

# USAID/OTI Nepal Field Report

Oct - Dec 2006

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## Program Description

The USAID Office of Transition Initiatives (OTI) program in Nepal is designed to help advance Nepal's transition to peace and democracy. The objectives of the USAID/OTI Nepal program are:

- 1 To increase access to information and diversify public debate on issues critical to the peace process and democratic norms; and,
- 2 To increase engagement among government, civil society, and communities to support government responsiveness to its diverse constituents.

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

The implementing partner for USAID/OTI Nepal is Chemonics International, Inc., selected through a competitive bidding process. The program will consist of a series of small grant and short-term technical assistance activities to help support Nepal's transition process.

## Country Situation

**Signing of the Comprehensive Peace Agreement (CPA) and Arms Management** - After a stall in progress during the Summit Talks in the month of October, November brought some rapid advancements in the peace process.

On November 21, the Government of Nepal, comprised of the Seven Party Alliance (SPA), and the Communist Party of Nepal-Maoist (CPN-M) signed a historic Comprehensive Peace Agreement (CPA), bringing an end to 11 years of armed insurgency. The agreement established a timeline for the cantonment of Maoist combatants, promulgation of the interim constitution, formation of the interim parliament and cabinet, and June 2007 constituent assembly elections. Although both sides signed the agreement, the implementation and adherence to the CPA is proving to be a significant challenge.

On November 28, a tripartite deal on arms management was signed between the UN, the Government of Nepal (GON), and CPN-M, finalizing the modalities on arms management for both the People's Liberation Army (PLA) and Nepali Army (NA).

**Interim constitution and parliament delayed** - In spite of rapid political progress in November, further advancements and consolidation of the peace agreement have since slowed, although the SPA and the Maoists remain actively engaged in a negotiation process. The cantonment of Maoist combatants has not been completed, the interim constitution has been finalized but not adopted, nor has an interim parliament been put in place with subsequent formation of the interim cabinet. The delays are due to many factors, including the vague terms of the CPA and the arms management agreement, the slow deployment of UN monitors, continued disagreement over the future of the monarchy, and general political jockeying and posturing by all parties. The Prime Minister has stated that the interim constitution would only be promulgated after there is progress in implementing the arms management agreement, a decision to which the Maoists strongly object.

**Maoist excesses continue unabated** - While the signing of the CPA and arms management deal has brought much optimism to the country, by the end of the quarter reports indicate that Maoists continued to extort and harass the general population in different parts of the country, to maintain parallel government structures at the local level, and to mount recruitment drives including children under the age of 18 years. Reports of Maoist recruitment activities persisted past the cantonment deadline and are seen as an effort to bolster their numbers prior to any substantive arms management regime. At the writing of this report, Maoists were actively resisting the reestablishment of police posts and the return of local government functionaries to their villages, in some cases taking over police stations just

days after the return of personnel. In protest of the government's appointment of several ambassadorial posts, the Maoists also staged an unannounced bandh (strike) in the Kathmandu Valley on December 19, shutting down the entire city and engaging in several violent acts against citizens. These actions are in flagrant contradiction to agreements made through the CPA.

## **OTI Highlights**

### **A. Narrative Summary**

After finalizing the start-up of program activities, the level of activity development and implementation increased substantially during the reporting period. OTI signed nine new grants for \$284,942.

The program laid a media and strategic communications foundation through a variety of activities. This foundation will prove essential over the life of the program, not only as activities in and of themselves but also as conduits by which OTI can leverage the impact of other types of programming activities whether community based or on a national level. This initial exposure to media organizations and groups will allow OTI to quickly access a mechanism for rapid information dissemination or media campaigns in support of the peace process and the ongoing transition.

OTI continued to engage with government entities by funding activities and establishing relationships for future collaboration. Support continued to the National Monitoring Committee on the Code of Conduct for the Ceasefire (NMCC) until its dissolution in late November. Additional activities in support of the Peace Secretariat and Election Commission were launched.

During this reporting period, three assessment trips were conducted outside of Kathmandu including Kathmandu Valley, Morang district in the East, and Kailali in the Far West. The main purpose of these trips was three-fold. The first objective was to understand the varying impacts of the conflict on different geographic areas and the varying needs of different districts during the transition period. In the Far West, the conflict was more severe and longer in duration; the East, which is more developed and more recently experienced conflict; and Kathmandu Valley, an area now considered at-risk due to infiltration of Maoists after Janandolan II, the people's movement of April 2006 that began the current transition process. The second objective was to identify potential projects for quick implementation. The third objective was to ascertain the possibility of piloting activities outside of Kathmandu based upon the availability of viable partners, local needs, and the potential operational constraints to implementation. Concepts have already been received from these areas and are under consideration. To date, OTI is in the process of evaluating approximately ten concepts for potential activity implementation.

### **B. Grants Activity Summary**

In the last reporting period, OTI was the only donor supporting the National Monitoring Committee on the Code of Conduct for the Ceasefire (NMCC), and this support continued during the current reporting period. OTI provided essential equipment for the NMCC's seven monitoring teams, helped the NMCC to increase public awareness of the ceasefire agreement, and translated key ceasefire monitoring reports into English. OTI distributed over 45,000 booklets containing information on various agreements between the SPA and CPN-M, including the Code of Conduct for the Ceasefire and the process for reporting ceasefire violations. Additionally, 210,000 brochures, consolidating information from the booklets, were distributed for general public use. Both distributions covered all 75 districts in Nepal. Even though the NMCC was officially dissolved on November 27, 2006 the activities with the NMCC provided quick and responsive support to the only monitoring body in the peace process to date.

OTI signed six grants for \$188,727 that brought a wave of positive infusion into the ongoing media dialogue in Nepal. OTI identified early in the program that there is a need in Nepal to increase media and strategic communication activities that not only speak to the ongoing political process and transition, but also include local-level voices in the national dialogue. One of the goals of the media activities is to provide mechanisms to support a two-way dialogue between Kathmandu and the rural areas. To meet this goal, two activities were signed in this quarter to support a national, live talk show with toll-free call-in capabilities and a mobile radio program to reach areas isolated from the political processes in Kathmandu. Two training activities, one on the training of talk show moderators and one on the training of journalists in the reporting of local peace-building initiatives will also support the first two activities.

The need to expand the nationwide radio network and diversify radio programming on Nepal's peace process and transition is being addressed through an activity coordinated with the Open Society Institute (OSI). The activity will support the reach of a radio network via satellite through the provision of satellite uplink equipment. OSI will provide

the long-term funding to support 32 FM stations across the country that are linked via this satellite equipment. An additional radio channel will be established for use by eight production houses representing all levels of society including marginalized groups. These production houses will have free access to the additional channel for a period of two years.

Media activities also include targeted public service announcements (PSAs) that educate the public about the terms of the CPA. Under point 7.6.1 of the CPA, both parties agreed not to include children below the age of 18 in any form of military force. However, there have been ongoing recruitment drives prior to the cantonment of the PLA, including the recruitment of children under 18 years of age. In response to these recruitment drives, OTI signed a quick response activity to support the broadcasting of 300 PSAs, developed by a U.N.-led, interagency working group, over the course of a month on 25 FM radio stations to raise awareness around the issues of child recruitment.

Finally, as Constituent Assembly elections are tentatively planned for mid-June 2007, OTI identified a critical weakness in the computer systems of the Election Commission (EC). The purchase of new equipment to replace an outdated system will favorably impact the EC's ability to prepare the electoral roll and avoid a potential delay in these crucial elections. OTI is actively engaged with the Election Commission to furnish computer servers and operational system software to fill a critical gap in their technical capacity to ensure a robust system for the electoral database. The new equipment will enable faster electoral roll preparation and increased capacity to handle a large volume of data during a critical period in the transition process, greatly increasing the confidence of all parties in the electoral preparations.

#### Grant Approval Summary

Nepal Office	New Grants in October		New Grants in November		New Grants in December		New Grants This Quarter	
	Grants	Amount (\$)	Grants	Amount (\$)	Grants	Amount (\$)	Grants	Amount (\$)
Kathmandu	1	4,000	4	188,215	4	92,727	9	284,942
<b>Total</b>	<b>1</b>	<b>4,000</b>	<b>4</b>	<b>188,215</b>	<b>4</b>	<b>92,727</b>	<b>9</b>	<b>284,942</b>

### **C. Indicators of Success**

#### Speed

Within one week after being requested to provide additional assistance for a national-level dialogue on achieving sustainable peace to Samjhauta Nepal, a local NGO working on peacebuilding, an activity was developed and cleared. The activities for this grant were finished on November 29th.

#### Re-targeting/Flexibility

During a December strategy visioning session and per the weekly political analysis meetings, OTI is moving towards laying a foundation by which program activities can be more flexible and by which the program team can more quickly identify and address emerging windows of opportunity as the transition process unfolds.

#### Resource Leveraging

The PSA campaign against the recruitment of children under the age of 18 years supports an interagency working group on Children Associated with Armed Forces and Armed Groups (CAAFAG). In response to this proliferation of recruitment drives, OTI signed a quick response activity to support the broadcasting of PSAs that raises awareness around the issues of children recruitment.

OSI will co-fund a major media grant with the Nepal program for approximately \$380,000.

#### Policy Leveraging

OTI staff developed a detailed political analysis and ground truthing of the NMCC's second monitoring report that was subsequently presented and utilized by the U.S. Embassy.

## Next Steps/Immediate Priorities

### Emergent issues

- Lack of formal monitoring mechanism for compliance to CPA and arms management agreements.
- Lack of information on the implementation of the CPA and arms management across the country.
- Rapidly changing and fluid political environment where windows of opportunity can emerge quickly.
- Uncertainty about the political will of main actors and how to target activities that affect change.

### In the next quarter, USAID/OTI Nepal will

- Increase the level of program activities and expedite activity approval and implementation.
- Identify key change agents and implementing partners.
- Utilize political analysis to identify critical gaps in the transition process in order to target potential activities.
- Pilot several activities outside of Kathmandu and Kathmandu Valley especially regarding effective information dissemination among marginalized groups.