style-type: none"> <li>• Visions of all participants</li> <li>• Time management – starting &amp; finishing on time</li> <li>• Solutions found, not just problems</li> <li>• Dalits and the absent 81% received focus</li> <li>• Focused on what works, not what is wrong</li> <li>• Positive</li> <li>• Coherence</li> <li>• Energy</li> <li>• ‘Good to see you’</li> </ul> <p><i>Even Better – for future policy dialogues</i></p> <ul style="list-style-type: none"> <li>• More on Dalits</li> <li>• Hearing aid for facilitator</li> <li>• Continue the dialogue</li> <li>• USAID listens and acts</li> <li>• Replicate these dialogues for the 81% at grass roots</li> <li>• Replicate with the political parties</li> <li>• Continue the discussion</li> <li>• Balancing time, events, resources</li> <li>• Make the “Lumbini” plan happen</li> <li>• TV—using the positive approach               <ul style="list-style-type: none"> <li>○ USAID role/support/logistics</li> <li>○ Nationwide</li> <li>○ Bring Dipak Chopra</li> </ul> </li> </ul> <p>Closing remarks and thanks by Peter Kresge, USAID</p>
<p><b>CLOSING</b></p>	<p><b>CLOSING</b></p>	

<b>Major topics/time</b>	<b>Process</b>	<b>NOTES Content/Output</b>
5 pm	Consensus, Conclusions, Closing Remarks, and Thanks to Participants	Participant thanks and acknowledgement for workshop and positive proposals and commitments that have come out
Reception	Tea, coffee, snacks	

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**ANNEX 4**  
**LIST OF PERSONS CONTACTED**  
**INTERVIEWS AND FOCUS GROUP MEETINGS**  
**28 OCTOBER 2003 – 15 NOVEMBER 2003**

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**USAID**

Donald B. Clark, Director  
Peter Kresge, Director, General Development Office  
Ronald Glass, Democracy and Governance Advisor  
Bishnu Prasad Adhikari, Democracy and Governance Advisor  
Sharada Janawali, Aid Development Program Specialist  
Naren Channugam, Economic Growth Officer  
Jaidev Sing, Office of Conflict Management/Washington  
Shally Prasad, Democracy and Governance Advisor/Washington  
Linda Kentro, Special Projects Office  
Philip Brandt, Health and Family Planning  
Ann Peniston, Health Office  
Tony Carvalho, Team Leader, SO4  
Alicia Dinerstein, Director, Special Projects Office  
Joel Isaacson, Deputy Director, Special Projects Office

**American Embassy**

Michael Malinowski, Ambassador  
Robert Boggs, Deputy Chief of Mission  
Patricia Mahoney, First Secretary, Political/Economic Section  
James Oxley, Defense Attaché

**Kathmandu Meetings**

**Election Commission**

Dev Raj Regmi, Secretary  
Neel Katha Uprety, Advisor , Danida Project

**National Democratic Institute**

Tara D. McGuinness, Resident Representative  
Ram Guragain, Senior Program Officer

**United Marxist/Leninist Party**

Jhala Nath Khanal, Chief, Dept. for International Relations, Standing Committee Mbr.

**Nepali Congress Party**

Basant Kumar Gautam, Chief Secretary  
Shobhakar Parajuli, Secretary

**Nepal Sadbhawana Party (NSP-Anandi Devi)**

Hridayaesh Tripathi, General Secretary

Ms. Sarita Giri, Co-ordinator, Foreign Affairs Committee, National Executive Committee

**Rastriya Prajatantra Party (RPP)**

Dhruba Bahadur Pradhan, Secretary General (ex-Police Chief) Central Committee Mbr.

Roshan Karki, Central Working Committee Member, Women's affairs/empowerment)

**Informal Sector Service Center (INSEC)**

Subodh Raj Pyakurel, Chairperson

**Pro Public**

**Forum for Protection of Public Interest**

Dr. Shree Krishna Shrestha, President/Chairman

Kedar Khadka, Treasurer; Director, Good Governance Project

Bharat M. Sharma, Coordinator, Board Mbr., Strengthen Advocacy & Local Government

**Field Trip**

**Bhairawa, Rupandehi/Lumbini**

**Focus Group Meeting with local parties and Election Commission**

Ramji Prasad Rauniyar, Nepal Sadbhawana Party/NSP-A

Paras Nath Yadav Nepal Sadbhawana Party/NSP

Ram Chandra Dhakal, Lumbini Engineering College, Nepali Congress Party /NC

Shailendra Kumar Adhikari, NC/Democratic

Lila Giri, United Marxist Leninist Party/UML

Nandi Kesar Dhakal, Civil Society

Chandra Bahadur Shrestha, Rastriya Janamukti Party/National People's Liberation Party

Min Bahadur Pun, Rastriya Janamukti Party

Dilli Raj Belbase, - District Election Officer

Ayodhya Bhandari, District Election Office

**Civil Society Representatives**

Murari Parajuli/NGO Lumbini Youth for Creative Innovations;

Bala Krishna Bhattarai, Bhairawa College, Nepali Literature

Subas Dital, Advocate, Bhairawa

Ajay Kumar Chaudhary, DDC, Poverty Alleviation Program

Shiva Prasad Agrahari, Teachers Union

Bina Paudal, District Women Development Office

Jawana Bhandari, Women Development Office, Supervisor,

**Municipal and District Authorities**

Surendra Bir Singh Basnyat Chief District Judge, Rupandehi

Bhairab Thapa, Major RNA

Hira Raj Regmi, Local Development Officer; DDC, Rupandehi

Bindu Raj Siktel, Exec. Officer, Bhairahawa Municipality

Hridya Bhandari, District Election Officer

Dilli Raj Delbase, District Election Officer

**Bharatpur, Chitwan**

**Political Parties and Local Civil Society Leaders**

Hirambu Kumar, NDI, NGO Coordinating Committee, Chitwan  
Bhuvan Prasad Paudel, Education/Teacher  
Krishna Bhakta Pokhrel, Lawyer, NGO dealing with children's & women's issues  
Tek Bahadur Thapa, Teacher working on improving SLC results  
Badri Timalisina, active in RPP  
Mina Kharel, NGO, Ideal Women's Development Society  
Phanindra Kumar Chaudhauri, Nepal Indigenous Development Society,  
Bharat Prasad Dawadee, NC/Koirala  
Yogendra Paneru, JMC, JawalaMuki Club  
Toya Raj Giri, Nepal Family Health Program  
Sree Hari Sharma, NFHP  
Dambar Puri, People's Forum Nepal  
Bijaya Subedi, UML  
Desh Bhandu Adhiakri: District Election Officer/DEO  
Bishnu Adhikari, USAID  
April Hahn, USAID  
Mac Odell, DAI

**District Administration**

Janardan Sharma Paudel, Chief District Officer/CDO  
Ishwar Prasad Khatiwada, Chief District Judge  
Jagat Bista, District Superintendent of Police  
Bharat Khadka, Inspector, National Intelligence Dept.

**District Election Office**

Desh Bhandu Adhikari, District Election Officer/DEO  
Bishnu Paudel, Election Office  
Rudra Paudel, Election Office

**Biratnagar, Morang District**

**District Administration**

D. B. Gurung, Chief District Officer/CDO: (ex Gorkha; only Gurung CDO)  
P. Thapa, District Superintendent of Police/DSP  
A. K. Thakur, Local Development Officer  
District Election Officer/DEO  
Mahesh Timsina, Chief Election Officer, Morang

**District Court**

**Biratnagar, Morang District**

Thakur Prasad Sharma, Chief District Judge

**Parties and Civil Society Representatives**

**District Election Office**

**Biratnagar, Morang District**

Hari Prasad Pokhrel, CPM/UML; office secretary; UML/Morang  
Udap Chadra Ghimire; RPP; District joint secretary; advocate

Devi Panthi, President, Guardian's Assn/Morang; Lecturer, journalist  
Posh Raj Adhikari, Regional Coordinator, Eastern Regional Office, INSEC  
Moti Man Udas, Sr. Officer, Election Office, Morang  
Uddhab Niraula; Nepal Teachers Association

### **Journalists and Media Representatives**

#### **Biratnagar, Morang District**

Kamal Rimal; Darshan Daily, local journalist, independent  
Pralhad Guragain, Reporter, SpaceTime/Channel 1  
Tanka Khanal: BBC, Rajdani Daily, Nepali News, Journalist, independent  
Sharmanandra Chaudhary, RSS

### **Private Citizens and Observers**

Dr. Keshab Thapaliya, education, literacy, micro-finance specialist  
Dr. Donald Messerschmidt, anthropologist, author, consultant  
Sagar Rana, Nepali Congress Party  
Prajwol Pradhan, Director, SpaceTime Network/Publications  
Suzi Brandt, editor  
Frances Klatzel, environmental and cultural specialist, author, 'Crisis in Governance'  
Dhruba Bhakta Mathema, former Ambassador to Tibet, Peace Corps liaison officer (ret)  
Rudra Mani Khatiwada, Economist, Tribhuvan University  
Brian Peniston, The Mountain Institute  
Lamu Sherpa, Director, Mountain Spirit  
Dr. Ganapati Ojha, Chairman, Capital College  
Chandi Chapagain, Training Coordinator, Plan International  
Ashbin Pudasaini, Capital College  
Rabi Chitrikar, Nepal Participatory Action Network  
Kaldhen Sherpa, Businessman, trekking service operator  
Yuban Malla, Environment and food aid specialist  
Kesar Lall Shrestha, Author, former political analyst, American Embassy  
Mike Frame, Agriculture specialist, restaurateur  
Neil Walton, Program Director, Helvetas  
Anthony Drexler, Regional Manager, Food Aid Program, Land O'Lakes  
Elsie James, Himalayan Ecological Trekking, Ltd.  
Prudence Kajjage, Director of Training, Governance, MS/Denmark  
Monsiapile Kajimbwa, Training and Development Officer, Governance, MS/Denmark  
Pema Karpoche, Director, Master Weaver, Carpet Mfr (bombed by Maoists)  
Kesang Sherpa, Video documentary producer (extorted by Maoists)  
David O'Connor, Peace Corps Director  
Liesl KC, health specialist  
Dr. Durga Pokharel, Chair, National Women's Commission  
Dr. Anthony Willett, agriculture consultant  
Bhagawan Das Shrestha, UNICEF  
Dr. Mahendra Bhattarai, Habitat for Humanity  
Narayan Bhatta, Habitat for Humanity  
Prakash Neupane, Pact/Samjhauta  
Hem Bhandari, Executive Board Mbr., NGO Federation of Nepal; President, Poverty  
Alleviation & Rural Development Program/PARDEP

Dr. Jagadish Lal Baidya, MD, B&B Hospital  
Sharad Neupane, Assistant Resident Representative, UNDP  
Keshab Mathema, Chairman, 'Children First,' and former UNICEF Representative; founding member and first Secretary General of 'South Asians for Human Rights'

**Thought Leaders Forum**

**Yak and Yeti Hotel**

**11 November 2003**

Hem Bhandari, Executive Board Member, NGO Federation of Nepal, PARDEP  
Dr. Durga Pokhrel, Chair, National Women's Commission  
Dev Raj Dahal, Friedrich Ebert Stiftung, Nepal Democracy Project, author, 'Good Governance & Decentralization in Nepal'  
Dr. Rohit Napali, Director, South Asian Partnership/SAP/Nepal  
Dr. Ganapati Ojha, Chairman, Capital College  
Dr. Arju Deuba, President, SAATHI/Nepal  
Bishnu Pratap Shah, Former chief Commissioner, Election Commission  
Purusottam Sapkota, former spokesperson, Election Commission  
Subodh Raj Pyakurel, Chairperson, Informal Service Center/INSEC  
Peter Kresge, Director, General Development Office, USAID  
Ronald Glass, Democracy and Governance Advisor, USAID  
Shally Prasad, Democracy and Governance Advisor/Washington  
April Hahn, Democracy and Governance Advisor/Washington  
Bishnu Prasad Adhikari, Democracy and Governance Advisor  
Dr. Malcolm J. Odell, Jr., Technical Advisor, APA Facilitator

Persons interviewed		68	individuals
Focus groups/Forum participants			
	District	7	49 participants
	National	1	13 participants
	Total	8	130 individuals