



**Fourth Consolidated Annual Progress Report on
Activities Implemented under the
United Nations Peace Fund for Nepal**

**Report of the Administrative Agent of the United Nations Peace Fund for Nepal
for the Period 1 January to 31 December 2010**

Multi-Donor Trust Fund Office
Bureau of Management
United Nations Development Programme
<http://mdtf.undp.org>

31 May 2011

United Nations Peace Fund for Nepal

Participating UN Organizations



Food and Agriculture Organization (FAO)



International Labour Organization (ILO)



International Organization for Migration (IOM)



United Nations Children's Fund (UNICEF)



United Nations Development Programme (UNDP)



United Nations Educational, Scientific and Cultural Organization (UNESCO)



United Nations Entity for Gender Equality and the Empowerment of Women (UN Women)



United Nations Human Settlements Programme (UN-Habitat)



United Nations Office for Project Services (UNOPS)



United Nations Office of the High Commissioner for Human Rights (OHCHR)



United Nations Population Fund (UNFPA)



World Food Programme (WFP)



World Health Organization (WHO)

Contributing Donors



Canada



Denmark



Norway



Switzerland



United Kingdom

Abbreviations and Acronyms

AA	Administrative Agent
AMMAA	Agreement on Monitoring and the Management of Arms and Armies
AMO	Arms Monitoring Office
CAAC	Children Affected by Armed Conflict
CAAFAG	children associated with armed forces and armed groups
CDP	Capital Development Plan
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CPA	Comprehensive Peace Agreement
DR	Discharge and Rehabilitation
EOD	Explosive Ordnance Disposal
ERW	Explosive Remnants of War
FAO	Food and Agriculture Organization of the United Nations
GoN	Government of Nepal
HLSC	High Level Steering Committee
IDPs	Internally Displaced People
IEDD	Improvised Explosive Device Disposal
ILO	International Labour Organization
INGO	International Non-Governmental Organization
IOM	International Organization for Migration
LOA	Letter of Agreement
JMCC	Joint Monitoring Coordination Committee
MDTF Office	Multi-Donor Trust Fund Office
MoPR	Ministry of Peace and Reconstruction
MRE	Mine Risk Education
MOU	Memorandum of Understanding
NPTF	Nepal Peace Trust Fund
NTSG	National Technical Standards and Guidelines
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
OHCHR	United Nations Office of the High Commissioner for Human Rights
PBF	United Nations Peacebuilding Fund
RC	Resident Coordinator
SGBV	Sexual- and gender-based violence

SRSG	Special Representative of the Secretary-General
TOR	Terms of Reference
TRC	Truth and Reconciliation Commission
UN	United Nations
UN HABITAT	United Nations Human Settlements Programme
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
UNIFEM	United Nations Development Fund for Women
UNIRP	United Nations Interagency Rehabilitation Programme
UNMAS	UN Mine Action Service
UNMAT	United Nations Mine Action Team
UNMIN	United Nations Mission in Nepal
UNOPS	United Nations Office for Project Services
UNPFN	United Nations Peace Fund for Nepal
UXO	Unexploded Ordnance
VDC	Village Development Committee
VMLRs	Verified Minors and Late Recruits
VST	Vocational Skills Training

Definitions

Approved Project

A project that has been approved by the UNPFN Executive Committee.

Allocation

Amount approved by the UNPFN Executive Committee for a project/programme.

Approved Project/Programme

An Annual Work Plan, a project/programme document, etc., that is approved by the UNPFN Executive Committee.

Balance of Funds

Balance of funds with the Administrative Agent refers to the cumulative, undisbursed amount in the UNPFN Account and includes donor contributions, returned funds and interest. Balance of funds with Participating Organizations refers to amounts with the Organizations that have not been reported as expended.

Direct Costs

Costs that can be directly attributed to the programme activities.

Donor Commitment

A Donor contribution as per signed Letter of Agreement (LOA), or LOA Addendum, with the UNDP Multi-Donor Trust Fund Office (MDTF Office), in its capacity as the Administrative Agent of the UNPFN.

Donor Deposit

Cash deposit received by the MDTF Office for the UNPFN Account.

Financial Implementation Rate

Expenditure against net transferred amount.

Indirect Cost

A general cost that cannot be directly related to any particular programme or activity.

Participating Organizations

Organizations that have signed a Memorandum of Understanding with the MDTF Office and are thereby eligible to receive transfer of funds under the UNPFN (for recipients of PBF-funding, organizations are referred to as "Recipient Organizations").

Project Expenditure

Amount of project disbursement plus un-liquidated obligations related to payments due for the year.

Project Financial Closure

A project or programme is considered financially closed when all financial obligations of an operationally completed project or programme have been settled, and no further financial charges may be incurred.

Project Operational Closure

A project or programme is considered operationally closed when all activities for which a Participating Organization is responsible under the approved programmatic document have been completed.

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Executive Summary

Introduction

The United Nations Peace Fund for Nepal (UNPFN) was established in March 2007, at the request of Donors and as a complement to the Government's Nepal Peace Trust Fund (NPTF). The UNPFN was established to mobilize resources for activities of clear, short-term relevance to the peace process where these are not possible to be funded or implemented through the NPTF or other existing mechanisms or programmes. The UNPFN channels resources for focused, time-limited activities deemed critical to the peace process and subject to the strategic priorities for United Nations peace support, articulated by the United Nations Country Team (UNCT) in Nepal and the United Nations Mission in Nepal (UNMIN)¹, in consultation with its partners and aligned with the Government of Nepal's (GoN) national priorities.

The Multi-Donor Trust Fund Office (MDTF Office) of the United Nations Development Programme (UNDP) is the Administrative Agent (AA) of the UNPFN, and has concluded a memorandum of understanding (MOU) with twelve Participating UN Organizations and one Non-UN Participating Organization. (In this report, all are referred to as Participating Organizations.) During the current reporting period, the International Organization for Migration (IOM) joined the UNPFN by signing a separate MOU with the MDTF Office.

This Fourth Consolidated Annual Progress Report on Activities Implemented under the UNPFN builds on previous Consolidated Annual Progress Reports for 2007, 2008 and 2009, and reports on the implementation of projects approved for funding as of 31 December 2010. In line with the MOU, the Progress Report is consolidated based on information and data contained in the individual progress reports and financial statements submitted by Participating Organizations to the MDTF Office. It is neither an evaluation of the UNPFN nor the MDTF Office's assessment of the performance of the Participating Organizations. However, the report does provide the UNPFN Executive Committee with a comprehensive overview of achievements and challenges associated with projects funded through the UNPFN, enabling it to make strategic decisions and take corrective measures, where applicable.

Strategic Framework

In accordance with its terms of reference (TOR), which was revised in June 2009, the UNPFN focuses on five main priority areas:

- Cantonments/Reintegration
- Elections/Governance
- Recovery/Quick Impact Projects
- Security
- Rights and Reconciliation

Governance

To ensure non-duplication of effort and strategic coherence in support of the peace process, the UNPFN operates within the same overall governance framework as the Government's NPTF. Projects are approved and the

¹ Although the Security Council mandated UNMIN's withdrawal from Nepal on 15 January 2011, UNMIN was still actively engaged in the UNPFN over the course of the 2010 reporting period.

operations of the UNPFN are carried out under the overall guidance of the Government-led NPTF Board, in consultation with the Donor Advisory Group, and according to the instructions of the UNPFN Executive Committee. The Donor Advisory Group helps to avoid the emergence of gaps and duplication in funding, as well as ensure that support to the UNPFN complements support to the NPTF and other existing funding mechanisms. Furthermore, the Government representative on the UNPFN Executive Committee is the Director of the NPTF, and plays a key coordination role between the two mechanisms.

In line with its TOR and Rules of Procedure, and in accordance with the PBF Priority Plan for Nepal, the UNPFN Executive Committee is also the governing body for making allocations from the \$10 million PBF envelope to Nepal. Whereas these projects are specifically reported on in the separate PBF Consolidated Annual Progress Report 2010, also consolidated by the MDTF Office, they are referred to in this report to provide an overall view of the role of the UNPFN mechanism.

Project Approval Status

The UNPFN Executive Committee approved its first project in April 2007. During the current reporting period, 1 January–31 December 2010, three new projects and three extensions were approved for UNPFN funding, amounting to a total transfer of \$9,473,662 to Participating Organizations, whereas Participating Organizations returned \$279,007. The UNPFN Executive Committee also approved three projects that were funded from the \$10 million PBF Nepal country envelope, amounting to \$4,481,201.

Cumulatively, as of 31 December 2010, since the establishment of the UNPFN, the UNPFN Executive Committee had approved a net amount of \$19,489,134 in transfers to nine Participating Organizations; Food and Agriculture Organization (FAO), International Labour Organization (ILO), UNDP, United Nations Educational, Scientific and Cultural Organization (UNESCO), United Nations Population Fund (UNFPA), UNICEF, United Nations Office for Project Services (UNOPS), UN Women and World Food Programme (WFP). Under the PBF, a net amount of \$9,984,614 was allocated and transferred across seven projects to six Recipient Organizations; FAO, ILO, IOM, United Nations Office of the High Commissioner for Human Rights (OHCHR), UNFPA and UNICEF.

Project Implementation Status

Of the projects approved for transfer of funds under the UNPFN Account, six were operational (project activities ongoing) during the reporting period. In addition, six PBF-funded projects were operational during the reporting period (one PBF-funded project was operationally closed in 2009).

The overall financial implementation rate of UNPFN-funded projects was 69.5 percent of net transferred amounts as of 31 December 2010 (down from 91 percent in 2009; mainly due to the fact that significant allocations made in June 2010 left only six months for project implementation), reflects the ability of the projects funded under the UNPFN to deliver focused and time-limited activities rapidly in support of urgent peace processes and early recovery tasks in Nepal.

Implementation Achievements and Challenges

Projects approved under the UNPFN, across all priority areas, made significant contributions and, by and large, achieved the majority of their objectives by the end of the reporting period. Importantly, as many UNPFN-funded projects had completed all project activities prior to this reporting year; the achievements and challenges referred to in this report only cover the projects that were operational in 2010. Additional information on previous years' results, achievements and challenges is included in the Consolidated Annual Progress Reports for 2007, 2008 and

2009, all available on the MDTF Office GATEWAY's UNPFN Factsheet (<http://mdtf.undp.org/factsheet/fund/NPF00>). In addition, PBF-funded project are referred to in the annual PBF reports, also available on the MDTF Office GATEWAY (<http://mdtf.undp.org/factsheet/fund/PB000>).

In the area of mine-action, where on behalf of the United Nations Mine Action Team (UNMAT), UNOPS executes the project 'Support to IEDD/EOD Operations in Nepal' (UNPFN/A-1), project implementation is on track. As of the end of the reporting period, the project had cumulatively received \$5,069,208 in funding through the UNPFN. The UNPFN is the primary source of funding for mine-clearance activities in Nepal, and the project addresses the problem of mines and unexploded ordnances remaining after the ten-year armed conflict which ended in November 2006. The project is on track to complete all its activities by the expected closure date, 31 December 2011.

In the area of discharge and reintegration of former Maoist army personnel, the UNDP-executed project 'Discharge and Reintegration Assistance to the Maoist army' (UNPFN/A-6), has received a cumulative transfer of \$3,392,216, including \$392,216 during the current reporting period. Building on the achievements of the associated project 'Support the Discharge of Adult Maoist army Personnel from the Cantonment Sites' (UNPFN/A-3), which was the first preparatory phase of a two-phase strategy to support the discharge of Maoist army personnel verified as minors or late recruits (VMLRs) and to provide them with assistance to access suitable training and education options, UNDP continued providing support to the Government of Nepal in planning for discharge and rehabilitation of disqualified Maoist army personnel to facilitate their transition to normal civilian life in the communities of return or resettlement, and to provide former personnel with an attractive alternative to membership of armed groups. The project was operationally closed on 31 May 2010, having met all its objectives.

Programmatically linked to the above project, the largest allocation approved by the UNPFN Executive Committee to-date was in support of the project 'Support to the Rehabilitation of Verified Minors and Late Recruits' (UNPFN/A-7), implemented jointly by UNDP, UNICEF, UNFPA and ILO. It was approved and received a total allocation of \$7,517,820 from the UNPFN in 2010. The UNPFN-funded project is ongoing, with an expected end-date of May 2012. The project supports the socio-economic rehabilitation of the 4,008 Verified Minors and Late Recruits (VMLRs) discharged from the Maoist army by promoting gainful employment and livelihood opportunities for the discharged that is combined with community engagement, including education support for those who choose to continue studying. It is intended to contribute to the national peacebuilding effort, as the rehabilitation of VMLRs forms a key component of the Comprehensive Peace Agreement (CPA) and the Agreement on Monitoring and the Management of Arms and Armies (AMMAA). By the end of 2010, after only six months of implementation, 470 VMLRs have completed training programmes in vocational skills training and micro-enterprises.

In an effort to support and contribute to strengthening Nepali media, especially in the context of the ongoing drafting of a new constitution, the UNESCO-executed project 'Training of Women Journalists in the Terai' (UNPFN/E-3) was approved and received an allocation of \$20,049 from the UNPFN in 2009. Additional funding to the project, accounting for two-thirds of the overall budget, was sought from other sources. The project was operationally closed in March 2010, having met all its objectives.

The UN Women-executed project 'Partnership for Equality and Capacity Enhancement (PEACE): Towards Implementation of UNSCRs 1325 and 1820' (UNPFN/E-6) was approved and received an allocation of \$525,000 from the UNPFN in 2010. The project is ongoing, with an expected end-date in March 2012. It aims at enhancing the capacity of national institutions to promote women's participation in peace processes and protect the rights of

women affected by conflict in line with the United Nations Security Council Resolutions (UNSCRs) 1325 and 1820. Before the end of 2010, the project contributed greatly to the Government of Nepal's formulation of its National Plan on UNSCRs 1325 and 1820.

The FAO-implemented project 'Piloting Land Registration and Preliminary Land Management Intervention in Selected Parts of Achham District' (UNPFN/C-2) was approved and received an allocation of \$50,000 from the UNPFN in 2010. The project is ongoing, with an expected end-date in November 2011. The main purposes of the project are to rehabilitate the cadastre and issue land titles to the land owners in selected parts of Achham District (where land records were destroyed during the ten-year armed conflict in Nepal) using cadastral surveying, and to propose an effective and efficient methodology that may be replicated in other parts of the country.

In addition to UNPFN-funded projects, as of 31 December 2010, a total of seven projects amounting to \$9,984,614 have also been approved by the UNPFN Executive Committee and funded through the PBF Nepal country envelope. These include projects in support of children and adolescents formerly associated with the Maoist army (UNICEF: PBF/NPL/B-1); support to female members of the Maoist army (UNFPA; PBF/NPL/B-2); transitional justice (OHCHR; PBF/NPL/B-3); efforts to recognize sexual violence as a tool of conflict (UNFPA/UNICEF; PBF/NPL/B-4); youth employment (ILO/FAO; PBF/NPL/D-1); reparations to conflict-affected persons (IOM/OHCHR; PBF/NPL/E-1) and M&E and response to child rights violations (UNICEF/OHCHR; PBF/NPL/E-2).

Financial Performance

During the current reporting period (1 January–31 December 2010), additional contributions from two donors (Denmark and the United Kingdom) amounting to \$3,981,541 were deposited into the UNPFN Account, increasing the cumulative donor deposits to the UNPFN to \$22,417,076 (as of 31 December 2010).

Cumulatively, as of 31 December 2010, the five donors to the UNPFN, in order of contributions, were the United Kingdom (\$9,498,767), Norway (\$8,163,494), Denmark (\$2,333,541), Canada (\$2,221,299) and Switzerland (\$199,975).

Of the total donor contributions to the UNPFN, a net amount of \$19,768,141 (88 percent) had been transferred to Participating Organizations by 31 December 2010, including a net amount of \$9,194,655 that was transferred during the reporting period. In addition, of the \$10 million PBF funding envelope, a net amount of \$9,984,614 (99.9 percent), including \$3,228,784 during the reporting period, was transferred to Recipient Organizations following project approvals by the UNPFN Executive Committee.

During the reporting period, a total of \$4,213,821 was reported as expenditure by Participating Organizations which, together with the prior years' expenditures, adds up to \$13,540,168. This represents a financial implementation rate of 69.5 percent of net transferred amounts as of 31 December 2010.

The MDTF Office's AA fee, charged at the standard rate of one percent of donor deposits, cumulatively amount to \$224,171, of which \$39,815 was deducted from contributions received during the reporting period. The cumulative MDTF Office AA fee (\$224,171) is significantly less than the cumulative interest income earned on the undisbursed UNPFN balance (\$239,579) and balance with Participating Organizations (\$75,274), which together amounts to \$314,853.

Transparency and Accountability

The major vehicle for public transparency of operations under the UNPFN during the reporting period was the MDTF Office GATEWAY. In 2010, the MDTF Office officially launched the MDTF Office GATEWAY (<http://mdtf.undp.org>). It is a knowledge platform providing real-time data from the MDTF Office accounting system, with a maximum of two-hour delay, on financial information on donor contributions, programme budgets and transfers to Participating Organizations. It is designed to provide transparent, accountable fund-management services to the United Nations system to enhance its coherence, effectiveness and efficiency. Each MDTF and Joint Programme administered by the MDTF Office has its own website on the GATEWAY with extensive narrative and financial information on the MDTF/JP, including on its strategic framework, governance arrangements, eligibility and allocation criteria. Annual financial and narrative progress reports and quarterly/semi-annual updates on the results being achieved are also available. In addition, each programme has a Factsheet with specific facts, figures and updates on that programme.

The GATEWAY provides easy access to more than 5,000 reports and documents on MDTFs/JPs and individual programmes, with tools and tables displaying related financial data. By enabling users in the field with easy access to upload progress reports and related documents, it also facilitates knowledge-sharing and management among UN agencies. The MDTF Office GATEWAY is already being recognized as a ‘standard setter’ by peers and partners.

Conclusion

Building on three years of implementation, the UNPFN Executive Committee has, through channeling resources for focused, time-limited activities deemed critical to the peace process and within the framework of priorities developed in consultation with the GoN and the parties to the peace agreement, contributed to enhance the capacity to sustain the peace process in Nepal. Importantly, the UNPFN has broadened its programmatic scope, increased the numbers of Participating Organizations and increased the number of jointly implemented programmes, measures which have strengthened UN coordination and coherence and demonstrated an important evolution of the Fund from an immediate post-conflict modality to one that supports early recovery and peace-consolidation.

With an overall financial delivery rate of nearly 70 percent on nearly \$20 million transferred, combined with a number of projects and/or project components having completed all their programmatic activities in accordance with the expected timelines, the UNPFN continues to support strategic initiatives crucial to support the peace process in Nepal.

The MDTF Office, as the AA of the UNPFN, envisages that this Fourth Consolidated Annual Progress Report on Activities Implemented under the UNPFN will provide the UNPFN Executive Committee the basis on which to better assess resource requirements and to advocate and mobilize additional funding in support of the continued peace process in Nepal. Similarly, it is envisaged that the Report will provide the GoN, UNPFN Donors and other stakeholders with a comprehensive overview of the results achieved as of the end of the reporting period, thereby contributing to a better understanding of the UNPFN’s critical role in supporting the peace process in Nepal. The Report should be read in conjunction with previously consolidated reports (UNPFN Annual Reports 2007, 2008 and 2009), as well as the 2009 and 2010 PBF Annual Reports, that specifically report on the achievements and challenges associated with the seven PBF projects approved by the UNPFN Executive Committee. Lessons learned during the reporting period have allowed Participating Organizations to take appropriate measures within existing projects as well as in project extensions, and ensure that improved project implementation and management arrangements are in place for new projects and extensions.

Introduction

The Fourth Consolidated Annual Progress Report on Activities Implemented under the United Nations Peace Fund for Nepal (UNPFN) is submitted to the GoN and contributing Donors to the UNPFN, through the UNPFN Executive Committee, in fulfillment of the reporting provisions of the UNPFN TOR, the MOU between the United Nations Development Programme (UNDP) and Participating Organizations, and the letter of agreement (LOA) between UNDP and Donors. The UNDP Multi-Donor Trust Fund Office (MDTF Office) represents UNDP as the Administrative Agent (AA) of the UNPFN.

The Report covers the period from 1 January to 31 December 2010, and builds on previous Consolidated Annual Progress Reports for 2007, 2008 and 2009. The Report provides information on progress made in the implementation of projects funded by the UNPFN, as well as on common challenges and lessons learned. It also provides linkages to UNPFN Executive Committee-approved projects financed through the Peacebuilding Fund's (PBF) \$10 million envelope to Nepal, in line with the Nepal PBF Priority Plan. Reporting on PBF-funded projects for the same period is available in the PBF Annual Report for 2010.

The Report is consolidated based on information and data contained in the individual progress reports and financial statements submitted by Participating Organizations to the MDTF Office. It is neither an evaluation of the UNPFN nor the MDTF Office's assessment of the performance of the Participating Organizations. However, the report does provide the UNPFN Executive Committee with a comprehensive overview of achievements and challenges associated with projects funded through the UNPFN, enabling it to make strategic decisions and take corrective measures, where applicable.

By the end of the reporting period (31 December 2010), marking the fourth year of operations, the UNPFN Executive Committee had approved UNPFN funding for 13 projects (including project extensions) implemented by 9 Participating Organizations in support of interventions designed to enable the rapid delivery of essential peace support activities responsive to the demands of the changing environment in Nepal. In addition, the UNPFN Executive Committee had approved seven PBF-funded projects. Building on the lessons learned to date, including shortcomings and achievements, the UNPFN will continue to strengthen its governance and implementation mechanisms, and enhance monitoring and evaluation of its activities at the project level. It will further contribute to strengthening national institutional capacity, ensuring that every effort is made to sustain the peacebuilding process in the country.

Report Structure

This Fourth Consolidated Annual Progress Report is a consolidation of individual project-level progress reports submitted by Participating Organizations. It consists of five chapters: Chapter One provides an overview of the strategic framework of the UNPFN. Chapter Two provides an overview of the UNPFN's governance and fund management arrangements. Chapter Three provides an update on project approvals and implementation status during the reporting period, as well as highlights of key project implementation progress, with details to demonstrate the achievements, challenges and lessons learned. This chapter also includes a brief overview of PBF-funded projects; their objectives, achievements and challenges. Chapter Four provides an overview of the financial performance of the UNPFN. Chapter Five elaborates on efforts made to ensure UNPFN transparency and accountability.

1 Strategic Framework

On 21 November 2006, after 11 years of internal armed conflict, the Government of the Seven-Party Alliance and the Communist Party of Nepal-Maoist (now reformed as the Unified Communist Party of Nepal-Maoist, UCPN-M), signed the Comprehensive Peace Agreement (CPA) and declared an end to the war. Two months later, on 23 January 2007, the Security Council responded to the request of both parties for United Nations assistance by establishing a United Nations Mission in Nepal (UNMIN)² with a mandate to monitor the ceasefire and assist in the election of a Constituent Assembly (S/RES/1740). Both UNMIN and the United Nations Country Team (UNCT) have been actively engaged with the GoN to support full implementation of the CPA and help consolidate the peace under the overall coordination of the Representative of the Secretary-General (RSG) and the United Nations Resident and Humanitarian Coordinator (RC).

Donors indicated at an early stage their willingness to contribute to the peace process through direct contributions to the Government as well as through the United Nations and other implementing partners. To this end, the Government established, in February 2007, the multi-donor Nepal Peace Trust Fund (NPTF), directly administered by the Ministry of Finance that was designed to be the primary channel for Donors to support the peace process through financing activities carried out by government entities and NGOs. The NPTF is now administered by the Ministry of Peace and Reconstruction (MoPR) and, since approval in 2010 of its new second three-year programme phase, focuses support on five priority themes: (a) Cantonment Management and Integration/Rehabilitation of Maoist Personnel; (b) Assistance to Conflict Affected Persons /Communities; (c) Reconstruction of Public Infrastructure; (d) Promotion of Security and Transitional Justice; and (e) Support to Constituent Assembly, Elections and Peace Building Initiatives on National and Local Levels.

As a complement to the Government-led NPTF, Donors called for the creation of a United Nations Peace Fund for Nepal (UNPFN). The UNPFN would mobilize resources for activities of clear, short-term relevance to the peace process where these are not possible to fund or implement through the Nepal Peace Trust Fund or other existing mechanisms or programmes and where there was a clear UN comparative advantage.

The UNPFN supports activities under five main priority areas, as per the revised UNPFN TOR, endorsed by the UNPFN Executive Committee in June 2009:

- **Cantonments/Reintegration:** Improve living conditions in the cantonments that host the Maoist army; register/verify and reintegrate former Maoist army personnel, late recruits, and minors; and dispose of mines and other unexploded devices.
- **Elections/Governance:** Provide technical advice and logistic support on elections/constitutional issues; and provide assistance to restore government at local level.
- **Recovery/Quick Impact Projects:** Provide support to time-sensitive and high-impact projects to particularly vulnerable communities where the absence of a ‘peace dividend’ would represent a proximate threat to the peace process.
- **Security:** Restore law and order, especially in the countryside.
- **Rights and Reconciliation:** Assist initiatives related to transitional justice, national monitoring mechanisms of the peace process and local reconciliation.

² The UN Security Council mandated UNMIN’s withdrawal from Nepal on 15 January 2011.

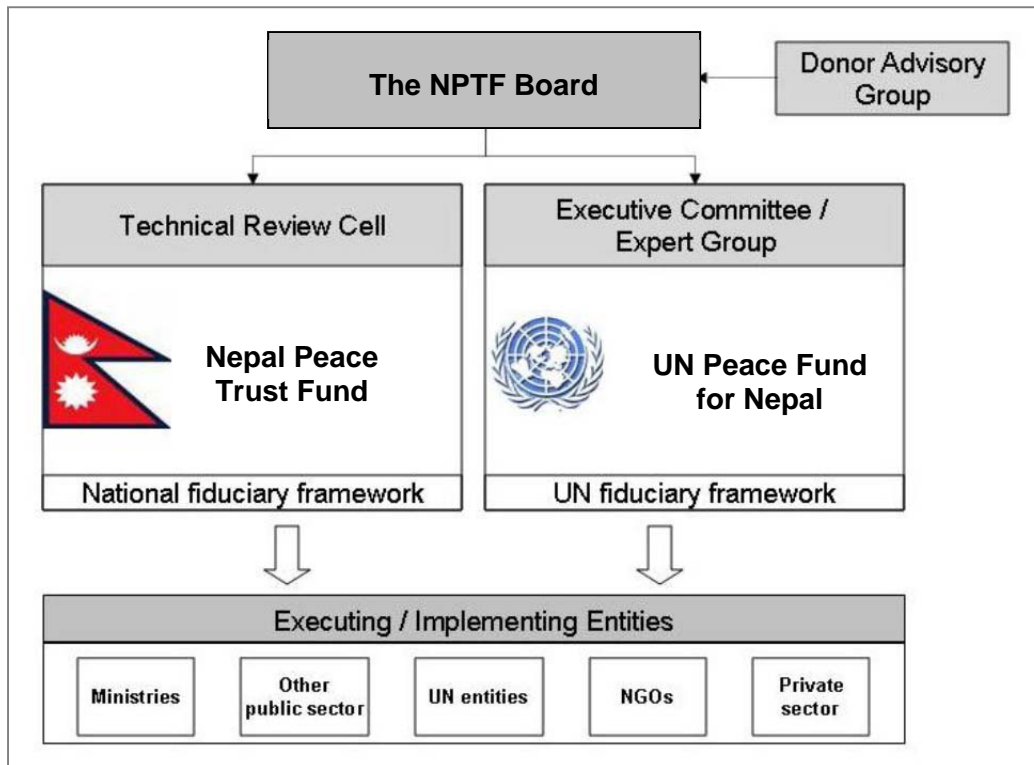
The UNPFN is also expected to enhance UN coordination in support of the peace process and to contribute to coherence, efficiency, and aid effectiveness in relation to the peace process. The UNPFN was originally designed to be of limited duration (up to two years) on the assumption that broader reconstruction and peacebuilding needs would be handled through existing mechanisms, including direct funding of Government entities or Participating Organizations. The peace process has taken longer than initially envisaged, and the timeframe of the UNPFN has consequently been extended through the endorsement of the Revised UNPFN TOR. The UNPFN has also evolved in response to the changing context of Nepal's peace-building process. In recent years, it has evolved from focusing on immediate post-conflict needs to increasingly engaging on the longer-term and structural development issues embedded in the CPA.

2 Governance

To ensure non-duplication of effort and strategic coherence in support of the peace process, the UNPFN operates within the same overall governance framework as the NPTF, as described in the diagram below. Projects approved and the operations of the UNPFN are carried out under the overall guidance of the Government-led NPTF Board, in consultation with a Donor Advisory Group, and according to the instructions of an Executive Committee. The Donor Advisory Group helps to avoid the emergence of gaps and duplication in funding, as well as to ensure that support to the UNPFN complements support to the NPTF and other existing funding mechanisms.

The figure below provides an overview of the complementary governance arrangements of the NPTF and the UNPFN.

Figure 2-1: Complementary Governance Arrangements of the NPTF and the UNPFN



2.1 The NPTF Board

The NPTF Board (formerly known as the Steering Committee) provides overall policy guidance and is responsible for:

- Identifying funding needs and priorities in support of the peace process;
- Helping define major programmatic priorities for the UNPFN consistent with the above and complementary to activities supported through the NPTF;
- Ensuring coherence among peace support activities funded from, respectively, the NPTF, the UNPFN, and other government or Donor channels;

- Reviewing financial flows and performance as needed to facilitate a harmonized approach to the monitoring and evaluation of peace support activities; and
- Designating a representative to serve on the Executive Committee to ensure a complementary approach between the NPTF and the UNPFN.

2.2 The Donor Advisory Group

The Donor Advisory Group provides advice to the Board on the operations of the two funds and is comprised of Donors to the UNPFN and the NPTF. The Donor Advisory Group is responsible for:

- Providing strategic advice on the UNPFN, through the Steering Committee and the Executive Committee;
- Reviewing progress of the Fund's operations and ensuring an efficient approach to reporting to all its Donors;
- Ensuring coherence and coordination among activities funded from the Fund and those financed by the same Donors through other channels;
- When requested to do so, advising other Donors on the most appropriate allocation of resources, based on needs, priorities, and absorptive capacities; and
- Designating a representative to serve on the Executive Committee to ensure a complementary approach between the NPTF and the UNPFN.

2.3 The UNPFN Executive Committee

The UNPFN Executive Committee is the decision-making body of the UNPFN, with authority to approve projects for funding. The chairmanship of the UNPFN Executive Committee was transferred from the UNMIN Representative of the Secretary-General (RSG) to the UN Resident and Humanitarian Coordinator (RC/HC) in 2008. The RSG served as the Vice-Chair³, and the UNPFN Executive Committee is further composed of government representatives designated by the Board and a Donor representative designated by the Donor Advisory Group. The UNPFN Executive Committee is responsible for:

- Reviewing and defining the UNPFN's requirements and priorities in consultation with the Board and Donor Advisory Group;
- Reviewing and approving proposals and resource allocations from the UNPFN, based on agreed-upon priorities—for proposals exceeding \$1 million, special notification will be made to the Board and Donor Advisory Group;
- Reviewing and approving the UNPFN's annual reports;
- Making a formal report and bringing recommendations to the Donor Advisory Group at meetings of the latter; and
- Recommending improvements to project design and/or implementation to make them more effective and efficient in supporting the peace process.

The UNPFN Executive Committee meets regularly in Kathmandu. Decisions on the selection of Participating Organizations and funding allocations are made based on demonstrated expertise, and operational and absorptive capacity.

The UNPFN Executive Committee is supported by ad-hoc Expert Groups responsible for reviewing project proposals prior to their submission to the UNPFN Executive Committee. The members of the Expert Groups are

³ With the withdrawal of UNMIN on 15 January 2011, the RSG post no longer exists. Henceforth, the Executive Committee is composed of the RC/HC (as Chair), a Government Representative and a Donor Representative.

nominated by the Chair and Vice-Chair of the UNPFN Executive Committee. The UNPFN Executive Committee is also supported by a Secretariat that is based in the RC/HC's office.

The Chair of the UNPFN Executive Committee presents on a regular basis a report of its activities to the NPTF Board.

2.4 The Administrative Agent

The United Nations Development Programme's MDTF Office is the AA for the UNPFN. Its responsibilities as AA include the receipt, administration and management of contributions from Donors; disbursement of funds to the Participating Organizations in accordance with instructions from the UNPFN Executive Committee, and consolidation of narrative and financial reports produced by each of the Participating Organizations as well as the provision of these reports to the UNPFN Executive Committee for onward submission to Donors. The MDTF Office performs the full range of AA functions in accordance with the UNDG-approved 'Protocol on the Administrative Agent for Multi-Donor Trust Funds and Joint Programmes, and One UN Funds'.

As the AA of the PBF, the MDTF Office also ensures administrative linkages between the UNPFN and the PBF.

In line with the MOU concluded between Participating Organizations and the MDTF Office, a clear delineation, including distinct reporting lines and an accountability framework, has been established and will be maintained within UNDP between its functions as an AA and its functions as a Participating Organization.

3 Project Approval and Implementation

3.1 Programme/Project Approval Status

During the current reporting period (1 January–31 December 2010), three new projects and two extensions were approved for funding, amounting to a net total of \$9,194,655. Table 3–1, below, provides an overview of these projects.

Cumulatively, as of 31 December 2010, since the establishment of the UNPFN, the UNPFN Executive Committee has approved for transfer a net amount of \$19,489,134 in funding across 13 projects to nine Participating Organizations; FAO, ILO, UNDP, UNESCO, UNFPA, UNICEF, UNOPS, UN Women and WFP.

Under the PBF, a net amount of \$9,984,614 has cumulatively been allocated and transferred across seven projects to six Organizations; FAO, ILO, IOM, OHCHR, UNFPA and UNICEF, including a net amount of \$3,228,784 in 2010.

Table 3–1 and

Table 3–2, below, provide details on the projects and extensions approved for UNPFN and PBF funding during the current reporting period; it does not include allocations approved in previous years, nor returned funds. For a full list of UNPFN projects approved as of 31 December 2010, see Table 3–3.

Table 3–1: Approved Projects and Extensions (UNPFN-funded) (1 January–31 December 2010)

Transfer Date	UNPFN Priority Area	Project Number and Title	Participating Organization	Transferred Amount (USD)
25 Jan 2010	Cantonments/ Reintegration	UNPFN/A-6 (Extension) Discharge and Reintegration Assistance to Maoist army	UNDP	392,216
30 Mar 2010	Rights and Reconciliation	UNPFN/E-6 Partnership for Equality and Capacity Enhancement (PEACE): Towards Implementation of UNSCRs 1325 and 1820	UN Women	525,000
2 Jun 2010	Cantonments/ Reintegration	UNPFN/A-7 Support to the Rehabilitation of VMLRs	UNDP, ILO, UNFPA, UNICEF	7,517,820
13 Jul 2010	Quick Impact	UNPFN/C-2 Piloting Land Registration and Preliminary Land Management Intervention in Selected Parts of Achham District	FAO	50,000
18 Jan 2010; 10 Dec 2010	Cantonments/ Reintegration	UNPFN/A-1 (Extension) Mine Action/IEDD/EOD Operations in Nepal	UNOPS	988,626
			TOTAL	\$9,194,655

Table 3–2: Approved Projects and Extensions (PBF-funded) (1 January–31 December 2010)

Transfer Date	UNPFN Priority Area	Project Number and Title	Participating Organization	Transferred Amount (USD)
26 Mar 2010	Rights and Reconciliation	PBF/NPL/E-1 Fairness and Efficiency in Reparations to Conflict-Affected Persons	IOM, OHCHR	1,017,583
8 Apr 2010	Rights and Reconciliation	PBF/NPL/E-2 Monitoring, Reporting and Response to Conflict-Related Child Rights Violations	UNICEF, OHCHR	1,363,618
4 Jun 2010	Rights and Reconciliation	PBF/NPL/B-4 Ensuring recognition of sexual violence as a tool of conflict in the Nepal peacebuilding process through documentation and provision of comprehensive services to women and girl victims/survivors	UNFPA, UNICEF	2,100,000
			TOTAL	\$4,481,201

3.2 Priority Area Overview

Cumulatively, the vast majority of UNPFN funds approved have been transferred to projects falling within the *Cantonments/Reintegration* priority area. As of 31 December 2010, projects amounting to \$17,705,611 (91 percent of total funding approved across all priority areas) had been approved under this priority area. Key programme activities within this priority area include support to mine action, the verification, discharge and repatriation, as well as rehabilitation of former Maoist army personnel. In 2010, allocations included \$7,517,820 to the Joint Programme ‘Support to the Rehabilitation of Verified Minors and Late Recruits’ (ILO, UNDP, UNFPA and UNICEF), \$392,216 to UNDP’s extension of ‘Discharge and Reintegration Assistance to Maoist army’ and \$988,626 to UNOPS’s extension of ‘Mine Action/IEDD/EOD Operations in Nepal’. In addition, two PBF-funded projects amounting to \$847,583 were approved and funds transferred within this priority area (see Table 3–4).

Under the priority area *Rights and Reconciliation*, UN Women was allocated \$525,000 from the UNPFN in 2010 toward their project ‘Partnership for Equality and Capacity Enhancement (PEACE): Towards Implementation of UNSCRs 1325 and 1820’. During previous reporting periods, 2007–2009, WFP and UNESCO have also received funding under this priority area, bringing the cumulative approved amount under Rights and Reconciliation to \$1,432,812. In addition, three PBF-funded projects amounting to \$6,481,031 were approved and funds transferred within this priority area (see Table 3–4).

Under the priority area *Quick Impact*, FAO was allocated \$50,000 in support of their project ‘Piloting Land Registration and Preliminary Land Management Intervention in Selected Parts of Achham District’. In addition, one PBF-funded project amounting to \$2,656,000 was approved and funds transferred within this priority area (see Table 3–4).

Whereas no allocations were made under priority area *Elections/Governance* during the current reporting period, previous years’ allocations amount to \$300,711 (this includes refunds of \$279,007 made in 2010).

PBF projects listed in

Table 3–2, above, are approved against the *PBF Nepal Priority Plan*, which has its own distinct priority areas, but the projects fall within the UNPFN Priority Areas and are approved by the UNPFN Executive Committee taking this into consideration.

3.3 Project Implementation Status

Of the 13 allocations to 11 projects approved for UNPFN funding, including extensions, seven had completed all project activities prior to the current reporting year. Six projects were operationally active in 2010 (of which four continued activities into 2011), and their results and achievements are therefore included in this Annual Report. For narrative results on projects that were operationally closed prior to the current reporting year, please refer to UNPFN Annual Reports 2007, 2008 and 2009, all available on the MDTF Office GATEWAY (<http://mdtf.undp.org/factsheet/fund/npf00>). Table 3–3, below, provides an overview of all UNPFN Executive Committee approvals (UNPFN-funded projects).

Table 3–3: Project Implementation Status (UNPFN-funded) as of 31 December 2010

MDTF Office Transfer Dates	UNPFN Priority Area	Project Number and Project Title	Participating UN Organization	Approved Budget (USD)	Status
First transfer: 24 Apr 2007	Cantonment / Re-integration	UNPFN/A-1 (incl. extensions) Support to IEDD/EOD Operations in Nepal, Mine Action	UNOPS	5,069,208	Activities ongoing
First transfer: 26 Jun 2007	Cantonments/ Re-integration	UNPFN/A-2 (incl. extension 2a) Verification of the Maoist army Personnel in the Cantonment Sites	UNDP	1,226,753	Activities completed
First transfer: 23 Jul 2007	Rights and Reconciliation	UNPFN/E-1 (incl. extension 1a) Surveillance and Programme Targeting for Post-Conflict Reconciliation	WFP	887,763	Activities completed
27 Sep 2007	Elections/ Governance	UNPFN/B-1 Electoral Observation Resource Center	UNDP	143,940	Activities completed
16 Nov 2007	Elections/ Governance	UNPFN/B-2 Provision of Specialised Electoral Assistance to the Election Commission of Nepal	UNDP	156,771	Activities completed
First transfer: 28 Mar 2008	Cantonments/ Reintegration	UNPFN/A-3 (incl. extension) Project to Support Discharge of Adult Maoist army Personnel from the Cantonment Sites	UNDP	499,614	Activities completed
First transfer: 17 Jul 2009	Cantonments/ Reintegration	UNPFN/A-6 Discharge and Reintegration Assistance to the Maoist army	UNDP	3,392,216	Activities completed
26 Sep 2009	Rights and Reconciliation	UNPFN/E-3 Training to Women Journalists in the Terai	UNESCO	20,049	Activities completed
30 Mar 2010	Rights and Reconciliation	UNPFN/E-6 Partnership for Equality and Capacity Enhancement (PEACE): Towards Implementation of UNSCRs 1325 and 1820	UN Women	525,000	Activities ongoing
2 Jun 2010	Cantonments/ Reintegration	UNPFN/A-7 Support to the Rehabilitation of VMLRs	UNDP, ILO, UNFPA, UNICEF	7,517,820	Activities ongoing
13 Jul 2010	Quick Impact	UNPFN/C-2 Piloting Land Registration and Preliminary Land Management Intervention in Selected Parts of Achham District	FAO	50,000	Activities ongoing
TOTAL				19,489,134	

Table 3–4 provides an overview of the seven PBF-funded projects approved by the UNPFN Executive Committee. For narrative results on PBF-funded projects that were operationally closed prior to the current reporting year, please refer to PBF Annual Reports available on the MDTF Office GATEWAY (<http://mdtf.undp.org/factsheet/fund/PB000>).

Table 3–4: Project Implementation Status (PBF-funded) as of 31 December 2010

MDTF Office Transfer Dates	UNPFN Priority Area	Project Number and Project Title	Participating UN Organization	Approved Budget (USD)	Status
19 Aug 2009	Rights and Reconciliation	PBF/NPL/B-3 Transitional Justice Project	OHCHR	1,999,830	Activities ongoing
17 Mar 2009	Recovery and Quick Impact	PBF/NPL/D-1 Jobs for Peace: 12,500 Youth Employed and Empowered through an Integrated Approach	ILO, FAO	2,656,000	Activities ongoing
20 Mar 2009	Cantonments/ Reintegration	PBF/NPL/B-1 Programme and Support for Children and Adolescents formerly Associated with the Maoist army in Nepal	UNICEF	622,969	Activities completed
21 Aug 2009	Cantonments/ Reintegration	PBF/NPL/B-2 Support to Female Members of the Maoist army	UNFPA	224,614	Activities completed
26 Mar 2010	Rights and Reconciliation	PBF/NPL/E-1 Fairness and Efficiency in Reparations to Conflict-Affected Persons	IOM, OHCHR	1,017,583	Activities ongoing
8 Apr 2010	Rights and Reconciliation	PBF/NPL/E-2 Monitoring, Reporting and Response to Conflict-Related Child Rights Violations	UNICEF, OHCHR	1,363,618	Activities ongoing
4 Jun 2010	Rights and Reconciliation	PBF/NPL/B-4 Ensuring recognition of sexual violence as a tool of conflict in the Nepal peacebuilding process through documentation and provision of comprehensive services to women and girl victims/survivors	UNFPA, UNICEF	2,100,000	Activities ongoing
TOTAL				9,984,614	

3.4 Implementation Achievements and Challenges

The sections below provide an overview of the main implementation achievements and challenges during the reporting period (1 January–31 December 2010), as reported by the respective Participating Organizations.

Section 3.4.5 provides an overview of the objectives, implementation achievements and challenges of the seven PBF-funded projects approved by the UNPFN Executive Committee as of the end of the 2010 reporting period.

3.4.1 Mine Action and IEDD/EOD Operations (UNOPS)

Through the UNOPS/UNICEF partnership of the UNMAT, the UNOPS-executed mine-action project 'Support to IEDD/EOD Operations in Nepal' (UNPFN/A-1), with its seven extensions (additional allocations), has cumulatively received a total of \$5,069,208 in funding from the UNPFN. The extensions to the project represent separate phases and distinct interventions that build on the accomplishment of previously implemented phases. During the current reporting period, \$988,626 was allocated to the project in two tranches: \$500,000 in January 2010 and \$488,626 in December 2010. The project is ongoing, with an expected operational closure date of 31 December 2011.

The overall project addresses the problem of mines and unexploded ordnances remaining after the ten-year armed conflict which ended in November 2006. With minefields laid at 53 locations by the Nepal Army and an estimated 274 areas contaminated with command-detonated devices (including improvised explosive devices [IEDs]), and a large number of IEDs used by the Maoist army, the Nepalese countryside was left littered with potential danger. Landmines and IEDs continue to injure and kill innocent people in Nepal. More than half of the civilian casualties are children, leaving Nepal with one of the highest rates of child casualties from victim-activated explosions in the world. The UNPFN is the primary source of funding for mine-clearance activities in Nepal.

The efficiency of the Nepal Army in minefield clearance improved during the reporting period. In total, since the start of the project in April 2007, 36 minefields have been cleared. Of these, 16 were cleared in 2010 alone (1 minefield was cleared in 2007, 5 in 2008 and 14 in 2009). The total number of mines destroyed was 3,344, along with which 265 IEDs and 3 unexploded ordnances (UXOs) were also destroyed. This increment in the capacity and efficiency in demining platoons can be attributed to both improved operational techniques and various training programmes conducted by the Nepal Army and the United Nations Mine Action Team (UNMAT).

A one-day workshop was held on 29 April 2010 to review the status of the 2009–2010 Nepal Army Mine Action Coordination Centre (NAMACC)—UNMAT CDP with key mine-action stakeholders (the British Embassy, Director of Military Operations, Nepal Army, UNMAT, UNICEF, MoPR). The stakeholders confirmed the commendable progress of the NAMACC. According to the assessment conducted, NAMACC progress is in line with the Capacity Development Plan (CDP) and all planned target were on schedule to be achieved by the end of 2010.

To support the capacity development and mentoring activities, a training facilitated by UNMAT was conducted which included courses on EOD Level III, and a non-technical survey course. In addition, UNMAT sponsored two Nepal Army officers to attend a detector maintenance training course with Ebinger (Germany) and Minelab (Australia). With the enhanced skills through the trainings provided by UNMAT, NAMACC conducted the following trainings on their own: basic demining course, demining medical course, basic computer course, medical refresher training, battle area clearance training, Information Management System for Mine Action (IMSMA) user course, enhanced demining course, fire-fighting training, intermediate demining training and an advanced demining course.

A successful operational on-site assessment was completed by UNMAT for the three Military Demining Platoons (MDPs). The on-site assessment was done during the month of November 2010. After the completion of CDP, UNMAT is now monitoring the demining activities of NAMACC.

UNMAT continued to support the MoPR to develop national ownership of mine action in Nepal. The MoPR is the designated mine-action focal point within the GoN and increased its role in the coordination of mine-action activities through the development of a mine-action strategy and dedicated mine-action office within the MoPR. The establishment of MAS has led the MoPR to become the operational arm of the National Mine-Action Authority, which has since obtained the funding required to carry out its mine-action strategy and for the clearance of the remaining 17 minefields.

The MoPR chaired the Mine-Action Joint Working Group (MAJWG) twice: on 3 August and 3 November 2010. Furthermore, continued UNMAT support to the MoPR in developing and implementing the national mine-action strategy to encompass clearance, victim assistance, mine-risk education and advocacy through the newly established MAS has contributed to action and awareness by the government towards securing the country from the dangers of mines and Explosive Remnants of War (ERW). UNMAT assisted to prepare the final draft of National Technical Standards and Guidelines (NTSG), which is with the MoPR for revision and planning on the presentation of the final draft to the National Mine Action Technical Committee.

Furthermore, UNMAT hosted the visit of Mr. Kerry Brinkert, Director, Implementation Support Unit, Geneva International Centre for Humanitarian Demining (GICHD) in February 2010. Meetings were held with the International Committee of the Red Cross (ICRC), the Nepalese Campaign to Ban Landmines (NCBL), UNICEF, the UN Office for Disarmament Affairs (UNODA) regional disarmament office, representatives from Canada and Norway, the UN RC/HC, the Director of Engineers, Nepal Army and the Minister of Peace and Reconstruction to discuss the prospect of Nepal's accession to the Anti-personnel Mine Ban Treaty.

UNMAT also organized a training of trainers workshop on IED, landmine and ERW safety for staff to inform and sensitize UN staff, aid workers, government employees and the journalists on promoting systematic awareness to the staff working for the organization on the risk related to IED/landmine and ERW and on the appropriate safety measures to be taken.

Complementary to the UNPFN-funded project, UNICEF has ongoing Mine Risk Education (MRE) projects to educate communities at risk. Twelve Civil Society Organizations, the Department of Education, the Nepal Army, the Nepal Police and the Armed Police Force also have the capacity to deliver MRE as and when required. In total, in each of the targeted 1,115 schools, with a teacher acting as the school's MRE focal point, has been trained and equipped with MRE materials and ensured that all students and teachers in his/her school has received at least one MRE lesson. Through this effort, around 380,000 children, generally living in areas at risk, learned the key prevention messages. Among these children, in addition to their MRE lessons, at least 50,000 participated in the MRE art competition organized in 163 schools in 20 districts and directly contributed to organize 163 exhibitions in their respective schools.

In addition, 120 Nepal police officers trained as MRE master trainers have taught and equipped staff from 900 police stations in 25 districts. In total, 12,000 Nepal police members in at least 25 municipalities and 600 Village Development Committees (VDCs) have the capacity to deploy MRE at community level or among their colleagues.

Over 30 particularly at-risk VDCs and municipalities have been targeted by Armed Police Force (APF) for MRE in 2010, and at least 9,324 community members benefited from an MRE session organized by APF.

The UNICEF component of UNMAT has disseminated more than 5,000 copies of the Victim Assistance (VA) Handbook throughout Nepal, covering 71 districts. Various service providers, such as health centres and physical rehabilitation centres, disabled people organizations, NGOs, human rights workers and secretaries of the VDC have received a copy of the VA Handbook. One-hundred child survivors of landmines and ERW have received grants to continue their education.

These two projects' collaboration and complementarity is increasing, leading in 2011 to the UNPFN project taking on components of MRE.

Table 3–5, below, provides a summary of the 2010 achievements of the project:

Table 3–5: Summary of Achievements in 2010— UNPFN/A-1: IEDD/EOD Operations in Nepal, Mine Action

Indicators	Achievements
Responsibility from direction of mine-action activities in Nepal adopted by MoPR.	MoPR is the designated mine-action focal point within the Nepal government and increased its role in the coordination and implementation of mine-action activities through the development of a mine-action strategy and establishment of dedicated mine-action office within MoPR.
Reduction in casualties from mines, IED and ERW—50% reduction in casualties from mine by Dec 2010.	Reduction in casualties by 41% by end of December 2010.
MoPR, with technical support from UNMAT, initiates, develops and implements a national mine-action strategy.	MoPR chaired two MAJWG meetings. National Mine Action Strategy developed and in the process of endorsement by the Steering Committee (implementation started).
Clearance of remaining NA minefields and IED field as stipulated in the CPA/AMMAA.	<ul style="list-style-type: none"> • Sixteen minefields have been cleared during 2010 • NAMACC able to conduct standalone demining training as per the International Mine Action Standards (IMAS) • Successful completion of CDP • Successful operational deployment of 3 MDPs (Fourth MDP planned to be deployed in Jan 2011)

3.4.2 Discharge and Reintegration Assistance to Former Maoist army Personnel (UNDP)

The UNDP-executed project 'Discharge and Reintegration Assistance to the Maoist army' (UNPFN/A-6), has received a cumulative allocation of \$3,392,216 from the UNPFN, including \$392,216 in 2010. The project was operationally closed on 31 May 2010.

The project was built on associated efforts, including numerous UNPFN projects, to assist the peace process in the country by supporting the GoN in the implementation of the Comprehensive Peace Agreement (CPA).

Ten years of armed conflict ended with the signing of the CPA in 2006. Subsequently, a document detailing the modalities for the monitoring of the arms and armed personnel of both sides—the AMMAA—was signed by the parties and witnessed by the RSG.

Within this context, and under the overall guidance of UNMIN, UNDP and UNICEF conducted the registration and verification of the Maoist army personnel located within 7 main cantonments and 21 satellite sites across the country. Under the terms of the AMMAA, this verification process categorized Maoist army personnel into two groups: a) those verified as regular members of the Maoist army (19,602 individuals); and b) those disqualified (4,008 individuals) on the grounds of being minors (defined in the AMMAA as those born after 25 May 1988) or

late recruits (defined in the AMMAA as those who joined the Maoist army after the ceasefire of 25 May 2006). The terms of the AMMAA declared that verified minors and late recruits (VMLRs) were not eligible for inclusion in the Maoist army (i.e. they were ‘disqualified’) and were to be immediately discharged from the Maoist cantonments. Following completion of the verification process, the disqualified personnel continued to live in the cantonments together with other verified members of the Maoist army personnel for two years. Expecting the long-awaited discharge and rehabilitation of these individuals was not only a critical element in implementing the AMMAA, but also a fundamental step in the overall peace and reconciliation process in Nepal. Under the overall leadership of UNMIN, the UNCT worked in close collocation with the GoN to develop a framework to provide assistance for the smooth DR of the disqualified individuals back to civilian life. This was guided by international standards and best practices, and grounded in the contextual realities of Nepal. The UNDP project team, with a dedicated team of experts, supported MoPR in the planning, implementation and monitoring of the DR programme and also provided technical and logistical support to MoPR and the Technical Committee on DR.

In addition, UNDP also provided ongoing support to the UNMIN Arms Monitoring Office (AMO), on sharing of data, bar-coding and re-bar-coding of weapons and ammunition stored at Maoist cantonments. The project continued managing contracts for 28 AMO Support Force staff, and the seven-member Joint Monitoring and Coordination Committee (JMCC).

The technical preparation work for DR was a collaborative effort between UNDP, UNICEF and UNFPA. On the political front, UNMIN—in close coordination with the SRSG for Children and Armed Conflict—was involved in negotiations to determine the conditions for the DR of the disqualified Maoist army personnel. The successful rehabilitation of these individuals, through the facilitation of realistic employment and livelihood opportunities, was seen as an important step towards bringing a sustainable degree of peace to the country.

The following key results were achieved through the project:

i) Formal Discharge of the 4,008 Disqualified Maoist army Personnel

Following completion of the UN-led verification process of the Maoist army personnel in December 2007 that resulted in the 4,008 Maoist army personnel verified as “minors” (2,973) or “late recruits” (1,035), a Government-led Steering Committee with representation from the UN, UCPN-M (as the political representation of the Maoist army) as well as the Technical Committee with similar representation to implement the decisions of the Steering Committee was formed. The Steering Committee provided policy guidance, direction and oversight of the Technical Committee, which was responsible for planning and managing the technical implementation of the discharge process. As the participation of UCPN-M in the Technical Committee was critical, this ensured a common understanding of the procedures and enabled the Maoist to be well-informed of the precise steps of the process. The Technical Committee also facilitated the UN’s ability to rapidly prepare the logistical and technical aspects of the process in an efficient manner.

As a result of continuous negotiations, the GoN and UCPN-M reached an agreement to resume the process of DR of the disqualified Maoist army personnel in December 2009. Accordingly, a tripartite (GoN, UCPN-M and United Nations) action plan outlining stages to discharge and rehabilitation was developed by the GoN with the technical support from the UNCT. The paper laid out the following milestone stages:

- Information and Consultation
- Profiling Survey
- Discharge from the Cantonment
- Transit Center

- Rehabilitation Programme
- Post-Training Support

Of the six stages of the DR programme, the first step—Information and Consultation—was carried out in 7 cantonment sites and 21 satellite camps across Nepal. The objective of this process was to inform the disqualified personnel on the DR programme and collect their viewpoints on the programme. The project provided technical and logistic support for the overall planning and implementation of this process. It was led by the GoN through the Technical Committee, which included the UCPN-M and representatives of the UNCT (UNDP, UNICEF and UNFPA).

Key activities carried out by the programme were as follows:

- Developed concept note, timelines and deployment plan.
- Planned and deployed required logistics.
- Planned and organized orientation training to the discharge team, which included the GoN, UCPN-M and the Technical Committee members.
- Assisted the Technical Committee in the overall implementation of the process, including facilitation of communication between the field team, MoPR and other stakeholders.
- Compiled lessons learned and key findings.

On 16 December 2009—after two years of negotiation—a UN Security Council Resolution 1612 mandated ‘Action Plan for the discharge of disqualified Maoist army personnel and related tasks’ was signed by the UN, the GoN and the UCPN-M. The Action Plan highlighted the overall framework for the discharge process and made clear that rehabilitation packages will be offered to all disqualified individuals.

Under the guidance of RSG and the RC/HC, and in close collaboration with UNMIN, UNICEF and UNFPA, UNDP led the planning for the discharge and rehabilitation of these individuals through technical and logistical support to MoPR and relevant committees. A joint UNCT support and monitoring team structure was established with approximately 70 personnel from UNDP, UNICEF, UNFPA, UNMIN and OHCHR (for monitoring of the UNSCR 1612 components of the Action Plan). This joint structure ensured a common understanding of the process, enabled well-defined and complementary roles amongst agencies, and resulted in exceptional coordination and cooperation during the process. As a result of this work, 2,394 (60 percent) of the 4,008 disqualified individuals were officially discharged from the Maoist cantonments between 7 January to 8 February 2010. The remaining 1,614 (40 percent) of the disqualified were officially discharged *in absentia* through a declaration signed by the UCPN-M in March 2010. The Final Report on the project (available on the MDTF Office GATEWAY) includes detailed strategic lessons learned from the discharge process, as well as photos from the discharge process.

ii) Reintegration and Rehabilitation Support to VMLRs

With the completion of the discharge process, and building on the coordination and collaboration among the UN Country Team that resulted in the successful discharge of the VMLRs, a joint UN inter-agency programme approach between UNDP, UNICEF, UNFPA and ILO was adopted to support the rehabilitation process of discharged VMLRs. A comprehensive interagency rehabilitation programme proposal and document including annual work-plans, results and resources framework and budget was developed and submitted to the UN Peace Fund for Nepal, which was approved as UNPFN/A-7 by the UNPF executive committee in May 2010. This follow-on project will continue over a two-year period starting from June 2010 until 31 May 2012. The programme offers sector rehabilitation support packages including options for:

- Vocational skills training (VST), micro-enterprises (ME) and non-formal education, offered through UNDP.
- Formal education and psychosocial counseling, offered through UNICEF.
- Health related trainings, offered through UNFPA.

ILO will enhance the capacity of UNDP implementing partners for VST to deliver high quality vocational skills training and also to improve their labour market assessment skills. In order to ensure the smooth implementation of the follow-on UNPFN/A-7 rehabilitation programme throughout the country, the UNDP UNPFN/A-6 project established five regional offices and hired and trained the required staff to facilitate implementation of the rehabilitation programme. Also, a toll-free phone system was established which served as the first line of contact for discharges who wished to opt for rehabilitation packages. The toll-free phone is open six days a week to provide initial counseling, set appointments and refer them to respective regional offices for detailed career and psychosocial counseling and registration rehabilitation.

UNDP, through a competitive bidding process, signed Long-Term Agreements (LTAs) with the following four principle service providers across the country that sub-contracted with service providers at the local level where they have no coverage to support transition of these VMLRs from military to civilian life.

- Training Institute for Technical Instruction (TITI) to deliver services on VST in eastern and mid-western development regions.
- Underprivileged Children's Education Programme (UCEP) to deliver services on VST in central development region.
- Alliance for Social Mobilization (Pvt) Ltd (Alliance Nepal) to deliver service on VST in western and far-western development regions.
- ME package was delivered through existing UNDP project, Micro-Enterprises Development Programme (MEDEP) and TOR was revised.

In addition, in view of the demands from discharges and changing market needs, UNDP organized meetings with the government and semi-government organizations to explore additional rehabilitation packages and look for possible collaborations and partnership during the implementation of the rehabilitation programme. As a result, contracts were revised with the implementing partners and additional options were added into the menu of rehabilitation.

The programme conducted regular monitoring and follow-up on the rehabilitation process while more focus was given to monitoring competency levels and the quality of learning. Similarly, the programme hired a socio-economic opportunity mapping consultant to develop a strategy for post-training employment and to map potential local employment and microcredit opportunities for the rehabilitation participants.

As a result of the interagency collaboration and relevant agencies' specific expertise, an inclusive programming approach has been adopted to support other vulnerable young people in the community as per the principle guidelines of the Paris Declaration on Aid Effectiveness. Through UNICEF's experience in working with children associated with armed forces and armed groups (CAAFAG), support to other such vulnerable groups has been integrated in the programme to avoid further stigmatization of discharged minors and late recruits. The focus on socio-reintegration and rehabilitation of these VMLRs is ensured by providing psychosocial support, establishing response mechanisms to address protection concerns, and engaging VMLRs in the community-based peacebuilding activities. Each of the five regional offices has two psychosocial counselors to provide services in training centres, schools and in the community through trained social workers. A referral mechanism to

specialized agencies has been established for cases requiring clinical and critical psychosocial interventions. This takes advantage of the CAAFAG Working Group's network and district-level capacity supported by UNICEF since 2007.

iii) Additional Achievements Contributing to the Programme

In addition, the following achievements contributed to the overall programme objectives:

- Assessment of foreign and domestic labour market opportunities.
- Managed the Disarmament, Demobilization, Reintegration and Arms Management (DREAM) database.
- Provided support to UNMIN and JMCC on cantonment management.
- Improved living conditions of Maoist army members in cantonments (19,602).

Lessons learned

Some of the key lessons learned included:

- **National ownership of the process is vital:** Clear political and sound leadership buy-in and support is required to contribute to national ownership, management of expectations and sensitivities, and the sustainability of the outputs.
- **Global lessons adapted to Nepali context:** All rehabilitation programmes are implemented in a unique context. However, lessons learned and best practices from other programmes are equally applicable in most of the reintegration and rehabilitation programmes. Adaption of international lessons learned from other similar programmes proved to be extremely useful.
- **Individual profiling with socio-economic mapping is vital:** The UN was denied access to cantonments to gather individuals' profiles, needs and aspirations prior to the discharge process. As a result, the programme had to design the rehabilitation packages with limited information on VMLRs, their interests and their needs. The resulting packages were designed on assumptions and extrapolation; therefore, they needed to be re-examined once the full rehabilitation process commenced and the full case load became clear.
- **Expectations must be managed:** Artificially high expectations by the VMLRs of the UN rehabilitation programme created a situation of confusion that has seriously challenged full access of the VMLRs to the rehabilitation programme. The UCPN-M has not actively assisted in managing these expectations. Because of high expectations, VMLRs refuse to take up jobs because the starting salary is lower than their expectations (NRs. 5,000-6,000).
- **UNCT approach:** The UN interagency approach—involving UNDP, UNICEF, UNFPA and ILO—to design and implement programming has been successful in optimizing institutional strengths and developing synergetic outputs.
- Rehabilitation option packages should not be linked exclusively to government-endorsed curriculums. There are often other options in high demand within the market that might not be part of the government standard curriculum.

3.4.3 Support to the Rehabilitation of Verified Minors and Late Recruits (UNDP, UNICEF, UNFPA, ILO)

The project 'Support to the Rehabilitation of Verified Minors and Late Recruits' (UNPFN/A-7), implemented jointly as the United Nations Interagency Rehabilitation Programme by UNDP, UNICEF, UNFPA and ILO, received a total transfer of \$7,517,820 from the UNPFN in 2010. The project is ongoing, with an expected end-date in May 2012. In addition to the transferred amount, an additional \$1.8 million has been approved as a second year instalment, but not yet transferred to the Participating Organizations.

The project aims to support the socio-economic rehabilitation of the 4,008 Verified Minors and Late Recruits (VMLRs) by promoting gainful employment and livelihood opportunities for these individuals and undertaking community engagement. The socio-economic rehabilitation of the 4,008 VMLRs is a key element of both the CPA and AMMAA and, therefore, the project contributes directly to the national peacebuilding effort. To achieve the desired impact, the project is framed around two complementary outcomes:

- 1) VMLRs are supported in their socio-economic rehabilitation and;
- 2) Communities are engaged in supporting the rehabilitation of VMLR participants.

The content and activities of the project reflect more than two years of UN experience preparing for the rehabilitation of the VMLRs (including the UNPFN/A-3 and UNPFN/A-6 projects), as well as principles and lessons learned from the rehabilitation and reintegration of ex-personnel programmes throughout the world that are documented in the UN's Integrated Disarmament, Demobilization and Reintegration Standards (IDDRS). Supporting transition of these discharged VMLRs into civilian life through the facilitation of realistic employment and livelihood opportunities is seen as an important step towards bringing a sustainable degree of peace to the country. Given that 74 percent of the VMLRs were young at the time of their initial verification, and 30 percent of the VMLRs were girls or young women, the project approach placed strong emphasis on gender-specific needs and special considerations.

Key results and achievements

UNIRP has been supporting the rehabilitation of the VMLRs since January 2010 by providing rehabilitation support services, including four sectoral packages.

By the end of 2010, 470 VMLRs had completed training programmes in VST and ME. Just three months after the commencement of graduations from training programmes, the rate of employment was 26 percent of the total graduates based on the initial information after follow-up actual monitoring. Forty-five percent of the total graduates were employed. This shows the actual rate of employment to be between 26 and 45 percent. Considering the national youth employment level of close to 15 percent (ILO) and the supply-driven nature of job placement for this difficult caseload, these figures are encouraging. UNIRP socio-economic teams are consistently making efforts through close liaison and collaboration with the private sector and business community to improve placement levels and explore possible employment and microcredit linkages for programme graduates.

UNIRP, in collaboration with I/NGOs International Alert and Saferworld, has presented the necessity of job creation support for VMLRs to the representative institutions of the private industrial sector (e.g. NBI, FNCCI), and improved liaison for exploration of collaborative modalities have been developed.

Programme communication has also strengthened throughout implementation (revision of related documents, database for SMS, facilitation of media access to information and training programme). Several Public Service Announcements (PSAs) in different national and local dailies have been designed and launched through 120 radio stations across Nepal. As a result of PSAs, VMLRs were informed and encouraged to join the rehabilitation programme. In addition, several SMS messages were sent to cell phones of VMLRs on various relevant subjects.

After the discharge process, two meetings of the National Rehabilitation Steering Committees were convened by the MoPR after long delays. The meetings were attended by UCPN-M representatives and senior UN officials. These meetings recognized the relative success of the UNIRP and promised greater national support and collaboration. Maoist representatives promised that political influence on the decisions of VMLRs to join the rehabilitation programme would cease and that regional commanders would be instructed accordingly.

UNIRP has also achieved a number of key internal and programme management goals in 2010:

- Two programme review workshops, with the participation of key staff from regional UNIRP offices and interagency staff, were conducted (two-day in April and five-day in Nov 2010). The workshops strengthened programme implementation at the field level by reviewing programme implementation status and key challenges, reviewing experiences and lessons learned and developing strategies to overcome key issues and challenges. In particular, they helped the field staff to understand the Do No Harm (DNH) concept and framework and analyze local context by applying DNH tools and techniques to lead the programme in generating programmatic adjustments for more conflict sensitive planning and implementation.
- A comprehensive interagency Rehabilitation Information System (RIS) is being designed and developed. It will be officially launched in the first quarter of 2011. The RIS is a strong web-based application with strong security access control mechanisms that can be accessed online from anywhere in the world. It will allow the regional offices and interagency partners to access data through an intranet. The database is linked to the DREAM database (generated during the first UN-led registration process of Maoist army personnel) and other databases of UNIRP that would operate as an integrated information management system. In addition to this, a toll-free database is developed to compile caller's information to enable easy status search and access to toll-free call records. The database will facilitate online referral of the VMLRs to UNIRP regional offices for counselling and referral to rehabilitation support. It will also allow timely generation of reports for future analysis.
- Select UNIRP staff received a one week workshop on DNH application—an initiative of UNDP Nepal's Peace Building and Recovery Unit and the UN Interagency Group on DNH in Nepal. The training aimed to equip the programme with tools to mainstream DNH planning and implementation into the rehabilitation programme. Similarly, the programme has drafted a plan of action to sensitize relevant staff and other/implementing partners on the approach. As a result of the workshop, the programme staff were able to apply the DNH framework in doing day-to-day work. For instance, they conducted actor mapping and identified 'connectors' and 'dividers'.
- A senior consultant reviewed the UNIRP with due consideration of the political developments and to identify, analyze and highlight bottlenecks that were affecting programme success in terms of numbers and participation. The consultant submitted a comprehensive report including analysis of the political situation and key recommendations.
- A UNIRP Interagency MOU was developed and signed to formalize interagency working modalities, particularly in order to harmonize administrative, logistical and financial collaboration. The MOU ensures a sound basis for interagency relations and optimizing the synergies of between the institutional strengths of the different agencies. The UNIRP has become an important lesson for inter-agency programme implementation approach in Nepal and an excellent example of the UN working as one.

In addition, UNICEF has made arrangements to provide education support through government schools with monitoring and follow-up support provided through implementing partners (NGOs) in 58 of the total 75 districts of Nepal. During the reporting period, 371 VMLRs have been referred for education support, of which 294 have been enrolled. Of the remaining 77, some are in the process of enrollment. Of the total enrolled, around 60 percent of the female participants are married compared to 40 percent of the male participants who are currently married. Around 42 percent of the married female participants have children. During the reporting period, around 36 percent of the female enrolled in schools have been receiving the additional monthly stipend, to support their education as they were staying away from their families without any other source of income.

Reporting on individual key achievements of the project in 2010 are included in the project Annual Report, which is available on the MDTF Office GATEWAY, and includes achievements regarding the following targets:

- Identification of service providers; briefing, capacity-building and contracting.
- Establishment of mechanisms for post-training counseling for micro-entrepreneurs, including linkage to MFIs.
- Development of livelihood opportunities/job placements.
- Data on socio-economic opportunities mutually shared with parallel programmes.
- Post-Rehabilitation Option Packages monitored and mentoring operationalized.
- Regional counselors provided career counseling and information-sharing to participants.
- Community social workers, teachers and health workers were trained to provide psychosocial counseling.
- Requirements of participants with special needs were addressed.
- Gender-specific needs were identified in collaboration with participants.
- Awareness-building activities on UNSCRs 1325, 1820, reproductive health, women's rights, and civic responsibility were facilitated to implementing partners and female participants.
- Informal women's networks of VMLRs were facilitated through women's organizations, paralegal committees and women's federations.
- Monitoring and mentoring provided on a case-by-case basis, ensuring gender sensitivity and that female VMLRs have control of their own benefits.
- Formal education opportunity provided.
- Micro- and small-enterprise development training and support provided.
- VST provided.
- Health services vocational training provided.
- Socio-economic analysis of popular business ideas.
- Development of messages, mediums and IPs, and implementation of campaign.
- Sensitization programmes at regional, district and community levels to raise awareness.
- Enhanced capacity of VST service providers to deliver demand-driven training.

Challenges

A number of major challenges have been identified by the project-team. These include:

- Absence of political buy-in by GoN and the UCPN-M leadership militates against national ownership of the rehabilitation process for VMLRs.
- Lack of proactive support from UCPN-M at central and local levels to facilitate the smooth access of VMLRs to rehabilitation programme.
- Artificially high expectation of the VMLRs regarding the rehabilitation programme creates obstacles and disincentive to implement the programme.
- The Steering Committee for the discharge of VMLRs decided to cap individual rehabilitation packages for VMLRs to Nepali Rupees 100,000 (around 1,400 US\$). This decision limited the capacity and flexibility of the project's individual rehabilitation options and to address the difficulties relating to the absence of economies of scale in trainings which adversely affects implementing partners' costs. This has, in turn, discouraged some beneficiaries from taking up the rehabilitation package offers.
- The absence of appropriate VMLRs socio-economic profiling ahead of the rehabilitation process, which was forbidden by the Maoist leadership, militates against the design of appropriate individual rehabilitation packages suitable to the needs and capacities of each participant. Such advance mapping is a crucial component to the success of any socio-economic rehabilitation.

- Significant levels of stigmatization exist (particularly among inter-caste married couples) for VMLRs returning to their communities, which limits resettlement choices and adversely reduces the potential for reunification of families. This is particularly so for female former Maoist army personnel. Further, reintegration into feudal community structures and traditional cultural roles is complicated by the broadened life experience to which VMLRs have been exposed during the armed conflict.
- The scattered and sparse geographical spread of VMLRs throughout the country has seriously stretched the capacity of the programme for monitoring and post-graduation follow-up.
- A number of VMLRs are suffering from injuries and different forms of disabilities that require support beyond the life and capacity of the UNIRP programme. Lack of special provision to fulfill the long-term health support to the war-wounded and people with disabilities will seriously challenge smooth rehabilitation of these individuals.
- Many of those who have graduated from the UNIRP are in remote areas and are difficult to reach for post-training follow-up, monitoring and mentoring. This has implications for their ability to find sustainable livelihood options.

Lessons learned

Similarly, a number of lessons learned have been identified, including:

- National ownership of the process is vital: Clear political and sound leadership buy-in and support is required to contribute to national ownership, management of expectations and sensitivities, and the sustainability of outputs. This would be reflected in functioning tripartite institutional steering and technical structures, GoN, Maoist and the international community.
- Global lessons adapted to Nepali context: All rehabilitation programmes are implemented in a unique context. However, lessons learned and best practices from other programmes are equally applicable in most of the reintegration and rehabilitation programmes. Adaption of international lessons learned from other similar programmes proved to be extremely useful.
- Individual profiling with socio-economic mapping is vital: The UN was denied access to cantonments prior to discharge process to gather individuals' profiles, needs and aspirations. As a result, the programme designed the rehabilitation packages with limited information on VMLRs and their interests, assuming their needs and information within the context of the peace process in Nepal.
- Expectations must be managed: Artificially high expectation by the VMLRs of the rehabilitation programme has created a situation of confusion which has seriously challenged full access of the VMLRs to the rehabilitation programme. The UCPN-M has not pro-actively managed these expectations or promoted VMLRs to engage with the programme. Because of high expectations, VMLRs refuse to take up jobs because the starting salary is lower than their expectations (NRs. 5,000–6,000).
- UNCT Approach: The UN interagency approach involving UNDP, UNICEF, UNFPA, and ILO to programme development and implementation has been successful in optimizing significant institutional strengths and developing synergetic outputs.
- Rehabilitation option packages should not be linked exclusively to government-endorsed curriculums. There are often other options in high demand within the market that might not be part of the government standard curriculum.

3.4.4 Training Women Journalists in the Terai (UNESCO)

The UNESCO-executed project, 'Training of Women Journalists in the Terai' (UNPFN/E-3), received an allocation of \$20,049 from the UNPFN in 2009. Additional funding to the project, accounting for two-thirds of the overall budget, was sought outside the UNPFN. The project was operationally closed on 31 March 2010.

The main objective of the UNPFN-funded component of the project was to empower Terai women journalists by increasing their skills in personal security issues in order to make them feel safer and allow them to do their job as journalists with more confidence. The overall programme had a wider objective; to contribute to strengthening media in the country as a whole.

Female journalists working in the Terai area in southern Nepal face increasing danger because of their profession. There have been many incidents of female journalists being threatened because of stories they have written or interviews they have done. In some cases, armed gangs, often affiliated with political parties, are responsible for the intimidation. Gangs have attacked media houses and beaten reporters and editors. The attacks have ranged from intimidation to physical violence and in January 2009, to radio reporter Uma Singh's murder. Many female journalists have quit their jobs out of fear (local sources claim that between January and March 2009 about 70 percent of female journalists in the Terai quit their profession) and many more say there is growing pressure from their families to get out of the profession because of the danger. There is evidence that the number of attacks is increasing and the violence is occurring in more areas of Nepal.

Recent incidents of threats of violence and actual violence towards women journalists are aimed at silencing voices and reducing the democratic space. The project wanted to be a catalyst in supporting free media and improving journalistic reporting in the Terai.

Therefore, UNESCO organized a training session, addressing the key security concerns and providing personal security training, for 25 women journalists in Terai. The impact of the training intended to improve their basic journalism skills, knowledge on human rights and gender-based violence, conflict-sensitive reporting, and their confidence as women reporters.

The overall goal of the project was to create an environment of free and fair monitoring and reporting of the political situation in the Terai by women journalists. The aimed peacebuilding impact of the project was to help to consolidate the peace through independent media monitoring and reporting of the security situation on the area.

With state restructuring and elections in the near future, the capacity of media is of particular importance in Nepal. Nepal's Peace and Development Strategy, introduced by Nepal's international development partners, emphasizes the role of free and independent media, providing high-quality reporting, "not just as a check on the state but also in contributing to an effective state by strengthening democracy, human rights, good governance and citizen engagement". Through building the capacity of women journalists, particularly on conflict-sensitive reporting, the project has contributed to Nepal's peacebuilding efforts.

The expected outcomes of the programme were:

- a) Twenty-five women journalists in the Terai are provided the skills and knowledge to improve their security and to feel confident continuing to work in an environment of heightened personal security risk.
- b) Twenty-five women journalists in the Terai are provided the skills and knowledge to improve their journalism skills, particularly through their ability to address issues pertaining to human rights, conflict and gender, and gender-based violence.

The expected outcomes of the project were partially met: Outcome a) on improving the security of the women journalists turned out to be challenging. While it was useful for the participants to receive the basic security training, some of the participants have subsequently moved from the Terai to Kathmandu for security reasons, even though there they have only part-time jobs in the media. On the other hand, some of the women have stayed

in the Terai and continue to work as journalists, some even having better jobs because of the skills acquired during the training.

Before the training, the situation of women journalists in Terai was challenging: the women faced threats and violence, but did not receive support from their families or employees. The training not only provided them with the basic security skills, but opened their eyes to seeing that they are not alone, and created a platform for the women to interact and share experiences and seek peer support in difficult situations. According to the participants, without the opportunity to learn and network provided by the training, many of them would have left their profession as journalists. The network of trained women journalists is still active, one year after the last training module.

Outcome b) on the skills and knowledge of journalism turned out to be well-accomplished. In their feedback to the organizers, the participants emphasized the importance of such training, particularly basic journalism skills, telling how their confidence in themselves as journalists has grown, and how the training will help them to maintain their dignity as journalists. This finding is supported by the fact that some of the training participants have moved to Kathmandu to work. While this movement has been mostly security-motivated, the women could not have competed with the many journalists already living and working in Kathmandu without the training provided by the project.

The participants of the training proved to be motivated, dedicated and brave in their work. Many had had at least one experience of threats or intimidation and all knew someone who was harassed because of their work. However, threats and intimidation were not the only difficulties the women journalists were facing. Most of the participants had received little journalism training. They were often poorly paid, or in some cases, not paid at all for long periods. Many reported that they got no support from their editors or media-house owners, even when facing threats of violence in the course of their work. In many cases it was even the opposite: participants reported being criticized by their supervisors for writing legitimate news stories that were not in the interest of advertisers or powerful business people. Therefore, some of the participants had other paying jobs, such as teaching, and some said that in the long-term, they may have to give up journalism altogether.

The collaboration between a relatively large number of project partners of heterogeneous background turned out to be a success. The UN agencies and international non-governmental organizations (INGOs) brought to the table the expertise in media development and human rights, while the local media organizations provided the project with in-depth knowledge on media in Nepal. As an added bonus, the project provided the three UN agencies (UNICEF, UNFPA and UNESCO) a platform for concrete and increased cooperation.

Lessons learned

A number of lessons were learned during the project duration. These included:

- For some of the participants, it was difficult to fully implement the journalistic principles or journalism skills taught during the course because editors and owners might resist. However, only through patient and subtle pushing by the growing number of trained journalists can the level of media reporting be increased and self-censorship decreased. During the refresher course in March 2010, some of the participants reported that their employers did not want them to be trained and therefore become more professional, as that would mean they would have to be paid more. In line with this fear, some of the participants indicated that if they were trained even further, they would indeed quit their current jobs and start looking for better jobs.

- This poses a complicated challenge: on the one hand, it is crucial for the peacebuilding process that journalists from small local media houses are well-trained and equipped with the skills needed to report in a professional and unbiased way. On the other hand, it is natural for journalists to move forward with their careers after improving their professional skills. As long as journalists have to move to Kathmandu in order to gain appreciation of their work, even a regular salary, it will be difficult to have professional journalists stay in the rural areas. For the situation to change, not only journalists, but also the owners and editors of media houses need to be trained and sensitized to appreciate their skilled workers.
- The format of the training—three modules within a time period of seven months, combined with practical internships—was successful, to the extent that it could be replicated as a best practice. With three different modules, all of them could focus on one theme, and after the theoretical training period, the participants could apply what they learned during practical internships. However, in order to maintain the motivation of the participants, it is crucial to maintain contact with the participants throughout the training programme—therefore, such a long programme is more time- and resource-intensive than a one-time training.
- The participants appreciated especially the practical exercises of the training modules. The most memorable part of the training was a role-play, where the participants practiced a situation where they were kidnapped.
- Another lesson learned is that the social exclusion that is seen in Nepal as one of the root causes of poverty and conflict is also reflected in the Nepalese media environment, where the low percentage of women media professionals and those from disadvantaged ethnic groups and the low castes reflects the widespread discrimination against these groups in society in general. The peace process and current transition to democracy seem unsustainable without the participation and integration of all parts of the Nepalese population.
- People from underprivileged groups face great difficulties trying to enter into the journalism profession. Those who have managed to join the media often have only limited opportunity to develop their capacity and skill. At the same time, there are many journalists who work from the rural parts of the country and seldom get any chance for career development. Though there were several initiatives funded by donors to build capacity of journalists, those were often limited to those who were employed by the mainstream urban-based national media. For this reason, UNESCO decided to combine trainings on conflict-sensitive, gender-sensitive journalism and on gender-based violence. The discrimination and prejudice between castes manifested itself in a very practical way during the training: some of the participants were first reluctant to participate when they heard there were going to be Dalit participants in the training.
- Even though the course was organized in the Terai, relatively close to the participants' home towns, some of the women journalists were reluctant to leave their homes to participate in the training. Therefore, in the future, when planning training for women journalists, their restrictions to travel and their family situations should be taken into consideration.

3.4.5 Partnership for Equality and Capacity Enhancement (PEACE): Towards Implementation of UNSCRs 1325 and 1820 (UN Women)

The UN Women-executed project ‘Partnership for Equality and Capacity Enhancement (PEACE): Towards Implementation of UNSCRs 1325 and 1820’ (UNPFN/E-6) received an allocation of \$525,000 from the UNPFN in 2010. The project is ongoing, with an expected end-date in March 2012.

Aiming to promote women’s participation in the peace process and protect the rights of women affected by conflict in line with UNSCRs 1325 and 1820, the project provides capacity development support to government and civil society at the central level to effectively implement both resolutions. This will eventually contribute to the more effective consolidation of peace in Nepal. Key activities of the project include enhancing the capacity of the High Level Steering Committee (HLSC) for the implementation of UNSCRs 1325 and 1820 to successfully implement its mandate (orientation to HLSC on UNSCRs 1325 and 1820; developing the NPA on UNSCRs 1325 and 1820; supporting HLSC in reporting on UNSCRs 1325 and 1820; strengthening HLSC Secretariat); and enhance the understanding of concerned government authorities on UNSCR 1325, 1820 and the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) for mainstreaming of women’s rights in government programmes and policies (train the key government ministries’ staff on CEDAW and UNSCRs 1325 and 1820; mainstreaming gender in policies and programmes of MoPR; assist NWC in strengthening the monitoring mechanism; and orientation for civil society on National Action Plan (NPA) on UNSCRs 1325 and 1820).

Key achievements

Despite some delays in the start-up phase of the project, during its first year of implementation, the project has supported the MoPR in the development of the NAP on UNSCRs 1325 and 1820. UN Women was intensively involved in this process. The NAP was endorsed by the HLSC on 4 October 2010 and is in the process of endorsement by the Cabinet. The NAP on UNSCRs 1325 and 1820 is a significant result in the context of the post-conflict situation in Nepal.

A more elaborate overview of the three key achievements of the project thus far is included below:

i) Preparation of National Action Plan (NAP) on UNSCRs 1325 and 1820

Since 2007, UN Women has supported the MoPR to enhance the capacity of concerned government machinery, including the security sectors and civil society on UNSCR 1325 and to initiate the process for the development of the NAP on UNSCRs 1325 and 1820. At a later stage, particularly since early 2010, other UN and development partners, with coordination by the Peace Support Working Group (PSWG) on UNSCRs 1325 and 1820, also started supporting the Ministry in the NAP development process.

The PEACE project supported the development of the NAP through a number of activities. The project supported the consultations for the NAP process at the central as well as the regional levels by providing technical support in planning and designing the consultations, as well as funding the costs of five regional consultations and the travel costs of the experts, government officials and civil society members participating in these consultations. The objective of the regional consultations was to collect feedback from local perspectives to be addressed in NAP and also generate a sense of ownership among the local stakeholders on the NAP and its implementation. In the NAP preparation process, the service of an international expert for a short duration was also made available in order to provide technical backstopping and bring in international experiences for finalization of NAP. The NAP presents the contextual framework and analysis of the peace and security situation, as well as the specific impact

on the Nepali women that prompted its development. It aims to contribute to achieving the goal of sustainable peace and establishing a just society. It is structured around five pillars with corresponding objectives as follows:

- **Participation:** To ensure participation of women at all levels of decision-making, conflict transformation and peace processes.
- **Protection and Prevention:** To ensure the protection of women's and girls' rights and prevention of violations of these rights in conflict and post-conflict situations.
- **Promotion:** To promote women's and girls' rights and mainstream the gender perspective in all aspects of conflict prevention, conflict resolution and peacebuilding.
- **Relief and Recovery:** To address the specific needs and ensure participation of women and girls in the design and implementation of all relief and recovery programmes.
- **Resource Management and Monitoring and Evaluation:** To institutionalize monitoring and evaluation and ensure required resources for the implementation of the NAP through collaboration and coordination of all stakeholders.

Each pillar and general objective has corresponding strategic objectives, specific actions, desired results and indicators. Moreover, the NAP identifies the responsible actors and the timeframe for each action.

The NAP also contains capacity-development provisions for all stakeholders to ensure their informed and meaningful participation in its implementation, monitoring and evaluation. It integrates a media outreach and communication strategy to facilitate sustained awareness-raising and increased ownership and participation. Another key feature of the NAP is a monitoring and evaluation system that uses a combination of activity, result and outcome indicators. The monitoring and evaluation system builds on the existing government structures and involves the participation of women's organizations. Moreover, the NAP stipulates the integration of gender auditing principles in its monitoring and evaluation system. The monitoring and evaluation system guarantees the accountability of key stakeholders to the NAP.

During the implementation of NAP, different government, civil society and development partners will be engaged, to provide technical as well as financial support. The NAP has also envisaged policy and legal reforms and the capacity development of concerned stakeholders for effective implementation, monitoring and tracking of progress. This will contribute towards enabling institutional environments to enhance representation, participation and protection of women and address specific needs of conflict-affected women.

During the implementation of the NAP, the PEACE project will emphasize linkages with other existing relevant national and international instruments, especially CEDAW, which will be duly considered to effectively address the multi-faceted challenges faced by women, and thereby contribute to the national agenda of women's empowerment and gender equality.

ii) Project Introductory Workshop

A project introductory workshop was organized on 23 December 2010. The objectives of the introductory workshop were to share with the stakeholders about the PEACE project, its goals, objectives, scope and its contribution towards the implementation of UNSCRs 1325 and 1820; ensure that the concerned stakeholders were taking decisive and appropriate actions for the implementation of UNSCRs 1325 and 1820; and ensure contribution stakeholders can make from their own respective working sector for the implementation of UNSCRs 1325 and 1820.

The workshop was facilitated by the President of Saathi (an NGO). There were around 60 participants in the workshop representing different government agencies, civil society, international agencies and media. The workshop included panel discussions with the purpose to set the tone of the project and also to explore the operating context of the project.

Key recommendations following the panel discussions included:

- Urgent support for women victims should be provisioned in the project.
- The project should analyze the budget line of the NAP pillars and should invest accordingly.
- The project needs to work with the police force on capacity building on UNSCR 1325 and 1820.
- The PEACE project should focus on sensitization of media on the UNSCR 1325 and 1820 so that they can cover this information widely. Also, the project should develop a strategy to mobilize the media for NAP's implementation.
- There should be 33 percent representation of women on the steering committee of the UNPFN and NPTF.

iii) Reporting on UNSCRs 1325 and 1820, 1888

In June 2010, a national consultation for the UN Secretary-General's report on 'Women's Participation in Peacebuilding' was held in Nepal. The objective of the consultation was to lay the basis for a comprehensive UN strategy for the inclusion of women in peace-making and peacebuilding, and to provide recommendations for the financial and institutional arrangements to guarantee women's full and equal participation in the peacebuilding process. UN Women Nepal took the lead in organizing the event in collaboration with the Peacebuilding Support Office (PBSO) and UN Women HQ. UN Women organized this important event on behalf of the UNCT in Nepal. Representatives from the PBSO and UN Women HQ participated and guided the discussion with women activists, CA Members, government representatives, Donors and UN agencies about their views on how the UN responded to women's post-conflict needs.

During its mandate, UNMIN was required to submit a report to contribute to the Report of the SG on UNSCR 1820, 1888 on Sexual Violence in Conflict in Nepal. In 2010, UNMIN delegated this task to the UNCT in preparing the report. The UNCT nominated UN Women and UNFPA to jointly lead the development of the submission to SG's report on behalf of the UNCT. The final report was submitted to UNMIN, which then submitted it to the Department of Political Affairs for further submission to the SG's office. The report was submitted to the SG's office on 15 September 2010. The report was prepared through consultations with different stakeholders, such as government, donor agencies and civil society organizations. The published and unpublished reports of different organizations on 1820 and 1888 were also reviewed during the process. The report highlighted the implementation status of UNSCRs 1820 and 1888 in Nepal with regard to sexual violence and conflict. It also reported on the progress and gaps identified while inputs were provided for the first report on UNSCR 1820 in March 2009 and on the implementation of UNSCR 1888. The following were the key findings of the report:

- In Nepal, access to justice for women and girls remains weak, especially in cases of sexual- and gender-based violence (SGBV). Such cases are believed to be under-reported because the survivors fear retaliation, stigmatization or further victimization.
- The findings highlighted SGBV as the major cause of insecurity for women in the post-conflict situation. Political interference in the security and justice sectors was also identified as a major cause of weak public trust in the providers of these vital services.
- The report has quoted media reports and findings of human rights organizations that drew attention to cases of sexual violence, particularly rape.

- Interference in the security and justice sectors, presence of armed groups and criminal gangs (existence of more than 100 armed groups) and the lack of local governance structures are among the key contributing factors to insecurity that were pointed out. It is difficult for victims of sexual violence to seek justice openly. There have been instances where the family of the victim has been provided monetary benefits to prevent the cases from being pursued further. Protection of criminals often forces victims and their families to withdraw cases or remain silent in fear of threats.
- Data on the trends or patterns of violence are still difficult to come across and as result, reliable evidence on conflict-related sexual violence or the use of sexual violence during the conflict are rare. What data exist may represent only a small part of the reality. The poor documentation may be an outcome of the fear of retaliation, stigmatization or further victimization of survivors and the lack of adequate support structures to enable victims to break the culture of silence. Data for highlighting adequately on the trend/pattern do not exist.

The report made the following recommendations:

i) Strengthening the Legal Framework

- The government should initiate a holistic, victim-centric rights-based approach to support victims to enable them to break the silence. Efforts should therefore focus on strengthening support services and measures for changing attitudes of society to enable women to speak openly about their experiences during the conflict.
- Documentation of sexual violence cases needs to be standardized through the development of ‘Standard Guidelines’ for documenting cases of sexual violence emphasizing the ‘do no harm approach’ and documentation ethics.
- Strong messages need to be conveyed to the Government for ensuring that perpetrators are prosecuted. Applied judiciously, targeted sanctions on individuals and parties to conflict may have a restraining effect and deter sexual violence.
- Government, together with stakeholders, should ensure systematized data management on sexual violence, including the introduction of standards for safety and confidentiality.
- Strengthen the legislative framework to adequately address all forms of sexual violence, including reforming the existing rape law.
- A mechanism to document and address sexual offences committed during the conflict, especially those perpetrated by members of the security forces or the CPN-M, should be part of the mandate of the Truth and Reconciliation Commission (TRC) or any other accountability mechanism that may be set up.
- The TRC Bill requires strengthening by including provisions for victim/witness protection, paying particular attention to the social and security dimensions of public testimony for victims of sexual violence. This should also include arrangements for shelter homes and the formation of a special committee of women to investigate crimes against women, including sexual violence, in order to create an environment for women to speak out before the Commission.

ii) Building Capacities

- Integrate the gender perspective into all national efforts to reform armed forces; strengthen the rule of law, the judicial system and democratic institutions to improve women’s security.
- Promote coordination of organizations working on sexual violence in understanding its prevalence and develop appropriate strategies to address sexual violence relating to conflict, and for urgently responding to the peace process initiatives.

- Strengthen law enforcement and the Nepal Police Women Cell to respond to sexual violence by providing relevant mandate and capacity. Increase the numbers of trained female police and increase the numbers of women in senior positions within the law-enforcement mechanism. Engage the law-enforcement and informal-justice mechanisms and local civil society bodies in joint dialogues, in an effort to bring these stakeholders together to discuss appropriate responses to SGBV.
- Develop innovative strategies to ensure compliance by all actors with international humanitarian and human rights laws. The large gap between policies and their effective implementation must be closed and more needs to be done for mainstreaming of gender perspectives at every stage of peacebuilding in order to prevent and end sexual violence.

iii) Ensuring Support

- Provide victims of sexual violence with sustainable and needs-based reparations in a non-stigmatizing manner in addition to ensuring gender equal citizenship rights for better access to reparation.
- Enhance commitment, leadership and accountability for improving institutional capacity and increasing the financial and human resources of UN agencies to better support government partners. To promote effective implementation of the resolutions, the operational guidelines of the Government and UN Peace Funds in Nepal need to strengthen gender equality by earmarking increased funds for women and gender.
- Ensure that the UN agencies and external development partners uniformly stress the need to address sexual violence in their support for strengthening peace processes, particularly transitional justice, reparation, reintegration, rehabilitation, and Security Sector Reform (SSR).

The reporting on UNSCRs 1325/1889, 1820/1888 is an important initiative of this project. In coming years, the project should also consider reporting on the new resolution UNSCR 1960 which calls on the SG to include in his annual reports detailed information on perpetrators (parties to armed conflict that are credibly suspected of committing or being responsible for acts of rape or other forms of sexual violence) and to provide a list of such; it requests the SG to establish monitoring, analysis and reporting arrangements for such reporting.

3.4.6 Piloting Land Registration and Preliminary Land Management Intervention in Selected Parts of Achham District (FAO)

The FAO-implemented project ‘Piloting Land Registration and Preliminary Land Management Intervention in Selected Parts of Achham District’ (UNPFN/C-2) received an allocation of \$50,000 from the UNPFN in 2010. The project is ongoing, with an expected end-date in November 2011.

The main purposes of the project are to rehabilitate the cadastre and issue land titles to the land owners in selected parts of Achham district (where land records were destroyed during the ten-year-long armed conflict in Nepal) using cadastral surveying, and to propose an effective and efficient methodology that may be replicated in other parts of the country.

The expected results include:

- Cadastres in selected parts of Achham district rehabilitated.
- More efficient and effective methodologies for cadastral survey recommended for further replications.

However, most project activities have been delayed and could not be completed in the previously stipulated time of six months and were granted no-cost extensions due to:

- The field missions to Achham were originally planned as soon as the project started, but due to monsoon and festivities (Dasain and Tihar) the missions were conducted only in November 2010.

- The changed leadership at the Department of Survey re-assessed the project objectives and the project implementation modality; using Global Positioning System (GPS) as the only method for obtaining maps was revised and now it will only be one of the methods, along with traditional plane-table methods and semi-modern ortho-imaging.
- The GoN also took some time to decide how best they could allocate resources (financial plus human) to complement and supplement this project: the complementary support from the GoN is reflected in the revised project document.

The project has been granted a no-cost extension by the Executive Committee until November 2011.

3.4.7 PBF-funded projects approved by the UNPFN Executive Committee

In addition to the UNPFN-funded projects reported on above, three PBF-funded projects were approved by the UNPFN Executive Committee in 2010 approved transfer amounts of \$4,481,201, bringing the total PBF-funded projects in Nepal to seven, with total net amount of transfers to \$9,984,614, or 99 percent of the total PBF allocation provided to Nepal.

The information below provides a brief overview of the status and objectives of the PBF projects in Nepal. For further details, including information on results achieved to-date, challenges faced and financial reports, see the 2010 Consolidated PBF Annual Report and/or individual PBF project reports, all available on the MDTF Office GATEWAY (<http://mdtf.undp.org>).

i) Support for Children and Adolescents Formerly Associated with the Maoist army (UNICEF)

The UNICEF-executed ‘Programme of Support for Children and Adolescents Formerly Associated with the Maoist army in Nepal’ (PBF/NPL/B-1) received \$622,010 in funding through the PBF in Nepal. The project was operationally closed in March 2010. The programme to support children and adolescents formerly associated with the Maoist army has been implemented by UNICEF and the CAAFAG Working Group since 2007 to support community-based reintegration of children and adolescents associated with armed forces and armed groups who had been informally or had been self-released and to make a contribution to rebuilding these young people’s futures. In addition, by offering children and young people a stake in the peace process, the programme also made a contribution to the consolidation of peace and stability in Nepal.

Through this project, UNICEF ensured continuation of reintegration support to a total of 5,776 informally and self-released CAAFAG and other children affected by armed conflict (CAAC) in 34 districts during the reporting period: 64 percent of children received education support, and 20 percent received support for vocational training. Furthermore, 16 percent of children and their families have received support for income-generating activities.

UNICEF, in its efforts to support the community-based reintegration of CAAFAG and other children affected by conflict, has established an extensive network of community-based and child-rights organizations at district and community levels. Leveraging the network’s strengths, UNICEF has been able to establish a referral mechanism at regional and district levels which links diverse service providers in the district with children who may need their services.

Despite the end of the conflict in Nepal, obligations towards children, as contained in the peace agreement, remain partly unfulfilled, largely due to the absence of the government’s comprehensive response to thousands of children affected by conflict. UNICEF provided technical assistance to the MoPR to develop a National Plan of Action (NPA) for reintegration of children affected by conflict which was approved by the cabinet in December

2010. UNICEF intends to continue providing technical assistance to the GoN to support the timely implementation of the NPA.

ii) Support to Female Members of the Maoist army (UNFPA)

UNFPA's project, 'Support to Female Members of the Maoist army' (PBF/NPL/B-2), with a total net allocation of \$224,614, was operationally closed in 2009. The project was designed to improve conditions for those in the divisions, their orderly discharge and reintegration within communities, including the non-verified and minors. This main objective was divided into three sub-immediate objectives: a) increased utilization of health services during discharge and reintegration by population in the divisions as well as host communities; b) increased utilization of reintegration support services for youth and females associated with the Maoist army; and c) increased community capacity of women's participation and protection in the peace process. The reproductive health service delivery programme started in August 2009 in five of the seven Maoist cantonment sites. In the two remaining cantonments, activities began in October/November 2009, mainly due to the non-availability of the Ministry of Health and Population responsible person to initiate dialogue with these two cantonments. All 30 planned reproductive health clinics of six-day duration were conducted in cantonments during the project period. Similarly, referral services were made available to all feasible clients throughout the project duration. In terms of estimated number of expected clients, all female members of the Maoist army in the cantonments and about one-third of the women of reproductive age from the host communities were accounted for. However, UNFPA has found itself challenged by high expectations and the demands being made by beneficiary communities, as it is the only UN agency supporting reproductive health services in the cantonments.

iii) Transitional Justice (OHCHR)

The OHCHR-implemented project, 'Transitional Justice Project' (PBF/NPL/B-3), received an allocation of \$1,999,830 in 2009. The project is ongoing, with an expected operational closure date of 31 October 2011. The objective of the project is to support the development of effective transitional justice mechanisms in order that they contribute to strengthening the peace process, to consolidating democratic stability and to supporting the development of a society built on respect for human rights and the rule of law. Given that the transitional justice mechanisms have been established as core elements of the peace process, the project is well-positioned to fulfill its objectives. The four main outputs include advisory and technical support to the MoPR; support for efforts assisting the establishment of the Transitional Justice Commissions; mapping of serious violations of international human rights and humanitarian laws; and support to civil society organizations that facilitate interaction between victims of the conflict and the Transitional Justice Commissions.

iv) Recognition of Sexual Violence as a Tool of Conflict (UNFPA/UNICEF)

The UNFPA/UNICEF-implemented project, 'Ensuring recognition of sexual violence as a tool of conflict in the Nepal peacebuilding process through documentation and provision of comprehensive services to women and girl victims/survivors' (PBF/NPL/B-4), received an allocation of \$2,100,000 in 2010. The project is ongoing, with an anticipated operational closure date of 29 April 2012. The overall purpose of the project is to support sustainable peace by ensuring the recognition of the survivors of conflict-related sexual violence. It aims at breaking the culture of silence around sexual violence in Nepal, including by improving access to justice, reproductive and other kinds of health, legal services and psycho-social counseling. The provision of reproductive health services is used as an entry point in order to identify and document incidences of violence committed against girls and women during the conflict. The project aims to do this by identifying and documenting incidences of sexual violence against women and girls during the time of conflict and post-conflict in Nepal; supporting access to reproductive health care and psycho-social counseling for survivors of sexual violence in target areas; and

promoting recognition of the incidence of sexual violence in the Nepal peace process through access to justice for survivors of sexual violence, including through participation in transitional justice processes.

v) Youth Employment (ILO/FAO)

The ILO/FAO-executed ‘Jobs for Peace: 12,500 Youth Employed and Empowered through an Integrated Approach’ (PBF/NPL/D-1) received a PBF allocation of \$2,656,000 in 2009. The project is ongoing, with an expected operational closure date of 31 May 2011.

The overall objective of the project is to contribute to national peacebuilding and poverty reduction through engaging youth in productive employment activities and empowerment. Its immediate objectives include engaging targeted young women and men in productive employment and economic opportunities with increased gender and disadvantaged group equality in work opportunities; and empowering youth to address youth priorities while contributing to dialogue and mutual understanding for peacebuilding. By the end of the reporting period, the project was on track to achieve these objectives.

vi) Reparations to Conflict-Affected Persons (IOM/OHCHR)

IOM and OHCHR’s joint project, ‘Fairness and Efficiency in Reparations to Conflict-Affected Persons’ (PBF/NPL/E-1), received an allocation of \$1,017,583 in 2010. The project is ongoing, with an expected operational closure date of July 2011. The project is designed to provide support to the MoPR for development and implementation of reparation mechanisms in accordance with international human rights standards and best practices. The MoPR and three selected district administration offices are the primary beneficiaries of the project. The outcomes of the project include: a national reparation policy in line with international human rights principles; outreach strategy and strategy for data collection and data management; comprehensive SOP’s, procedures and guidelines for reparation processing; training and capacity-building of staffs from the MoPR and other relevant institutions; providing necessary material and equipment support for the MoPR and district administration offices.

vii) M&E and Response to Child Rights Violations (UNICEF/OHCHR)

UNICEF and OHCHR’s joint project, ‘Monitoring, Reporting and Response to Conflict-Related Child Rights Violations’ (PBF/NPL/E-2), received an allocation of \$1,379,004 in 2010. The project is ongoing, with an expected operational closure date of 31 December 2011. The overall purpose of the project is to ensure that child protection actors, including state entities, are taking decisive and appropriate actions to prevent and respond to violations of children’s rights. Activities to support the stabilization of the peace process by monitoring and responding to violations against children, strengthening child protection systems and by identifying and mitigating against factors that increase children’s vulnerability to engagement in activities that threaten the peace process. The objective is to monitor and report on the DR process and ongoing violations of children’s rights, as mandated by Security Council 1612 and 1882, as well as to provide appropriate services for informally or self-released CAAFAG and other children affected by armed conflict (CAAC) to ensure their successful reintegration into their communities.

4 Financial Performance

Note that this Financial Performance section only includes financial data on the UNPFN. It does not include financial data related to projects supported through the \$10 million PBF country envelope that was allocated to Nepal in 2009. Financial information on PBF is available in the 2010 PBF Annual Report and on the MDTF Office GATEWAY (<http://mdtf.undp.org>). Due to rounding, totals in the tables may not add up. All amounts in the tables are in US\$ thousands.

4.1 Financial Overview

The table below provides a financial overview of the UNPFN as of 31 December 2010, highlighting the key figures as well as the balance available, both with the AA (MDTF Office) and with Participating Organizations.

Table 4-1: Financial Overview

	Prior Years as of 31 Dec 2009	Current Year Jan–Dec 2010	TOTAL
Sources of Funds			
Gross Donor Contributions	18,436	3,982	22,417
Fund Earned Interest Income	181	59	240
Interest Income received from Participating Organizations	56	19	75
Refunds by Administrative Agent (Interest/Others)	–	–	–
Other Revenues	–	–	–
TOTAL: Sources of Funds	18,672	4,060	22,732
Uses of Funds			
Transfers to Participating Organizations	10,294	9,474	19,768
Refunds received from Participating Organizations		(279)	(279)
Net Funded Amount to Participating Organizations	10,294	9,195	19,489
Administrative Agent Fees	184	40	224
Direct Costs (UNPFN Secretariat)	200	–	200
Bank Charges	0	–	0
Other Expenditures	–	–	–
TOTAL: Uses of Funds	10,679	9,234	19,913
Balance of Funds Available with Administrative Agent	7,993	(5,175)	2,818
Net Funded Amount to Participating Organizations	10,294	9,195	19,489
Participating Organizations' Expenditure	9,326	4,214	13,540
Balance of Funds with Participating Organizations	968	4,981	5,949

4.2 Donor Contributions

Two donors contributed to the UNPFN in 2009; the United Kingdom/DFID (\$3,200,000) and Denmark (\$781,541). Cumulatively, as of 31 December 2010, the five donors to the UNPFN had contributed \$22,417,076,

including contributions from the United Kingdom/DFID (\$9,498,767), Norway (\$8,162,494), Denmark (\$2,333,541), Canada (\$2,221,299) and Switzerland (\$199,975).

Table 4-2: Donor Contributions

Donors	Prior Years as of 31 Dec 2009	Current Year Jan–Dec 2010	TOTAL
Denmark	1,552	782	2,334
Norway	8,163	–	8,163
Canada	2,221	–	2,221
United Kingdom (DFID)	6,299	3,200	9,499
Switzerland	200	–	200
TOTAL	18,436	3,982	22,417

4.3 Interest Earned

4.3.1 UNPFN-Administrative Agent (Fund) Earned Interest

Fund-earned interest (i.e., interest earned by the UNPFN AA) was \$58,629 in 2010, increasing the cumulative fund-earned interest to \$239,579 as of 31 December 2010. This amount is an additional source of income for the UNPFN and increases the amount of funds available for project funding, as approved by the UNPFN Executive Committee.

4.3.2 Interest Earned by Participating Organizations

All interest earned by the Participating Organizations is expected to be credited to the UNPFN account unless the governing bodies of the said organization has approved decisions that govern the specific use of interest earned on donor contributions. The refunded interest will be used to augment the availability of funds for project funding. In 2010, UNDP and UNOPS reported and refunded interest (in total \$19,358), bringing the cumulative (2007–2010) Participating Organization earned interest to \$75,274.

Cumulatively, as of 31 December 2010, fund-earned and Participating Organization-earned interest amounted to \$314,853.

Table 4-3: Received Interest at the Fund and Agency Levels

Administrative Agent	Prior Years as of 31 Dec 2009	Current Year Jan–Dec 2010	TOTAL
Fund-Earned Interest	181	59	240
TOTAL: Fund Earned Interest Income	181	59	240
Participating Organization (PO)			
UNDP	24	12	36
UNOPS	32	7	39
TOTAL: Interest Income received from PO	56	19	75
TOTAL	237	78	315

4.4 Transfer of Approved Funding to Participating Organizations

As of 31 December 2010, the UNPFN had approved transfers to projects for a net total of \$19,489,134. During the reporting year 2010, a net amount of \$9,194,655 was approved for transfer of funds. The distribution of approved transfer of funds by Participating Organizations, priority area and reporting period is summarized in the below tables.

Table 4-4: Transfer of Net Funded Amount by Participating Organization

Participating Organization	Prior Years as of 31 Dec 2009	Current Year Jan–Dec 2010	TOTAL
FAO	–	50	50
ILO	–	224	224
UNDP	5,306	5,134	10,440
UNESCO	20	–	20
UNFPA	–	721	721
UNICEF	–	1,553	1,553
UNOPS	4,081	989	5,069
UNWOMEN	–	525	525
WFP	888	–	888
TOTAL	10,294	9,195	19,489

Table 4-5: Transfer of Net Funded Amount by UNPFN Priority Area

Priority Area	Net Funded Amount	Number of Projects
Elections-Governance	301	2
Quick Impact	50	1
Reintegration	17,706	6
Rights-Reconciliation	1,433	4
TOTAL	19,489	13

4.5 Expenditure

During the reporting period 1 January to 31 December 2010, a total of \$4,213,821 was reported by Participating Organizations as expenditure. Together with the prior years' expenditures, this adds up to \$13,540,168 which is 69.5 percent of the total approved funding of \$19,768,141. Similarly as in 2008 and 2009, all expenditure reported for the year 2010 was submitted by the Headquarters of the Participating Organizations through the MDTF Office's UNEX Financial Reporting Portal, and extracted and analyzed by the MDTF Office.

The below tables provide different cuts on this expenditure data. Additional tables on expenditure, including expenditure tables by Participating Organization with breakdowns by budget category, are available on the MDTF Office GATEWAY (<http://mdtf.undp.org>).

Table 4-6: Expenditure by Priority Area

Priority Area	Net Funded Amount	Expenditure			Delivery Rate
		Prior Years as of 31 Dec 2009	Current Year	TOTAL	
Elections-Governance	301	106	195	301	100.01
Quick Impact	50	–	8	8	15.54
Reintegration	17,706	8,325	3,883	12,209	68.95
Rights-Reconciliation	1,433	895	128	1,023	71.40
TOTAL	19,489	9,326	4,214	13,540	69.48

Table 4-7: Expenditure by Participating Organization

Participating Organization	Net Funded Amount	Expenditure			Delivery Rate
		Prior Years as of 31 Dec 2009	Current Year	TOTAL	
FAO	50	–	8	8	15.5
ILO	224	–	93	93	41.7
UNDP	10,440	4,370	2,996	7,367	70.6
UNESCO	20	7	13	20	98.9
UNFPA	721	–	34	34	4.7
UNICEF	1,553	–	503	503	32.4
UNOPS	5,069	4,061	451	4,512	89.0
UNWOMEN	525	–	115	115	22.0
WFP	888	888	–	888	100.0
TOTAL	19,489	9,326	4,214	13,540	69.5

Table 4–8: Expenditure by Budget Category

Category	Expenditure			Percentage of Total Programme Cost
	Prior Years as of 31 Dec 2009	Current Year	TOTAL	
Supplies, Commodities, Equipment and Transport	1,727	281	2,007	16.26
Personnel	3,734	1,889	5,624	45.56
Training of Counterparts	26	67	93	0.75
Contracts	2,725	1,053	3,778	30.61
Other Direct Costs	403	438	842	6.82
TOTAL: Programme Costs	8,615	3,729	12,344	100.00
Indirect Support Costs	711	485	1,197	9.69
TOTAL	9,326	4,214	13,540	

Table 4–9: Expenditure by Project, Participating Organization and UNPFN Priority Area

Priority Area/Project No. and Project	Participating Organization	Net Funded Amount	TOTAL Expenditure	Delivery Rate
Elections-Governance				
00067445 UNPFN/B-1 Electoral Observation	UNDP	144	144	100.02
00067448 UNPFN/B-2 Spec. Electoral Asst.	UNDP	157	157	100.00
TOTAL: Elections-Governance		301	301	100.01
Quick Impact				
00075802 UNPFN/C-2 Land Registration	FAO	50	8	15.54
TOTAL: Quick Impact		50	8	15.54
Reintegration				
00067441 UNPFN/A-1 Mine Action/IEDD/EOD	UNOPS	5,069	4,512	89.01
00067443 UNPFN/A-2 Verification (I)	UNDP	693	693	100.00
00067447 UNPFN/A-2a Verification (II)	UNDP	534	529	99.06
00067451 UNPFN/A-3 Adult Discharge	UNDP	500	500	100.00
00071690 UNPFN/A-6 Discharge and Reintegration	UNDP	3,392	3,313	97.65
00075366 UNPFN/A-7 Rehabilitation	ILO	224	93	41.73
00075366 UNPFN/A-7 Rehabilitation	UNFPA	721	34	4.73
00075366 UNPFN/A-7 Rehabilitation	UNICEF	1,553	503	32.41
00075366 UNPFN/A-7 Rehabilitation	UNDP	5,020	2,032	40.48
00078539 UNPFN/A-8 Child Rights Violations	OHCHR	–	–	0.00
00078539 UNPFN/A-8 Child Rights Violations	UNICEF	–	–	0.00
TOTAL: Reintegration		17,706	12,209	68.95
Rights-Reconciliation				
00067444 UNPFN/E-1 Surveillance & Prog	WFP	490	490	100.00
00067450 UNPFN/E-1a Surveillance (II)	WFP	398	398	100.00
00072386 UNPFN/E-3 Training of Journalist	UNESCO	20	20	98.87
00074663 UNPFN/E-6 UNSCRs 1325/1820	UNWOMEN	525	115	21.98
TOTAL: Rights-Reconciliation		1,433	1,023	71.40
TOTAL		19,489	13,540	69.48

4.6 Balance of Funds

As per the Financial Overview (Table 4–1), as of 31 December 2010, a net amount of \$19,489,134 (or 88 percent of gross donor contributions to the UNPFN) had been transferred to Participating Organizations, with a balance of \$2,818,492 remaining with the AA (this includes earned interest and is after AA-fee and direct costs have been deducted). The unutilized balance remaining with Participating Organizations as of 31 December 2010 was \$5,948,966 (or 31 percent of transferred amount).

4.7 Cost Recovery

As indicated in the earlier reports, the cost recovery for UNPFN is guided by the applicable provisions of the TOR, the MOU concluded between the AA and Participating Organizations, and the LOAs concluded between the AA and UNPFN Donors.

Cost recovery, as of 31 December 2010, was as follows:

- **The AA fee:** One percent charged at the time of donor deposits and is for the entire duration of the UNPFN. In the reporting period, this amounted to \$39,815. Cumulatively, as of 31 December 2010, \$224,171 has been deducted in AA fees.
- **Indirect costs of Participating Organizations:** As per the Revised UNPFN TOR, this is set at 7 percent. However, the previous TOR allowed indirect cost to be charged within the range of 5–9 percent. Some Participating Organizations charge indirect costs up-front; therefore, the amount reported as deducted as indirect cost in the middle of a project cycle is not necessarily representative of the amount once the project is terminated. All projects approved since the revision of the TOR have had a 7 percent indirect cost cap. As of the end of the reporting period, indirect costs on all projects (pre- and post-revision of the TOR) amounted to \$1,196,524, or 9.7 percent of programme cost (\$12,343,644). It is expected that this percentage will come down as projects close.
- **Direct Costs:** The UNPFN Executive Committee approved in 2009 an allocation of \$200,000 against UNPFN Direct Costs in support of the UNPFN Monitoring and Evaluation and developing a Results Framework. No Direct Cost was charged in 2010.

5 Transparency and Accountability of the UNPFN

The major vehicle for public transparency of operations under the UNPFN during the reporting period was the MDTF Office GATEWAY.

In 2010, the MDTF Office officially launched the MDTF Office GATEWAY (<http://mdtf.undp.org>). It is a knowledge platform providing real-time data from the MDTF Office accounting system, with a maximum of two-hour delay, on financial information on donor contributions, programme budgets and transfers to Participating Organizations. It is designed to provide transparent, accountable fund-management services to the United Nations system to enhance its coherence, effectiveness and efficiency.

Each MDTF and JP administered by the MDTF Office has its own website on the GATEWAY with extensive narrative and financial information on the MDTF/JP, including on its strategic framework, governance arrangements, eligibility and allocation criteria. Annual financial and narrative progress reports and quarterly/semi-annual updates on the results being achieved are also available. In addition, each programme has a Factsheet with specific facts, figures and updates on that programme.

The GATEWAY provides easy access to more than 5,000 reports and documents on MDTFs/JPs and individual programmes, with tools and tables displaying related financial data. By enabling users in the field with easy access to upload progress reports and related documents, it also facilitates knowledge-sharing and management among UN agencies. The MDTF Office GATEWAY is already being recognized as a ‘standard setter’ by peers and partners.

All UNPFN Participating Organizations’ Annual or Final Reports on individual projects are available on the GATEWAY.

Conclusion

This Fourth Consolidated Annual Progress Report on Activities under the United Nations Peace Fund for Nepal reports on the implementation of the operational projects during the reporting period, January – December 2010. The Progress Report is consolidated based on information and data contained in the individual progress reports and financial statements submitted by Participating Organizations to the MDTF Office.

In line with its mandate, UNPFN funding has been critical in channeling resources for focused, time-limited activities deemed critical to the peace process. The UNPFN has enhanced the capacity to sustain the peace process in Nepal.

Cumulatively, as of 31 December 2010, projects amounting to nearly \$20 million have been approved for transfer of funds from the UNPFN. With an overall financial delivery rate of nearly 70 percent, the 13 projects approved for funding under the UNPFN (excluding PBF-funded projects) cover a wide range of interventions. During the reporting period, projects addressed issues including mine-action; discharge and reintegration of former Maoist army personnel; support and contribution to strengthening Nepali media; support towards the implementation of UNSCRs 1325 and 1820; support to the rehabilitation of VMLRs; and land registration and land management.

The UNPFN's strategic importance is particularly illustrated through its support to mine clearance activities in Nepal. The UNPFN project has cleared 36 minefields, contributed significantly to improving public security and safety, as well as returned valuable land to local communities and industry. Crucially, it has enabled the parties to the conflict to uphold their commitments in the CPA regarding the clearance on mines and IEDs. Similarly, the UNPFN's support to the discharge and rehabilitation of former Maoist army personnel is a significant strategic UN contribution to the peace process, since these are core components of the CPA and AMMAA. Importantly, the bulk of the rehabilitation work has been achieved through a joint UN programme arrangement that serves as an excellent example of for similar 'working as one UN' arrangements in the future. These efforts are a prerequisite for a successful peace process in the country.

Furthermore, funding to promote the implementation of UNSCRs 1325 and 1820 is already bearing fruit. By supporting the capacity enhancement of government and civil society at the central level to effectively implement UNSCRs 1325 and 1820, the UNPFN contributes to the promotion of women's participation in peace processes and the protection of the rights of women affected by conflict. This will eventually contribute to enhancing the consolidation of peace in Nepal.

The strategic importance of the UNPFN was further enhanced by the \$10 million contribution provided by the PBF in 2009, allowing the UNPFN Executive Committee to support projects across a wider range of areas essential to peace process. As of the end of the reporting period, a total of seven PBF-funded projects have been approved by the UNPFN Executive Committee, amounting to \$9,984,614. These include projects in support of children and adolescents formerly associated with the Maoist army; support to female members of the Maoist army; transitional justice; efforts to recognize sexual violence as a tool of conflict; youth employment; reparations to conflict-affected persons; and M&E and response to child rights violations. Cumulatively, these seven projects had an overall financial delivery rate of 54.4 percent as of the end of the reporting period.

The UNPFN Executive Committee has broadened of the programmatic scope of the UNPFN, increased the number of Participating Organizations and increased the number of jointly implemented programmes. These

measures have served to strengthen coordination and coherence within the UNCT and demonstrate an important evolution of the Fund from an immediate post-conflict modality to one that supports early recovery and peace-consolidation.

The MDTF Office envisages that this Fourth Consolidated Annual Progress Report on Activities under the UNPFN will provide the UNPFN Executive Committee the basis on which to better assess upcoming resource requirements and to advocate and mobilize additional funding in support of the continued peace process in Nepal. Similarly, it is envisaged that the Report's detailed description of progress made under projects funded through the UNPFN will provide the GoN, UNPFN Donors and other stakeholders with a comprehensive overview of the results achieved as of the end of the reporting period, and thereby contribute to a better understanding of the UNPFN's critical role in filling initial and immediate funding gaps through channeling resources to focused, time-limited activities deemed critical to the peace process in Nepal.