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NEPAL TRANSITION INITIATIVE

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PROGRAM DESCRIPTION

In August 2006, USAID's Office of Transition Initiatives (OTI) inaugurated a program to support a peaceful, democratic transition in Nepal. The objectives of the USAID/OTI program in Nepal are to:

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

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

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

COUNTRY SITUATION

Maoists inducted in the government – On April 1, 2007, a new government was sworn in with the participation of Maoists. Girija Prasad Koirala was sworn in as the Prime Minister for the sixth time. The cabinet was reshuffled with the Maoists receiving five cabinet posts including Ministry of Information and Communications, Physical Planning, Rural Development, Women and Children Welfare, and Forestry Communications. Minister Mahara was appointed as the government spokesperson. The new government announced the election date for June 20, 2007. However, on April 13, the Chief Election Commissioner stated publicly that it was technically unfeasible to hold elections on the proposed date. Following months of political deadlock, November 22, 2007, was announced as the new election date.

Consolidation of peace process – During the reporting period, despite continued disruption of the parliament, the interim legislature passed a second amendment to the interim constitution that included provisions for removing the monarchy and the prime minister with a two-thirds majority and several key electoral laws necessary for the constituent assembly elections. One law opted for a mixed ballot system with two components; first-past-the-post and proportional representation. However, minority groups such as Nepal Federation of Indigenous Nationalities (NEFIN) and Madhesi People's Rights Forum (MPRF) have opposed the system demanding instead a fully proportional system. Similarly, MPRF has rejected the government's proposed delimitation of constituencies and the government is reviewing the recommendations made. Furthermore, on April 12, the first phase of the arms management process was completed. The second phase of this process, verification of the more than 30,000 combatants, began on June 19 with the first sites in Ilam being completed at the writing of this report. It is estimated that a large proportion of combatants (9,000 to 13,000) are minors.

Law and order situation continues to worsen – The central and eastern Terai have seen a continued deterioration of the peace and security situation. Several armed groups, including splinter groups from the Maoists, have increased their activities. On June 1, the Home Ministry reported that at least nine political armed groups were operating in the Terai. An increased number of politically motivated murders, abductions, and threats have been reported in the region. Strikes called by various groups have crippled everyday life. The delivery of basic services has come to a standstill and many of the Pahadi government employees have fled the region. The situation has brought into question the viability of the elections and the Home Ministry has vowed to take stern action to improve the situation.

Maoist Atrocities Continues - The reporting period has seen an increase in violations of the CPA by the Maoists. The Young Communist League, the youth wing of the Maoists, has been engaged in various extra-judiciary acts including extortions, abductions, and killings. However, several groups have also retaliated against the YCL killing some of its cadres in the Terai. On June 26, UNMIN submitted a memo to Maoist leader Prachanda expressing grave concern over YCL activities. Major political parties and the Prime Minister have spoken out openly against YCL activities.

OTI HIGHLIGHTS

A. Narrative Summary

Over the last three months, a total of 21 activities were cleared for a total of \$733,869 with an average grant value of approximately \$ 35,000. The activities are focused around key political transition agreements and processes (46%), social inclusion (20%), community stabilization (17%), media strengthening (12%), and elections (5%). Over the duration of the program, a total of 58 activities for a total of \$ 2,123,671 have been committed. Three activities for a total of \$197,756 were pending at the writing of this report and will be cleared in the first week of the next quarter.

Following the unrest in the Terai and growing ethnic tensions and expressions of frustration by minority groups, USAID/OTI has focused on issues of social inclusion and communal harmony. Activities include dalit rights, Terai specific awareness campaigns on the CPA, identifying Madhesi issues, model parliaments in the Terai, and soliciting views at a grassroots level to link to the national level. A media monitoring workshop on the role of the media during three critical incidents in the Terai was successfully conducted and the report will be publicly released in the next quarter.

Awareness on the CPA and monitoring of its violations has been a priority for USAID/OTI. Several activities have aimed to reach the grassroots level with information on the CPA. An additional 55,000 copies of the CPA have been distributed. Following the success of the awareness campaigns in the Far-West and rural areas of Lalitpur district adjoining Kathmandu, similar activities will be conducted in more regions, including the Terai. Monitoring of the CPA has been conducted by environmental journalists as well as gender specialists. A new activity will monitor the CPA in all five development regions targeting five of the key districts while supporting a response team to deploy to crisis areas. Several activities have also targeted youth as key actors. The activities since May have particularly focused on mobilizing and educating the youth of the country. Activities included a weekly youth TV talk show and workshops and dialogues targeting youth.

Media has remained a top priority for the program with several activities conducted to facilitate the reach of media in remote areas. A mobile “doko” or radio program has taken radio to radio blind areas. Based on feedback received support will be provided to a permanent station in Humla, one of the most remote districts in Nepal. The program’s television show on transitional issues through comedy has proven to be one of the most popular shows ever in Nepal. A nation-wide photo exhibition on the human cost of the insurgency was a spectacular success with more than 100,000 people attending at nine program sites throughout the country.

Additionally, as the unrest and violence in the Terai threaten to destabilize the peace process, OTI determined over the quarter, that there was a need for a field office based in this key region. The Itahari field office, located in the Sunsari district, will officially open in July with almost all of the recruitment finalized at the writing of this report.

B. Grants Activity Summary

Since unrest began in the Terai, OTI has responded in a fast and flexible manner to address inclusion issues. OTI adjusted one of the programs on CA to address the changing context in the Terai by incorporating themes focused on ethnic issues. Dialogues organized by the Nepal Press Institute (NPI) were also aligned to address inclusion issues. OTI has shifted its focus in particular to the Terai, a critical area where the deteriorating law and order situation threatens to derail the peace process. An activity that will organize a model parliament in three critical districts in the Terai has been cleared. Similarly, activities that will educate Madhesi youth on peaceful ways to resolve conflict has also been approved. Dialogues were held in Madhesi civil society to identify Madhesi issues conducted by SUPPORT Nepal in major cities in 15 key districts. The national conference on findings will be held the first week of the next quarter. Programs aimed at fostering communal harmony have also been launched. In the far west, dialogues to solicit indigenous voices then link them to the national level are being conducted. A fact-finding mission on the role of media during three critical incidents in the Terai has also been completed. Apart from Madhesi inclusion issues, activities have been conducted with dalit organizations to promote inclusiveness in the Constituent Assembly.

USAID/OTI has continued its focus on disseminating information on key political agreements and processes. Due to growing demand from grantees an additional 55,000 copies of the Comprehensive Peace Accord (CPA) were produced, of which 38,000 have already been disseminated. Activities conducted by RICOD in Lalitpur, and NNDSWO in the far-west have had a significant impact in empowering local people. For example, instances have been recorded where violations of the CPA were averted due to the booklet. Forest user groups have also been effectively mobilized for awareness-raising campaigns on the CPA. Monitoring the CPA has also been a priority of the OTI program. Nepal Federation of Environmental Journalist (NEFEJ) monitored areas around cantonment sites and IHRICON conducted a gender-based monitoring in two cantonments. Similarly, Population Watch is scheduled to conduct monitoring of the CPA in 5 VDCs and one municipality of each of the five development regions.

Another way USAID/OTI has facilitated key political processes has been by strengthening the capacity of government institutions. OTI has supported various organizations including the Election Commission, Nepal Law Commission (NLC), and National Human Rights Commission (NHRC). A group of constitutional lawyers have also been funded to organize workshops on constitutional issues in the lead up to the CA elections. Similarly, a tour of New York City to visit the UN and ICTJ, and Peru to see the impact of Truth and Reconciliation after a Maoist conflict was also organized where senior political leaders visited the country to evaluate the impact of the insurgency.

A television show aimed at addressing key transitional issues as they arise has proven to be a spectacular success. The show, titled “Madan Bahadur / Hari Bahadur” has been appreciated by the public for its message on reintegration of IDPs, proliferation of ethnic interest groups, CA elections, and other issues. Another television show aimed to engage youth in the peace process has also been launched in which panelists discuss youth-specific topics related to the transitional phase. Similarly, the live call-in radio show conducted by Antenna Foundations continues to address critical issues and has proven to be a useful medium through which to provide a platform to leverage resources and disseminate information on other activities funded by OTI.

OTI has continued to contribute to media strengthening as one of the key elements of its programming. A mobile “doko” radio program has taken radio to radio blind areas. The activity has received an overwhelmingly positive response and the mechanism has proven to be useful in disseminating information on key political agreements and processes. Seeing the success, OTI has also committed funds to establishing a permanent radio station in Humla, a remote radio-blind district; an area where Maoists

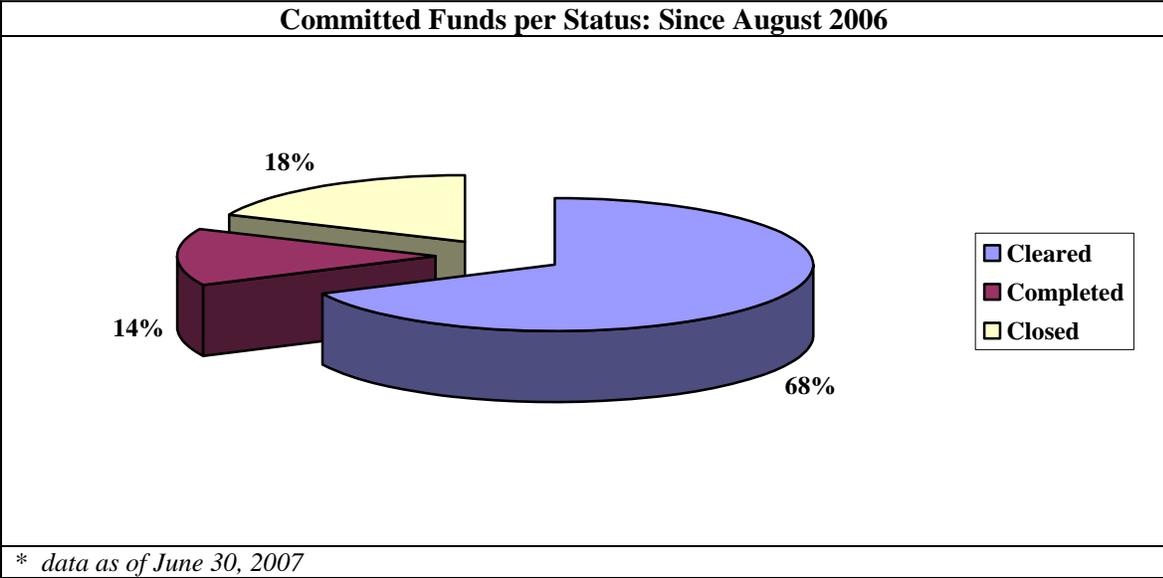
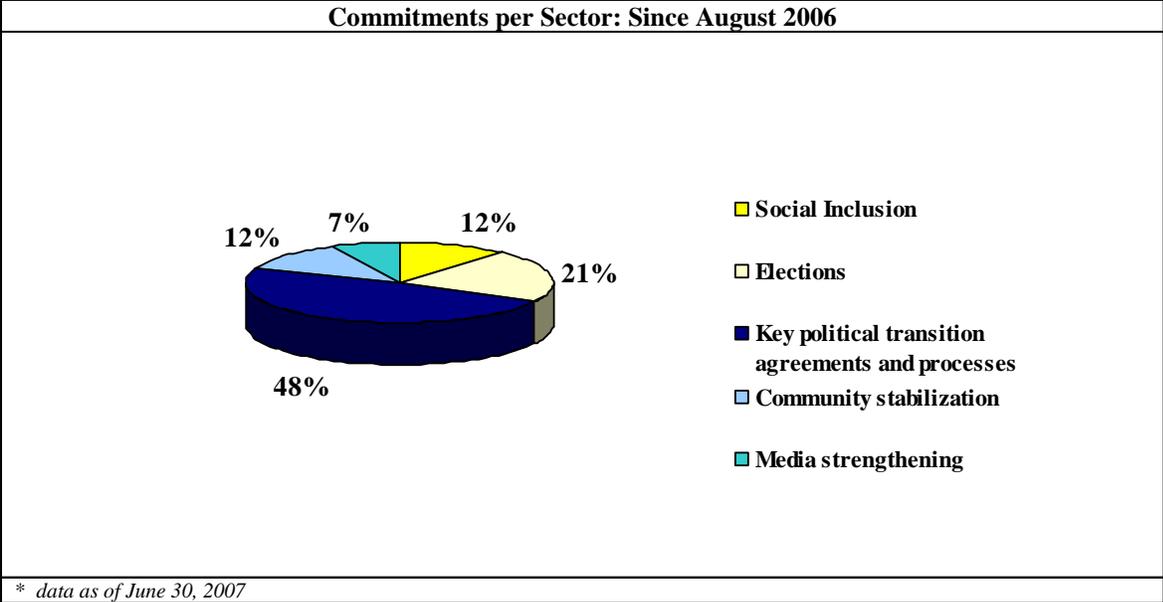
have recently been accused of killing an NC-D party representative. Similarly, assistance has been provided to Communications Corner to improve the technological capacity of 23 local FM stations and link them to the communication network that was previously supported by OTI assistance.

CA election has been another priority for USAID/OTI. Apart from assisting the Election Commission (EC) in the past, other grants have focused on the effectiveness of the voter registration process by conducting a survey in 66 districts of Nepal. The results from the survey have been publicized to educate the people and the EC so as to strengthen the election process. Workshops and seminars have been organized to educate the people of the CA, including one to increase awareness of dalit groups on their role and participation on the CA.

Several activities were conducted for community stabilization and normalization, particularly focusing on youth groups and marginalized communities. Different youth groups such as AYON, Creation of Creative Society (CCS), STEPS Nepal etc. were engaged in campaigns to raise awareness and engage youth in different parts of the country through dialogues, debates, and mural paintings. An activity with USIP focused on the relationship between civil society and the police in the face of growing mistrust due to unrest in the Terai. Due to the success of this activity, similar dialogues will be held in other sensitive areas in the Terai. In order to ensure that ethnic tensions and the security situation in the Terai do not threaten the peace process, other activities were conducted including training youth on peaceful alternatives to political expression and taking an opinion poll to gauge people's perception of peace and security.

Grant Approval Summary

Sector	Grants Cleared April - June 2007	Estimated Budget for Grants Cleared April - June 2007	Total Grants Cleared Since August 2006	Total Estimated Budget for Grants Cleared Since August 2006
Social Inclusion	5	\$146,480	10	\$249,846
Elections	1	\$38,895	6	\$454,970
Key political transition agreements and processes	9	\$337,903	31	\$1,011,208
Community stabilization	4	\$121,014	7	\$253,211
Media strengthening	2	\$89,577	4	\$154,436
Total	21	\$733,869	58	\$2,123,671



C. Indicators of Success

Speed

Program activities focusing on youth and Madhesi issues have been approved at an exponential pace since being identified as an emerging issue by the team.

Re-targeting/Flexibility

Several activities have been created to address the changing political scenario. The television show with MAHA will develop the plot to adapt to the political situation. The PSAs (3D animations and radio) and the live talk show will also reflect the changing scenario. The INSEC-Morang activity which was focused only on CA was adjusted to address the changing context in the Terai by incorporating themes focused on ethnic issues.

Resource Leveraging

The live call-in talk show has been a useful activity which has played an important role in the media strategy. The show was utilized to disseminate information on the gender-based monitoring conducted by another grantee.

An additional activity with Communication Corner was approved to leverage support for the provision of satellite receivers to an additional 23 new FM stations to ensure access to content and information in the lead up to elections.

Policy Leveraging

To date, inviting Maoist or Maoist affiliated groups to program activities has not been possible due to the Ambassador's position on the Maoists. However, through continued lobbying and discussion by OTI with the Embassy and the identification of key activities that would address YCL issues in Kathmandu, the program has received the Embassy's okay to move forward on an activity next quarter that would include the Maoist-affiliated student union in the programming. The grantee will bear the expenses related to their inclusion in the activity.

The USIP activity which focuses on creating linkages between civil society and police has already had an impact in the Banke district where during the workshop in Nepalgunj, police and civil society agreed that the two groups should meet regularly to discuss security issues. Regular meetings are now actually taking place almost once a week to address some of the issues arising in Nepalgunj.

The AED activity tour to New York City and Peru has already seen a policy impact. The politicians briefed their respective parties' leaderships about their learning on the TRC process and transitional justice (TJ) and the Ministry of Peace and Reconstruction (MPR) organized a broad interaction program on TRC and TJ, where the tour participants shared their experiences and lessons they learned which could be useful for Nepal to start work on the related topics. The program was attended by almost all the Ministry officials, including the Technical Committee, formed to prepare a draft of the TRC and representative politicians from the parties (who were not on the tour). Minister Ram Chandra Poudel held a special meeting with the participants of the tour where the participants debriefed him about their experiences and learning. The Ministry has also followed up with individual participants of the tour as they require while working on the TRC and TJ.

NEXT STEPS/IMMEDIATE PRIORITIES

Emergent issues

- Elections in November 2007. There are approximately \$600,000 in activities in the queue for development over the next quarter.
- Local Peace Committees may actually come to fruition in the next quarter.
- Continued unrest and violence in the Terai.
- YCL and Maoist violence continues.

In the next quarter, USAID/OTI Nepal will

- Officially open a field office in Itahari, Sunsari district.
- Develop activities in support of the elections in November.
- Evaluate political developments and prioritize activity development on key transition areas.

- Maintain activity development that is responsive to conflict issues in the Terai and foster communal harmony.
- Continue to support programming that targets youth.
- Support needs of the Local Peace Committees if they become functional.
- Continue to identify gaps in roles and responsibilities of the team and fine tune the operational side of implementation.