**Annex 1**

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|  | Insert Fund specific logo, if applicable |

**[MULTI-DONOR TRUST FUND]**

**ANNUAL programme[[1]](#footnote-2) NARRATIVE progress report**

**REPORTING PERIOD: 1 january – 31 December 2009**

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| *Submitted by:*United Nations Development Programme (UNDP), Assistance to the Peace Process in Nepal (APPN), Nepal |  | *Country and Thematic Area[[2]](#footnote-3)*Reintegration & Cantonment  |
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| *Programme No:****MDTF Office Atlas No: (2)****Programme Title:* Assistance to the Peace Process in Nepal (APPN) |  | *Participating Organization(s):* United Nations Development Programmes (UNDP) |
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| *Implementing Partners:* The programme is implemented under the auspices of the Government of Nepal, Ministry of Peace and Reconstruction (MoPR).Main partners: (UNDP, UNMIN, UNFPA and UNICEF)Other Partners: Semi/non-governmental organizations (TITI, UCEP, Alliance Nepal and MEDEP/UNDP). |  | *Programme Budget (from the Fund):*Total programme budget from the fund for the year 2009: US$ 2,496,490.**Other Sources :**TRAC: US$ 578, 464 and DIFID: US$ 120,000 |
| *Programme Duration (4 years):*Start date[[3]](#footnote-4): March 2007End date: August 2011* ***Original end date:*** 07 February, 2011

Budget Revisions/Extensions:Since its inception, the programme has had 14 substantive revisions including the last revision in February 2010. |

**DRAFT**

**REPORT FOR MULTI DONOR TRUST FUND**

1. **Purpose**:

This Project primarily supports the Government of Nepal (GoN) in the implementation of the Comprehensive Peace Agreement (CPA). The active elements of the project in 2009 concern the following areas:

1. Support the Government of Nepal with the discharge and rehabilitation of those the 4,008 disqualified Maoist army personnel who were identified as late-recruits and minors during the UN led Verification Process;
2. Developing concepts and procedures provide strategic advisory, technical and logistic support to the Government of Nepal to facilitate the planning and implementation of the discharge and rehabilitation programme.
3. Provide technical and advisory support for the management of the Nepal Peace Trust Fund;
4. Assess the capacity of GoN/MoPR and develop a strategy to strengthen national mechanisms and capacities to implement the terms of the CPA and other peace agreements.
5. **Background:**

Following the 10 years of conflict, Nepal’s main political parties (the Seven Party Alliance, or SPA) and the Communist Party of Nepal – Maoist (CPN-M) signed a Comprehensive Peace Agreement (CPA) on 21 November 2006. Subsequently, a document detailing the modalities for the monitoring of the arms and armed personnel of both sides – the Agreement on Monitoring of the Management of Arms and Armies (AMMAA) – was signed by the parties and witnessed by the Personal Representative of the UN Secretary General. Under the terms of the agreements, the Maoist fighters were cantoned with their weapons under UN-supervised single-lock system; and the Nepalese Army would reciprocate by restricting all but essential activities and keeping a similar number of arms locked under a parallel system.

**Discharge and Rehabilitation:** As per the CPA and the AMMAA, UNDP carried out jointly with UNICEF and UNMIN the verification of disqualified Maoist army personnel. As a result of the verification process, 4008 combatants were verified as disqualified including 2973 minors (combatants found to be born after May 25th 1988 “minors”) and 1035 late recruits (those who joined the Maoist army personnel after May 25th 2006 “late recruits”) and were found not eligible to remain in the cantonments, thus, were recommended to be immediately and orderly discharged and rehabilitated back to communities.

UNDP has been working closely with the Ministry of Peace and Reconstruction (MOPR) and has been providing technical and logistical support to facilitate the orderly discharge of the disqualified Maoist combatants from the cantonments, and their reintegration into the communities by providing them training and education opportunities to rebuild their lives.

Discharge and Rehabilitation of the disqualified individual is a highly important process which requires commitment from both UCPN-M and the government. There had been good progress as the in mid 2009 government and UCPN-Maoists reached an agreement to resume the process of discharge and rehabilitation of the disqualified Maoist army personnel. Accordingly a paper outlining stages to discharge and rehabilitate the disqualified individuals was developed. The paper laid out the following milestone stages.

1. Information and Consultation,
2. Profiling Survey
3. Discharge from the cantonment,
4. Transit Center,
5. Rehabilitation Programme and
6. Post-training support.

In view of the agreements a Steering Committee chaired by the Minister of Peace and Reconstruction, with representation from UCPN-M and senior UN officials was established to provide policy guidance and oversee the process. Under the Steering Committee, a Technical Committee was also established to plan and oversee the technical implementation of the process. UNDP provided technical and logistical support to MoPR and both the committees in the planning and implementation of all the above mentioned stages.

On Dec 16, 2009, the UCPN-Maoist signed an Action Plan to release disqualified Maoist army personnel (minors and late recruits) from the seven cantonment sites. The Action Plan was signed between the Government of Nepal, the Unified Communist Party of Nepal – Maoist, and the United Nations in Nepal. Subsequently, an operational plan detailing modality of the discharge process was drafted and agreed between UN and UCPN-Maoist on 26 Dec, 2009. The discharge process was scheduled to be carried out within a 40-day timeline starting from 06 January 2010.

**Nepal Peace Trust Fund:** The technical support of the Project resulted in better management and administration of the Nepal Peace Trust Fund, increased delivery of the NPTF projects, increased donors funding, additional donors joined NPTF, improved financial accountability, further alignment of NPTF with GoN’s fund management procedures, and compressive progress reporting.

**Strengthening Capacity to Implement the CPA:** The project provided a range of services to the Ministry of Peace and Reconstruction (MoPR) including support to the High Level Peace and Conflict Management Committee (PCMC) with technical, advisory, administrative and logistic support. UNDP/APPN project has maintained its readiness to support government with discharge and reintegration of disqualified Maoist army personnel and continue its work through Nepal Peace Trust Fund (NPTF).

1. **Resources:**

Financial Resources

Human Resources

* **National Staff**
* 01 Deputy Project Manager
* 01 Admin Finance Officer
* 04 Research Associate
* 01 Social Inclusion Associate
* 01 Monitoring and Evaluation Associate
* 01 Logistic Associate
* **International Staff**:
	+ 01 Project Manager
	+ 01 Reintegration Information Specialist
	+ 01 Reintegration Officer
1. **Implementation and Monitoring Arrangements**

The programme will be implemented during a two year period by Direct Implementation Modality, in close collaboration with the Ministry of Peace and Reconstruction and the appointed Technical Committee on discharge and rehabilitation with whom UNDP maintains close working relations.

UNDP has a dedicated team of experts who have been supporting MoPR in the planning, implementation and monitoring of the discharge and rehabilitation programme. A UNDP team of national and international experts including a Project Manager, Deputy Project Manager, Reintegration Information Specialist, Reintegration Officer, a Database Manager, procurement and HR management experience, a Logistics Assistant and 11 Caseworkers who were involved in the registration and verification process have been actively engaged in the planning and implementation of the programme. In addition, 30 Caseworkers are selected through a competitive interview to assist the actual discharge process.

In addition to preparations for discharge and rehabilitation, the team has been providing technical and logistical support to MoPR and the Technical Committee on discharge and rehabilitation. The team also provided ongoing support to the UNMIN Arms Monitoring Office, on sharing of data, bar-coding and re-bar-coding of weapons and ammunition stored at Maoist cantonments. The project continues managing the contracts for 28 AMO Support Force staff, and the seven-member Joint Monitoring and Coordination Committee (JMCC).

The discharge process is expected to take up to 2 months, with enrolment in rehabilitation assistance courses beginning after the discharge process and will be open for one year. The implementation of rehabilitation assistance and follow-up phase will cover up to one year after the deadline for enrolment is over.

**Monitoring of rehabilitation assistance:**

Monitoring of the training and rehabilitation assistance will be carried out by both the Service Provider and UNDP. The Principal Service Provider who are contacted as main Implementation Partner to cater rehabilitation services to the dischargees are required to systematically supervise the agencies to which they sub-contracts the training or education, using a detailed pre-agreed supervision and monitoring Plan.

In addition, UNDP will maintain a core capacity within the project team in both central and field offices to conduct regular field missions to monitor project implementation. The deputy project manager who is also Skills Training Specialist, together with international rehabilitation experts, will provide counseling, technical guidance and backstopping to field rehabilitation officers and monitoring assistants to enable quality service delivery through a substantive monitoring and periodic evaluation.

1. **Results and Accomplishments during 2009:**
2. **A government-led peace fund with the technical assistance of UNDP and financial support of donors is established**
* Provided continued strategic advisory support to NPTF during the reporting period.
* Developed NPTF Immediate Action Plan to ensure timely and systematic Implementation of the NPTF management priorities.
* NPTF Programme document and Joint Financial Agreement was revised; discussed in the Secretariat and shared with the NPTF donors for comments.
* As per Immediate Action Plan, a TOR to conduct annual review of the Peace Fund was developed; discussed in the Secretariat and currently being reviewed by the NPTF donors.
* The Board approved NPTF work plan for 2009 that include all programming priority of the fund for 2009 amounting at US$ 127.43 million.
* TAs supported preparation and dissemination of the 5th, 6th and 7th four-monthly NPTF progress report covering 16 September 2008 to 15 September 2009. The report indicates smooth and timely delivery of the NPTF funded project during the reporting period.
* NPTF’s 6th Board meeting was successfully held on 9 November 2009 that approved the following 8 projects for NPTF funding:
	1. Cantonment Management Project
	2. Water Supply System Development in the Cantonments
	3. Cantonment Health Management Programme Phase III
	4. All Weather Access Roads and Bridges to the Cantonments
	5. Efficient Management of Electoral Process “Multi-Year Strategic Plan”
	6. Reconstruction of Police Units (First Phase)
	7. Institutional and Organizational Support to Nepal Peace Trust Fund
	8. Operational Budget of the Peace Fund Secretariat
* The Board categorically appreciated UNDP’s supports to NPTF that has been crucial to ensure un-interrupted operations of the peace fund, particularly during its relocation from the Ministry of Finance to the MoPR.
* UNDP Technical Advisors assisted Fund Secretariat and the Implementing Agencies in preparing three project proposals i.e. All Weather Access Roads and Bridges to the Cantonments; Cantonment Health Management Programme - Phase III; and Reconstruction of Police Units (Phase I). All three proposals were evaluated in and endorsed by the concerned clusters. Of which, two proposals have also been approved by the Technical Committee for submission to the Board for final approval.
* A Monitoring and Evaluation Manual for the NPTF is drafted and handed over to the Peace Fund Secretariat for review and comments
* UNDP Advisors facilitated a session on developing log frame for the Secretariat staff and technical staff of the NPTF Implementing Agencies. Over 25 Government officials participated in the session
1. **Strengthen Peace Fund Secretariat - Consultancy, Administrative and Logistic Support**
* As per MoPR request, three additional national consultants were provided (43 working days each) to assist the Ministry in developing a guideline for Civil Society engagement in the implementation of NPTF; concept note/project document on ‘support to the conflict affected people’ to be funded by the Peace Fund; and support the Discharge and Rehabilitation activities carried out by MoPR.
* Two rental vehicles provided by UNDP supported MoPR daily operations including that of Nepal Peace Trust Fund; In addition, UNDP provided rental vehicles for MoPR mission outside Kathmandu Valley.
1. **Discharge and rehabilitation of the 4008 disqualified Maoist army personnel initiated:**

As joint UNCT intervention, UNDP led the planning for discharge and rehabilitation of 408 Maoist army personnel and provided technical and logistical support to MoPR and the relevant committees on the overall planning and implementation of discharge and rehabilitation programme including a comprehensive plan for discharge of disqualified Maoist army personnel from the seven cantonment sites and their rehabilitation back to communities.

Followings are some key projects achievements.

* Revised concept papers and documents on discharge and rehabilitation of disqualified Maoist army personnel.
* Drafted an operational plan detailing the minimum standards, processes and steps, timeline, logistics and deployment plan were drafted and coordinated with UCPN-Maoist.
* Continued providing technical and logistic support to the Ministry of Peace and Reconstruction regarding the planning and implementation of rehabilitation programme including development of packages, implementation and monitoring.
* Planning and implementation of Information and Consultation process. Information and Consultation being a government led initiatives; UNDP actively provided technical and logistical support to the process in all seven cantonments.
* Developed a joint strategy and complete implementation plan for Maoist combatants profiling survey including concept notes, timeline, questionnaire, training and deployment plan.
* The UN Country Team under the UN Resident and Humanitarian Coordinator formed the following task forces to look into the preparations for orderly discharge and Rehabilitation. The project led the following working groups on the preparations for discharge and rehabilitation of the disqualified.
1. Information Consultation
2. Profiling Survey,
3. Discharge, and
4. Rehabilitation programme.
* In close coordination with government, produced various documents on the discharge and rehabilitation programme steps mentioned above including work-plans, concept notes, timelines, logistic and deployment plans.
* Developed rehabilitation support matrix with various typologies that included information on the type of support available for different categories of people and estimated value of support they will receive when discharged.
* Carried out consultation meetings with practitioners in the field of cooperatives management and developed an assessment report.
1. **Carried out Information Consultation process in all Maoist cantonment sites:**

Of the six stages of the D&R programme, the first step – information and consultation was carried out in seven cantonment sites and 21 satellite camps. The objective of this process was to inform the disqualified on the discharge and rehabilitation programme and collect their view points on the programme. The project provided technical and logistic support for the overall planning and implementation of this process. It was led by the government of Nepal through the joint Technical Committee which was participated by the Communist Party of Nepal – Maoist (UCPN-M) and representative of UN Country Team (UNDP, UNICEF and UNFPA). Key activities carried out by the programme are as followings:

* Developed concept note and Prepared timelines and deployment plan
* Planned and deployed required logistics
* Planned and organized orientation training to the team which also including Government, UCPN-M and the Technical Committee (TC) members
* Assisted the Technical Committee in the overall implementation of the process including facilitation of communication between the field team, MoPR and other stakeholders about the progress in the field.
* Produced report based on the findings from the programme implementation and submitted to the UN senior management, TC and Steering Committee (SC).
1. **Procured Rehabilitation assistance packages to support the rehabilitation of the disqualified Maoist army personnel:**
* Procured rehabilitation support packages to assist the rehabilitation of the discharged Maoist combatants back to civilian life. Issued Long Term Agreement (LTAs) to procure the following services:
1. **Vocational Skills Training:**
2. Training Institute for Training Instruction (TITI),
3. Alliance Nepal
4. Underprivileged Children’s Educational Program (UCEP)
5. **Non-Formal Education:**
6. Educational Resources Centre Nepal (ERDCN)
7. **Micro-enterprises Development:**
8. Revised Terms of Reference and procured Micro-enterprise services through UNDP’s existing project – Micro Enterprises Development Program (MEDEP).
* 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 rehabilitation programme.
1. **Carried out an assessment of foreign Labor Market Opportunities:**
* Data was collected, compiled and processed to learn about trends and tendencies in the foreign country employment market to inform the rehabilitation preparations. For this purpose, Vacancy Ads published in local newspapers were collected and analyzed.
* Following to the above methodology, the team also initiated assessment of the opportunities in the domestic market.
1. **Managed DREAM Database**
* Updated personal profiles of Maoist army personnel as well as their weapons and ammunitions files/records into the DREAM database. This database serves as the main data source for the whole discharge and rehabilitation programme.
* Provided technical and logistic support in the production of bar-codes and stickers for security personnel and weapons of the Maoist army personnel.
1. **Provided Support to UNMIN and JMCC on the cantonment management:**
* Continued the positioning of 29 support force staff who are based in 7 cantonment sites to assist UNMIN Arms Monitoring Officers; and
* Provided administrative and logistic support to Joint Monitoring and Coordination Committee (JMCC).
1. **Delivered basic clothing (blanket, jacket, shoes, track suit, socks and woolen cap) to the 19,602 verified members of the Maoist army based in the seven cantonments:**
* Completed the procurement and distribution of the basic clothing, footwear and blankets to 19,602 verified Maoist army members.
1. **Procured civilian clothing, tents and camping equipment for discharge process implementation:**
* Completed procurement of civilian clothing for 4008 disqualified youths through UNDP Beijing office.
* Completed the process for procurement of camping materials and equipments.
1. **Issuance of New Contracts – Recruited Caseworkers, Drivers and other required staff for discharge process:**
* New contracts (Temporary Appointments-TA) issued to International Project Manager and two other international positions 1) Reintegration Information Specialist and 2) Reintegration Officer.
* A National Deputy Project Manager was hired.
* All the nine existing national positions plus one driver previously hired under SSA contracts are now holding service contracts (SC).
* In view of the need for new staff 30 Caseworkers were hired to implement various stages of discharge and rehabilitation programme.
1. **Other Results contributing to the Output and/or Outcome:**
* Compiled and disseminated daily media clippings on Peace building and recovery issues in Nepal to inform the programme of the political developments at the national level.
* As part of the planning for discharge and rehabilitation of the disqualified, carried out an assessment on Cantonment Based Training.
* Developed concept paper on the need for national D&R commission in Nepal.
* Worked together with UNICEF and UNFPA on the development of Minimum Standards on D&R process in Nepal.
* Logistically supporting the Technical Committee for Integration and Rehabilitation of regular members of the Maoist army.
* Drafted a proposal to establish office for MoPR on Discharge and Rehabilitation Programme.
* Compiled best practices and lessons learned from other DDR programmes.
* Arranged training and orientation workshop on DDR through experts from BCPR, Geneva.
* Carried out an assessment to map additional training opportunities and worked with national body for tourism – Nepal Academy of Tourism and Hotel Management - to provide tourism related trainings.
* Developed Terms of Reference for Steering Committee on Discharge and Rehabilitation, Technical Committee and Technical Committee members. Provided technical advisory support to the newly established committees on Discharge and Rehabilitation programme.
* Compiled a brief document on the resettlement of Bhutanese refugees in Nepal.
1. The term “programme” is used for programmes, joint programmes and projects. [↑](#footnote-ref-2)
2. E.g. Priority Area for the Peacebuilding Fund; Thematic Window for the Millennium Development Goals Fund (MDG-F); etc. [↑](#footnote-ref-3)
3. The start date is the date of the first transfer of funds from the MDTF Office as Administrative Agent. [↑](#footnote-ref-4)