

INDEPENDENT EXTERNAL REVIEW
OF
THE UNITED NATIONS PEACE FUND
FOR NEPAL (UNPFN)

Submitted to:
UNPFN

August 2011



Submitted by:

Organisation Development Centre (ODC)

Kupondole, Lalitpur, GPO Box 8975 EPC 443, Kathmandu Nepal

Tel. 977-1-5551979, email: info@odcincorp.com, website: www.odcincorp.com

TABLE OF CONTENTS

Executive Summary	7
1. Introduction	18
1.1 Summary of the Review Scope, Objectives and Process	18
1.2 Report Structure	19
2. Contextual and Historical Overview	19
2.1 Post-CPA Context and Peace-Building support	19
2.2 Nepal Peace Trust Fund (NPTF)	20
2.3 United Nations Peace Fund for Nepal (UNPFN)	21
2.3.1 Key Features of the UNPFN	23
2.3.2 Architecture and Management of the UNPFN	24
2.3.3 Project Approval and Implementation Status	29
2.3.4 Evolution of the UNPFN	32
2.4 Nepal Peace and Development Strategy	36
3. Overview of the Review Process, Design and Methodology	37
3.1 Goal and Objectives of the Review	37
3.2 Approach, Methodology and Scope of Implementing the Review	38
3.2.1 Approach	38
3.2.2 Methodology	38
3.2.3 Scheduling	39
3.3 Ownership of the Report	40
3.4 Limitations	40
4. Evaluation Findings	41
4.1 The Performance of the Fund’s Governance, Technical and Financial Management Structures and Processes	42
4.1.1 Management and Decision Making	42
4.2 Communication and Consultation	43
4.2.1 Monitoring and Evaluation for Results and Impact	44
4.2.2 Incorporation and Promotion of UNSCR 1325 on Women, Peace and Security and UNSCR 1820 on Conflict-related Sexual Violence	45
4.3 The Fund’s Role as a Complement to National Mechanisms, in Particular its Alignment with the NPTF ...	46
4.4 The Fund’s Contribution to More Coherent International and UN Peace-building Support	49
4.5 The UNPFN Funded Projects’ Cumulative Achievements and Outcomes in Support of Peace-building in Nepal	50
4.5.1 Achievements by UNPFN Priority Cluster	51
4.5.1.1 Cantonment and Reintegration	51
4.5.1.2 Elections / Governance / Mediation	58
4.5.1.3 Recovery / Quick Impact Projects	60
4.5.1.4 Rights and Reconciliation	62
5. Conclusions	65
5.1 Conclusions: Performance of the Fund’s governance, technical and financial management structures and processes	65
5.2 Conclusions: The Fund’s role as a complement to national mechanisms, in particular its alignment with the NPTF	68

5.3	Conclusions: Contribution to More Coherent UN and International Peace-building Support	69
5.4	Conclusions: UNPFN funded projects' cumulative achievements and outcomes in support of peace-building in Nepal	70
5.5	Lessons learned with regards to peace-building and development work in Nepal.....	71
5.5.1	What worked?	71
5.5.2	What could have been done better?	72
5.5.3	What was missing?	73
5.6	Future of the Fund	73
6.	Recommendations	75
6.1	Recommendations for the UNPFN Executive Committee.....	75
6.2	Recommendations for the UNPFN Support Office	76
6.3	Recommendations for the Contributing Donors	77
6.4	Recommendations for the UN Implementing Agencies	78
6.5	Recommendations for the PBF	78
6.6	Recommendations for the MTRF Office	79

LIST OF TABLES

Table 1:	Number and Budget of NPTF projects as of 7 July 2011	21
Table 2:	Responsibilities of the UNPFN Executive Committee	25
Table 3:	UNPFN clusters and their objectives	27
Table 4:	PBF Priority areas and their objectives	28
Table 5:	Summary Table of all UNPFN Projects by Cluster Area (both bilateral funded and PBF-funded) as of 31 December 2010	31
Table 6:	Implementation status of PBF-funded projects as of 31 December 2010	32
Table 7:	Evolution of the Span of UNPFN projects.....	33
Table 8:	Political Developments in Nepal 2006-2010 and the UNPFN Milestones.....	35
Table 9:	Evolution of the Number of UN Implementing Agencies	36
Table 10:	Informants Representing UNPFN Stakeholders.....	39
Table 11:	Gender focused projects since 2007	46
Table 12:	Number and percentage of projects in Cantonment and Reintegration Cluster.....	51
Table 13:	Breakdown of VMLR participants by package in various steps of rehabilitation as of end 2010.....	54
Table 14:	Achievement highlights – Cantonment, discharge, integration and rehabilitation of the Maoist army.....	55
Table 15:	Achievement highlights – Protection, rehabilitation and reintegration of children affected by armed conflict	57
Table 16:	Achievement highlights – Meeting CPA commitments to dispose of all explosive remnants of war (ERW) including IEDs, small arms and mines planted during the conflict.....	58
Table 17:	Number and percentage of projects in Elections / Governance / Mediation.....	59
Table 18:	Achievement highlights – Elections / Governance / Mediation	60
Table 19:	Number and percentage of projects in Recovery / Quick Impact cluster.....	60
Table 20:	Achievement highlights – Increased opportunities for productive employment and income generating activities for youth	61
Table 21:	Number and percentage of projects in Rights and Reconciliation cluster	62
Table 22:	Achievement highlights – Effective and transparent structures and procedures for reparations to the victims of the armed conflict.....	63
Table 23:	Achievement highlights – Establishment of functioning transitional justice mechanisms	64
Table 24:	Achievement highlights – Improved participation and protection of women	65

LIST OF FIGURES

Figure 1: Contributions to the UNPFN as of 31 December 2010 (in USD)	22
Figure 2: UNPFN & NPTF Governance Structure	26

LIST OF ANNEXES

Annex 1: Projects Results Data	80
Annex 2: List of Respondents	84
Annex 3: List of References	86
Annex 4: Bibliography	87
Annex 5: Questionnaire Framework	88
Annex 6: TOR of the Review	91
Annex 7: Participants to the UNPFN Review Stakeholders feedback Meeting	95

LIST OF ACRONYMS

AMMAA	Agreement on Monitoring and the Management of Arms and Armies
CA	Constituent Assembly
CAAC	Children and Adolescents Affected by Conflict
COI-D	Commission of Inquiry on Disappearance
CPA	Comprehensive Peace Agreement
CPN (M)	Communist Party of Nepal (Maoist)
DAG	Donor Advisory Group
DDR	Disarmament Demobilization and Reintegration
EOD	Explosive Ordnance Disposal
IDP	Internally Displaced Persons
IED	Improvised Explosive Device
ILO	International Labour Organization
IOM	International Organization for Migration
JMCC	Joint Monitoring Coordination Committee
LoA	Letter of Agreement
M&E	Monitoring and Evaluation
MDTF	Multi-Donor Trust Fund, United Nations Development Programme
MoPR	Ministry of Peace and Reconstruction
MoU	Memorandum of Understanding
NAP	National Action Plan
NGO	Non Governmental Organisation
NPTF	Nepal Peace Trust Fund
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
ODC	Organisation Development Centre
OECD/DAC	Organization for Economic Cooperation/Development Cooperation Directorate
PBF	United Nations Peacebuilding Fund
PFS	Peace Fund Secretariat (of the NPTF)

RC/HC	Resident and Humanitarian Coordinator of the UN
SRSG	Special Representative of the Secretary-General
TC	Technical Committee (of the NPTF)
ToR	Terms of Reference
TRC	Truth and Reconciliation Commission
UN	United Nations
UNCT	United Nations Country Team
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNEG	United Nations Evaluation Group
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
UNMAS	United Nations 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
UNSCR	United Nations Security Council Resolution
VMLRs	Verified Minors and Late Recruits
WFP	World Food Programme
WHO	World Health Organization

EXECUTIVE SUMMARY

Introduction

UNPFN was established as a complementary instrument to the government run Nepal Peace Trust Fund (NPTF) in March 2007 to mobilize UN agency support to the implementation of the peace process. The Fund focussed only on tasks that cannot be funded or implemented through existing mechanisms. Initially operating under the UN Mission in Nepal (UNMIN) and answering to the immediate needs of the peace process, the UNPFN was transferred at the beginning of 2009 to the office of UN RC/HC. In the last four years, the UNPFN has committed a total of USD 32.27 million to 18 projects implemented by 12 UN agencies. The UNPFN has received funds from the PBF and the governments of Canada, Denmark, Norway, Switzerland and the United Kingdom. The PBF is the largest single contributor.

An independent review was conducted in May and June 2011 by a Review Team of international and national consultants from the Organisation Development Centre (ODC), a Nepali consulting firm. The main objective of the review was to assess and examine the UNPFN's role and contribution to the peace-building process in Nepal and to identify measures and approaches to strengthen the operation of the Fund in the future. The review was based on the understanding that the success of every peace-building effort depends on the willingness of national actors to accept and own the process. In the case of Nepal partnership, collaboration of stakeholders and national ownership of the process are critical for the success of the peace-building process.

Report Structure and Process

The Review Team interviewed key over 50 stakeholders in Kathmandu including UN implementing agencies, donors, relevant government officers (MOPR, NPTF), donors and former UNPFN Support Office staff. The Team also conducted extensive literature review, gathering significant data for analysis. The Review Team was however unable to visit a sample of projects' sites as initially envisaged in the ToR due to time and other constraints. The Review Team drew conclusions and lessons learned made recommendations based on data analysed throughout the study period. A summary of the findings is presented below.

Summary of Conclusions

Overall, the UNPFN is seen by a significant majority of respondents as making the UN system an effective peace-building partner to the government and people of Nepal. The creation of UNPFN as a funding mechanism for UN agencies to implement peace-building projects has contributed to the increase of national capacity to build and manage the peace. The Fund has provided support to UN implementing agencies in emergencies which would have taken government or other agencies longer time to disburse. The Fund has also supported innovative pilot activities that are likely to prove to be significant for future peace-building.

The Fund is seen as an efficient and effective funding mechanism to support the peace process in Nepal. The Fund's operations are seen as inclusive, transparent and efficient, and able to accommodate multiple and sometimes conflicting expectations of stakeholders. Summary of key findings are presented hereafter, in six specific sections.

a. The performance of the Fund's governance, technical and financial management structures and processes:

- Consensus of respondents is that the Fund has been well managed in the four years of operations. The governance and management structure of the Fund is workable and well set up. The management of the Fund has met the multiple expectations of government, donors, the PBF and UN Participating Organizations. The whole range of processes including proposals selection, disbursement and fund management are seen as transparent and is contributing to inter-agency cooperation. However, the review process has highlighted the fact that not all respondents are fully aware of the Fund's structural arrangements and who represents the Fund and other stakeholders of the Fund.
- The leadership of the RC/HC with the support of the UNPFN Support Office staff have contributed significantly to the success of the Fund. The openness of the Fund's management and staff willingness to listen and communicate with donors, government officials and the UNCT as well as with the UN headquarters has encouraged real partnerships between the government and the UN in Nepal.
- The Fund has harnessed the different types of expertise required for peace-building by opening funding to significantly more UN agencies than previously funded. The increasing numbers of UN implementing agencies working with the Fund has made the UN contribution to peace-building more efficient and consistent. The existence of the Fund as a common financing mechanism has offered the possibility of rapid decision making and implementation of jointly prioritized peace-building activities.
- On information dissemination, despite open channels of communication, there is room for improvement. There is a need to reach out to donors and other stakeholders (MPTF, MOPR, some UN agencies) to review communication including information dissemination to further improve communication among all organisations involved in the peace-building processes.
- On the issue of enhancing M&E process, the Review Team found that an M&E framework is in place under the Funds ToR of 2009. Due, however, to the relative short period (less than two years) of the Fund's current mandate, conducting an impact evaluation poses a serious challenge at present. The Fund is making efforts to strengthen its M&E mechanism not only by formulating a framework but also by enhancing the reporting procedures to strengthen reporting by agencies on an outcome level. Additionally, the Review Team noted that the Fund must not only work within the parameters of its own ToR while also ensuring alignment with the expected results and priorities of the NPTF, but it must also conform to certain PBF M&E requirements (which have been revamped and organized differently to when the Nepal Priority Plan was first approved). The Fund must also work within the framework of the MDTF Office reporting requirements, respond to the interests and objectives of donors and eventually determine how any results framework fits within the scope of the PDS.

Developing a comprehensive M&E framework that can reconcile all of these considerations is a challenging undertaking.

- On gender and peace-building, the Review Team is aware that the issue of gender (including matters of sexual-violence against women and girls) is very important in peace-building and has been taken on board by the UNPFN. The UN Secretary-General has given the directive that all UN peace-building funding instruments should allocate at least 15 percent of funds in support of projects that address women's and girls' specific needs advance gender equality UN implementing agencies are implementing UNSCRs 1325 and 1820. The consultants are aware that this target of 15 percent has not been reached in the UNPFN (gender related projects have received 9 percent of UNPFN funding to date) – therefore, there is a need to increase funding to gender.
- The number of staff supporting the UNPFN operations in Nepal (the UNPFN Support Office consists of one international staff and one national staff with 70 percent of their workload assigned to the Fund's operations) enables the UNPFN to deliver only as needed so far. Increased capacity of the UNPFN Support Office would likely be required to satisfy many of the recommendations in this Review with a view to increasing the quality, scope and contribution of the Fund to the peace-building process in Nepal and support further alignment with national initiatives such as the NPTF.

b. The Fund's role as a complement to the national mechanisms, in particular its alignment with the NPTF:

- The amount and type of activities are very different between the NPTF and the UNPFN and do corresponds to their respective comparative advantages, the combination of which is beneficial for enhancing peace-building. While the NPTF is engaged in wide and large scale peace-building activities (e.g. mass reconstruction projects, employment generation activities, benefits payments for Conflict-Affected Persons), the UNPFN on the other hand complements the NPTF activities by bringing additional expertise (e.g. mine action) and cross-sectoral capacities (e.g. transitional justice).
- The UNPFN and NPTF are recognized by both government and donors as complementary thematic instruments contributing to peace-building and not competing institutions. UN coherence and complementarities with the NPTF are based on the distinct UNPFN features that are also acknowledged by the government: neutrality, technical expertise, flexibility and rapid intervention capacity and mandate to promote and implement international instruments.
- The Funds management and implementation mechanisms enabled the government, donors, UN implementing agencies to discuss openly important issues in relation to the future direction of the two funds (NPTF and UNPFN).
- Efforts to improve collaboration and possible alignment between the Funds' governance do take time. However, there are signs of increasing trust between UNPFN and the NPTF that were clear in the Review Team's interviews with the stakeholders in the NPTF and government. UNPFN and NPTF have good relations even though

they have had no working relationship with each other at the project implementation or field level.

- The efforts to improve collaboration and possible alignment between the Funds governance GoN will take considerable time and discussions to be decided on. Any negotiation/discussions about alignment should be led by the NPTF Board.

c. The Fund's contribution to more coherent international and UN peace-building support:

- The Review Team has taken note of the efforts made by donors, the government and the UN to improve collaboration in the peace-building process through meetings, information dissemination and participation in peace-building activities such as participating in this review. The achievements of the UN peace-building efforts in the last four years with the funding support of UNPFN are well recognised. The successful operations of UNPFN clearly show that peace-building goals can be achieved with the collaborative efforts of all players.
- The Review Team believes that the UNPFN support to peace-building in Nepal has made an important contribution to the peace process in the country. The implementation of peace agreements however, is often threatened by the risk that the fragile peace can be destabilized, notably by national and local incidents of violence. The UN's contribution needs to continue to support progress towards the establishment of sustainable peace in Nepal. However, there is a need for all players (including the UN, donors, GoN and NGOs) to increase collaboration in the peace process, strengthen strategic discussions as to what are the priorities of the peace process to reach a sustainable peace as well as for the UN to further identify its comparative advantage in supporting and complementing the GoN peace-building efforts.
- The Review Team observes that the disbursement of funds by UNPFN for peace-building opened up opportunities and challenges for UN agencies in Nepal. The opportunities are the ability to access and utilize funds for peace-building projects. The Fund is promoting coherence amongst the multiple interests of its diverse stakeholders without major hindrances to its functioning and implementation of the projects. In the course of the Fund's operations the number of UN agencies that are participating in the peace-building process has increased significantly.
- The Review Team found that the mechanism through which funds are disbursed, managed and coordinated has enhanced the trust of the UN agencies in the RC/HC's office. As a result of this trust the Fund was able to capitalize on different type of expertise of the UN agencies and brought them together to work in peace-building. The Fund has significantly enhanced UN agencies collaboration in the past four years. Joint programming has contributed to strengthened inter-agency cooperation.
- The existence of the Fund has created resource mobilization opportunity for the agencies. In case of UN agencies that are already working on similar issues under their mandate it strengthened the impact of their interventions and reduced overhead costs of implementation.
- Working closely in partnerships between and among UN agencies was clear to the Review Team. The Fund has significantly enhanced UN agencies collaboration in the

past four years. Joint programming has contributed to strengthened inter-agency cooperation.

- The Fund has a comparative advantage in channeling funds through UN agencies because they are already in the field and have considerable knowledge and experience that is critical to successful peace-building. The Fund through its implementing agencies support projects to work with local communities in efforts at sustaining peace-building related to development projects.
- The challenges are that different agencies following different work practices sometimes results in frustration among UN agencies working together. As well, some agencies' organizational systems, staff capacity and M&E tools are not adequate to implement peace-building projects. As a result a number of UN agencies and the UNPFN itself have learned from their initial experiences and invested some time to improve joint planning and implementation, with guidance and support from the Fund. Some stakeholders covered during the review do not see much added value in One UN agenda.

d. The UNPFN funded projects' cumulative achievements and outcomes in support of peace-building in Nepal:

- UNPFN is seen as playing an important role as a third-party impartial mechanism by supporting highly sensitive projects that the government and other agencies deemed politically sensitive. The Fund has channeled funds to UN agencies for critical peace-building interventions.
- PBF which is the largest single donor to the peace-building efforts is making the best of an already existing Fund's structure to facilitate smooth disbursement and management of funds. PBF is channeling funds through UNPFN to support the establishment of key peace-building mechanisms such as a functioning transitional justice mechanism to deal with cases of human right abuse and other crimes against humanity.
- Some questions were also raised as to the implementing capacity of some UN agencies that were not able to deliver results on time and were not able to utilize their budgets as planned. These agencies cited instability of the government (frequent change of minister and secretaries) as a major stumbling block.
- The UNPFN's experience with implementing UN agencies shows that the UN can engage in new and innovative approaches to peace-building which can contribute to the positive outcome of the peace process.
- Overall, the Fund has been praised as a successful instrument for peace-building in Nepal by almost all stakeholders the Review Team interacted with. With its unique mandate, the Fund is playing a role as an impartial third party mechanism, maintaining neutrality in supporting Nepal's peace process through funding UN implementing agencies.

e. The lessons learned with regards to peace-building and development work in Nepal and recommendations on how to strengthen the UNPFN contribution to the peace process:

A summary of achievements (what worked), what could have been done better and what is missing is presented below

▪ **What worked?**

- The good governance and effective management of the Fund under the capable leadership of RC/HC and supported by the UNPFN Support Office guided the Executive Committee in making decisions that led to quick, flexible, transparent funds disbursement.
- The timely releasing of funds by the MDTF Office contributed to the success of the fund. The MDTF Office support, which focused on efficient and effective service to UN implementing agencies as the fund administrator for the UN system, has contributed to transparency of fund disbursement. It has enhanced the UN's accountability for its role in Nepal's peace-building process.
- The existence through the MDTF Office of one fiduciary and reporting framework for several UN Funds is seen as another added value of the UNPFN and a key element of its flexibility and transparent.
- The Fund's procedures for selection of proposals have resulted in improved quality of programmes.
- Application of the UN system operational procedures, guidelines, rules and regulations has resulted in the selection of most capable organisations for the implementation of specific projects. UNCT internal coordination worked to guide the effective utilization of disbursed funds.
- The UNPFN Support Office assistance to partners and UN implementing agencies – M&E, information, technical, management and coordination support – has proven to be useful.
- Significantly improved joint execution of projects by the UN agencies albeit with some challenges (see 'what could have been done better' section below) over the years is recognized as a significant progress underlying the Fund's coordination role.
- Communication between UNPFN and NPTF continues to improve through regular contacts and information dissemination at Board and management levels.
- The type of technical expertise provided and timeliness of support by the UNPFN and implementing agencies helped to address sensitive peace-building issues which government found difficult to tackle. It also ensured that a number of sensitive projects were completed successfully and on time.
- Implementation of international instruments – i.e. UNSCR 1325, 1612 and 1820 led to the improvement in participation and protection of women, and the delivery of services to conflict affected women and children strengthening inclusive elements of the Nepal peace process, including the Adoption of the National Action Plan (NAP) on UNSCRs 1325 and 1820.
- PBF support through the UNPFN to the implementation of projects has been critical to the success of peace-building efforts.

▪ **What could have been done better?**

- Improving the procedures for joint execution of projects by the UN agencies and coordination of implementation to avoid delays. Some agencies are finding it difficult to play their role in the joint implementation process perhaps due to other commitments or the lack of capacity to implement their part of the project.
- To ensure that the agencies are very clear about their individual responsibilities as well as their capacity to manage the implementation of approved projects. There has been no major delays but the potential for short delays to become major delays exist if the frustration of some the agencies in the joint programmes are not addressed.
- Improving the coordination and collaboration between projects among them and creating thematic peer support groups among implementing UN agencies, as well as linking them up with NPTF. However, to achieve this, the UNPFN Support Office would need additional resources.
- Within the framework of joint programming and implementation, enhance the assessment of UN agencies respective comparative advantages and capacity to implement activities to avoid overlap and capitalize on agencies respective strengths. The issue of alignment between UNPFN and NPTF. The report is clear about positive and increased communication / coordination / collaboration between the two Funds. However, progress towards alignment and harmonization has been slow.

▪ **What was missing?**

- The NPTF Board's strategic direction of the government's peace-building strategy.
- Evidence of full alignment between the NPTF and the UNPFN.
- Joint M&E framework for the NPTF and the UNPFN including a detailed M&E framework with benchmarking for the UNPFN's impact on peace-building in Nepal, collection of baseline data and documentation and communication of the achievements of the Fund,
- Full utilization of the advisory potential of the Donors Advisory Group.
- Civil society participation at all programming and implementation stages.
- Clear criteria allowing a distinction between projects contributing to immediate peace-building and therefore matching the purposes of the Fund and projects qualifying for support outside the Fund.
- Clear criteria for when the UNPFN may no longer have an added value - i.e. an exit strategy.
- Enhancing field visits of the UNPFN staff and joint field visits with donors and NPTF.

f. The Future of UNPFN:

- Contributing donors and UN participating organisations are of the opinion that at present the Fund support is relevant to Nepal's peace-building process. In their view, Nepal's peace process has not logically ended and it is too early therefore to curtail

their funding support to the peace-building process and shift to supporting ‘traditional’ development activities.

- Another issue they pointed to is that, apart from the CPA, there is no vision of the peace process that is neutral and shared by all parties and society. There is no agreed strategy to lead the peace process and to create an environment of trust among the key actors at the national level. In such a vacuum, the PDS is seen by contributing donors and some government officials as a tool to be applied in consolidating and guiding the peace-building efforts in post conflict Nepal. Against this backdrop, the UNPFN can be seen as a key UN instrument for support to peace-building in Nepal and could be asked by the government to continue its support on many long-term issues to enhance the peace-building process.
- However, in the view of respondents (including contributing donors and GoN officials), the UNPFN should not create artificial space for itself and it should not exist for too long unless asked to do so.
- In contributing donors’ view, there is no confusion when it comes to the parameters of UN development and humanitarian support; however, they do not have such clarity in terms of aid delivered in transitional environment. Some contributing donors are cautious in predicting the future of the Fund. They suggested that their future support will depend on what the GoN decide to do in speeding up the transition. However, if the situation reverses the UN neutrality may become more necessary. The best way is for the UNPFN to remain responsive to the changing environment. For this reason, the UNPFN needs to maintain an ongoing situational analysis and amend its funding strategies to respond to Nepal’s changing socio-political environment. This would include developing an ‘exit strategy’ for the Fund.
- Nevertheless, in the current situation the Fund’s work is far from being over and the donors appreciate that its funding channel has complemented the peace process. Having said so, the donors are very clear that the funding will continue till the promulgation of the new constitution, integration of the Maoists army and successful holding of a general election by the government.
- The achievements of the Fund have been possible through the hard work of RC/HC and staff of the UNPFN Support Office. Should the fund continue beyond its current mandate, additional resources and staff will be required to ensure that the operations of the Fund are enhanced according to the recommendations of the Review. The Review Team especially noted a dearth of much needed M&E and administrative operational support for Fund activities.

Summary of Recommendations

I. Recommendations for the UNPFN Executive Committee

1. Continue and possibly increase the funding for UN agencies to continue the implementation of peace-building related projects in the short and medium term.
2. Encourage the submission of projects by UN agencies that clearly support the peace process and strengthen and complement the capacity of national actors to ensure long-term sustainability through enhanced project selection criteria.

3. Ensure that in funded projects, resources are made available for enhancing the capacity of local organizations including community groups, Non Governmental organizations (NGOs), local government institutions involved in project implementation to ensure continuity of projects as a set up for a long-term sustainability.
4. Continue to mobilize funds from international donor agencies and the PBF to support projects aimed at building on and deepening the success of the peace process and where the UN has a comparative advantage.
5. Increase the engagement of key Fund's partners, especially donors and the NPTF regarding strategic priority setting and projects' selection process.
6. Increase information sharing flow with donors on the Fund's progress helping them in turn to prepare necessary support for the Fund and increase their strategic involvement in the fund's activities. Suggestions could be to increase the communication between the RC/HC and the donors as well as increasing their participation in the Executive Committee meetings.
7. Encourage closer partnership with NPTF and work towards closer alignment of structures to increase complementarily and collaboration on a strategic level;
8. Explore possibilities of providing technical strengthening support to the government agencies implementing NPTF projects. It is the consultant's view that a number of NPTF implementing agencies may lack the capacity to implement some peace-building projects. The support will therefore strengthen these agencies enabling them to enhance their implementation capacity.
9. Endeavour in the next funding round to allocate at least 15% of funds in support of projects that address women's and girls' specific needs, advance gender equality and/or empower women as their principle objective.
10. Develop clear criteria to define a context whereby the UNPFN no longer has an appropriate added-value (i.e. develop an 'exit strategy').

II. Recommendations for the UNPFN Support Office

11. Draw and apply lessons learned from the current UNPFN projects for improving the selection (assessment criteria), design and implementation of future projects and share those lessons learned with other agencies to capitalize on the capacity and results achieved by the UNPFN funded projects in future programmes.
12. When required, develop the capacity of UN Participating Organizations applying results-based project management, monitoring and reporting and provide greater technical support to UN Participating Organizations on implementing peace-building projects (foster a peace-building lens). Additionally, create a forum where they can regularly provide and discuss their findings during the project implementation process.
13. Endeavour to strengthen further the Fund's M&E system and mechanisms to improve the analysis and measure of projects' outcomes and peace-building impact. These efforts, should among others aim at: enhancing outcome monitoring and reporting, redeveloping a strategic results framework, develop collaborations among complementary projects. This should be conducted taking into account various

demands on the Fund (new PBF Performance Management Plan and alignment with NPTF) and making use of the PBF support to strengthen its M&E system.

14. Contribute to improving the coordination and collaboration between projects among them as well as linking them up with NPTF and creating peer support groups among implementing UN agencies. However, to achieve this, the UNPFN Support Office would need additional resources.
15. Increase frequency and regularity of visits to UNPFN projects, preferably, when feasible, joint visits with the NPTF and donors.
16. Conduct a full UNPFN impact evaluation or at least an outcome evaluation by mid/end 2012 when almost all current ongoing projects will be completed. It is important for the Fund to conduct an impact evaluation in order to further demonstrate to its stakeholders that the fund's contribution to the Peace-building process has been positive and effective.
17. Improve communication with donors. Check what type of information and how often they require- they are not a homogenous group and have different requirements from their governments.
18. Encourage closer partnership with NPTF and work towards closer alignment of structures to increase complementarily and collaboration on an operational level.
19. Better assess the implementing capacity of UN Participating Organizations in relation to the feasibility of outputs and outcomes presented in their proposals and with the Fund's requirements (including monitoring and reporting). To this end, the UNPFN should review and further develop its assessment criteria for its next funding round.
20. Develop clear standards and guidelines for projects evaluation in line with respective UN agencies rules and regulations. This is to ensure that the Fund benefits from the outcome of such projects evaluations without conducting its own separate evaluation. It will also save the Fund time and money for not conducting its own evaluations.

III. Recommendations for the Contributing Donors

21. Ensure closer engagement between donors and the Fund by further using the DAG as a means to improve communication between donors and the fund. This structure provides a forum for information dissemination, exchange on the funds activity as well as identifying complementary initiatives and avoids potential overlaps among development partners' activities.
22. Ensure the continuity of UNPFN operations based on the strong assumption that there is still a need for UN support until the peace process is brought to a positive conclusion.
23. Contribute to analyze the fund added value towards peace-building and the role of the Fund as an appropriate mechanism to advance the 'One UN' agenda.

IV. Recommendations for the UN Implementing Agencies

24. The UN Implementing Agencies need to develop strict technical capacity selection criteria for the selection of their project partners. They should also support project partners in the design of projects, planning and implementation and reporting. Such

support is likely to enhance the quality of service of their projects and ensure effective reporting.

25. Prioritize, where relevant, the submission of joint proposals highlighting the comparative advantage and added-value of such collaboration with a view to further strengthen UN agencies collaboration in the peace-building process and strengthen inter-agency cooperation in the long-term.
26. For joint projects, ensure the existence of key compatibility and collaboration elements among potential implementing agencies to ensure that they enter into a healthy and fruitful collaborative venture enabling as well joint project design, monitoring and outcome reporting.
27. Additionally, ensure that joint partner have the technical capacity and that their collaboration is based on their capacity to implement a joint programme aiming at enhancing the quality of service provided to beneficiaries.
28. Limit the numbers of agencies in joint programming to a maximum of 4 to ease the tendency of individual agencies which may not have the capacity to carry out peace-building projects because of other commitments unable to deliver their part of the projects and frustrating other partners and slowing down the implementation process.
29. Implementing agencies should involve local partners in the design, implementation, and monitoring of peace-building projects. When required, train and equip project partners to enable them to carry out monitoring and overseeing the projects from the start of the implementation and ensure an element of sustainability.

V. Recommendations for the PBF

30. Encourage the UNPFN to ensure that procedures guiding the utilisation and management of funds in Nepal have been appropriately applied in line with PBF programming requirements (i.e., quick delivery, complex politically sensitive programming, participatory design and implementation, and good programming practices). The PBF should ensure that updated procedures are made available to UNPFN with advice to distribute to UN Implementing Agencies and partners encouraging them to familiarize themselves with the revised procedures.
31. Provide capacity building support to UNPFN Support Office staff to enhance their M&E system and reporting in line with PBF requirement and support the exchange of lessons learned and information sharing.
32. Provide support to the development of mechanisms and processes to assess genuine PBF contributions to peace-building process as there are multiple donors also funding peace-building programmes through UNPFN.
33. Continue providing key financial support to Nepal peace-building process that enables to increase the UN support and catalytic effect.

VI. Recommendations for the MDTF Office

34. The MDTF Office should continue to provide its quality management services with regards to fund disbursement to UN agencies and administrative support to the UNPFN as per its Administrative Agent function.

35. The MDTF Office needs to continue its effort to strengthen reporting by linking the reporting system (quarterly and annual) to the overall M&E efforts and strategy being deployed.
36. Further contribute to the enhancement of annual and final narrative reporting.

1. INTRODUCTION

1.1 Summary of the Review Scope, Objectives and Process

1. The United Nations Peace Fund for Nepal (UNPFN, further referred to as ‘the Fund’) was established in March 2007, soon after the 21 November 2006 signing of the Comprehensive Peace Agreement (CPA) and the establishment of the Nepal Peace Trust Fund (NPTF). From its inception until the end of 2010, the UNPFN has channelled and committed USD 32.27 million (including both bilateral and PBF funding) in funding to 18 projects on the four key peace-building areas of: cantonment / reintegration; elections / governance / mediation; recovery / quick impact projects; and rights and reconciliation.
2. After four years of activity, in April 2011 the UNPFN Support Office requested proposals for an independent evaluation of the Fund through a competitive bidding process. In May, the Support Office selected and commissioned Organisation Development Centre (ODC), a Nepali consulting firm, to conduct an independent review of the UNPFN (further called ‘the Review Team’). The goal of the review was to assess and examine the UNPFN’s role and contribution to the peace-building process in Nepal and identify measures and approaches to strengthen the operations of the Fund in the future.
3. Based on a review of the Terms of Reference (ToR) and objectives of the evaluation with the Review Team, the scope of the exercise was further specified and delineated. It was agreed that (1) the overall scope of the exercise would be changed from a full ‘impact evaluation’ to a more limited ‘review’ and (2) the exercise would focus on the Fund’s activities from 2009 onwards corresponding to the transfer of the Fund’s management from the UN Mission to Nepal (UNMIN) under the leadership of the Special Representative of the Secretary General (SRSG) to the UN Country Team (UNCT) under the Resident and Humanitarian Coordinator’s (RC/HC’s) leadership.
4. The review focused on assessing the Fund’s:
 1. Performance (governance, technical and financial management structures and processes);
 2. Role as a complement to national mechanisms (in particular its alignment with the NPTF);
 3. Contribution to more coherent international and UN peace-building support;
 4. Cumulative achievements of projects in support of peace-building in Nepal;
 5. Lessons learned with regards to peace-building in Nepal and recommendations to strengthen the UNPFN contribution

The review was conducted over the course of May and June 2011. The UNPFN Support Office provided regular guidance and monitored the progress of the assessment.

1.2 Report Structure

5. The report is divided into five major sections including:
 - Contextual and historical overview of the environment in which the UNPFN operates, including an overview of the Fund's structure, features and history;
 - An outline of the processes and methodology applied in conducting the review;
 - A detailed presentation of the review's findings; and
 - The review's major conclusions; and
 - The review's major recommendations.
6. The main body of the report is preceded by an Executive Summary summarising the key points of this report and followed by annexes providing details on the review process and references.

2. CONTEXTUAL AND HISTORICAL OVERVIEW

2.1 Post-CPA Context and Peace-Building support

7. Peace processes are multidimensional and consist of phases and elements which overlap, run parallel, reinforce or obstruct each other. To add to the complexity of the issue, the transition in political, economic and social spheres is not likely to happen at the same pace. Even within one sector in a socio-political environment, development is unlikely to be even. For instance, political transition may include creating transitional justice mechanisms, writing a new constitution, forming new political parties, holding elections, building a new judiciary, as well as restructuring the military and the police. There are two major phases to peace-building: the first phase relates to immediate post conflict period requiring rapid, quick impact short-term projects. The second phase relates to getting started with addressing the root causes of the conflict, or more positively, the way out of conflict, towards a sustainable peace. In the first phase, it is necessary to deliver aid based on immediate needs of those affected as a means of stabilising the post conflict environment. As the stabilization process continues the second phase sees an increase in the number of medium and long-term development programmes which share the characteristic of being conflict sensitive and focusing on addressing the root causes of the conflict to prevent major relapse and to build sustainable peace.
8. Over the past two decades, much effort has been dedicated to learn lessons from peace-building interventions. By now, there is an increasing volume of tested and recorded knowledge building a set of established and commonly accepted principles that allow minimizing the risks and help dealing with challenges of sustainable peace-building. It is recognized that for peace-building interventions and programmes to bring relevant and successful results, specific principles should be followed such as being people-centred, flexible, transparent, nationally and locally owned, integrated and well planned¹.

¹ Notably OECD/DAC 'Principles for Good International Engagement in Fragile States and Situations' (Fragile States Principles-FSPs) and OECD/DAC 'Guidelines on Helping Prevent Violent Conflict' and Report of the UN SG on peacebuilding in the immediate aftermath of conflict (A/63/881-S/2009/304)

9. Peace-building is marked by challenges at every step and Nepal is no exception to the rule. The signing of the CPA on 21 November 2006 set the peace process framework in Nepal and laid out an ambitious transformational agenda on equity, inclusion, accountability, good governance and restructuring of the state. This was in itself a big initial step paving the way towards a long process of addressing the root causes of conflict and the building of sustainable peace. The peace process has achieved a great deal in the four years since the signing of the CPA. Some of the key achievements includes: the promulgation of the Interim Constitution (2007), the management of Maoist army personnel in cantonments, the conduct of free and fair elections to the Constituent Assembly (CA) in 2008. Others are either ongoing or not initiated yet and these include the drafting and adoption of a new constitution, the establishment of transitional justice commissions (TRC, COI-D). No agreement has been reached on the rehabilitation and integration of the Maoist army and the democratic reform of the Nepal Army.
10. The writing and adoption of the constitution including the decision on the future structure of federalism, improving law and order, integration/rehabilitation of Maoist army personnel and rehabilitation of conflict affected persons are some of the immediate issues pending. The current transitional political environment of mistrust among political parties continues to present an obstacle to the implementation of peace-building projects. Protracted political negotiations which often end in stalemate continue to absorb significant attention and energies of politician and Government officials, and constrain their ability to forge consensus on key new national policies and institutions (e.g. reparations, transitional justice commissions). Inability to agree on crucial issues also impedes strategic thinking on what is required to achieve a sustainable positive peace in Nepal.

2.2 Nepal Peace Trust Fund (NPTF)²

11. Taking responsibility for leading the peace process and relevant connected peace-building activities, the government established the Nepal Peace Trust Fund (NPTF) in February 2007, as a national multi-donor trust fund receiving funds from the Government of Nepal and donors. The NPTF is a collective financing and coordinating mechanism for peace-building initially administered by the Ministry of Finance and later by the Ministry of Peace and Reconstruction (MoPR). It is designed as the primary channel for donors and government to finance support the peace process.
12. The NPTF is governed by the NPTF Board; down the organisational hierarchy are the Technical Committee, the Core Cluster, the Sectoral Clusters and the Peace Fund Secretariat (PFS). The Board is the highest policy making body of the NPTF. The Board decides on the strategic direction and approves major policy guidelines for the NPTF. It also approves project documents and regularly reviews the performance of the NPTF and its contribution to the peace process. There are other committees under the Board with specific responsibilities; these include a Technical Committee which decides on standards and procedures for the identification, implementation, monitoring and evaluation of NPTF funded projects. The technical appraisal of projects is done by the Core Cluster and the four Sectoral Clusters. The PFS is responsible for the day-to-day management of the NPTF.

² For more information, see the: NPTF Programme Document 2007; NPTF Programme Document 2009; NPTF Joint Financing Agreement 2010; NPTF four- month Progress reports Nos. 2 to 9.

13. Base on the experiences of its first phase of operations (2007-2009) a review has been conducted in February 2010 aiming at consolidating its working areas during its second phase of operations (2010-2013). Beyond being a funding instrument for peace-building activities, the NPTF is also explicitly recognized as a coordinating body for peace related initiatives and as an agency to monitor the peace process. In its second phase of operations, the NPTF working areas were reformulated in order to concentrate on those areas that do not fall within the mandate of other line agencies and to ensure that tangible outcomes can be yielded within the given three-year time frame. The four sectoral clusters for the NPTF during its second phase are (reconstruction and public infrastructure is considered as a thematic issue cross cutting these clusters)³:
1. Cantonment Management and Integration/Rehabilitation of Maoist Combatants
 2. Assistance to Conflict Affected Persons /Communities
 3. Promotion of Security and Transitional Justice
 4. Support to Constituent Assembly, Elections and Peace-building Initiatives at National and Local Levels
14. Since its inception NPTF has channelled funds for the implementation of 34 projects (see Table 1). A total of 22 projects have been completed, 12 ongoing. Table 1 below illustrates the number of projects completed amounting to about NPR 10.5 billion. Although NPTF was also intended to fund NGOs, there is no evidence to suggest that this has actually been done.

Cluster	Projects Completed	Projects Ongoing	Total Projects	NPTF Budget approved (NPR billion)	% of Total Approved Budget
Cluster 1: Cantonment Management and Reintegration/ Rehabilitation of Combatants	14	6	20	4,562.01	43.47%
Cluster 2: Conflict Affected People and Communities	0	3	3	491.5	4.68%
Cluster 3: Security & Transitional Justice	0	3	3	1985.35	18.92%
Cluster 4: CA & Peace Building Initiatives at National and Local level	9	5	14	3,456.66	32.93%
Total	23	17	40	10,495.52	100.00%

Table 1: Number and Budget of NPTF projects as of 7 July 2011

2.3 United Nations Peace Fund for Nepal (UNPFN)⁴

15. To help create a conducive environment for sustainable peace, Nepal has received support from its external development partners to continue the peace-building process through initiating a number of peace-building related activities. Since the signature of the CPA, the UN has been providing support to the GoN through various channels. On 23 January 2007, the UN Security Council responded to the request of the CPA parties for UN

³ The original NPTF priority areas during its first phase of operations were: Management of Camps and Reintegration of Former Combatants; Rehabilitation of Internally Displaced People (IDPs); Election of Constituent Assembly; Strengthening of Law and Order and Police Administration; and Support to the Peace Process.

⁴ See: UNPFN ToR from 2007; UNPFN ToR from 2009; UNPFN Executive Committee ToR 2009; UNPFN Annual Consolidated Reports for 2007, 2008, 2009 and 2010 on the MDTF Gateway: <http://mdtf.undp.org/factsheet/fund/npf00>.

assistance by establishing the United Nations Mission in Nepal (UMMIN) as a special political mission under UN Security Council Resolution 1740/2007 with a mandate to monitor the management of arms and armed personnel of the Communist Party of Nepal (CPN-M) and the Nepal Army, assist in monitoring ceasefire arrangements and provide technical support for the conduct of a free and fair election of a Constituent Assembly. UNMIN was also to assist under UN Security Council Resolution 1864 (2009) by deploying unarmed UN arms monitors to the Maoist cantonment and satellite sites around the country as well as at one Nepal Army arms storage depot in Kathmandu.

16. Additionally, the UNPFN was established in March 2007 as a complementary instrument to the NPTF and to mobilize UN agency support to the implementation of the peace process. Operating under UNMIN and answering rapidly to the immediate needs of the peace process, the UNPFN focused on the Maoist army verification process, cantonment management, election support and supported contextual analysis during the immediate post-conflict phase. Management of the Fund was transferred in early 2009 from UNMIN to the RC/HC.⁵ This transfer corresponded with a revision of its ToR, leading to increased transparency, government ownership, alignment of activities with national priorities and focus on wider peace-building issues in accordance with the evolution of the peace-building agenda. In four years, the UNPFN has committed a total of USD 32.27 million to 18 projects implemented by 12 UN agencies. As of 31 December 2010 the UNPFN has received USD 32.41million in total from the United Nations Peacebuilding Fund (PBF)⁶ and the governments of Canada, Denmark, Norway, Switzerland and the United Kingdom. See figure 1 below.

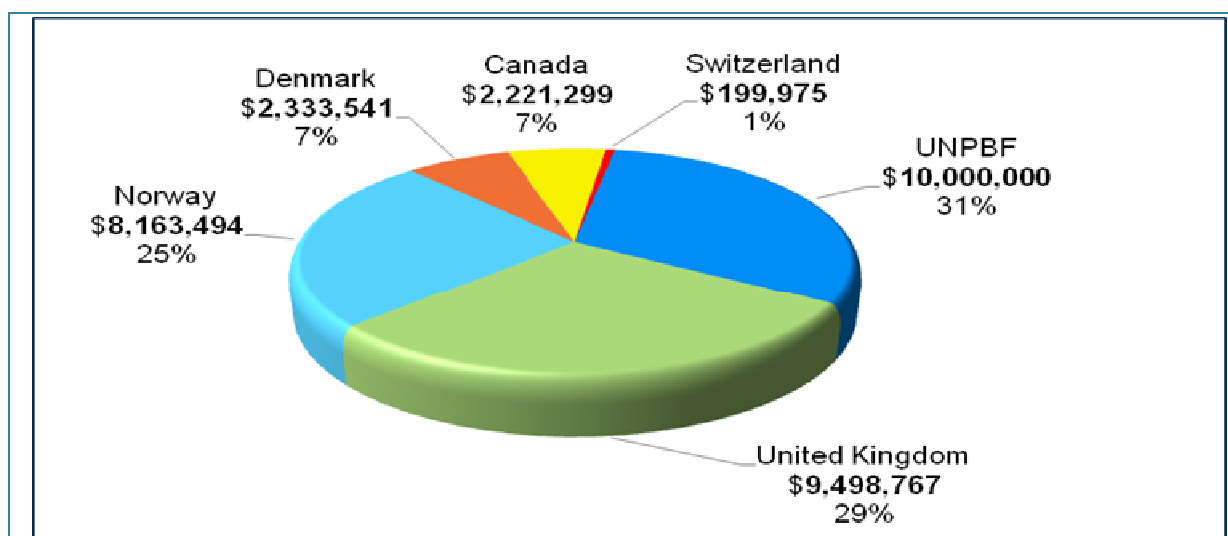


Figure 1: Contributions to the UNPFN as of 31 December 2010 (in USD)

17. The unity of effort within the UN system and national players and coordination between international partners so as to achieve common objectives are essential. Over the years, the UN system has been developing more common and flexible funding arrangements that are vital to deal with the complex nature of peace-building and to enable UN agencies to adopt an integrated approach to programming. These types of funding mechanisms, such as trust fund and pooled funding, and their criteria established for the

⁵ UNMIN remained engaged with the UNPFN, with the Representative of the Secretary-General as the UNPFN co-chair until UNMIN's closure on 15 Jan 2011.

⁶ The UNPBF itself is funded by contributions from 50 donors and development partners.

use of the funds must be flexible. In Nepal, this principle guided the establishment of collective financing mechanisms for peace-building such as the UNPFN.

18. Since 2009, the UNPFN has been housed by the UN RC/HC Office, where the UNPFN Support Office partly employs 2 staff members (1 international staff and 1 national staff) who dedicate 70 percent of their work load to the UNPFN (the remaining 30 percent of their workload is directed towards other RC/HC tasks). A total of USD 150,000 is charged annually to the UNPFN to cover the direct costs of the Support Office (USD 100,000 for staffing costs and USD 50,000 for M&E).

2.3.1 Key Features of the UNPFN⁷

19. As per the UNPFN TORs , the Fund is defined by a number of key features:
 - To deliver focused, time-limited support for urgent peace process tasks;
 - To complement the Nepal Peace Trust Fund and other existing mechanisms for peace process support by focusing only on tasks that cannot be funded or implemented through existing mechanisms;
 - To provide for rapid, flexible response sensitive to the unique needs of Nepal’s transitional environment;
 - To enhance UN and donor coordination in the interest of more efficient, transparent support to Nepal;
 - To have common governance arrangements with the Nepal Peace Trust Fund governance in order to ensure coherence.
20. In addition to the key features mentioned above, the Fund is characterized by its:
 - Flexibility of operations, including projects selection, disbursement, management of funds and coordination enabling the UN implementing agencies to respond quickly to urgent demands in accordance with the fund’s mandate;
 - Flexibility of its structure and activities to easily adapt to the changing needs of the peace-building process targeting ultimate beneficiaries (those affected during the conflict);
 - Support to the peace-building work of the UNCT to respond to demands through mainstreaming an integrated peace-building project lens in their programming;
 - Support to the streamlining of peace-building activities of the UNCT (a key element as per the UN Secretary General’s report);
 - Hub function for the UN support to peace-building, receiving various sources of funding such as the PBF avoiding the creation of alternate structures;
 - Focus on emerging peace-building issues “putting them on the table” to support to the transition process: peace-building goes beyond the CPA per se, the UNPFN is a good example of UN working on the full transition period which has been described by many sources, as key to reach sustainable peace.
21. Most importantly, the UNPFN echoes the UN “comparative advantage” whereby it is especially well equipped to complement and support to the peace-building priorities of national stakeholders in a number of ways.

⁷ See UNPFN ToR 2009 endorsed in June 2009.

- Firstly, as an ‘impartial third party’, the UN is able to address issues and implement activities that are too politically sensitive for national actors and require neutral assistance.
- Secondly, particularly in instances of immediate recovery when national capacities are constrained, the UN can through existing systems and global capacities rapidly respond to urgent short-term requirements and gaps.
- Thirdly, through its multiple agencies and worldwide engagement, the UN can provide specialized (‘boutique’) expertise, services and capacity development to national stakeholders that do not exist in country. This is particularly pertinent to the implementation of global UN instruments and standards, such as UN Security Council resolution 1612 on children affected by armed conflict or UN Security Council resolutions 1325 and 1820 (respectively on women and peace and security and on the issue of widespread sexual violence in conflict).
- Fourthly, the UN is capable of ‘importing’ institutional capacity from its global systems and existing programmes elsewhere to reduce the need for costly national investments into institutional development for peace-building priorities of a very short-term nature.
- Lastly, accessing global, headquarters and regional funding instruments, the UN is capable of bringing additional peace-building funding to countries that would otherwise not have arrived through standard country or bilateral allocations through specific UN dedicated funding mechanisms such as the PBF.

2.3.2 Architecture and Management of the UNPFN

22. The operations of the Fund are designed and carried out under the overall guidance of the NPTF Board, in consultation with the Donor Advisory Group (DAG), and according to the instructions of the Executive Committee. According to the UNPFN TORs the NPTF Board, under the chair of the Minister of Peace and Reconstruction, is expected to provide overall policy guidance to the Fund. The shared DAG, common to the UNPFN and NPTF, helps avoid the emergence of gaps and duplication in funding, as well as ensures that support to the UNPFN complements support to the NPTF and other existing peace-building funding mechanisms. It comprises all contributing donors who have committed funds to either the UNPFN, or the NPTF, or the two combined⁸. The UNPFN as well as key other key donors and implementers involved in the peace-building process in Nepal such as the International Financial Institutions, the World Bank in particular, and members of civil society can attend the DAG as observers, as determined by the DAG Chair.
23. The fund’s operations and activities are managed by its Executive Committee. It is currently composed of one Ministry of Peace and Reconstruction representative designated by the NPTF Board (currently the NPTF Director), a donor representative designated by the DAG (currently the Ambassador of Denmark) and the UN Resident and Humanitarian Coordinator (RC/HC) as the Chair.⁹

⁸ However in the recent months there have been efforts to expand the DAG beyond contributing donors to ensure wider peace-building coordination.

⁹ The Representative of the Secretary-General, as Head of UNMIN, was Vice-Chair of the UNPFN Executive Committee until UNMIN was closed on 15 January 2011.

24. The Executive Committee is responsible for:

As per the UNPFN ToR:

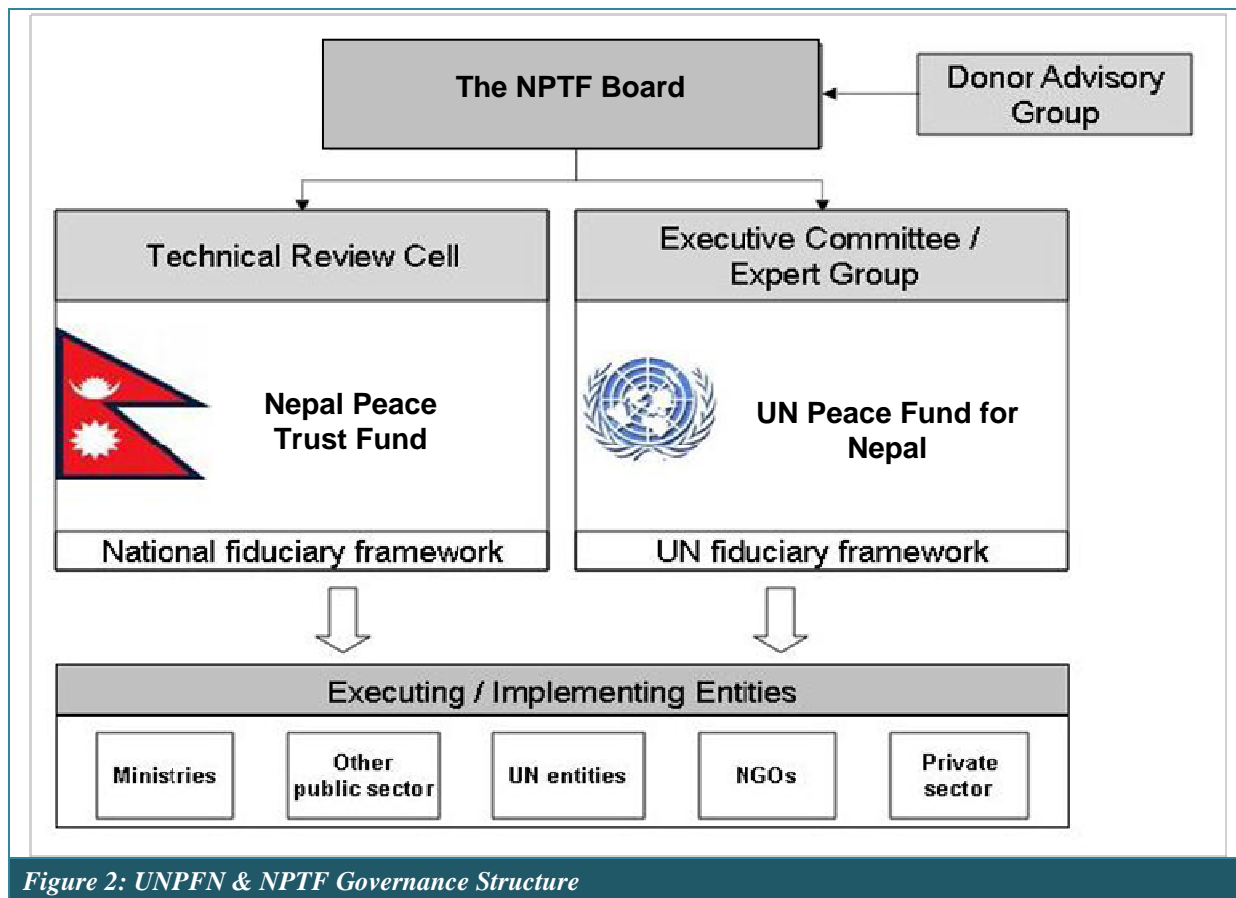
- Reviewing and defining the Fund’s requirements and priorities in consultation with the NPTF Board and DAG;
- Reviewing and approving proposals and resource allocations from the Fund, based on agreed priorities;
- Reviewing and approving the Fund’s annual reports;
- Making a formal report and bringing recommendations to the DAG at meetings of the latter;
- Recommending improvements to project design and/or implementation to make them more effective and efficient in supporting the peace process.

As per the UNPFN Executive Committee ToR:

- Review and approve these Terms of Reference (TOR) and Rules of Procedure, based on the Fund’s overall TOR, and amend them as necessary. For unearmarked funds, set priorities, review and approve criteria for allocation of available resources between and within clusters as defined in the Fund’s overall TOR, ensuring that the allocations are aligned with the UN strategic priorities and with Government of Nepal priorities.
- For funds earmarked by cluster, priorities within clusters, or by UN Organization, review and ensure alignment of allocations with the Government of Nepal priorities and UN strategic documents.
- For funds earmarked under the UN Peacebuilding Fund (PBF), review and ensure alignment with the PBF Priority Plan.
- Defining the strategic outcomes and criteria for funding rounds consistent with relevant Government of Nepal, PBF and UN strategic documents.
- Making calls for concept notes consistent with identified strategic priorities (including the Nepal PBF Priority Plan).
- Making calls for project proposals based on approved concept notes.
- Review and approve project proposals submitted by UN Participating Organizations; ensure their conformity with the requirements of the Fund agreements (TOR, MOU, SAA/ LOA/ LOU); and ensure the quality of project proposals to receive funding from the Fund.
- Discuss the Fund requirements and priorities concerning, *inter alia*: project management, including consistent and common approaches to project costing, cost recovery, implementation modalities, results-based reporting and impact assessment; and information management, including appropriate Fund and donor visibility.
- Ensure that appropriate consultative processes take place with key stakeholders at the country level in order to avoid duplication or overlap between the Fund and other funding mechanisms, and ensure alignment with the Nepal Peace Trust Fund.
- Review and approve the periodic progress reports (programmatic and financial) consolidated by the Administrative Agent based on the UN Participating Organizations’ progress reports. As appropriate, act upon the findings of these reports.
- Review findings of the summary audit reports consolidated by the internal audit service of the Administrative Agent; highlight lessons learned and periodically discuss follow-up by UN Participating Organizations on recommended actions with Fund-wide impact.
- Agree on the scope and frequency of the independent “lessons learned and review” of the Fund commissioned by the Executive Committee; review the preliminary and final reports and ensure the implementation of recommendations and identify critical issues for consideration.
- Ensure that the fund acts appropriately in response to audits and lessons learned exercises.
- Review the PBF Priority Plan in line with change in the context, and make revisions as appropriate, for further consideration from the Peacebuilding Support Office (PBSO)

Table 2: Responsibilities of the UNPFN Executive Committee

The below figure illustrates the overall management arrangement of the UNPFN:



25. The Executive Committee is assisted in its work by ad hoc Expert Groups responsible for reviewing project proposals prior to their submission to the Executive Committee. These Expert Groups are composed of UN, government, donor and civil society experts relevant to the particular objectives and sectors of the projects being reviewed. This external technical peer review stage is very important to ensure a high level of quality assurance in project development. The process also ensures a wide spectrum of stakeholders is engaged in the project development phase and can point out necessary points of coordination between the projects and other related peace-building activities.
26. Proposals to the Fund need to describe implementation arrangements, including implementing partners. Only UN agencies apply to the UNPFN call for proposals (referred to as ‘Implementing Organisations’ or ‘Participating Organisations’) of the UNPFN, though they implement approved projects directly and/or through government ministries, local authorities, civil society organizations, national and international NGOs, international organizations, and private sector entities (referred to as ‘Implementing Partners’). Choice of implementing partners and recruitment of personnel should reflect the imperative to promote inclusion of historically marginalized groups. Submitted proposals are required to demonstrate that activities could not be carried out through reprogramming existing projects and need to answer to a number of criteria such as funding round outcomes frameworks identified after consultations with the Fund’s partners and stakeholders (GoN, development partners, donors, civil society) as well as standard project design and selection criteria (such as the project’s: relevance with UN strategic priorities and Nepal PBF plan, positive impact on peace process, gender

mainstreaming, coherence with national priorities, realistic approach, sustainability and cost effectiveness etc.) used by the Expert groups the review and assess the submitted proposals ensuring consistency, transparency and a fairness in the assessment process. Processes and modalities for project planning and implementation should be flexible and conflict-sensitive, while allowing Participating Organisations to manage projects in accordance with their financial regulations and rules. Proposals in all clusters have to promote the concerns of women, children and marginalized groups in the peace process, consistent with the terms of the CPA as well as Security Council Resolutions 1325 (2000) and 1820 (2008).

27. The Fund accepts proposals in five clusters of activities:

UNPFN cluster of activity	Objective ¹⁰
A. Cantonment / Reintegration	Improve living conditions in the cantonments that Maoist army personnel; register/verify and reintegrate former Maoist army personnel, late recruits and minors; and dispose of mines and other unexploded devices
B. Elections / Governance / Mediation	Provide technical advice and logistic support on elections, constitutional issues; and provide assistance to restore government at local level
C. Recovery / Quick Impact Projects	Provide support to time- sensitive and high impact projects to particularly vulnerable communities where the absence of 'peace dividend' would represent a proximate threat to the peace process
D. Security	Restore law and order especially in the countryside
E. Rights and Reconciliation	Assist initiatives related to transitional justice, national monitoring mechanisms of the peace process and local reconciliation

Table 3: UNPFN clusters and their objectives

28. The UNPFN receives two types of funding - earmarked and non-earmarked - both subject to consultation, review, and decision processes. While non-earmarked contributions are preferable for reasons of flexibility and timeliness, donors are also permitted to contribute funding earmarked by cluster and/or UN Participating Organisation.

UN Peacebuilding Fund (PBF)

29. The UN PBF is a multi-year fund for post-conflict peace-building, “with the objective of ensuring the immediate release of resources needed to launch peace-building activities and the availability of appropriate financing for recovery”¹¹.

30. The PBF allocates money through two funding facilities, the Immediate Response Facility (IRF) and the Peacebuilding Recovery Facility (PRF). Both facilities fund initiatives that respond to one or more of the following four criteria:

- Respond to imminent threats to the peace process and initiatives that support peace agreements and political dialogue
- Build or strengthen national capacities to promote coexistence and peaceful resolution of conflict
- Stimulate economic revitalization to general peace dividends
- Re-establish essential administrative services

¹⁰ As per the revised UNPFN ToR endorsed in June 2009

¹¹ UN Security Council resolution, S/RES/1645, 20 Dec 2005

31. The PBF is managed, on behalf of the United Nations Secretary-General, by the Assistant Secretary-General for Peacebuilding Support, supported by the Peacebuilding Support Office (PBSO). The UNDP Multi-Donor Trust Fund Office (MDTF Office) is the PBF fund administrator. The PBF is the largest single contributor to the Fund. See Figure 1 above.
32. 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 further support projects across a wider range of areas essential to peace process. Projects are approved against the PBF Nepal Priority Plan which has its own distinct priority areas, but the projects also fall within the UNPFN Priority Areas and are approved by the UNPFN Executive Committee taking this into consideration. The PBF priority areas¹² are the following:

PBF Priority Areas	Objective
Strengthening State Capacity for Sustaining Peace	<ul style="list-style-type: none"> ▪ To strengthen state capacity to sustain peace for accelerated recovery in areas where there is a serious risk of future conflict. ▪ To support the state to build the capacity to forge consensus on issues that have previously polarized the nation while finding a way to keep the momentum in the peace process and moving forward on socio-economic reform.
Community Recovery	<ul style="list-style-type: none"> ▪ To foster the accelerated recovery of groups, or areas, where the risk of conflict is heightened specifically addressing women and members of traditionally marginalized groups. ▪ To sustain the peace-building efforts through accelerating tangible benefits to poor and disadvantaged communities, and to establish conditions for economic growth and employment generation.
Conflict Prevention and Reconciliation	<ul style="list-style-type: none"> ▪ To support local communities, including through women's group, to mitigate the risk of increasing armed violence, including the proliferation of small arms, and diffuse tension over specific issues that could result in conflict. ▪ To facilitate national reconciliation, including reintegrating youth in the communities divided by conflict, as fundamental to lay a solid foundation for long-term peace and stability.

Table 4: PBF Priority areas and their objectives

33. Additionally, since 2010, the PBF has increased its efforts to develop a stronger M&E system with a view to better assess the PBF global contribution peace. To this end, the PBF has developed a Performance Management Plan (PMP) which defines new peace-building performance indicators against which PBF funded projects contribution will measure their contribution. The roll-out of the test phase of the PMP in Nepal has started mid-2011.

Multi-Donor Trust Fund Office (MDTF Office)

34. The UNDP Multi-Donor Trust Fund Office (MDTF Office) in New York acts as the Administrative Agent (AA) of the UNPFN. In accordance with a Memorandum of Understanding (MOU) concluded with Participating UN Organizations, the MDTF Office performs a 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'.

¹² It should be noted that since September 2009, the PBF has reformulated its results framework along four new priority areas of: 1. Support to Implementation of Peace Agreements and Political Dialogue; 2. Promote coexistence and peaceful conflict resolution; 3: Revitalize the economy and immediate peace dividends; and 4. (Re-)build essential administrative services and infrastructure.

35. The MDTF Office is responsible for the UNPFN of the following:
- Receipt, administration and management of contributions from donors;
 - Disbursement of such funds to the Participating UN Organisations in accordance with instructions from the Executive Committee;
 - Consolidation of annual narrative and financial reports on the UNPFN to the Executive Committee, UN Participating Organizations, donors, government and development partners, based on project progress reports received from UN Participating Organisations, with the support of the UNPFN Support Office;
 - Ensure project operational and financial closure with the support of the UNPFN SO.
36. For each Project approved for funding from the Fund, each UN Participating Organization has the responsibility to provide the MDTF Office with the following statements and reports prepared in accordance with the MDTF Office's required format: annual narrative progress reports; annual financial statements; a final narrative report after the completion of project activities; and a certified final financial statement after the completion of project activities.
37. The MDTF Office, on its own, does not fund projects or activities of any kind. Only the authorized decision making body of an MDTF Office, the Executive Committee for the UNPFN, approves funding decisions. Thereafter individual Participating UN Organizations are responsible for choosing the implementation arrangement of approved activities, in line with their respective Financial Regulations, Rules, Policies and Procedures.
38. The MDTF Office launched a knowledge platform - the GATEWAY¹³ - in 2010 as the main public information and transparency vehicle for fund-management. The UNPFN GATEWAY site¹⁴ provides extensive narrative and financial information on the UNPFN, including on its governance arrangements, project selection criteria, project documents, projects and UNPFN annual financial statements and narrative progress reports as well as quarterly updates on the results being achieved. In addition, the PBF GATEWAY site¹⁵ provides further details and information on the PBF-funded projects in Nepal, again including in previous PBF Consolidated Annual Progress Reports. 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 UN Participating Organizations and the MDTF Office, a clear delineation, including distinct reporting lines and an accountability framework, has been established and is maintained within UNDP between its functions as an AA and its functions as a Participating Organization.

2.3.3 Project Approval and Implementation Status

39. Cumulatively, since the fund's inception and up to 31 December 2010, a total of 18 projects were approved for funding, amounting to a total budget of \$32.27 million (bilateral and PBF funding) allocated among 12 UN Agencies, namely; FAO, ILO, IOM, OCHA, OHCHR, UNDP, UNESCO, UNFPA, UNICEF, UNOPS, UN Women and WFP.

¹³ Go to: <http://mdtf.undp.org/>.

¹⁴ Go to: <http://mdtf.undp.org/factsheet/fund/npf00>.

¹⁵ Go to: <http://mdtf.undp.org/factsheet/fund/PB000>.

40. Specifically, as of 31 December 2010, under the PBF contribution to the UNPFN, a total amount of \$9,984,614 has cumulatively been allocated and transferred across seven projects to six Organizations: FAO, ILO, IOM, OHCHR, UNFPA and UNICEF. By 31 May 2011 all PBF remaining funds (\$15,386) have been allocated and transferred.
41. Table 5, inserted hereafter, gives a detailed overview of all the UNPFN projects since the Fund's inception by UNPFN clusters and PBF priority areas as of 31st December 2010. A specific table related to PBF projects is also inserted below (table 6).

Project Title	Approved Budget	Cluster of activities (UNPFN)	Priority areas (UNPBF)	Status	Implementation						Participating UN Agencies	UNPFN #	UNPBF #
					2007	2008	2009	2010	2011	2012			
Cantonment / Reintegration	\$22,717,455												
Support to IED/EOD Operations in Nepal (Mine Action)	\$5,069,208	Cantonment / Reintegration	***	Ongoing							UNOPS	UNPFN/A-1	***
Verification of Maoist Army Combatants in the Cantonment Sites	\$1,226,753	Cantonment / Reintegration	***	Completed							UNDP	UNPFN/A-2	***
Project Support to Discharge of Adult Maoists Army Personnel from the Cantonment sites	\$499,614	Cantonment / Reintegration	***	Completed							UNDP	UNPFN/A-3	***
Program support for Children and Adolescents Formerly Associated with the Maoist Army in Nepal	\$622,969	Cantonment / Reintegration	Conflict Prevention and Reconciliation	Completed							UNICEF	UNPFN/A-4	PBF/NPL/B-1
Support to Female Members of the Maoist Army	\$224,614	Cantonment / Reintegration	Conflict Prevention and Reconciliation	Completed							UNFPA	UNPFN/A-5	PBF/NPL/B-2
Discharge and Reintegration Assistance to Maoist Army	\$3,392,216	Cantonment / Reintegration	***	Completed							UNDP	UNPFN/A-6	***
Support to the Rehabilitation of Verified Minors and Late Recruits	\$9,349,660	Cantonment / Reintegration	***	Ongoing							UNICEF, UNFPA, ILO & UNDP	UNPFN/A-7	***
Monitoring, reporting and response to conflict related child rights violations	\$2,332,421	Cantonment / Reintegration	Strengthening State Capacity for Sustaining Peace	Ongoing							OHCHR & UNICEF	UNPFN/A-8	PBF/NPL/E-2
Elections / Governance	\$300,711												
Electoral Observation Resource Center	\$143,940	Elections/Governance	***	Completed							UNDP	UNPFN/B-1	***
Provision of Specialized Electoral Assistance to the Election Commission of Nepal	\$156,771	Elections/Governance	***	Completed							UNDP	UNPFN/B-2	***
Recovery / Quick Impact Projects	\$2,706,000												
Jobs for Peace: 12,500 youth employed through an integrated approach	\$2,656,000	Recovery/ Quick Impact Projects	Community Recovery	Completed							ILO & FAO	UNPFN/C-1	PBF/NPL/D-1
Piloting Land Registration and Preliminary Land Management Intervention in Selected Part of Achham District	\$50,000	Recovery/ Quick Impact Projects	***	Ongoing							FAO	UNPFN/C-2	***
Rights and Reconciliation	\$6,550,225												
Surveillance & Program Targeting for Post Conflict Reconciliation	\$887,763	Rights & Reconciliation	***	Completed							WFP/OCHA	UNPFN/E-1	***
Peace through Justice: Support to Transitional Justice	\$1,999,830	Rights & Reconciliation	Conflict Prevention and Reconciliation	Ongoing							OHCHR	UNPFN/E-2	PBF/NPL/B-3
Training Women Journalists in the Tarai	\$20,049	Rights & Reconciliation	***	Completed							UNESCO	UNPFN/E-3	***
Fairness and Efficiency in Reparation to Conflict-affected Persons	\$1,017,583	Rights & Reconciliation	Strengthening State Capacity for Sustaining Peace	Ongoing							IOM & OHCHR	UNPFN/E-4	PBF/NPL/E-1
Ensuring recognition of sexual violence as a tool of conflict in the Nepal Peace building Process	\$2,100,000	Rights & Reconciliation	Conflict Prevention and Reconciliation	Ongoing							UNFPA & UNICEF	UNPFN/E-5	PBF/NPL/B-4
Partnership for Equality and Capacity Enhancement (PEACE): Towards Implementation of UNSCRs 1325 and 1820	\$525,000	Rights & Reconciliation	***	Ongoing							UNIFEM & OHCHR	UNPFN/E-6	***
Total	\$32,274,391												

Table 5: Summary Table of all UNPFN Projects by Cluster Area (both bilateral funded and PBF-funded) as of 31 December 2010

PBF Project Number	UNPFN Project Number	Project Title	PBF Priority Area	UN Participating Organizations	Approved Budget (USD)	Status
PBF/NPL/B-1	UNPFN/A-4	Programme and Support for Children and Adolescents formerly Associated with the Maoist army in Nepal	Conflict Prevention and Reconciliation	UNICEF	622,969	Activities completed
PBF/NPL/B-2	UNPFN/A-5	Support to Female Members of the Maoist army	Conflict Prevention and Reconciliation	UNFPA	224,614	Activities completed
PBF/NPL/B-3	UNPFN/E-2	Transitional Justice Project	Conflict Prevention and Reconciliation	OHCHR	1,999,830	Activities ongoing
PBF/NPL/B-4	UNPFN/E-5	Ensuring recognition of sexual violence as a tool of conflict in the Nepal peace-building process through documentation and provision of comprehensive services to women and girl victims/survivors	Conflict Prevention and Reconciliation	UNFPA, UNICEF	2,100,000	Activities ongoing
PBF/NPL/D-1	UNPFN/C-1	Jobs for Peace: 12,500 Youth Employed and Empowered through an Integrated Approach	Community Recovery	ILO, FAO	2,656,000	Activities ongoing
PBF/NPL/E-1	UNPFN/E-4	Fairness and Efficiency in Reparations to Conflict-Affected Persons	Strengthening State capacity for Sustaining Peace	IOM, OHCHR	1,017,583	Activities ongoing
PBF/NPL/E-2	UNPFN/A-8	Monitoring, Reporting and Response to Conflict-Related Child Rights Violations	Strengthening State capacity for Sustaining Peace	UNICEF, OHCHR	1,363,618	Activities ongoing
					9,984,614	

Table 6: Implementation status of PBF-funded projects as of 31 December 2010

2.3.4 Evolution of the UNPFN

42. Initially, the UNPFN was designed to operate for two years. Its original TORs included a review process of its operations which was conducted in 2009 and leading to the revision of the fund's TOR. Initially, it financed initiatives related to the immediate needs of the peace process where the UN could add value and bring specific expertise in thematic areas, particularly through cross agency support, and by piloting innovative approaches. From the beginning, it was an important precedent for the UNPFN to have shared governance structures with the NPTF. During this stage, the nature of UNPFN projects were explicitly linked with the immediate needs of the peace process at the time and UNMIN's work, including activities such as support to: mine clearance and explosives disposal; verification of Maoist army personnel in the cantonment sites; 'Support Force' staff to augment UNMIN's monitoring of arms; logistics and administration for the Joint Monitoring Coordination Committee (JMCC) to assist the parties in implementing the Agreement on Monitoring of the Management of Arms and Armies (AMMAA); the Election Commission of Nepal (ECN) and the electoral process in the context of holding the CA elections through specialized electoral assistance; analysis and mapping to strengthen the targeting of post-conflict reconciliation programs; and, delayed until 2010, support to the discharge of 'verified minors and late recruits' (VMLRs) from the Maoist army cantonment sites.

43. Following the achievements of these critical immediate CPA objectives, UNMIN began a process of mission phase-out. In the meantime, Nepal was already earmarked for funding from the PBF to be channelled through the UNPFN, as announced by the UN Secretary General in December 2007. However, it was recognized by stakeholders in Nepal that the wider peace-building process was far from over and that numerous needs for specialized UN peace-building support assistance remained. The UNPFN continued under the management of the SRSG and UNMIN until it was transferred to the RC/HC in February 2009, which was reflected in the new UNPFN ToR approved by the Executive Committee in June 2009. Since then, the Fund has striven to become more inclusive, more transparent and include a wider number of UN agencies. Most importantly, the UNPFN has broadened the scope of its projects, shifting from funding immediate needs to projects that deal with the root causes of conflict and cross-cutting issues with mid- and long-term planning in mind to address wider peace-building issues such as reintegration or transitional justice. Throughout its evolution, the Fund has continued to encourage increasing government ownership over peace-building activities. Additionally, the UNPFN has continued to improve its management and operations including its ability to measure results through improved M&E mechanism.
44. Figure 3¹⁶ hereafter presents a comparative view between the key peace process related political developments and the key UNPFN milestones and projects and helps to highlight the following trends:
- From signing of the CPA till the end of 2008 (UNMIN period), in a period of intense key political activities, UNPFN projects were characteristically short and rapid assistance projects in line with the peace process needs to achieve key post conflict milestones (e.g. verification, electoral support).
 - From the first half of 2009 to-date, the nature of projects has changed - fewer political developments indicate growing stability while the UNPFN supported projects have increased in number and length (See Table 7 below).
 - Accordingly, this timeline illustrates the UNPFN evolution and shift in focus has been following an consistent with the transformation continuum and needs of the peace process in Nepal: from focusing on the immediate peace-building tasks (e.g. verification, CA elections) towards more medium term peace-building tasks (e.g. support to the establishment of transitional justice mechanisms, piloting employment generation and the recovery of destroyed land registration systems, recognition of sexual violence as part of peace-building and support to reparations policy).

Span	<12 months	12-18 months	18-24 months	>24 months
Total # of projects	6	5	5	2
# of projects initiated and completed by 2009	5	-	-	-
# of projects initiated before 2009 and completed before 2011 or ongoing	-	-	-	1
# of projects initiated in 2009 or later and completed before 2011 or ongoing	1	5	5	1

Table 7: Evolution of the Span of UNPFN projects

¹⁶ http://www.idea.int/asia_pacific/nepal/political_events_nepal.cfm, accessed on 16 May 2011
http://news.bbc.co.uk/2/hi/south_asia/1166516.stm, accessed on 16 May 2011

	2006	2007										2008					
	November	January	March	April	June	August	September	December	January	Feb	April	May	June	July	Aug		
Political developments	Signing of CPA	Interim Constitution		Amendments to the Interim Constitution: federal system through the CA election	Maoists join interim government	Interim Constitution amendments: parliament to abolish the monarchy; to remove the prime minister on the strength of two-thirds of the votes; ensures a 33 per cent mandatory representation of women in the CA	CPN-Maoist 18-point charter of proposals demanding Nepal to be declared a republic by the interim parliament	Maoists quit interim government to press demand for monarchy to be abolished	Parliament approves abolition of monarchy and Nepal is declared a republic, subject to the ratification by the first meeting of the CA	Demands of regional autonomy in Terai, a series of bomb blasts		Unrest in Terai	CA Elections - former Maoist rebels win the largest bloc of seats but fail to achieve an outright majority	Nepal becomes a republic	Maoist ministers resign from the cabinet in a row over who should be the next head of state	Nepal's first president	Maoist leader Prachanda forms coalition government, with Nepal Congress going into opposition
	Beginning of cantonment and registration of weapons and personnel.	Maoist leaders enter parliament	The Madheshi movement flares up. Increase in the levels of violence					The postponement of November's constituent assembly elections	The CPN Maoist rejoins the interim government	Commission fixes the 10 April date for the elections to the CA. The top leaders approve the date							
		Prime minister promises to introduce federalism and increase the number of seats in the CA on the basis of population size						The NC's resolution in support of declaring Nepal a republic	The Constitution retains a mixed electoral system								
UN/UNPFN milestones		Establishment of UNMIN	Establishment of UNPFN					Nepal eligible for PBF support									
		Establishment of NPTF															
UNPFN projects	Jan 07 – Dec 11; Support to IED/EOD Operations in Nepal ('Mine Action')																
					June 07 – March 08; Verification of Maoist army Combatants in the Cantonment Sites												
								Sept 07 – Feb 08; Provision of Specialized Electoral Assistance to the Election Commission of Nepal									
											Sep 07 – May 08; Electoral Observation Resource Center						
						July 07 – June 08; Surveillance & Programme Targeting for Post Conflict Reconciliation											
												April 08 – Dec 08; Support to Discharge of Adult Maoists army Personnel from the Cantonment sites					

Table 8: Political Developments in Nepal 2006-2010 and the UNPFN Milestones (1/2)

	2009		2010				2011	
	May	December	January	February	May	June	January	February
Political developments	Prime Minister Prachanda resigns.	Clashes triggered by Maoist-led land grab in far west of country; four people killed	Beginning of VMLRs discharge	End of VMLRs discharge	Deadline for drafting of new constitution extended to May 2011	PM Madhav Kumar Nepal quits under Maoist pressure		Jhalnath Khanal elected Prime Minister, ending a seven-month stalemate
	Madhav Kumar Nepal named new prime minister	Agreement on discharge of verified minors and late recruits (VMLRs)						
UN/UNPFN/NPTF milestones	Jan: Extension of UNMIN mandate		NPTF second phase of implementation approved			Nov: NPTF new Joint Financing Agreement signed	UNMIN mission ends	
	Feb: Change of the SRSG; Beginning of hand over of UNPFN Chair to RC/HC						Nepal PDS launched	
	Jun: Change of the UNPFN ToR							
UNPFN projects	Jan 07 – Dec 11; Support to IED/EOD Operations in Nepal ('Mine Action')							
	From Jan 09 – Jan 10; Support for Children and Adolescents Formerly Associated with the MoaA							
	Jan 09-Dec 09; Support to Female Members of the Maoist army							
	Jan 09-June 10; Discharge and Reintegration Assistance to Maoist army							
	Jan 09-Aug 11; Justice for Peace: Support to Transitional Justice							
	Feb 09-May 11; Jobs for Peace: 12,500 youth employed through an integrated approach							
	Aug 09-March 10; Training Women Journalists in the Terai							
	Jan 10 - May 12; Monitoring, reporting and response to conflict related child rights violations							
							April 10 - July 11; Fairness and Efficiency in Reparations to Conflict-affected Persons	
							April 10 - March 12; Towards Implementing UNSCRs 1325 & 1820	
							June 10 - April 12; Support to the Rehabilitation of Verified Minors and Late Recruits	
							June 10 – June 12; Health services for the female victims of conflict related sexual violence	
August 10 - Nov 11; Piloting Land Registration and Land Management in Achham District								

Table 9: Political Developments in Nepal 2006-2010 and the UNPFN Milestones (2/2)

45. Table 8 underlines the involvement of a greater number of UN agencies as implementing agencies for UNPFN funded projects (from four projects in 2007 to ten in 2010) but also the significant increase of joint implemented projects from one (20% of all ongoing projects) in 2007 to six (50% of all ongoing projects) in 2010. By 2010, a total of USD 18.86 million of all UNPFN funds has been utilized through the implementation of joint projects. The biggest example of the enhanced joint project approach is the ‘Support to the Rehabilitation of Verified Minors and Late Recruits’ project (UNPFN/A-7). Currently allocated USD 9.3 million, it is implemented by UNFPA, UNICEF, ILO and UNDP under the umbrella of a new integrated initiative, the United Nations Inter-agency Rehabilitation Programme (UNIRP). Additionally, the total number of UN participating organizations has increased from eight in 2009 to 13 over the course of 2010.

Year	2007	2008	2009	2010	2011
# of UN agencies	4	4	8	10	9
# of ongoing UNPFN projects per year	4	6	7	12	9
# of ongoing joint projects per year	1	1	1	7	7

Table 10: Evolution of the Number of UN Implementing Agencies

2.4 Nepal Peace and Development Strategy¹⁷

46. In the spirit of joint commitment to supporting the peace-building process, Nepal’s international development partners launched the ‘Nepal Peace and Development Strategy’ (PDS) in January 2011. The Strategy was developed by a cross-section of local and international actors including UN agencies, bilateral aid agencies, international financial institutions, non-governmental organizations, think tanks and others. The process was facilitated and coordinated by the RC/HC at the request of development partners and is an important demonstration of the coordination capacity of the UN and its strategic peace-building role in Nepal. The Strategy, which has benefited from discussions with different parts of the government, articulates how development partners could assist Nepal in the years ahead to realize the development agenda embedded in the CPA.
47. The PDS should be a useful reference document to UNPFN guiding the Fund’s management as they look beyond its current mandate. The relationship between the PDS and the UNPFN is that the latter should be able to use the PDS as an analysis of the peace-building process in Nepal. The document should be used to guide UNPFN to identify key remaining tasks that need to be funded in order to continue the task of building sustainable peace in Nepal. The document portrays the importance of development partners (including the UNPFN) involvement in funding/implementing peace-building projects looking beyond the immediate peace-building tasks. The document suggests that there is a role for a joint funding mechanism such as the UNPFN beyond its current mandate.
48. The document also serves as an advocacy tool to enhance the discussion as to what and how the UNPFN could help advance some of the important issues raised in the document. These issues while linked to development are part of the peace-building continuum.

¹⁷ Nepal Peace and Development Strategy 2010 – 2015 (2011), published by RC/HC Office on behalf of Nepal’s Development Partners – available for download at: <http://www.un.org.np/thematicareas/pds>.

49. There is therefore the need for future implementing partners and projects to adopt conflict sensitive approach to programming.
50. The added-value of the UNPNF as a funding mechanism considering the way forward is that it has the funds and has good experience in funding successful peace-building projects over the last four years. Some of these projects can only be implemented by neutral partners due to due to their political sensitivity.
51. Crucially, although the UNPFN and NPTF possess their own particular ToR and strategic plans and are ‘structurally bound’ to one another, they have not been informed adequately by an overarching strategic vision or comprehensive framework for coordination on peace-building. The PDS is the first significant multilateral effort to articulate such a potential vision and to present a comprehensive picture of ongoing and future core peace-building priorities. Ultimately, at least until a national strategy emerges, the UNPFN will also need to be increasingly guided by the PDS in the future and to find its comparative niche within its wider framework.

3. OVERVIEW OF THE REVIEW PROCESS, DESIGN AND METHODOLOGY

3.1 Goal and Objectives of the Review

52. Initially answering to the immediate needs of the peace process, UNPFN activities have gradually evolved to adapt and respond to the progressive needs of the peace process. While critical milestones have been achieved, there remains a need for peace-building activities in the years to come to strengthen and sustain the progress achieved.
53. In light of the above and within this context, the goal of initiating and conducting this independent review is to assess and examine the UNPFN’s role and contribution to peace-building process in Nepal and identify measures and approaches to strengthen the operation of the Fund in the future.¹⁸ The specific objectives of the review are to:
 - Assess the performance of the Fund’s governance, technical and financial management structures and processes;
 - Assess the role of the Fund as a complement to national mechanisms (in particular the alignment with the NPTF);
 - Appraise the Fund’s contribution to a more coherent international and UN peace-building support;
 - Examine and highlight the cumulative achievements and outcomes of UNPFN projects in support of peace-building in Nepal;
 - Analyze lessons learned with regards to peace-building and development work in Nepal and provide recommendations on how the UNPFN contribution to the peace process could be strengthened.

¹⁸ UNPFN Review (Evaluation) Terms of Reference, Annex 10

3.2 Approach, Methodology and Scope of Implementing the Review

3.2.1 Approach

54. The Review Team conducted the review using a participatory approach to ensure the involvement of all key stakeholders and also to ensure the efficacy and appropriation of the results and recommendations. The review process was open, objective, impartial and transparent as well as carried out with due respect and regards to the leadership and staff of UNPFN Support Office and UN Participating Organizations as well as other fund 'stakeholders whose input was sought. The approach to this evaluation is drawn from four main sources:
- The OECD/DAC evaluation guidelines with their emphasis on relevance, efficiency, effectiveness, impact and sustainability
 - Standards for Evaluation in the UN System
 - Norms for Evaluations in the UN System
 - For the assessment of the projects cumulative achievements, the UNPFN and specific PBF criteria have been taken into account¹⁹

3.2.2 Methodology

55. As the timeframe for the exercise was limited (5 weeks), in order to meet the stated objectives, it was agreed to use a 'review' framework instead of an 'evaluation' framework (originally mentioned in the ToR). As per the UN understanding, review is the periodic or ad hoc often rapid assessment of the performance of an undertaking that do not apply the due process of evaluation²⁰. Considering the scope and focus of the exercise, to review the funds operations and look at the projects' cumulative achievements at the 'Fund level' rather than a 'project-by-project' evaluation, it was agreed with the UNPFN that the Review Team will refer to the existing, verified and approved reports and documents of projects noting that the UNPFN is a coordination mechanism which relies on agencies M&E systems.
56. As a result, the Review Team undertook to strengthen its methodological approach by choosing to conduct in-depth documentation review and intensive interviews leading to an analysis of findings and development of conclusions and recommendations. Consequently, almost all donors, implementing agencies, relevant governments' representatives and other relevant UNPFN stakeholders were interviewed. It should be noted that, in this endeavour, the Review Team has aimed at conducting an extensive participatory interview process by reaching out to former UNPFN staff (UNMIN period) as well as the Fund's stakeholders based outside of Nepal (MDTF Office and PBF) through several teleconferences. In addition to these contacts the review team also collected and comprehensively review relevant documents provided by the UNPFN Support Office, implementing agencies and other stakeholders.
57. The selection of key informants for interviews was done based on stratified purposeful sampling. Purposeful sampling allows the consultants to select information rich people for in depth study and sample stratification means that the informants represent different groups- in case of this review- different groups of stakeholders. When enough

¹⁹ The UNPFN M&E framework; The PBF Nepal Priority Plan 2008; The PBF Performance Management Plan 2011

²⁰ UNEG (2005) Norms for Evaluation in the UN System, p 5

information is already known, a stratified purposeful sampling approach can be used to collect credible data in a relatively short time.

58. The informants representing almost all UNPFN stakeholders were selected by the Review Team in consultation with UNPFN Support Office and were grouped in the following categories (Table 9):

Group 1:	Government representatives (including from the NPTF, MoPR and MoF)
Group 2:	Donors' representatives and technical advisors
Group 3:	Heads of UN Participating Organizations (i.e. implementing agencies) and relevant Programme Officers
Group 4²¹:	RC/HC and relevant Programme Officers and Advisers from RC/HC's Office and UNPFN Support Office
Group 5:	MDTF Office and PBF representatives

Table 11: Informants Representing UNPFN Stakeholders

3.2.3 Scheduling

59. The Review Team held a number of induction meetings with the RC/HC and UNPFN Support Office to get more information on the Fund's creation, evolution and structure and discuss the processes, choice of key informants for interviews and the time frame of the review (time line in Annex 6). The Support Office supplied documentation for the review and the literature review was carried out on an ongoing basis throughout the assignment. During the first week (2-6 May) the Review Team familiarized themselves with the following key documents²²:

- Agreement on Monitoring of the Management of Armies, 8 December, 2006
- Comprehensive Peace Agreement, 2006
- UNPFN ToR 2007
- ToR and Rules of Procedures for the Executive Committee of the UNPFN, 2007
- UNPFN ToR 2009 (revised)
- UNPFN Executive Committee ToR 2009
- UNPFN Projects Annual Reports (consolidated) 2007-2010
- NPTF Programme Document, 2010
- Joint Financing Arrangement on the Nepal Peace Trust Fund between The Government of Nepal and The Donor Group, 2010
- Nepal Peace and Development Strategy 2010-2015 (with action Plan)
- UNDAF 2008-2010
- RC/HC annual Reports 2007-2010
- Norms of Evaluation in the UN System, UNEG, 2005
- Standards for Evaluation in the UN System, UNEG, 2005
- Nepal PBF Priority Plan 2008

²¹ To note, the former RCHCO and UNMIN staff involved in the work of the UNPFN have also been interviewed to the extent possible.

²² A series of other documents were analyzed by the Review Team during the evaluation. The full list of documents and publications reviewed by the evaluators is included in Annex 2.

60. Following discussions with the UNPFN Support Office, and as mentioned above, and upon the suggestion of the Review Team as a mean to ensure realistic and relevant results in the given timeframe, it was agreed to limit and focus the methodology to a combination of (a) in-depth review of the relevant documentation and (b) group and individual interviews with key informants representing all UNPFN stakeholders.
61. All the identified key informants were contacted by the Support Office and all of them agreed to meet with the Review Team and to provide their input. The meetings were scheduled based on the availability of the respondents. The Review Team conducted interviews between 9 and 31 May as per the agreed schedule (with one exception of an interviewee who was abroad and his input was included in June). Over 50 people were covered during the interview. Refer to Annex 3 for a detailed list of respondents.
62. Week 4 was devoted to internal Review Team discussions and the preparation of the first draft of the report components and power point presentation on the main findings to the Executive Committee while conducting last interviews. A dedicated Executive committee Meeting was organized on 31 May to present the preliminary findings of the review and receive initial feedback from the Executive Committee members.
63. Following the finalization of the draft report incorporating the feedback from the UNPFN Executive Committee and Support Office, the draft report was shared among the Fund's stakeholders as well as the wider development community in Nepal. Additionally, a specific stakeholder's feedback session was organized on 8 July 2011 and teleconferences were arranged with the Fund's stakeholders not based in Nepal (MDTFO and PBF), providing a forum to discuss the report findings, conclusion and recommendations and enabling the generation of further comments on the report (see annex 7 for a list of participants). The feedback session provided appointments for stakeholders to provide written feedback to the draft report. The feedback from these exercises guided the finalization of the report.

3.3 Ownership of the Report

64. The primary recipient of this work will be the Executive Committee of the UNPFN Fund as well as the government (primarily NPTF), the Fund's donors, the UNCT as well as the UNPFN Support Office though understandably a wider set of stakeholders will be interested in the findings. The findings will help ensure that the UNPFN becomes more effective and efficient in supporting the UN contribution to the peace in Nepal and so ultimate beneficiaries will be the wider Nepali population.

3.4 Limitations

65. Firstly, as stated above the assignment was not meant to be a fully fledged impact evaluation. The time allocated for the evaluation was insufficient to cover the scope of the ToR in details. Even after limiting the scope of work, the time was a constraint as it coincided with fuel shortage creating difficulties in commuting, political demonstrations and strikes leading up to the constitution deadline of 28th of May 2011, further obstructing communication and forcing re-shuffles in interviews schedule and the overall work plan.

66. Secondly, with regards to the Review Team methodological approach several issues, it was noted that the UNPFN Support Office is a secretariat mechanism relying on the M&E systems of implementing agencies for project monitoring and evaluation. The Review Team found that the 50% of the funded projects had been operationally completed at the start of the review. Because most of these completed projects did not have sufficient M&E systems in place and did not conduct independent evaluation, the Review Team lacked sufficient information for conducting a full-fledged impact evaluation.
67. Thirdly, the Review Team discussed the appropriateness, relevancy and feasibility of conducting field visits to interview project beneficiaries. While recognizing that there is no definite answer to this question, the Review team concluded that while applying this methodological tool in relation to the aim of the exercise could have proven useful, it was not identified as critical to draw meaningful results based on the following:
- Due to the fact that half of the projects were operationally completed by the time the review started, in practical terms, it was practically difficult to trace beneficiaries back within such a limited timeframe. The ongoing projects were at the time of the review about halfway through their implementation thus not having yet completed their projects outcomes nor achieved expected impact on beneficiaries.
 - Additionally, given the limited timeframe, the sample of projects would have been very limited and it was questioned whether conducting a survey of a limited random sampling of projects would yield the required results.

4. EVALUATION FINDINGS

68. The review findings outlined in this chapter are based on interviews (individuals and groups) and documentary evidence based on a literature review. The findings are presented in six major sections:
- 4.1. The performance of the Fund's governance, technical and financial management structures and processes;
 - 4.2. The Fund's role as a complement to national mechanisms, in particular its alignment with the NPTF;
 - 4.3. The Fund's contribution to more coherent international and UN peace-building support;
 - 4.4. The UNPFN funded projects' cumulative achievements and outcomes in support of peace-building in Nepal;
 - 4.5. The lessons learned with regards to peace-building and development work in Nepal and recommendations on how to strengthen the UNPFN contribution to the peace process;
 - 4.6. The 'Future of the Fund'.

4.1 The Performance of the Fund's Governance, Technical and Financial Management Structures and Processes

4.1.1 Management and Decision Making

69. The Review Team found that the Fund's operations are viewed positively by implementing agencies, contributing donors and other stakeholders covered during the review. The success of its operations is linked directly to the governance and effective management by its primary governance structures, i.e. the Executive Committee and UNPFN Support Office.
70. A number of respondents (especially implementing agencies) saw the decision making of the Executive Committee as inclusive and transparent, the process of selecting concept notes as efficient and effective and the review of proposals by Expert Groups as sound and useful. The Review Team was informed that key UNPFN issues such as call for proposals, funding outcomes and processes are discussed at UNCT meetings to ensure that all representatives and other UNCT members are involved and updated on the situation of the Fund. Such open and transparent discussions enable the Executive Committee to make effective decisions on the allocation of funds.
71. Majority of respondents underscored the innovativeness of the mechanism for selecting proposals, which introduces the element of competition among the UN agencies. They also recognize the role RC/HC Office played in introducing these mechanisms.
72. The Fund's financial management and disbursement mechanism by the MDTF Office were generally seen as uncomplicated and able to respond quickly to needs of implementing agencies. Most respondents (especially implementing agencies) cited the Maoist army verification process and the immediate support provided during cantonments set-up phase in the early stage of the Fund, as well as the more recent discharge of VMLRs and their reintegration as examples of quick and effective response by the funding agencies (UNPFN and MDTF Office) to emergency requests. The efficiency of the MDTF Office contributed significantly to the successful rapid disbursement of funds to implementing agencies and ultimately to the success of the projects mentioned above. The MDTF Office applies the pass-through fund-management modality established in the context of humanitarian, transition, reconstruction and development programmes.
73. Some respondents reported that donor support has been very helpful and timely in the successful implementation of specific peace-building projects. Donors and other stakeholders receive periodic progress reports from the UNPFN. Donors are represented both on the NPTF Board and UNPFN Executive Committee. Respondents were open to UNPFN's suggestions on how this improved involvement could materialize. Some contributing donors suggested exploring the possibility of increasing the numbers of donor representatives on the UNPFN Executive Committee. An additional donor representative will strengthen donor participation at ExCom meetings, it will also improve communication between donors and UNPFN through information dissemination by the representatives at other development fora.
74. According to respondents from UN Participating Organizations, the UNPFN's decision-making process (including decisions for approving funding applications) is seen as open

and transparent. The new UNPFN ToR (2009) opened funding opportunities to the wider UNCT and established a competitive and transparent project selection and development process. The UNPFN mobilizes donor contributions once existing resources are allocated and/or depleted. Once the Fund establishes a sufficient capital base, the Executive Committee opens a funding round based on an ‘outcome framework’ of issues that the Committee considers to be: (a) important for the peace process; (b) under-addressed; and (c) particularly suitable for multilateral UN support. The UNCT is then invited to submit their proposals in a funding round for these outcome areas. Not all proposals submitted by the UN agencies (which are reviewed against clear checklists of requirements and criteria) are approved in funding rounds and agencies were aware of this. As a result of these clear project requirements, UNPFN projects have a clear peace-building edge and are planned not only to fulfil all technical requirements but to fit with other projects supported by the Fund either from the thematic point of view or sequentially to multiply the original contribution.

75. To maximize the value for money, agencies can combine their expertise and bid jointly for projects with bigger budgets, as the project budget ceiling is higher for projects executed jointly by several implementing agencies. Respondents from UN organisations pointed out that the Fund worked as a common financing mechanism that offered the possibility of rapid decision-making and implementation of jointly prioritized peace-building activities (streamlining the peace-building effort of the UN), as well as providing a mechanism for monitoring their impact.
76. Respondents from GoN stated that the UNPFN operates on the basis of its ToR agreed and signed by the government. According to them, the ToR outlines clearly the Executive Committee mandate therefore there is no point to comment on it, unless the government, UN and donors decide to review the documents formally.
77. Some participating UN agencies however commented on the operational difficulties they face when working on joint activities. Due to the different planning schedules for individual agencies, technical competencies and working styles, it has been challenging to work jointly. Overall however, most agencies agreed that joint activities can bring agencies closer together in the long-term. They suggested that the number of agencies applying to work jointly should be limited to a reasonable number (perhaps not more than 3-4 agencies). They stated that it is easier to manage the diversity of a smaller group (of 3 – 4 agencies) during project implementation than a bigger group of more than 4 agencies.

4.2 Communication and Consultation

78. The procedures, guidelines, rules and regulations are in place and are in line with UN systems, which are seen by respondents as ensuring transparency and accountability. Project-level management, procurement and expenditures are governed by the regulations, rules and directives of the respective UN Participating Organizations.
79. The information on disbursement by the Fund is public and the reports are available on the MDTF Office operated online ‘GATEWAY’ portal for the UNPFN: <http://mdtf.undp.org/factsheet/fund/npf00>. The donors’ own governments’ reports certification requirements are fulfilled by the Administrative Agent of the UNPFN, the MDTF Office, which has developed common Standard Administrative Agreement (SAA)

and reporting requirements which are satisfactory to all UNPFN donors financial requirements and the fiduciary risk is considered to be minimal.

80. However, a number of contributing donors suggested that they would welcome more information as it would be useful for increasing their strategic involvement; some pointed out the need of more engagements between donors and the RC/HC as well as increasing the participation on the Executive Committee meetings.
81. Some contributing donors pointed to the role that the DAG could play in improving communication between the two funds (NPTF and UNPFN) and among funds and donors, such as the dissemination of funds related information to donors through the DAG and/or with individual donors. The two funds may also wish to extend invitations to donors to participate in programmes (conferences, seminars, round table discussions) on issues that will inform donors of both funds' activities and to develop a significant understanding of the work of the two funds.

4.2.1 Monitoring and Evaluation for Results and Impact

82. It has been noted above that the UNPFN has no comprehensive peace-building impact measurement framework to assess to what extent the whole project portfolio contributes to the overall peace-building in Nepal. The ability to accomplish this is undermined by the fact that there is no overall 'peace' measurement or monitoring system in Nepal upon which to rely. Regardless, the projects approved during the early stages of the UNPFN had no evaluation mechanism per se built in their designs. The only sources of information about outputs and outcomes for projects from this stage of the Fund are the final project reports.
83. The Review Team found that since the Fund's inception, the M&E systems have gradually evolved and the UNPFN has been developing and strengthening these in recent years. In the latest funding round (2009-10), approved projects are now required to include an end of project evaluation component. The Support Office instituted a quarterly update requirement for projects from the third quarter of 2010. Instigated through joint consultations with the NPTF in the last half of 2010 about developing aligned M&E systems, the Support Office has also designed a draft strategic monitoring and evaluation framework to begin defining and measuring basic higher-level strategic outcomes and outputs to which the Fund as a whole contributes.
84. The Review Team was also presented with diverging monitoring and reporting practices by UN Participating Organizations over the previous four years. For instance, yearly or end of project reports used the same standard template, but interpretations of reporting instructions in how to use these templates diverged from project to project. The interpretation of headings, such as 'achievements', ultimately depended on the individual agencies. There could be much stronger guidelines to ensure consistency and standards in project reporting. In one case there were no numbers mentioned in the whole report except for expenses.
85. While adhering to the requirements of annual/final narrative and financial reporting administered through the MDTF Office, UN Participating Organizations have otherwise been conducting M&E of their projects in accordance with the specific terms of their project documents and in accordance with agency requirements. Contributing donors

believe that the Fund needs to demonstrate its impact on the peace process and therefore needs to report more on outcomes than outputs.

86. The Fund is working closely with the MDTF Office to continue efforts to introduce outcome based reporting and the role of UNPFN as a quality assurance mechanism between the UN agencies and MDTF Office. A start was made with the formulation of the 2010 annual report and should be further replicated. Introducing outcome reporting would also play a key role in supporting the M&E efforts of the fund.
87. The UNPFN monitoring and evaluation framework is based on the UNPFN's five cluster areas and will be piloted from the second quarter of 2011, utilizing the quarterly update mechanism to establish a current status of progress against strategic outcomes and outputs.
88. These new tools have been developed and distributed to UN Participating Organizations by the Support Office; while Participating Organizations have expressed appreciation for these tools, they are not yet fully utilising them. Some donors are also interested in visiting projects and will welcome the opportunity to make occasional visits to projects and community programmes.

4.2.2 Incorporation and Promotion of UNSCR 1325 on Women, Peace and Security and UNSCR 1820 on Conflict-related Sexual Violence

89. The UNPFN has increasingly recognized and emphasized the role of women in conflict resolution and peace-building as multidimensional and significant for a legitimate, inclusive and participatory peace process and peace-building. Through its policy, structure, and programmes, the UNPFN has acknowledged the four distinctive themes of UNSCR 1325: (a) increased representation of women in decision making related to peace and security including UN peace operation, (b) the better protection of women and girls under international humanitarian and women rights law (c) special attention to women in the pursuit of post-war justice, disarmament and demobilization and reparation and reintegration of refugee and (d) Gender Mainstreaming in the UN system & reporting.
90. In July 2006, the UN and donors established the UNSCR 1325 Peace Support Working Group (PSWG). Building on this structure, the UNPFN ToR clearly mentions gender as a cross-cutting priority among its assessment criteria of submitted concept notes and development of proposals.²³ The UNPFN also uses criteria specially developed by the UNSCR 1325 PSWG in Nepal as a key part of its proposal review and selection process to objectively assess the integration of UNSCR 1325 in the planning, programming, policies, budgeting and monitoring and evaluation of project design. Interviewed UN Participating Organizations confirmed that special procedures have been developed to address the women, girls and children concerns from the beginning to end of the project implementation, for instance identifying the special needs of female Maoist army personnel during the verification that included reproductive health programmes, provisions for child-care and nutrition support for pregnant and nourishing mothers. The UNPFN also uses the PBF 'gender marker scoring' system to determine the extent to which women and gender are mainstreamed into projects.

²³ See Para 6 Page 4 of UNPFN TOR 2009: "Proposals in all clusters will aim to promote the concerns of women, children and marginalized groups in the peace process, consistent with the terms of the Comprehensive Peace Agreement as well as Security Council Resolutions 1325 (2000) and 1740 (2007)."

91. Respondents representing the various Funds' stakeholders pointed out commonly recognized successes such as Mine Action, rehabilitation of VMLRs, and election monitoring. However, they also highlighted the achievements in promoting women's participation and needs on matters of security, sexual-violence and peace-building (such as implementation of UNSCRs 1325 and 1820 through support to women CA members and the development of the NAP on UNSCR 1325) through four gender-focused projects: UNPFN/A-5, UNPFN/E-3, UNPFN/E-5 and UNPFN/E-6.

Total # of projects since 2007	# of gender focused projects	Proportion of gender focused projects	Total funds allocated to projects since 2007 (USD)	Funds allocated to gender focused projects since 2007	Proportion of funds for gender focused projects
18	4	22%	\$32.27 Million	\$2.87 Million	9%

Table 12: Gender focused projects since 2007

92. Information relating to these projects is included below in achievements by Priority Cluster (see section 4.4). Furthermore, some UN agency representatives underscored that, by funding such projects, the UNPFN not only contributes to peace-building but builds the technical capacity of agencies on women and peace-building and mainstreams women's participation and social inclusion into programmes which are key elements to ensure the future sustainability of peace.
93. Nonetheless, some UN Participating Organizations have an impression that gender issues have been marginalized in terms of overall resource allocation. In Table 10 above, funds allocated to address women and girls' issues was 9% of all UNPFN funding. In the next funding round, the UNPFN will seek to further achieve the commitment by the UN Secretary-General that the all UN peace-building funding instruments should allocate at least 15% of funds in support of projects that address women's and girls' specific needs, advance gender equality and/or empower women as their principle objective (i.e. achieving a score of '3' on the PBF gender marker).²⁴

4.3 The Fund's Role as a Complement to National Mechanisms, in Particular its Alignment with the NPTF

94. The NPTF and UNPFN TORs/programme documents do not directly address the issue of alignment between the two funds. At the policy level, the two funds share the same Board and emphasis is placed on promoting UNPFN complementarities and coherence with the NPTF. The Review Team did not find in the reviewed documents information that could point to the extent of envisioned alignment between the two entities. The outcome of the interviews conducted during the review confirmed that the interpretations of 'alignment' are diverse, not only between various groups of stakeholders but also within those groups.
95. Most respondents stated that the NPTF Board has not been active in exercising its governance role with regard to UNPFN. The Board, according to the respondents, has not played an active role in providing strategic direction, ensuring close alignment between the funds, reviewing financial performance or fulfilling other governance roles for the

²⁴ This commitment stems from action points of the 2010 'Secretary-General's report on Women's Participation in Peacebuilding' (S/2010/466).

UNPFN. Most of the strategic decisions of the UNPFN are carried out by the ExCom. Many of the respondents were incorrectly convinced that the Chairperson of the UNPFN Executive Committee (RC/HC) is a member of the NPTF Board, though he does directly report UNPFN activities to the Board as the UNPFN's ultimate governance entity.

96. On the contrary, with regards to NPTF, respondents pointed out that the Board is very involved in approving projects for NPTF funded implementing organizations. It was suggested that because of the volume of work (approval of projects) that it is involved in as a governance body there are likely to be delays in project implementation. Respondents suggested that the Board may wish to focus on strategic policy issues and leave the selection and approval of projects to the NPTF Technical Committee.
97. According to the documents reviewed and confirmed through interviews, the UNPFN mobilizes resources for activities of clear, short-term relevance to the peace process which are not possible to fund or implement through the NPTF or other existing mechanisms or programmes. Moreover, contributing donors and NPTF both affirmed that UNPFN and NPTF are complementary to each other and they are not competing institutions. The two Funds have clearly defined roles and responsibilities and they are working to contribute to the success of the peace process. The different activities that they fund within their constituencies complement each other. They share one Board, and the leadership meets and discuss key peace-building issues at different forums and share meetings with donors. The two funds are aware that their works complement each other.
98. Coordination and alignment between the two funds is accomplished to a great extent through the regular participation of representatives in each other's internal mechanisms. The UNPFN Support Office participates in the NPTF Core Cluster meetings and Sectoral Clusters, as well as mobilizes the participation of further UN experts in these meetings that technically review NPTF project proposals. The UNPFN Support Office has a dedicated office space in the PFS to permit part-time UNPFN Support Office co-location with the PFS. In the other direction, the NPTF Director is a member of the UNPFN Executive Committee and the NPTF (as well as other relevant government representatives) are invited to participate in UNPFN Expert Groups to help technically assess project proposals during active funding rounds. Recent collaboration between the two Funds such as conducting joint field monitoring visits, establishing common reporting practices to the Board and discussing means of developing complementary M&E frameworks are also encouraging. These are practical movements towards improved collaboration. Currently, both entities are aware of what each other is doing; however, the current state is far from full 'alignment'
99. According to the respondents representing the government, the UNPFN Support Office staffs are engaged in all activities of the NPTF including technical and other review teams, meetings and decisions. However the NPTF has a very limited space in the UNPFN and therefore does not have adequate information about the Fund's processes and progress. Having said so, according to the same group of respondents there has been an increase in collaboration between the UNPFN and NPTF. Though a plan for the UNPFN Support Office to move part-time into the premises of NPTF has only been partly accomplished, it is seen as a positive sign of the two funds making efforts at collaborating closer together.

100. Some donors explicitly said that in practice coordination and collaboration to some extent are happening but this is not exactly 'alignment'. Basically, the Board is more active and engaged in NPTF's decision making processes, but its engagement in UNPFN is not visible. According to the respondents, the Executive Committee of the UNPFN seems to act as the Board: calling for and approving proposals. This opinion reveals a understanding of the UNPFN ToR, which explicitly lists these as responsibilities of the Executive Committee and not the Board. Instead, the UNPFN ToR assigns the Board a strategic oversight and priority setting role. Some donors explicitly said that in practice coordination and collaboration to some extent are happening but 'alignment' has not been achieved. In their view, the Board is more active in NPTF's decision making processes and minimally engaged in the UNPFN's processes. In some respondents' view, the Executive Committee is not capitalising enough on the DAG that is supposed to play a role of advisor, communicate donors' concerns and review the progress and could also scrutinise the alignment aspects of functioning of both funds.
101. Donors expressed the view that since they support both entities based on existing ToR they would like to see them operating accordingly and that includes coordination, being able to complement each other and having the Board providing strategic guidance to both. Further they also questioned the limited representation of other UN agencies heads and only one donor representative in the Executive Committee. The respondents suggested increasing representation of other UN agencies, donors and even the NPTF to make a more inclusive Executive Committee and also to enhance the role of the Board so that the government role and ownership in decision making process of UNPFN would be larger.
102. The response from the UNPFN Support Office is that UN agencies are not members of the Executive Committee in order to protect the integrity of decision making processes. Potential recipient agencies have an obvious conflict of interest if they were involved in deciding on outcome areas and the allocation of funding.
103. According to the donors, at this stage, the NPTF and UNPFN both have some limitations. NPTF does not open the call for proposals to organizations other than government agencies; similarly, UNPFN is also limited to UN agencies as Participating Organizations. Eventually, both do not create the broader space for multiple stakeholders in the peace process. Donors are not only convinced about the need but they press on to include non-state actors in the peace-building agenda through these institutions.
104. Contributing donors believe that the GoN should take an active lead in the peace-building process. The GoN should see the peace-building process as an opportunity to strengthen the government institutions which are actively involved in peace-building (including the NPTF and MOPR). The desired situation according to some respondents would be that the NPTF implements the programme in accordance with the decisions of the NPTF Board. UNPFN should provide technical assistance (through its agencies) to government agencies implementing activities. The donors' priority is in state building - investing in the capacity building of the national institutions. They therefore would like the NPTF to take the lead in carrying out peace-building activities as defined and decided by GoN.
105. Nevertheless, the Director of the NPTF at an Executive Committee briefing with the review team explicitly noted that there was significant scope for UN peace-building work in areas that the NPTF could not do. A key government respondent underlined that complementarily means the UNPFN should provide the expertise that the NPTF and its

partners do not have and also suggested that, in the absence of a government peace-building strategy, the PDS could serve as a common platform for priority setting.

4.4 The Fund's Contribution to More Coherent International and UN Peace-building Support

106. Contributing donors and UN Participating Organizations clearly see the changes between UNMIN's and the RC/HC's management of the Fund and its differing contributions to the peace process. It is acknowledged that under the RC/HC the management the Fund was modified to be a more suitable mechanism for peace-building rather than immediate peace agreement implementation and recovery needs. However, there are many questions from the donors with regard to the type of support being provided, e.g. the projects that, according to the donors, could be conducted through regular programme activities of the UN agencies. It does not mean that the particular issues should not be taken up but that supporting them through the Fund does not reflect purposes of the Fund, specifically 'to deliver focused, time-limited support for urgent peace process tasks' and 'rapid, flexible response sensitive to the unique needs of Nepal's transitional environment'.
107. UN agencies are already working together under the strategic framework of the UN Development Assistance Framework (UNDAF) for Nepal, which includes peace-building as one of its priority areas. However, the majority of respondents acknowledged the role of UNPFN as an incentive, instrument and strategy for supporting increased UN internal coordination and contribution to peace-building. The Fund also brings together different UN agencies with different expertise and mandates for peace-building, leading to a catalytic and multiplying effect. For instance, an agency which has technical expertise in specific thematic areas is likely to transfer such expertise to its partner agency. In the future this agency will be able to have the issue mainstreamed in its programming. This is most relevant to international instruments such as UNSCRs.
108. According to contributing donors and UN Participating organisations, the Fund mechanism has led to the involvement of a larger number of UN agencies in peace-building activities (12 in total), which has in turn resulted in the wider inclusion of peace-building lenses to these agencies' 'regular' development work – that the work of the UNPFN has generally promoted the mainstreaming of peace-building into various agencies' programmes. It was also felt that this has resulted in recognition by UN agencies that they must engage in peace-building, and ultimately some 'political' issues, if they are to effectively contribute as development partners in a post-conflict environment such as Nepal.
109. The wider involvement of the UNCT in UNPFN funded projects also helps bring agencies together and increase their effectiveness and efficiency by utilizing comparative advantage of each of them in peace-building and development programmes as promoted by the 'One UN' agenda. UN Participating Organisations suggested that the mechanism for project vetting, selection, and disbursement is very useful and has given them an opportunity to plan jointly and develop joint projects. This process has helped them to understand each other and work on the areas within their mandates that they had not focused on previously. Streamlining the UN peace-building contribution opened better opportunities for fundraising in the country on peace-building issues. Moreover,

according to donors, the UNPFN gives leverage to the RC/HC to strengthen and improve the coordination among various UN agencies.

110. There is differing emphasis amongst contributing donors on the 'One UN' Agenda. On the one hand, a donor representative stated that although the 'One UN' agenda has value, it should not be an obstacle to quick response and achieving good peace-building results should not be subordinated to a One UN Agenda. On the other hand, other contributing donors recognized that working in a coordinated manner is very beneficial, and do see the Fund as an appropriate mechanism to advance the 'One UN' agenda.
111. Some challenges in joint project implementation and UN cohesion have been highlighted by respondents. Some UN agencies believe that there is a lack of agreed negotiated strategy on dispersing the funds and dealing with the internal inter-agencies issues for the higher goal of coherent UN strategy on peace-building and development support. It was admitted that not all of the UN agencies, especially some 'new comers', have inbuilt peace-building expertise and that this puts them at a disadvantage with regards to engaging the Fund. They require more support, such as monitoring and conflict sensitive programming tools, in order to better engage in peace-building. These newcomers need to be able to carry out activities that will better protect UN neutrality in the sensitive post-conflict environment of Nepal.
112. Contributing donors believe that the UNPFN is unique and can be an example for other countries. It is exceptional in the way it manages and works to forge some cohesion amongst the multiple interests of its diverse stakeholders (UN, government and donors) without major hindrances to its functioning and implementation of the projects. The proposal selection processes results in the UN Country Team working more under a common umbrella and some agencies directly implementing joint projects; these results are direct and explicit contributions to improved coherency of UN peace-building efforts.

4.5 The UNPFN Funded Projects' Cumulative Achievements and Outcomes in Support of Peace-building in Nepal

113. The CPA is the basis for peace-building in Nepal, both in the short and long terms. The short-term CPA goals are the: set-up of an Interim Constitution; CA election; management and integration/rehabilitation of the Maoist army personnel; ceasefire monitoring; drafting of a new constitution; and the development of transitional justice mechanisms. The CPA also lists long-term goals such as the promotion of human rights (including the rights of all citizens to education, health, housing, employment and food sovereignty); social, political and economic transformation; democratization and security sector reforms; adoption of a democratic system; land reform; and protection and promotion of national industries and resources. These goals have also been reflected in the PDS.
114. In dealing with these short and long-term issues, the majority of donors and government officials (including the NPTF) highlighted that the UNPFN's role in peace-building is positive and, with its unique mandate, the Fund fulfils the need for an impartial third party which can and has played a key role to maintain and move the some of the above mentioned elements of the peace process forward in Nepal. The following examples are among the particular illustrations highlighted by respondents with regards to the UN and

the Fund's special role in supporting the peace process: the verification of the Maoist army personnel and support to cantonment management/monitoring, the discharge and rehabilitation of VMLRs, de-mining and the CA elections support and monitoring. There is a question of the implementing capacity of some UN agencies that were not able to deliver the set results in time and were not able to utilize their budgets as planned. Consequently some projects progressed very slowly. However, implementing agencies claim instability of the government (frequent change of minister and secretaries) is a major stumbling block. Overall, the Fund has been praised as a successful instrument for peace-building in Nepal by almost all stakeholders the Review Team interacted with.

115. The achievements of the Fund are examined in relation to four of its Priority Clusters: A. Cantonments / Reintegration; B. Elections / Governance / Mediation; C. Recovery / Quick Impact Projects; and E. Rights and Reconciliation.²⁵ The analysis is based on existing documents, especially the annual, final project reports as well as the consolidated annual UNPFN and UN PBF reports (2007-2010). The complete inventory of project results is already available in yearly reports; therefore, this section does not aim to list each and every achievement but focuses more on the UN comparative advantages in contribution to peace-building in Nepal. The section is accompanied by an overview of outputs under strategic outcomes of each cluster as per their contribution to strategic outcomes in Annex 8.

4.5.1 Achievements by UNPFN Priority Cluster

4.5.1.1 Cantonment and Reintegration

116. Interventions under UNPFN Priority Cluster 'Cantonment and Reintegration' have an overall goal to support the parties to the CPA to undertake the safe verification, discharge and reintegration of Maoist army personnel. While, only former Maoist army personnel are mentioned, this objective should be seen in its wider societal context with consequences on the scope of activities. Non-discrimination and equitable (fair) treatment are core principles of UN programmes. Offering special treatment to former army personnel in the form of reintegration package may cause resentment among other groups who may view special or unique benefits to former army personnel as unjustified reward to the perpetrators of conflict. However in the short term - at least, in a peace-building environment - a specific focus on this group is required to increase security. The bottom line is that the society has to be adequately consulted and understand that support given to ex-combatants will increase their own security

	Number/Amount	As a percentage of all projects
Projects in Cantonment and Reintegration cluster since 2007	8 projects	44%
Funds for projects within Cantonment and Reintegration cluster	USD 22,717,445	70%
Jointly implemented projects in Cantonment and Reintegration cluster since 2007	2 projects	11%
Funds for jointly implemented projects within Cantonment and Reintegration cluster	USD 11,652,081	51%

Table 13: Number and percentage of projects in Cantonment and Reintegration Cluster

²⁵ Note: No projects have yet been approved and funded under Priority Cluster D. Security; therefore, this Priority Cluster has not been included in the review analysis.

117. Within this Priority Cluster, projects have fallen within three strategic outcomes, all tied to directly supporting the parties to implement critical components of the CPA. The first is to support the capacity of the Government of Nepal and Maoist army to meet their CPA and AMMAA commitments for the cantonment, discharge, integration and rehabilitation of the Maoist army.
118. Two projects were completed in the early phase of the Fund- UNPFN/A-2 (Verification of Maoist army Combatants in the Cantonment Sites), supporting the verification of former Maoists army personnel and management of cantonments and UNPFN/A-3 (Support to discharge of Adult Maoist army Personnel from the Cantonment Sites).
119. The verification process which began on 19 June was completed on 23 December 2007. The full total verified as members of the Maoist army at the end of the process was 19,604, comprising 15,761 men and 3,843 women. 8,640 personnel who had been registered during the first phase of the process did not appear for verification interviews in the second phase and were automatically disqualified. 4,008 persons remained to be discharged from cantonments after the total of absentees has been taken into account, with 2,973 of this total being assessed to be under the age of 18 (i.e. 'verified minors') on 25 May 2006.
120. The UN played an important role in the critical area of registration and verification of Maoist army personnel. Under UNMIN's direction, UNDP demobilization experts were assigned from UNDP's Afghanistan office to design the registration process and train teams of national staff who registered 32,250 Maoist army personnel. Subsequently, UNDP designed the verification process and deployed demobilization experts from Rwanda and Afghanistan, to collaborate with UNMIN Arms Monitors and UNICEF staff to complete the process. Fifty-eight verification staff were deployed to assist in the assessment of status, register verified personnel's biographic details, and provide reports and analysis on the verification process.
121. At this stage the preparations for the future discharge and reintegration process has also begun with planning of the survey to profile minors and post-May 2006 recruits; creation of reintegration assistance strategy; and inception of labour market survey- to mention only few.
122. The verification and management of the cantonments was highly politically sensitive and for the government to have an option to delegate it to the UN helped preventing major crisis and possible violence. Although UNMIN led the Maoist army verification process and monitoring of the cantonments, the UNPFN projects directly provided UNMIN with rapid 'programmatic' capacities to mobilize the necessary expertise, logistics, administration support and material to undertake complex operational activities in support of its mandate. Ultimately, UNPFN funded activities provided rapid and impartial third-party support elements necessary for enabling the verification of the Maoist army and implementation of a critical component of the CPA and AMMAA. Beyond the verification and monitoring processes, UNPFN interventions greatly improved cantonment conditions and reproductive health services (particularly to women), ensuring cantonments remained functional and delivered services in response to the special needs of canted personnel.²⁶

²⁶ Project annual Report 2007

123. Projects conducted after the transfer of the Fund management from UNMIN to the UN RC/HC Office represented a step further towards the eventual rehabilitation and integration of Maoist army personnel, in the first instance focusing on preparing for and supporting the discharge of VMLRs.²⁷ Again, the Government and the Maoists were able to draw upon UN neutrality and rapid response capacity. It has to be taken into consideration that the Maoist army was not defeated in combat but confined to cantonments based on a political agreement; therefore, the issue was highly sensitive as the Maoist army personnel had very high expectations with regard to rehabilitation packages. The rehabilitation package included much needed gender specific and basic health services and variety of training and education support for verified minors and late-recruits however the issue here was of managing the expectations. In this situation, the UN 'gave the face' to the discharge process and any dissatisfaction among the discharged persons was diffused. This prevented build up of any major violent protests and more than one year later it can be said that a group of former personnel has already started integrating into society.
124. The political process to the discharge of the VMLRs dragged on for two years after the verification took place. This required significant continual contingency planning and advocacy, as well as support to the negotiation of the Action Plan for VMLR discharge. As a result, the UN continuous support, through the UNPFN/A-6 project, was able to react within days to undertake the discharge process across 7 cantonments. This was possible thanks to the rapid response capacity of the UN. As a result of the agreed action plan, 2,394 (60%) of the 4,008 Verified Minors and Late Recruits were officially discharged from the Maoist cantonments between 7 Jan to 8 Feb 2010 three weeks after the signing of the discharge agreement, highlighting the capacity of the UN team to rapidly respond and support this process within a very short time span. The remaining 1,614 (40%) of the disqualified were discharged by UCPN-M in absentia in March 2010. The UN team comprised of approximately 70 UN personnel from UNDP, UNICEF, UNFPA, UNMIN and OHCHR (monitoring of the 1612 action plan) where common understanding of the well-defined and complimentary roles and responsibilities of UN agencies and teams was ensured.
125. Following the discharge process, a joint UN inter-agency approach (known as the United Nations Inter-agency Rehabilitation Programme (UNIRP) was adopted to support the rehabilitation process of discharged VMLR.²⁸ The UNIRP began operations to support the socio-economic rehabilitation of the 4,008 VMLR by promoting gainful employment and livelihood opportunities combined with community engagement. A conflict, gender and youth sensitive approach was applied to diminish tensions between participants and the broader community and to facilitate a smoother rehabilitation into civilian life. This project represents both the highest budget allocation (\$9,349,660), representing almost one third of all contributions to the UNPFN, and involves the largest number of UN participating organizations (UNDP, UNICEF, ILO and UNFPA) jointly implementing a UNPFN-funded project.
126. By the end of 2010, 470 VMLR (31 percent being women) out of the 782 VMLR which had so far enrolled in the rehabilitation process had completed training programmes in

²⁷ [UNPFN/A-3 "Support to Discharge of Adult Maoists army personnel from the Cantonment sites" and UNFP/A-6 "Discharge and reintegration assistance to Maoist army"]

²⁸ Project "Support to the rehabilitation of Verified Minors and Late Recruits" (UNPFN/A-7)

vocational skills and micro-enterprises. Of these 470 ‘graduates’, 120 are employed—this corresponds to a 26 percent employment rate which considering the national youth employment rate of about 15 percent (ILO) and the supply driven nature of job placement for this challenging caseload, progress so far is encouraging.

Rehabilitation Packages	# of VMLR counselled and referred for training / education	# of VMLR currently in training or education	# of VMLR who have completed training	# of VMLR employed after completion of training
Vocational Skills Training	581 (3% female)	166 (2% female)	218 (2% female)	37 (3% female)
Micro-Enterprises	783 (53% female)	280 (54% female)	252 (56% female)	83 (61% female)
Education	417 (41% female)	281 (42% female)	-	-
Health Training	75 (24% female)	55 (25% female)	-	-
Total	1856 (34% female)	782 (37% female)	470 (31% female)	120 (43% female)
			Rate of employment	26% (of the total 470)

Table 14: Breakdown of VMLR participants by package in various steps of rehabilitation as of end 2010²⁹

127. However, the major challenge is ahead as the verified Maoists army personnel remain in cantonments awaiting either rehabilitation back into society or integration into the national security services. There is currently no project under the UNPFN focussing on rehabilitation of these remaining Maoist army personnel. However, the UN has learned greatly from the rehabilitation of the VMLRs, which has built systems upon its previous experience and is directly engaged with the parties and providing advice on approaches that could be taken with the eventual rehabilitation process. UNDP currently chairs the Integration/Rehabilitation International Community Coordination Group in order to facilitate the rapid provision of any requests for international support once the parameters of the process are agreed by Nepal’s political actors. In this way, the UN continues to use its specialized knowledge and institutional capacity to support preparations for future challenges on rehabilitation.

Achievements in supporting the capacity of the Government of Nepal and Maoist army to meet their CPA and AMMAA commitments for the cantonment, discharge, integration and rehabilitation of the Maoist army:

- Maoist army personnel registered, verified and monitored as required by the CPA and AMMAA, including:
 - 19,602 personnel registered and verified as qualifying for cantonment in accordance with agreed criteria
 - 4,008 personnel registered and verified as minors and late recruits and not qualifying for cantonment in accordance with agreed criteria (out of which 2,973 verified as minors)
 - Records of Maoist army personnel, weapons and ammunitions filed into the “DREAM” Database
 - 29 ‘force support staff’ provided administrative and logistical support in main seven cantonment sites to UNMIN Arms Monitoring Officers
 - Administrative and logistic support to the Joint Monitoring and Coordination Committee
- Improved conditions for those Maoist army personnel in cantonments, including
 - Basic clothing and amenities (blankets, jacket, shoes, track suits, socks and woollen caps) provided to all 19,602 verified members of the Maoist Army.
- Improved reproductive health status of cantonment inhabitants (particularly women) and immediate surrounding communities, including:

²⁹ From the UNPFN/A-7 Annual Report 2010

- 11,161 (98.5% female) of people in total provided services through 30 RH clinics in cantonments
 - All female VMLRs (1,202 clients) provided with health care, as well as about one third of the women of reproductive age from the surrounding host communities (around 10,000)
 - 210 clients (all female) provided with referral services at tertiary centres
 - All seven Maoist army divisions provided with gynaecological support 6 days a month from August to December 2009
- VMLRs discharged peacefully and orderly from Maoist army cantonments as required by the CPA and AMMAA, including:
 - Foreign labour market opportunities assessment on trends and in the foreign country employment market to inform the rehabilitation preparations
 - Sustained technical and logistical assistance to Technical Committee, including for an information consultation campaign in all cantonments to inform VMLRs on the discharge and rehabilitation programme
 - Pre-positioning of material and service contracts in readiness for rapid response to discharge agreement
 - VMLR discharge strategy and operational plan immediately available to facilitate VMLR discharge and provide rehabilitation assistance
 - Joint UNCT support and monitoring team structure with over 70 personnel from UNDP, UNICEF, UNFPA, UNMIN and OHCHR
 - Discharge operations for 2,394 VMLRs across seven main cantonments conducted from 7 Jan to 8 Feb 2010—beginning only 22 days after the signing of 16 Dec 2009 Action plan for the discharge of the disqualified³⁰
 - Provision of civilian clothing and transitional allowance, tents and camping equipment for the discharge process
 - VMLRs successfully begun rehabilitating and reintegrating into civilian communities with suitable livelihood options and in line WITH established global standards (ongoing)

Table 15: Achievement highlights – Cantonment, discharge, integration and rehabilitation of the Maoist army

128. The second strategic outcome area for Priority Cluster A is to ensure that children affected by armed conflict are effectively protected, rehabilitated and reintegrated into communities in adherence with international law and guidelines. The projects related to child protection deserve special attention as they came close to achieve systematic impact (as underscored in the PBF PMP) by leading to lasting adjustment in the state legislation with regard to child rights protection. They also demonstrate key UN comparative advantages of impartial third party, specialized expertise and the ability to build government’s capacity for the application of international instruments—in this case, UNSCR 1612 on children affected by armed conflict.

129. The UNPFN has made important and novel progress to date on the UNSCR 1612 agenda, centrally through supporting the verification and discharge of 2,973 verified minors from Maoist army cantonments. Support to VMLR discharge was specifically accompanied by activities to ensure the needs and issues of minors were addressed, with UNICEF supporting the preparation and implementation of the discharge plan.³¹ These efforts promoted political consensus in Nepal on the issue of children protection and directly resulted in the formulation of the ‘Action Plan between the Government of Nepal, UCPN-M and the UN on the discharge of the disqualified’. The rehabilitation programme for discharged VMLRs³² has also been developed with strong considerations for the needs of verified minors seeing they compose over 70% of all the discharged. Through UNICEF’s experience in working with children associated with armed forces and armed groups

³⁰ The remaining 1,614 VMLRs were officially discharged in *absentia* through a declaration signed by the UCPN-M in March 2010.

³¹ Support for Children and Adolescents Formerly Associated with the Maoist army, UNPFN/A-4. Funded by the PBF, this project is also referenced by the PBF project number: PBF/NPL/B-1.

³² Support to the Rehabilitation of Verified Minors and Late Recruits, UNPFN/A-7

(CAAFAG), support in the programme has been developed to avoid further stigmatization of discharged minors and includes psychosocial support, response mechanism to address protection concerns and engaging verified minors in community based peace-building activities.

130. The ToR of Child Protection and the UNSCR 1612 Task Force Monitoring and Reporting Mechanism has been developed³³. The mechanism collects and provides timely, objective, accurate and reliable information on the recruitment and use of child soldiers in violation of applicable international law and on other violations and abuses committed against children affected by armed conflict, and the mechanism reported to the Working Group created in accordance with paragraph 8 of this resolution.
131. The overall purpose of the project was 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. To this end the capacity of Nepali child protection actors, including state entities was built, to monitor, document, verify and respond to grave child rights violations. Additionally, the project resulted in the signing of the 'Action Plan between the Government of Nepal, UCPN-M and the UN on the discharge of the disqualified' and establishment of a UN monitoring mechanism to monitor the UCPN-M's compliance on issues relating to the full discharge and separation of verified minors from the Maoist army in line with the Action Plan.
132. To make it an effective instrument the UNSCR 1612 processes had to be taken to the government level. Applying its expertise with international child protection instruments, the UN provided technical support to the Ministry of Peace and Reconstruction (MoPR) to draft a National Plan of Action (NPA) for the Reintegration of Children Affected by Armed Conflict. The NPA was approved by the Cabinet in December 2010. The Government has also facilitated the establishment of a task force to define the strategies and mechanisms for the implementation of the NPA, scheduled to commence in June 2011. The plan was launched on 15th June 2011 (Kathmandu Post June 29 2011).
133. At the same time the monitoring of violation cases has been going on and cases are recorded in a database that has been developed and regularly updated to capture the findings by six regional monitoring teams on the compliance with the Action Plan. Based on the findings of the regional monitoring teams, the national monitoring team has prepared and submitted periodical reports to the Office of the Special Representative of the Secretary-General for Children and Armed Conflict (OSRSG-CAAC).
134. Involvement of several UN agencies with different expertise made possible a multidimensional support to reintegration at the community level for informally and self-released 'children associated with armed forces and armed groups' (CAAFAG) and other children affected by armed (CAAC). Consequently out of a total of 5,776 of these in 34 districts 64% children received education support and 20% received support for vocational training. Furthermore, 16% children and their families have received support for income generating activities. Education support to children includes payment of school admission and exam fees and provision of school materials and uniform. The programme has extended significant psycho-social counselling and support to the

³³ Monitoring, reporting and response to conflict related child rights violations, UNPFN A-8. Funded by the UNPBF, this project is also referenced by the PBF project number: PBF/NPL/E-2

CAAFAG across the 34 districts³⁴ and a significant number of verified minors from the VMLR rehabilitation project have been referred to UNICEF for access to formal education opportunities. Importantly, the CAAFAG Working Group has developed a guideline to ensure systematic assessment and closure of reintegration cases. After assessment of individual cases during the project period, a total of 200 of reintegration cases have been closed in the districts.

Achievements to ensure children affected by armed conflict are effectively protected, rehabilitated and reintegrated into communities in adherence with international law and guidelines:

- The National Plan of Action (NPA) for the Reintegration of Children Affected by Armed Conflict drafted by Ministry of Peace and Reconstruction with the technical support from UNICEF.
 - The NPA was approved by the Cabinet in December 2010
- Nepali child protection actors, including state entities, have capacity to monitor, document, verify and respond to grave child rights violations, including:
 - Capacity building efforts of implementing partners to start working on broader child protection issues and engage with other stakeholders in the district to protect and ensure rights of children
 - Establishment of an extensive network of community based and child rights organizations at district and community levels leading to the establishment of a referral mechanism at regional and district levels
 - Capacity enhancement of government stakeholders to protect the rights of children in the districts, in particular for the implementation of a functional referral mechanism through which child rights violations are reported and referred for appropriate support laying the foundation for the establishment of a child protection system at district and community levels.
- UN 1612 National Monitoring Team monitoring, documenting, verifying and reporting on grave child rights violations and the compliance with the discharge Action Plan, including:
 - UN National Monitoring Mechanism is established to monitor UCPN-M compliance with the Action Plan on the discharge of the disqualified
 - Database established and updated to capture the findings by the regional monitoring teams on compliance with the Action Plan
 - Three 1612 annual reports, six Horizontal Notes and annual report describing grave child rights violations monitored, verified, reported and responded through submitted to the UN Security Council WG on CAAC. 180 cases documented.
- Discharged verified minors and self/informally released CAAFAG develop the skills and capacities that facilitate their effective reintegration into communities
 - Reintegration support was provided to a total of 5,776 informally and self released CAAFAG and other children affected by armed conflict (CAAC) in 34 districts out of which 64% children received education support, 20% received support for vocational training; 16% children and their families received support for income generating activities
 - After assessment of individual cases during the project period, a total of 200 of reintegration cases have been closed
 - more than 600 CAAFAG have received psychosocial counselling
 - more than 6,000 community psychosocial workers, teachers and health workers training on psychosocial aspects of children rights violation
 - 60 child and youth clubs received small grants to undertake child rights awareness campaigns for peace-building
 - 406 verified minors and late recruits have been referred to UNICEF for education support out of which 253 (108 females, 145 males) are already enrolled in schools all across the country. The remaining 153 verified minors and late recruits are in the process of being enrolled.

Table 16: Achievement highlights – Protection, rehabilitation and reintegration of children affected by armed conflict

135. The third strategic outcome area for Priority Cluster A is to support the capacity of the Government of Nepal and Maoist Army have to meet their CPA commitments to dispose

³⁴ UNICEF has made provisions to provide psychosocial support to the discharged verified minors and late recruits in 62 districts, mobilizing the existing CAAFAG Working Group network.

of all explosive remnants of war and mines planted during the conflict. The ‘Support to IED/EOD Operations in Nepal (Mine Action)’ (UNPFN/A-1), implemented since the beginning of the Fund, is a strong illustration of the relevance of accessing UN specialized technical expertise and services as well as the ability to rapidly import institutional capacity to fill a short-term gap while building national capacities.

136. Mine action activities ultimately contributed to ensuring that the components of the CPA relating to the destruction of explosive remnants of war and mines were achieved by the parties to the peace agreement. UNPFN funding brought technical expertise into the country that was previously not available, as the Government of Nepal and Maoist army had no technical capacity to meet these CPA commitments. The capacity of the Nepal Army has been systematically built and, after the project’s closure, it will be fully capable to clear mine fields and handle other explosive remnants of conflict.
137. In the initial phase of the UNPFN/A-1 project, the UN Mine Action Team (UNMAT) developed classification of explosive items approved by the JMCC and assessed all the items in cantonments. The same year all the items were safely stored and 60% of the most dangerous devices were destroyed. In the same year the training of Army personnel and the clearance of mine fields started. By the time project was completing its main mine clearance activities in June 2011, the MoPR as a responsible ministry for mine action had developed a mine action strategy that is now in the process of endorsement and established dedicated mine action office within MoPR.
138. Complementarily, from 2007, UNICEF (though not formally an implementing agency) partnered with UNOPS throughout the duration of the project and its extensions. Most of the community education was done by UNICEF as well as the initial recording of the victims of explosives.

- All 53 mine fields in Nepal cleared
- MoPR as a responsible ministry for mine action developed a mine action strategy (in the process of endorsement) and established dedicated mine action office within MoPR
- 526 staff of Nepal Army was trained in clearance activities
- 100% of 58,000 items of ERW safely stored at seven cantonment sites
- 100% of safely destroyed registered ERW held at Maoist cantonment sites
- Reduced casualties of activated injuries and deaths (a- total ERWs and b- from anti-personnel mines):
 - 104 (b) 6 (2007)
 - 73 (b) 4(2008)
 - 70 (b) 3 (2009)
- 12,000 Nepal Police members trained to deploy mine risk education at community level

Table 17: Achievement highlights – Meeting CPA commitments to dispose of all explosive remnants of war (ERW) including IEDs, small arms and mines planted during the conflict

4.5.1.2 Elections / Governance / Mediation

139. Organizing elections is the domain and obligation of the State. However in post conflict countries the elections’ results are often contested and questioned. Internally, soon after conflict there is mistrust between various groups in society while the government needs a lot of support to go through reconciliation and peace consolidation. In this context the support under the ‘Elections, Governance and Mediation’ Priority Cluster was a timely

input by impartial UN entities to provide technical expertise and specialized services. It strengthened the capacity of the Government of Nepal to hold free and fair elections intending to fulfil the strategic outcome of building public confidence in the conduct of the CA election and the overall legitimacy of the elected CA.

140. The presence of the international community in electoral observation helped assess whether the electoral process was conducted in accordance with international electoral standards. Observation contributed to the democratic development of Nepal and the basis for the establishment of an electoral reform agenda. Credible elections served as a platform for Nepal, with support of the international community, to programme the next series of electoral support interventions.

	Number/Amount	As a percentage of all projects
Projects in Election/Governance/Mediation cluster since 2007	2 projects	11%
Funds for projects within Election/Governance/Mediation cluster	USD 300,711	1%
Jointly implemented projects in Election/Governance/Mediation cluster since 2007	0 projects	0%

Table 18: Number and percentage of projects in Elections / Governance / Mediation

141. There were two projects within this priority area and both were closed after the elections to the CA in April 2008.³⁵ The UN ran an Election Resource Center that was authorized to accredit or host domestic and international observers. The Electoral Observer Resource Centre was established on 15 February 2008, and staffs were recruited. The informative events, the coordination meetings and the technical materials developed by the Centre were highly appreciated by the international donor community, the diplomatic missions, and the domestic and international observers groups. The Centre had provided accreditation to all the domestic and international observers through a process (established by the ECN) of accreditation of the organisation and observers.
142. By operating this project as a supporting activity to the Election Commission in performing its mandated functions of facilitating the whole electoral observation exercise and by ensuring that the ECN had full ownership of it adequate transfer of skills and know-how took place empowering the ECN to implement similar future undertakings on its own.
143. The sustained support provided to the ECN and its subsidiary offices at regional and district levels through the medium and short-term deployment of electoral experts and through the closely related supporting activities had direct results on the way in which the CA election was organised and administrated, including the relatively smooth conduct of all election day activities, a very positive outcome for the CA electoral process as a whole, which was officially certified as generally in line with recognised international standards by the various international electoral observation missions.

Public confidence in the conduct of the Constituent Assembly election and overall legitimacy of the elected Constituent Assembly

- The ECN capable of addressing challenges in implementing the CA election and improves key organizational and procedural aspects of the electoral process to meet international electoral standards,

³⁵ Election Observation Resource Center, UNPFN/B-1; Provision of Specialized Electoral Assistance to the Election Commission of Nepal, UNPFN/B-2

including: A detailed assessment of the CA election process to provide the basis for the NEC to improve conduct of future elections and identifies strategic areas of support for future technical assistance by donors

- The coordinated deployment of domestic and international observers during the election enabled independent mechanism to strengthen public confidence and legitimacy of the electoral process, including:
 - 61,854 domestic observers from 37 organizations accredited
 - 856 international observers from 30 organizations accredited
- Full national coverage of election observation, with all 20,882 polling centres in 9,801 polling locations covered by national observers (and many by international observers)
- Electoral Observation Resource Centre as a coordination clearinghouse and repository of resource materials empowers election observers, including 14,847 domestic and 783 international observers hosted by the centre

Table 19: Achievement highlights – Elections / Governance / Mediation

4.5.1.3 Recovery / Quick Impact Projects

144. Peace-building can mean rapid, short-term interventions that help either create momentum or minimize retreat, but also getting started with addressing root causes to move out of conflict towards a sustainable peace. While peace requires negotiation and accommodation between elites, peace needs equally to be protected and defended for the average citizen. For most citizens, what matters most are the tangible benefits they will get from the peace process such as those that matter the most: changes in the conduct and composition of local police or civil service; job opportunities; schools that do not close for protests over grievances that should be addressed in the courts, rather than the streets; women delivering under the eye of qualified medical personnel. Interventions under Priority Cluster ‘Recovery and Quick Impact Projects’ aim at strengthening recovery of conflict affected communities where the absence of a ‘peace dividend’ would represent a proximate threat to the peace process.

	Number/Amount	As a percentage of all projects
Projects in Recovery and Quick Impact cluster since 2007	2	11%
Funds for projects within Recovery and Quick Impact cluster	USD 2,706,000	8.3%
Jointly implemented projects in Recovery and Quick Impact cluster since 2007	1	5.5%
Funds for jointly implemented projects within Recovery and Quick Impact cluster	USD 2,656,000	8%

Table 20: Number and percentage of projects in Recovery / Quick Impact cluster

145. The only two approved projects³⁶ in the Priority Cluster were still ongoing during the review and therefore it is early to assess their achievements. The ‘Jobs for Peace’ project was intended to contribute to a strategic outcome of increasing opportunities for productive employment and income generating activities for un(der)employed and marginalized poor youth as a contribution to national peace-building and poverty reduction in two conflicted affected districts. Although the project was about to close at the time of the review, it was already visible that it had indeed resulted in increased employment and income generating activities for its target group. The question remains, however, about the project’s wider and sustainable contribution to peace-building.

³⁶ Jobs for Peace: 12,500 Youth Employed through and Integrated Approach, UNPFN/E-2; Piloting Land Registration and Land Management in Achham District, UNPFN/C-2

146. While the project scope is indisputably limited (only covering two districts), its innovativeness in Nepal's context should be brought to attention. There are several factors to be taken into consideration. Firstly, youth is a group that is least present in UNCT programmes in Nepal (though this has been changing since 2009 when the UNFPA took the lead on addressing youth issues through UNCT and consequently a Youth Advisory Panel was formed and from 2011 a youth traineeship programme is run under the RC/HC's coordination). Secondly, the majority of Maoists army supporters are rural youth, with the Young Communist League active to this day.
147. While it is true that there are no educational options in rural Nepal, not all of the graduates' choice would be staying in the cities or leaving the country had income opportunities been available at home in rural areas. While the UN in Nepal supports various livelihood schemes, none of them targets specifically youth and agriculture in the same time. There is a need for more detailed and independent analysis of this particular project's challenges and results as there is potential to build on them and achieve wider impact on youth employment in Nepal leading to consolidation of peace or prevention of violent conflict. Agriculture is a sector where there is a big scope for self employment which is important in the situation in which not everybody is willing to employ former rebels or supporters of Maoists. The project evaluation is underway but some initial achievements are presented below. During the interviews this project was often brought as an example of activities that could be implemented under agencies regular programming as it is unclear how UN is uniquely positioned to do it in the peace-building context.

Increased opportunities for productive employment and income generating activities for un(der)employed and marginalized poor youth as a contribution to national peace-building and poverty reduction

- 30,423 (20,000-target) of work days generated for infrastructure development by May 2011
- 1,718 youth became self or wage employed in agriculture
- 614 youth became self or wage employed in off farm businesses
- 1,611 youth have started their own micro business
- 1,047 youth improved their business thanks to the trainings
- 61 cooperatives strengthened resulting in engagement of 3,300 youth in self employment

Table 21: Achievement highlights – Increased opportunities for productive employment and income generating activities for youth

148. The other quick impact project 'Piloting Land Registration and Land Management in Achham District' started only in 2010 and has been extended into 2011 due to challenges in agreeing the final survey technique with the Government of Nepal. As such, it is not possible to yet develop analysis of achievements. However, as a pilot to explore modalities for rehabilitating land registration documentation and systems destroyed during the conflict, it is an attempt to begin addressing a key issue in post-conflict Nepal.
149. While this is a small scale project, it touches on a very sensitive issue, one among many root causes of the conflict and urgency in addressing it was also reaffirmed in the CPA. Because of the sensitivity and complexity of the issue not much has been done in the five years since the CPA was signed; pilot projects of this type could provide crucial input on methodology and approach to the issue. Its results have to be evaluated carefully and treated with caution as land ownership structure varies in Nepal from region to region.

4.5.1.4 Rights and Reconciliation

150. Interventions under ‘Rights and Reconciliation’ strive to support effective and inclusive transitional justice, information and services to the conflict affected people.

	Number/Amount	As a percentage of all projects
Projects in Rights and Reconciliation cluster since 2007	6 projects	33%
Funds for projects within Rights and Reconciliation cluster	USD 6,550,225	20%
Jointly implemented projects in Rights and Reconciliation cluster since 2007	4 projects	22%
Funds for jointly implemented projects within Rights and Reconciliation cluster	USD 4,530,346	14%

Table 22: Number and percentage of projects in Rights and Reconciliation cluster

151. Two projects have been completed in this cluster, limited to narrow thematic areas (i.e. food security and media) and achieved their respective objectives.³⁷ The UNCT and UNMIN Civil Affairs had the capacity to make evidence-based decisions regarding food insecurity in highly conflict-affected districts and the Terai women journalists increased 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. These are, however, the types of projects that are questioned in context of the features and purpose of the UNPFN.
152. The surveillance project was conducted in the early stage of the Fund and behind its rationale there were certainly the needs of the time. The training for women journalists in Terai was very contextual as it followed repeated abuses and a murder case of a woman journalist in the region. It should be however noted here that the issue of right to access of information for the public and right to access of information for the media as a specific group among the public (because of the multiplying effect) as important factors for speeding up peace-building in Nepal have been largely neglected to-date. This particular project did not have a strategic effect, but brought the issue to the attention. Peace cannot be established above the people it can only be done through, with and by them. Having said so, it is not possible to prove a significant contribution of these two projects to the wider peace-building process in Nepal.
153. Four projects remain ongoing in this Priority Cluster, with two related to transitional justice and two related to women’s role and needs in peace-building. Though the projects are still ongoing an early assessment of their prospects of achieving their outcomes is possible. All the issues addressed by these four projects are politically sensitive and require a neutral third party to take lead on them. They all also involve the application of key UN global instruments or international standards and best practice where the UN has specialized expertise and experience that can be utilized to build government capacity to take action.
154. Under the strategic outcome of the Government of Nepal having the capacity to put in place effective and transparent structures / procedures for reparations to the victims of the armed conflict, the ‘Fairness and Efficiency in Reparations to Conflict Affected Persons’,

³⁷ Surveillance and Programme Targeting for Post Conflict Reconciliation, UNPFN/E-1; Training Women Journalists in Terai, UNPFN/E-3

UNPFN/E-4 (PBF/NPL-E1), project is based on somehow similar principles as the rehabilitation of discharged VMLRs – it is about managing expectations versus available resources without spurring major social unrest. The project prepares the ground for the government to be able to take over avoiding the associated risks. For this, the Government of Nepal needs the capacity to put in place effective and transparent structures/procedures for reparations to the victims of the armed conflict. And the project does that through work with government on developing a reparation policy, establishing SOPs and training the government staff- both in line with international instruments and mapping and building data system of those eligible.

Achievements in building the capacity of the Government of Nepal to put in place effective and transparent structures and procedures for reparations to the victims of the armed conflict

- Mapping exercise and gap analysis was conducted to identify existing and potential gaps and procedural challenges inherent in the current Interim Relief and Rehabilitation Program
- Mapping of organizations working on transitional justice issues in Nepal with a particular focus on reparations and victim support was completed
- Comprehensive Reparation Policy in line with international human rights standards prepared and submitted to MoPR (ongoing)

Table 23: Achievement highlights – Effective and transparent structures and procedures for reparations to the victims of the armed conflict

155. Under the strategic outcome of the GoN having the capacity to meet CPA commitments to establish functioning transitional justice mechanisms of the TRC and COI-D in line with international human rights standards, the ‘Transitional Justice Project (Peace through Justice)’, UNPFN/E-2 (PBF/NPL/B-3), is extremely sensitive politically but also difficult from technical point of view as there is no common understanding in Nepal as to what Transitional Justice is. It is about balancing the impunity and sense of justice and both are conditioned by individual and group perceptions. To avoid entering into ethical discourse, the project underscores technical aspects basing on internationally recognized instruments and procedures. Achieving its strategic outcome target would be a major contribution of the UNPFN to peace-building in Nepal. At the moment, the relevant bills are drafted and the trainings of government staff and social consultations are ongoing.

156. Substantive and consultative support provided, through the project activities, to the MoPR on the TRC and COI-D bills has contributed to increasing fluency in transitional justice concepts and strategies among State actors as well as to growing political accountability for the establishment of the two commissions. Similarly, awareness raising activities carried out by civil society organisations, among them victims’ groups and networks, have contributed to ensuring demands for the commissions are consistent with internationally established, victim prioritizing norms. The formation of groups and networks of conflict victims in various districts has already begun to promote solidarity across political divides on human rights, both within communities and increasingly across the nation.

The Government of Nepal has the capacity to meet CPA commitments to establish functioning transitional justice mechanisms of the TRC and COI-D in line with international human rights standards:

- Technical and administrative support and advisory services have been provided to MoPR to draft and review the TRC bill
- All nine, planned consultations on the TRC bill have taken place, with significant representation throughout from indigenous peoples, people in remote places, women, children and other marginalized groups

- Establishment of a Transitional Justice Resource Centre with the MoPR has been initiated
- Dataset on alleged violations of IHL and HR law from during the armed conflict has been developed
- A reference archive of around 25,000 digitized documents on alleged violations of IHL and HR law compiled
- One grant to an international NGO and 24 grants to 47 national organisations were approved for projects to raise public awareness on transitional justice concepts, dilemmas and possible strategies. One docudrama, two profiles of conflict victims, one information kit for victims were produced.
- More than 9,000 conflict victims have formed informal groups and networks in 22 districts

Table 24: Achievement highlights – Establishment of functioning transitional justice mechanisms

157. Under the strategic outcome of improved participation and protection of women, and the delivery of services to conflict affected women aiming at strengthening inclusive elements of the Nepal peace process, the project ‘Ensuring recognition of sexual violence as a tool of conflict in the Nepal peace-building process through documentation and provision of comprehensive services to women and girl victims/survivors’, UNPFN/E-5 (PBF/NPL/B-4) is still in an early implementation stage; however, its approach is bringing some visible results. Sexual violence is something that women in Nepal are extremely reluctant to admit because society tends to put blame on the victims rather than perpetrators. The implementing agencies used their prior experience in addressing the issue and use the provision of reproductive health services through mobile health camps as an entry point to gain access to potential victims/survivors and ensure their comfort and privacy. Project staffs are specially trained and able to raise the issue of sexual violence with women individually in a safe setting and refer them for further psychological or legal counselling if required. So far the health camps were conducted in two districts and 10% of clients volunteered to come to the GBV registration desks. It is a positive indication considering the Nepal’s social context.
158. The ‘Partnership for Equality and Capacity Enhancement (PEACE): Towards Implementation of UNSCRs 1325 and 1820’, UNPFN/E-6, project aims at more systematic changes addressing structural violence as demonstrated in lack of women’s participation in decision making. As for now, the project has supported the MoPR in the development of the National Action Plan (NAP) on UNSCRs 1325 and 1820. The NAP was endorsed by the High Level Steering Committee (HLSC) in October 2010 and adopted by the Government of Nepal in February 2011. It is too early to estimate how this document will be implemented and what implications it is going to have for the peace-building. However, the development and endorsement of the plan is already a very positive achievement for Nepal’s post-conflict environment and for the role of women.

Improved participation and protection of women, and the delivery of services to conflict affected women strengthen inclusive elements of the Nepal peace process

- Achievements in improving participation and protection of women, and the delivery of services to conflict affected women strengthening inclusive elements of the Nepal peace process in line with UNSCRs 1325, 1820, including:
 - Adoption of the National Action Plan (NAP) on UNSCRs 1325 and 1820
- Enabling institutional environments to promote and protect women’s human rights in line with UNSCRs 1325 and 1820, and other human rights instruments (especially CEDAW) created by state entities
 - 27 staff of implementing partners trained on sexual and gender based violence
 - 66 district health officers and health post in-charges, women development officers, local development officers, district administration officers and local civil society groups, representatives from Bars etc. from 2 districts orientated on the concepts of gender, gender-based violence (GBV) and laws related to it

- Incidences of sexual violence against women and girls during the conflict and post-conflict in Nepal are identified/documented and victims gain access to justice through participation in transitional justice processes
 - 66 cases of GBV perpetrated during and post conflict documented
- Promote recognition of the incidence of sexual violence in Nepal peace process through access to justice for victims of sexual violence, including through participation in transitional justice processes
- Reproductive health services and psycho-social and legal counselling provided to women and girls, including:
 - 2 reproductive health (RH) camps conducted with immediate access to health, legal and psycho-social services with a total of 4,031 clients served (out of 20,00 target by June 2012)
 - 408 clients volunteered to come to the GBV documentation desks
 - 494 clients received psycho-social counselling services (35 were identified for further counselling by the community psychosocial workers)
 - 105 survivors received legal counselling (23 were referred for legal counselling and legal support)
 - 63 women suffering from different types of GBV received counselling

Table 25: Achievement highlights – Improved participation and protection of women

5. CONCLUSIONS

159. The report has attempted to address the objectives of the review (re-stated in the box below). The review team’s conclusions are presented hereafter in accordance with these objectives.

Objectives of The Review

- Assess the performance of the Fund’s governance, technical and financial management structures and processes;
- Assess the role of the Fund as a complement to national mechanisms (in particular the alignment with the NPTF);
- Appraise the Fund’s contribution to a more coherent international and UN peace-building support;
- Examine and highlight the cumulative achievements and outcomes of UNPFN projects in support of peace-building in Nepal;
- Analyze lessons learned with regards to peace-building and development work in Nepal and provide recommendations on how the UNPFN contribution to the peace process could be strengthened.

5.1 Conclusions: Performance of the Fund’s governance, technical and financial management structures and processes

160. The UN responded to the call of the GoN’s for support in building the peace in Nepal which resulted among others in the creation of the UNPFN as a funding mechanism for UN agencies to implement peace-building projects. The UNPFN has contributed to the increase of national capacity to build and manage the peace. The Fund has provided support to UN implementing agencies to carry out key peace-building tasks which would have taken government or other agencies longer time to carry out or to complement their peace-building efforts. The Fund has also supported innovative pilot activities that are likely to prove to be significant for future peace-building (e.g. land registration, youth employment). The Fund continues to support UN agencies to contribute to several critical peace-building processes. UN implementing agencies have received support from the UNPFN for critical peace-building interventions already mentioned in the findings.

161. The governance and management structure of the Fund is well set up. Consensus of respondents is that the Fund has been well managed in the four years of operations. According to respondents the management of the Fund has met the multiple expectations of government, donors, the PBF and UN Participating Organizations. Proposals selection process is seen as transparent and is contributing to inter-agency cooperation. The disbursement process is viewed as smooth.
162. It is noticeable to the Review Team that the leadership style of the RC/HC with efficient support of the UNPFN Support Office has contributed significantly to the success of the fund. The openness and willingness of the RC/HC to listen and communicate with donors, government officials, the UNCT as well as with UN headquarters encouraged a real partnership between the government, donors and the UN in Nepal. The team also observed that the mechanism through which funds are disbursed, managed and coordinated has enhanced the UN agencies trust in the UNPFN Support Office. It has also enhanced the governance of the Fund.
163. The UNPFN management and implementation mechanisms have worked positively enabling the government, Donors and UN implementing agencies to discuss openly important Fund's related issues.
164. The Review Team observes that the UNPFN operations are managed efficiently applying tried and tested management and coordination mechanisms through the UNCT and the RC's office. The fund has significantly enhanced UN agencies collaboration in the past four years. The close working partnerships between and among UN agencies was clear to the Review Team.
165. Although the governance structure of the fund is in place, the review process has highlighted the fact that respondents are not fully aware of the Fund's structural arrangements and who represents the Fund and other stakeholders of the Fund. Most respondent are convinced that the chair of the UNPFN Executive Committee is a member of the NPTF Board. Another major issue that was raised with regards to governance is the structure of the UNPFN Executive Committee does not explicitly ensure women's participation.
166. With the involvement of an increasing numbers of UN implementing agencies as well joint programming for peace-building activities, the UNPFN was able to achieve two distinct objectives: a) engaging of UN agencies involved in development to be more strongly involved in peace-building and b) helping bring these agencies together (as promoted by the One UN reform process) to make use of their efficiency and effectiveness and utilize their comparative advantage for the implementation of peace-building related projects.
167. On 'information dissemination', the UNPFN produces documentation for distribution to inform its partners and other stakeholders of its activities and results. Despite open channels of communication, the Review Team is of the opinion that although it has been satisfactory (especially with donors and some UN agencies) there is room for improvement. Respondents suggested that there is a need to reach out to donors and other stakeholders (NPTF, MOPR, some UN agencies) to review communication including information dissemination to further improve communication among all organisations involved in the peace-building processes.

168. The Review Team found that one of the main issues consistently raised (especially with implementing agencies) during the review has been M&E. The fact that peace-building is a complex, multi-factor and multi-actor process does not make the assessment of the extent of the contribution of one single agent, such as the UNPFN, in the process easy. The UNPFN Support Office recognises that there has been a weakness with regards to its M&E systems. The Review Team found that an M&E framework is in place under the Funds ToR of 2009. The Review Team was informed that the Fund is making efforts to strengthen its M&E mechanism and tools however being developed to this end. One such tool is the UN PBF Performance Management Plan (PMP) for 2011-2013. It strives to address the challenge of measuring the contribution of one among many actors and places weight on the sustainability of achieved results or impact of the aid. The UNPFN Support Office has stated that it is building a more comprehensive ‘results-based’ M&E framework for the Fund, providing strategic support to the design and implementation of M&E systems for approved projects and enhancing reporting procedures to ensure that reporting agencies focus on outcomes. Furthermore, recognizing that improvements remain to be made, it should be noted however, that ongoing projects have stronger M&E systems in place and have all planned to carry out independent evaluation to assess the project outcomes which should help improve the Fund’s future evaluations and reviews.
169. The Fund must not only work within the parameters of its own ToR while also ensuring alignment with the expected results and priorities of the NPTF, but it must also conform to certain PBF M&E requirements (which have been revamped and organized differently to when the Nepal Priority Plan was first approved). The Fund must also work within the framework of the MDTF Office reporting requirements, respond to the interests and objectives of donors and eventually determine how any results framework fits within the scope of the PDS. Developing a comprehensive M&E framework that can reconcile all of these considerations is a challenging undertaking.
170. Overall there is a need to strengthen and enhance the M&E framework to provide outcome indicators that give an immediate picture of the Fund’s impact on the peace-building process in Nepal. In doing this, the UNPFN must harmonize a number of diverging expectations, priorities and frameworks regarding M&E.
171. The different types of expertise required for peace-building have been harnessed by the UNPFN by opening funding to significantly more UN agencies than previously funded. The increasing numbers of UN implementing agencies working with the Fund has made the UN contribution to peace-building more efficient and consistent. The existence of the Fund as a common financing mechanism has offered the possibility of rapid decision making and implementation of jointly prioritized peace-building activities.
172. The Review team recognizes the very beneficial role of the MDTF Office for the management of the fund. The MDTF Office provides responsive, efficient services and maintains open and proactive channels of communication. The UNPFN Support Office and the UN implementing agencies have expressed satisfaction with MDTF Office activities, providing flexible and coordinated funding to support the achievement of the peace-building programmes implemented by UN implementing agencies. They suggested that the fund should continue providing such services with continued efficiency.

173. The Review Team is aware that the issue of gender (including matters of sexual-violence against women and girls) is very important in peace-building and has been taken on board by the UNPFN. The UN Secretary-General has given the directive that all UN peace-building funding instruments should allocate at least 15 percent of funds in support of projects that address women's and girls' specific needs advance gender equality UN implementing agencies are implementing UNSCRs 1325 and 1820. The consultants are aware that this target of 15 percent has not been reached in the UNPFN (gender related projects have received 9 percent of UNPFN funding to date) – therefore, there is a need to increase funding to gender.
174. The Review Team believes that the number of staff supporting the UNPFN operations in Nepal (the UNPFN Support Office consists of one international staff and one national staff with 70 percent of their workload assigned to the Fund's operations) enables the UNPFN to deliver only as needed so far. Increased capacity of the UNPFN Support Office would likely be required to satisfy many of the recommendations in this Review with a view to increasing the quality, scope and contribution of the Fund to the peace-building process in Nepal and support further alignment with national initiatives such as the NPTF.

5.2 Conclusions: The Fund's role as a complement to national mechanisms, in particular its alignment with the NPTF

175. The amount and type of activities are very different between the NPTF and the UNPFN and do correspond to their respective comparative advantages, the combination of which is beneficial for enhancing peace-building. While the NPTF is engaged in wide and large-scale peace-building activities (e.g. mass reconstruction projects, employment generation activities, benefits payments for Conflict-Affected Persons), the UNPFN on the other hand complements the NPTF activities by bringing additional expertise (e.g. mine action) and cross-sectoral capacities (e.g. transitional justice).
176. With regards to the Fund's alignment, the opinion of a number of respondents reveals that there is no common understanding of the UNPFN ToR that explicitly lists the responsibilities of the Executive Committee and not in the domain of the Board. Instead, the UNPFN ToR assigns the Board a strategic oversight and priority setting role. Some donors explicitly said that in practice coordination and collaboration to some extent are happening but 'alignment' has not been achieved. In their view, the Board is more active in NPTF's decision making processes and minimally engaged in the UNPFN's processes. The view of some respondents' is also that the Executive Committee is not capitalizing enough on the DAG role as an advisor to the Funds. The DAG could communicate donors' concerns and review the progress of the Funds and could also scrutinize the alignment process and the functioning of both funds.
177. UN coherence and complementarities with the NPTF are based on the distinct UNPFN features that are also acknowledged by the government: neutrality, technical expertise, flexibility and rapid intervention capacity and mandate to promote and implement international instruments.

178. The UNPFN and NPTF are recognized by both government and donors as complementary thematic instruments contributing to peace-building and not competing institutions. The Fund's management and implementation mechanisms provide the government, donors, and UN implementing agencies the space to discuss openly important issues in relation to the future direction of the two funds (NPTF and UNPFN).
179. Efforts to improve collaboration and possible alignment between the Funds' governance do take time. However, there are signs of increasing trust between UNPFN and the NPTF that were clear in the Review Team's interviews with the stakeholders in the NPTF and government. UNPFN and NPTF have good relations even though their project do not themselves always have direct working relationships.
180. There is a need for the two Funds to continue and increase their collaboration, mutual support of each other's activities as stated earlier in this report. For example, the UNPFN can support the strengthening of the capacity of line Ministries working in peace-building through complementary UNPFN projects.
181. The efforts to improve collaboration and possible alignment between the Funds are governance issues which will take considerable time and discussions between the government, donors and the UN to decide on. Any negotiation/discussions about alignment should be led by the NPTF Board.

5.3 Conclusions: Contribution to More Coherent UN and International Peace-building Support

182. The Review Team has taken note of the efforts made by donors, the government and the UN to improve collaboration in the peace-building process through meetings, information dissemination and participation in peace-building activities such as participating in this review. The achievements of the UN peace-building efforts in the last four years with the funding support of UNPFN are well recognised. The successful operations of UNPFN clearly show that peace-building goals can be achieved with the collaborative efforts of all players.
183. The Review Team believes that the UNPFN support to peace-building in Nepal has made an important contribution to the peace process in the country. The implementation of peace agreements, however, is often threatened by the risk that the fragile peace can be destabilized, notably by national and local incidents of violence. The UN's contribution needs to continue to support progress towards the establishment of sustainable peace in Nepal. However, there is a need for all players (including the UN, donors, GoN and NGOs) to increase collaboration in the peace process, strengthen strategic discussions as to what are the priorities of the peace process to reach a sustainable peace as well as for the UN to further identify its comparative advantage in supporting and complementing the GoN peace-building efforts.
184. The Review Team observes that the disbursement of funds by UNPFN for peace-building opened up opportunities and challenges for UN agencies in Nepal. The opportunities are the ability to access and utilize funds for peace-building projects. The Fund is promoting coherence amongst the multiple interests of its diverse stakeholders without major hindrances to its functioning and implementation of the projects. In the course of the

Fund's operations the number of UN agencies that are participating in the peace-building process has increased significantly.

185. The Review Team found that the mechanism through which funds are disbursed, managed and coordinated has enhanced the trust of the UN agencies in the RC/HC's office. As a result of this trust the Fund was able to capitalize on different type of expertise of the UN agencies and brought them together to work in peace-building. The existence of the Fund has created resource mobilization opportunity for the agencies. In case of UN agencies that are already working on similar issues under their mandate it strengthened the impact of their interventions and reduced overhead costs of implementation. Working closely in partnerships between and among UN agencies was clear to the Review Team. The Fund has significantly enhanced UN agencies collaboration in the past four years. Joint programming has contributed to strengthened inter-agency cooperation.
186. The Fund has a comparative advantage in channelling funds through UN agencies because they are already in the field and have considerable knowledge and experience that is critical to successful peace-building. The Fund, through its implementing agencies, supports work with local communities in efforts at sustaining peace-building related to development projects.
187. The challenges are that different agencies following different work practices sometimes results in frustration among UN agencies working together. As well, some agencies' organizational systems, staff capacity and M&E tools are not adequate to implement peace-building projects. As a result, a number of UN agencies and the UNPFN itself have learned from their initial experiences and invested some time to improve joint planning and implementation, by providing more guidance and support from the Fund.

5.4 Conclusions: UNPFN funded projects' cumulative achievements and outcomes in support of peace-building in Nepal

188. The Review Team is of the view that UNPFN has played an important role as a third-party impartial mechanism by supporting highly sensitive projects that the government and other agencies deemed politically sensitive. The Fund has channelled funds to UN agencies for critical peace-building interventions in; a) Maoist army verification, cantonment management, discharge and rehabilitation of verified minors and late recruits, mine action, b) Elections / Governance / Mediation; c), Recovery / Quick Impact Projects; and e), and Rights and Reconciliation. Some of these activities were completed successfully and are seen as a positive example of UN's tangible contribution to Nepal's peace process. Some are still ongoing.
189. The PBF is making the best of an already existing Fund's structure to facilitate smooth disbursement and management of funds. The PBF, which is the largest single donor to the UNPFN, is supporting the establishment of key peace-building mechanisms such as a functioning transitional justice mechanisms to deal with cases of human right abuse and other crimes against humanity. The Transitional Justice Project (Peace through Justice)', UNPFN/E-2 (PBF/NPL/B-3), is said to be extremely sensitive politically but also difficult from technical point of view as there is no common understanding in Nepal as to what Transitional Justice is. It is about balancing the impunity and sense of justice and both are

conditioned by individual and group perceptions. Achieving its strategic outcome target would be a major contribution of the UNPFN to peace-building in Nepal. The project is still ongoing.

190. Concern was raised about the issue of reintegration with regards to the sensitivity of what appeared to be offering special treatment to former army personnel in the form of reintegration packages. It was suggested that it may cause resentment among other groups who may view the offer to former Maoist army personnel as unjustified reward to the perpetrators of conflict. The Review Team believes that while this issue is connected to and impacted on the implementation of the VMLRs reintegration process by the UN to the demand of the conflict parties, this issue stems directly from the political agreement reached by the GoN and political parties on the reintegration modalities, including the ceiling of the reintegration package and the use of the term ‘disqualification’.
191. Some questions were also raised as to the implementing capacity of some UN agencies that were not able to deliver results on time and were not able to utilize their budgets as planned. These agencies cited instability of the government (frequent change of minister and secretaries) as a major stumbling block.
192. The UNPFN’s experience with implementing UN agencies shows that the UN can engage in new and innovative approaches to peace-building which can contribute to the positive outcome of the peace process.
193. Overall, the Fund has been praised as a successful instrument for peace-building in Nepal by almost all stakeholders the Review Team interacted with. With its unique mandate, the Fund is playing a role as an impartial third party mechanism, maintaining neutrality in supporting Nepal’s peace process through funding UN implementing agencies.

5.5 Lessons learned with regards to peace-building and development work in Nepal

194. Based on the above findings and conclusions several lessons learnt from the review of the post-2009 period were identified. A summary of achievements (i.e. what worked), what could have been done better and what is missing is presented below:

5.5.1 What worked?

1. The good governance and effective management of the Fund under the capable leadership of RC/HC and supported by the UNPFN Support Office guided the Executive Committee in making decisions that led to quick, flexible, transparent funds disbursement.
2. The timely releasing of funds by the MDTF Office contributed to the success of the fund. The MDTF Office support, which focused on efficient and effective service to UN implementing agencies as the fund administrator for the UN system, has contributed to transparency of fund disbursement. It has enhanced the UN’s accountability for its role in Nepal’s peace-building process.

3. The existence through the MDTF Office of one fiduciary and reporting framework for several UN Funds is seen as another added value of the UNPFN and a key element of its flexibility and transparent.
4. The Fund's procedures for selection of proposals have resulted in improved quality of programmes.
5. Application of the UN system operational procedures, guidelines, rules and regulations has resulted in the selection of most capable organisations for the implementation of specific projects. UNCT internal coordination worked to guide the effective utilisation of disbursed funds. The UNPFN Support Office assistance to partners and UN implementing agencies – M&E, information, technical, management and coordination support – has proven to be useful.
6. Significantly improved joint execution of projects by the UN agencies albeit with some challenges (see 'what could have been done better' section below) over the years is recognized as a significant progress underlying the Fund's coordination role.
7. Communication between UNPFN and NPTF continues to improve through regular contacts and information dissemination at Board and management levels.
8. The type of technical expertise provided and timeliness of support by the UNPFN and implementing agencies helped to address sensitive peace-building issues which government found difficult to tackle. It also ensured that a number of sensitive projects were completed successfully and on time.
9. Implementation of international instruments – i.e. UNSCR 1325, 1612 and 1820 – led to the improvement in participation and protection of women and the delivery of services to conflict affected women and children strengthening inclusive elements of the Nepal peace process, including the Adoption of the National Action Plan (NAP) on UNSCRs 1325 and 1820.
10. PBF support through the UNPFN to the implementation of projects has been critical to the success of peace-building efforts.

5.5.2 What could have been done better?

1. Improving the procedures for joint execution of projects by the UN agencies and coordination of implementation to avoid delays. Some agencies are finding it difficult to play their role in the joint implementation process perhaps due to other commitments or the lack of capacity to implement their part of the project.
2. To ensure that the agencies are very clear about their individual responsibilities as well as their capacity to manage the implementation of approved projects. There has been no major delays but the potential for short delays to become major delays exist if the frustration of some the agencies in the joint programmes are not addressed.
3. Improving the coordination and collaboration between projects among them and creating thematic peer support groups among implementing UN agencies, as well as linking them up with NPTF. However, to achieve this, the UNPFN Support Office would need additional resources.

4. Within the framework of joint programming and implementation, enhance the assessment of UN agencies respective comparative advantages and capacity to implement activities to avoid overlap and capitalize on agencies respective strengths. The issue of alignment between UNPFN and NPTF. The report is clear about positive and increased communication / coordination / collaboration between the two Funds. However, progress towards alignment and harmonization has been slow.

5.5.3 What was missing?

1. The NPTF Board's strategic direction of the government's peace-building strategy.
2. Evidence of full alignment between the NPTF and the UNPFN.
3. Joint M&E framework for the NPTF and the UNPFN including a detailed M&E framework with benchmarking for the UNPFN's impact on peace-building in Nepal, collection of baseline data and documentation and communication of the achievements of the Fund.
4. Full utilization of the advisory potential of the Donors Advisory Group.
5. Civil society participation at all programming and implementation stages.
6. Clear criteria allowing a distinction between projects contributing to immediate peace-building and therefore matching the purposes of the Fund and projects qualifying for support outside the Fund.
7. Clear criteria for when the UNPFN may no longer have an added value – i.e. an exit strategy.
8. Enhancing field visits of the UNPFN staff and joint field visits with donors and NPTF.

5.6 Future of the Fund

195. Contributing donors and UN participating organisations are of the opinion that at present the Fund support is relevant to Nepal's peace-building process. In their view, Nepal's peace process has not logically ended and it is too early therefore to curtail their funding support to the peace-building process and shift to supporting 'traditional' development activities. There are still many issues that need to be resolved. Major issues such as the integration and rehabilitation of Maoist army, arms management, debate on truth and reconciliation, security sector transformation, rehabilitation of victims of conflict including disappearances, new constitution.
196. Another issue they pointed to is that, apart from the CPA, there is no vision of the peace process that is neutral and shared by all parties and society. There is no agreed strategy to lead the peace process and to create an environment of trust among the key actors at the national level. In such a vacuum, the PDS is seen by contributing donors and some government officials as a tool to be applied in consolidating and guiding the peace-building efforts in post conflict Nepal. Against this backdrop, some respondents suggested that the government might continue needing the services of an impartial

funding agency such as the UNPFN. The UNPFN, as a key UN instrument for support to peace-building in Nepal, could be asked by the government to continue its support on many long-term issues to enhance the peace-building process.

197. However, in the view of respondents (including contributing donors and GoN officials), the UNPFN should not create artificial space for itself and it should not exist for too long unless asked to do so. Contributing donors are also aware that the Fund should not continue beyond a period to be agreed to by the government, the donor agencies and the UN. The Fund may continue to play its role as a mechanism for delivery of focused, time-limited and 'boutique' expert support for urgent peace-building activities as long its services are needed.
198. In contributing donors' view, there is no confusion when it comes to the parameters of UN development and humanitarian support; however, they do not have such clarity in terms of aid delivered in a transitional environment. Some contributing donors are cautious in predicting the future of the Fund. They suggested that their future support will depend on what the GoN decide to do in speeding up the transition. Whether a transitional plan will be developed by the government and whether the Fund will have a role in supporting the process is still uncertain. They further stated that it also depends on how the peace process is progressing; if it 'logically ends' – for example if the new constitution is promulgated, political parties agree for the integration of the Maoist army personnel, the TRC process takes place unobstructed – then surely UNPFN's role will diminish. However if the situation reverses, then UN neutrality may become more necessary.
199. The best way is for the UNPFN to remain responsive to the changing environment. For this reason, the UNPFN needs to maintain an ongoing situational analysis and amend its funding strategies to respond to Nepal's changing socio-political environment. This would include developing an 'exit strategy' for the Fund.
200. Nevertheless, in the current situation the Fund's work is far from being over and the donors appreciate that this funding instrument has complemented the peace process. Having said so, the donors are very clear that the funding will continue until the promulgation of the new constitution, integration of the Maoists army and successful holding of a general election by the government.
201. According to some contributing donors, and in line with the progress on the peace process, the current strategy of the Fund's would need to be reviewed with the aim of assessing its further and future contribution to peace and development in Nepal. Should this happen, UN agencies would still be expected to facilitate and provide technical inputs to a national long-term peace and development agenda. As a result, the value of a coordination mechanism such as the UNPFN would need to be looked at and its potential added value and catalytic effect to the UN support to Nepal be assessed.
202. The achievements of the Fund have been possible through the hard work of RC/HC and staff of the UNPFN Support Office. From the observation of the Review Team, the Support Office staff not only administers the Fund but perform other RC/HC related tasks. Should the fund continue beyond its current mandate, additional resources and staff will be required to ensure that the operations of the Fund are enhanced according to the

recommendations of the Review. The Review Team especially noted a dearth of much needed M&E and administrative operational support for Fund activities.

203. The review process has highlighted some differences in perception of the objectives and the future of UNPFN among donors, NPTF, PBF and UNCT. The contributing donors would like to see more capacity building of NPTF on the one hand but focused, time limited interventions on the other. They do not see the long-term role of UNPFN in addressing root causes of the conflict. The NPTF is not concerned with the length of the UNPFN's existence but more with the type of assistance it provides. Judging from the content of the PBF PMP, the PBF is open to more strategic, long-term peace-building support. In the absence of a government peace-building strategy and strategic guidance from the Board, the donors, NPTF and UNPFN seem to agree that in the absence of government peace policy the PDS can be used as a map for future planning and harmonizing of peace-building efforts between the two entities.

6. RECOMMENDATIONS

204. The recommendations presented below are based on the analysis the findings from the review and the various inputs and feedback provided by the Fund 'stakeholders.

6.1 Recommendations for the UNPFN Executive Committee

205. Continue and possibly increase the funding for UN agencies to continue the implementation of peace-building related projects in the short and medium term.
206. Encourage the submission of projects by UN agencies that clearly support the peace process and strengthen and complement the capacity of national actors to ensure long-term sustainability through enhanced project selection criteria.
207. Ensure that in funded projects, resources are made available for enhancing the capacity of local organizations including community groups, Non Governmental organizations (NGOs), local government institutions involved in project implementation to ensure continuity of projects as a set up for a long-term sustainability.
208. Continue to mobilize funds from international donor agencies and the PBF to support projects aimed at building on and deepening the success of the peace process and where the UN has a comparative advantage.
209. Increase the engagement of key Fund's partners, especially donors and the NPTF regarding strategic priority setting and projects' selection process.
210. Increase information sharing flow with donors on the Fund's progress helping them in turn to prepare necessary support for the Fund and increase their strategic involvement in the fund's activities. Suggestions could be to increase the communication between the RC/HC and the donors as well as increasing their participation in the Executive Committee meetings.

211. Encourage closer partnership with NPTF and work towards closer alignment of structures to increase complementarity and collaboration on a strategic level, e.g. by continue approaching the NPTF Board for strategic guidance;
212. Explore possibilities of technical strengthening of the government agencies implementing NPTF projects.
213. Endeavour in the next funding round, to further achieve the commitment by the UN Secretary-General that all UN peace-building funding instruments should allocate at least 15% of funds in support of projects that address women's and girls' specific needs, advance gender equality and/or empower women as their principle objective (i.e. achieving a score of '3' on the PBF gender marker).
214. Develop clear criteria to define a context whereby the UNPFN no longer has an appropriate added-value (i.e. develop an 'exit strategy').

6.2 Recommendations for the UNPFN Support Office

215. Draw and apply lessons learned from the current UNPFN projects for improving the selection (assessment criteria), design and implementation of future projects and share those lessons learned with other agencies to capitalize on the capacity and results achieved by the UNPFN funded projects in future programmes.
216. When required, develop the capacity of UN Participating Organizations applying results-based project management, monitoring and reporting and provide greater technical support to UN Participating Organizations on implementing peace-building projects (foster a peace-building lens). Additionally, create a forum where they can regularly provide and discuss their findings during the project implementation process.
217. Endeavour to strengthen further the Fund's M&E system and mechanisms to improve the analysis and measure of projects' outcomes and peace-building impact. These efforts, should among others aim at: enhancing outcome monitoring and reporting, redeveloping a strategic results framework, develop collaborations among complementary projects. This should be conducted taking into account various demands on the Fund (new PBF Performance Management Plan and alignment with NPTF) and making use of the PBF support to strengthen its M&E system.
218. Contribute to improving the coordination and collaboration between projects among them as well as linking them up with NPTF and creating peer support groups among implementing UN agencies. However, to achieve this, the UNPFN Support Office would need additional resources.
219. Increase frequency and regularity of visits to UNPFN projects, preferably, when feasible, joint visits with the NPTF and donors. Such visits are crucial as regular monitoring of outcomes is important to ensure that the project is on track and to reduce the potential negative outcomes of projects.
220. Conduct a full UNPFN impact evaluation or at least an outcome evaluation by mid/end 2012 when almost all current ongoing projects will be completed with a view to further

demonstrate the fund's contribution to the peace-building process. In its preparations for the proposed evaluation it is important for the pre-evaluation process to include the preparation of proxy baseline set of indicators to be used for future assessments. Although Fund's management recognizes the challenges to conduct such a process, the outcome is likely to be beneficial to the fund in its future operations.

221. Improve communication with donors. Check what type of information and how often they require- they are not a homogenous group and have different requirements from their governments.
222. Encourage closer partnership with NPTF and work towards closer alignment of structures to increase complementarity and collaboration on an operational level e.g.:
 - a. Further the collaboration on joint project approval mechanisms through joining up the UNPFN Expert Group and NPTF Sectoral Cluster project review mechanisms;
 - b. Provide support to the development of a mapping of ongoing projects and if relevant completed projects to look at overlaps, complementarities and partnerships among NPTF partners;
 - c. Increase information flow on projects results and awareness on existing communication tools such as the MDTF Office Gateway;
 - d. Continue endeavours to create an environment favourable to develop and align M&E frameworks with the NPTF at least at the higher level (i.e. strategic, outcome and indicators levels).
223. Better assess the implementing capacity of UN Participating Organizations in relation to the feasibility of outputs and outcomes presented in their proposals and with the Fund's requirements (including monitoring and reporting). To this end, the UNPFN should review and further develop its assessment criteria for its next funding round.
224. Develop clear standards and guidelines for projects evaluation in line with respective UN agencies rules and regulation with the view to ensure comparability among individual projects evaluations.

6.3 Recommendations for the Contributing Donors

225. Ensure closer engagement between donors and the Fund by further using the DAG as a means to improve communication between donors and the fund. This structure provides a forum for information dissemination, exchange on the funds activity as well as identifying complementary initiatives and avoids potential overlaps among development partners' activities.
226. Ensure the continuity of UNPFN operations based on the strong assumption that there is still a need for UN support until the peace process is brought to a positive conclusion.
227. Contribute to analyze the fund added value towards peace-building and the role of the Fund as an appropriate mechanism to advance the 'One UN' agenda.

6.4 Recommendations for the UN Implementing Agencies

228. Further enhance the quality of service of their projects through developing strict technical capacity selection criteria for the selection of their partners, adequate project design, implementation planning and outcome reporting.
229. Prioritize, where relevant, the submission of joint proposals highlighting the comparative advantage and added-value of such collaboration with a view to further strengthen UN agencies collaboration in the peace-building process and strengthen inter-agency cooperation in the long-term.
230. For joint projects, ensure the existence of key compatibility and collaboration elements among potential implementing agencies to ensure that they enter into a healthy and fruitful collaborative venture enabling as well joint project design, monitoring and outcome reporting.
231. Additionally, ensure that joint partner have the technical capacity and that their collaboration is based on their capacity to implement a joint programme aiming at enhancing the quality of service provided to beneficiaries.
232. Limit the numbers of agencies in joint programming to a maximum of 4 to ease the tendency of individual agencies concentrating of other activities and possibly paying little attention to peace-building process.
233. Implementing agencies should involve local partners in the design, implementation, and monitoring of peace-building projects. When required, train and equip project partners to enable them to carry out monitoring and overseeing the projects from the start of the implementation and ensure an element of sustainability.

6.5 Recommendations for the PBF

234. Encourage the UNPFN to ensure that procedures guiding the utilisation and management of funds in Nepal have been appropriate applied in line with PBF programming requirement (i.e., quick delivery, complex politically sensitive programming, participatory design and implementation, and good programming practices). The PBF should ensure that updated procedures are made available to UNPFN with advice to distribute to UN Implementing Agencies and partners encouraging them to familiarize themselves with the revised procedures.
235. Provide capacity building support to UNPFN Support Office staff to enhance their M&E system and reporting in line with PBF requirement and support the exchange of lessons learned and information sharing.
236. Provide support to the development of mechanisms and processes to assess genuine PBF contributions to peace-building process as there are multiple donors also funding peace-building programmes through UNPFN.
237. Continue providing key financial support to Nepal peace-building process that enables to increase the UN support and catalytic effect.

6.6 Recommendations for the MDTF Office

238. The MDTF Office should continue to provide its quality management services with regards to fund disbursement to UN agencies and administrative support to the UNPFN as per its Administrative Agent function.
239. The MDTF Office needs to continue its effort to strengthen reporting by linking the reporting system (quarterly and annual) to the overall M&E efforts and strategy being deployed.
240. Further contribute to the enhancement of annual and final narrative reporting through:
 - a. Providing more time to the UNPFN and Participating Agencies to review the draft annual report;
 - b. Developing the user-friendliness of the reporting templates and guidelines;
 - c. Making access to the reporting documents and templates more user-friendly for participating agencies;
 - d. Working towards one consolidated annual narrative report for the UNPFN that would include bilateral and PBF funded projects, with the support of the UNPFN Support Office;
 - e. Continuing its efforts to enhance outcome based reporting and the role of the UNPFN as a quality assurance mechanism between the UN agencies and MDTF Office (already started for the 2010 annual report and should further replicated).

ANNEXES

Annex 1	Projects Results Data
Annex 2	List of Respondents
Annex 3	List of References
Annex 4	Bibliography
Annex 5	Questionnaire Framework
Annex 6	TOR of the Review
Annex 7	Participants to the UNPFN Review Stakeholders feedback Meeting

Annex 1: Projects Results Data

Cluster A. Cantonment and Reintegration

Achievements in supporting the capacity of the Government of Nepal and Maoist army to meet their CPA and AMMAA commitments for the cantonment, discharge, integration and rehabilitation of the Maoist army:

- Maoist army personnel registered, verified and monitored as required by the CPA and AMMAA, including:
 - 19,602 personnel registered and verified as qualifying for cantonment in accordance with agreed criteria
 - 4,008 personnel registered and verified as minors and late recruits and not qualifying for cantonment in accordance with agreed criteria (out of which 2,973 verified as minors)
 - Records of Maoist army personnel, weapons and ammunitions filed into the "DREAM" Database
 - 29 'force support staff' provided administrative and logistical support in main seven cantonment sites to UNMIN Arms Monitoring Officers
 - Administrative and logistic support to the Joint Monitoring and Coordination Committee
- Improved conditions for those Maoist army personnel in cantonments, including
 - Basic clothing and amenities (blankets, jacket, shoes, track suits, socks and woollen caps) provided to all 19,602 verified members of the Maoist Army based
- Improved reproductive health status of cantonment inhabitants (particularly women) and immediate surrounding communities, including:
 - 11,161 (98.5% female) of people in total provided services through 30 RH clinics in cantonments
 - All female VMLRs (1,202 clients) provided with health care, as well as about one third of the women of reproductive age from the surrounding host communities (around 10,000)
 - 210 clients (all female) provided with referral services at tertiary centres
 - All seven Maoist army divisions provided with gynecological support 6 days a month from August to December 2009
- VMLRs discharged peacefully and orderly from Maoist army cantonments as required by the CPA and AMMAA, including:
 - Foreign labour market opportunities assessment on trends and in the foreign country employment market to inform the rehabilitation preparations
 - Sustained technical and logistical assistance to Technical Committee, including for an information campaign in all cantonments to inform VMLRs on the discharge and rehabilitation programme
 - Pre-positioning of material and service contracts in readiness for rapid response to discharge agreement
 - VMLR discharge strategy and operational plan immediately available to facilitate VMLR discharge and provide rehabilitation assistance
 - Joint UNCT support and monitoring team structure with over 70 personnel from UNDP, UNICEF, UNFPA, UNMIN and OHCHR
 - Discharge operations for 2,394 VMLRs across seven main cantonments conducted from 7 Jan to 8 Feb 2010—beginning only 22 days after the signing of 16 Dec 2009 Action plan for the discharge of the disqualified³⁸
 - Provision of civilian clothing, tents and camping equipment for the discharge process
- VMLRs successfully begun rehabilitating and reintegrating into civilian communities with suitable livelihood options and in line WITH established global standards (ongoing)

Achievements to ensure children affected by armed conflict are effectively protected, rehabilitated and reintegrated into communities in adherence with international law and guidelines:

- The National Plan of Action (NPA) for the Reintegration of Children Affected by Armed Conflict drafted by Ministry of Peace and Reconstruction with the technical support from UNICEF.
 - The NPA was approved by the Cabinet in December 2010
- Nepali child protection actors, including state entities, have capacity to monitor, document, verify and respond to grave child rights violations, including:

³⁸ The remaining 1,614 VMLRs were officially discharged in *absentia* through a declaration signed by the UCPN-M in March 2010.

- Capacity building efforts of implementing partners to start working on broader child protection issues and engage with other stakeholders in the district to protect and ensure rights of children
 - Establishment of an extensive network of community based and child rights organizations at district and community levels leading to the establishment of a referral mechanism at regional and district levels
 - Capacity enhancement of government stakeholders to protect the rights of children in the districts, in particular for the implementation of a functional referral mechanism through which child rights violations are reported and referred for appropriate support laying the foundation for the establishment of a child protection system at district and community levels.
- UN 1612 National Monitoring Team monitoring, documenting, verifying and reporting on grave child rights violations and the compliance with the discharge Action Plan, including:
 - UN National Monitoring Mechanism is established to monitor UCPN-M compliance with the Action Plan on the discharge of the disqualified
 - Database established and updated to capture the findings by the regional monitoring teams on compliance with the Action Plan
 - Three 1612 annual reports, six Horizontal Notes and annual report describing grave child rights violations monitored, verified, reported and responded through submitted to the UN Security Council WG on CAAC. 180 cases documented.
 - Discharged verified minors and self/informally released CAAFAG develop the skills and capacities that facilitate their effective reintegration into communities
 - Reintegration support was provided to a total of 5,776 informally and self released CAAFAG and other children affected by armed conflict (CAAC) in 34 districts out of which 64% children received education support, 20% received support for vocational training; 16% children and their families received support for income generating activities
 - After assessment of individual cases during the project period, a total of 200 of reintegration cases have been closed
 - more than 600 CAAFAG have received psychosocial counselling
 - more than 6,000 community psychosocial workers, teachers and health workers training on psychosocial aspects of children rights violation
 - 60 child and youth clubs received small grants to undertake child rights awareness campaigns for peace-building

406 verified minors and late recruits have been referred to UNICEF for education support out of which 253 (108 females, 145 males) are already enrolled in schools all across the country. The remaining 153 verified minors and late recruits are in the process of being enrolled.

Achievements in meeting the CPA commitments to dispose of all explosive remnants of war (ERW) and mines planted during the conflict:

- All 53 mine fields in Nepal cleared
- MoPR as a responsible ministry for mine action developed a mine action strategy (in the process of endorsement) and established dedicated mine action office within MoPR
- 526 staff of Nepal Army was trained in clearance activities
- 100% of 58,000 items of ERW safely stored at seven cantonment sites
- 100% of safely destroyed registered ERW held at Maoist cantonment sites
- Reduced casualties of activated injuries and deaths (a- total ERWs and b- from anti-personnel mines):
 - 104 (b) 6 (2007)
 - 73 (b) 4(2008)
 - 70 (b) 3 (2009)
- 12,000 Nepal Police members trained to deploy mine risk education at community level

Cluster B. Elections, Governance and Mediation

Achievements in improving Public confidence in the conduct of the Constituent Assembly election and overall legitimacy of the elected Constituent Assembly:

- The ECN capable of addressing challenges in implementing the CA election and improves key organizational and procedural aspects of the electoral process to meet international electoral standards, including: A detailed assessment of the CA election process to provide the basis for the NEC to improve conduct of future elections and identifies strategic areas of support for future technical assistance by donors
- The coordinated deployment of domestic and international observers during the election enabled independent mechanism to strengthen public confidence and legitimacy of the electoral process, including:
 - 61,854 domestic observers from 37 organizations accredited
 - 856 international observers from 30 organizations accredited
- Full national coverage of election observation, with all 20,882 polling centres in 9,801 polling locations covered by national observers (and many by international observers)
- Electoral Observation Resource Centre as a coordination clearinghouse and repository of resource materials empowers election observers, including 14,847 domestic and 783 international observers hosted by the centre

Cluster C: Recovery and Quick Impact Projects³⁹

Achievements in increasing opportunities for productive employment and income generating for un(der)employed and marginalized poor youth in 2 conflicted affected districts:

- 30,423 (20,000-target) of work days generated for infrastructure development by May 2011
- 1,718 youth became self or wage employed in agriculture
- 614 youth became self or wage employed in off farm businesses
- 1,611 youth have started their own micro business
- 1,047 youth improved their business thanks to the trainings
- 61 cooperatives strengthened resulting in engagement of 3,300 youth in self employment

Cluster D. Rights and Reconciliation⁴⁰

Achievements in building the capacity of the Government of Nepal to put in place effective and transparent structures and procedures for reparations to the victims of the armed conflict

- Mapping exercise and gap analysis was conducted to identify existing and potential gaps and procedural challenges inherent in the current Interim Relief and Rehabilitation Program
- Mapping of organizations working on transitional justice issues in Nepal with a particular focus on reparations and victim support was completed
- Comprehensive Reparation Policy in line with international human rights standards prepared and submitted to MoPR (ongoing)

Achievements in building the capacity of the Government of Nepal to meet CPA commitments to establish functioning transitional justice mechanisms of the TRC and COI-D in line with international human rights standards:

- Technical and administrative support and advisory services have been provided to MoPR to draft and review the TRC bill
- All nine, planned consultations on the TRC bill have taken place, with significant representation throughout from indigenous peoples, people in remote places, women, children and other marginalized groups.
- Establishment of a Transitional Justice Resource Centre with the MoPR has been initiated
- Draft dataset on alleged violations of IHL and HR law was developed

³⁹ The second project "Piloting Land Registration and Land Management in Achham District" has started in late 2010 and there is no data on major outputs yet available.

⁴⁰ There is no output data from Training to Women Journalists in Terai available in reviewed documentation

- A reference archive of around 25,000 digitized documents on alleged violations of IHL and HR law compiled
- One grant to an international NGO and 24 grants to 47 national organisations were approved and the organizations work to raise public awareness on transitional justice concepts, dilemmas and possible strategies. One docudrama, two profiles of conflict victims, one information kit for victims were produced.
- More than 9,000 conflict victims have formed informal groups and networks in 22 districts

Achievements in improving participation and protection of women, and the delivery of services to conflict affected women strengthening inclusive elements of the Nepal peace process in line with UNSCRs 1325, 1820:

- Achievements in improving participation and protection of women, and the delivery of services to conflict affected women strengthening inclusive elements of the Nepal peace process in line with UNSCRs 1325, 1820, including:
- Enabling institutional environments to promote and protect women’s human rights in line with UNSCRs 1325 and 1820, and other human rights instruments (especially CEDAW) created by state entities
 - 27 staff of implementing partners trained on sexual and gender based violence
 - 66 district health officers and health post in-charges, women development officers, local development officers, district administration officers and local civil society groups, representatives from Bars etc. from 2 districts orientated on the concepts of gender, gender-based violence (GBV) and laws related to it
- Incidences of sexual violence against women and girls during the conflict and post-conflict in Nepal are identified/documentated and victims gain access to justice through participation in transitional justice processes
- 66 cases of GBV perpetrated during and post conflict documented
- Promote recognition of the incidence of sexual violence in Nepal peace process through access to justice for victims of sexual violence, including through participation in transitional justice processes
- Reproductive health services and psycho-social and legal counselling provided to women and girls, including:
 - 2 reproductive health (RH) camps conducted with immediate access to health, legal and psycho-social services with a total of 4,031 clients served (out of 20,00 target by June 2012)
 - 408 clients volunteered to come to the documentation desks
 - 494 clients received psycho-social counselling services (35 were identified for further counselling by the community psychosocial workers)
 - 105 survivors received legal counselling (23 were referred for legal counselling and legal support)
 - 63 women suffering from different types of GBV received counselling

Achievements in making evidence-based decisions regarding food insecurity in highly conflict-affected districts:

- 38 districts in which field monitor provides essential support to UNMIN Civil Affairs (out of a total no of 75 districts in Nepal)
- 2,800 of households that conflict data is collected from
- 48 of targeting maps and interventions reports with information disaggregated by gender and social inclusion and other key variables.
- 26 bulletins and field updates at critical times of the year and early warning reports
- 3 stand-alone analytical reports, including gender and social inclusion indicators

Annex 2: List of Respondents

UNITED NATIONS	
Name	Function and Organization
Robert Piper	UN Resident and Humanitarian Coordinator
Caroline Vandenaabeele Lach Fergusson Anne-Sophie Le Beux Hemlata Rai	UN RC/HC Office, Head UN RC/HC Office, Peace-Building Advisor UNPFN Support Office, Programme Specialist UNPFN Support Office, Programme Analyst
Axel Plathe Terhi Ylikoshi	UNESCO, Head UNESCO, Project Manager
Sangeeta Thapa Rachana Bhattarai Sama Shresta	UN Women, Programme Coordinator UN Women, Project Manager (UNPFN/E-6) UN Women, Programme Officer for Governance Peace and Security
Ian McFarlane Sudha Pant	UNFPA, Head of Agency UNFPA, Programme Manager
Richard Derieux	UN Mine Action Team, Senior Technical Advisor
Jorn Sorensen Kevin Chang Abdul Hamid Omar	UNDP, Deputy Director, Programmes UNDP, Peacebuilding and Conflict Transformation Specialist Peace Building and Recovery Unit UNDP, Head of the UN Interagency Rehabilitation Programme (UNPFN/A-7)
Jyoti Sanghera Tyrone Savage Sudha Uprety Yagya B. Shahi Florence Gaspar	OHCHR Representative a.i. OHCHR Reparation Policy Advisor (UNPFN/E-4) OHCHR Reparation Officer (UNPFN/E-4) OHCHR Project Manager (UNPFN/E-4) (UNPFN/E-2) UNSCR 1612 Consultant (UNPFN/A-7)
Sarat Dash Phil Brewster Jitendra Bohara	IOM Chief of Mission IOM, Programme Officer (UNPFN/E-4) IOM, Programme Officer (UNPFN/E-4)
Suresh Prasad Mahato Nita Neupane Shailendra Jha	ILO Project Officer (UNPFN/C-2) ILO ILO
Will Parks Brigitte Sonnois Patrizia Benvenuti Evan Rai Bhawana Subedi	UNICEF Representative ai UNICEF Chief Child Protection (UNPFN/A-8) UNICEF Child Protection specialist (UNPFN/A-8) UNICEF Protection Officer (UNPFN/A-8) UNICEF Consultant Child Protection (UNPFN/A-8)
Former UN RC/HC Office and UNPFN Staff	
David Wood	Former Peace-Building Advisor
Ben Reese	Former Programme Specialist UNPFN (now First Secretary, AUSAID Nepal)
Monica Rijal	Former UNPFN Programme Analyst
Former UNMIN and UNPFN Staff	
Ian Martin	UNMIN SRSG - provided feedback on the draft report
Tina Pihl	Former Coordinator UNMIN, responsible for UNPFN (07-08)

MDTF Office and PBSO

Name	Function and Organization
Amar Bokhari	UNDP MDTF Office, Portfolio Manager for Nepal
Patrice Chiwota	PBF, Portfolio Manager for Nepal
Stefan Rummel-Shapiro	PBF, Senior M&E Advisor

DONORS

Name	Function and Organization
H.E. Thomas Gass	Embassy of Switzerland, Ambassador
H.E. Morten Jespersen	Embassy of Denmark, Ambassador
Peter Olesen	Embassy of Denmark, Deputy Head of Mission
Rene Haus Tausen	Hugou-Danida, Peace-Building Advisor
Juliet Wattebot O'Brien	DfID, Peace Building Advisor
Camilla Rossak	Embassy of Norway, Minister Counsellor/Deputy Chief of Mission
Dag Nagoda	Embassy of Norway, Political Adviser
Dr. Prabin Manahandar	CCO Canada - CIDA Representative
Afrah A.Al-Ahmadi	World Bank, Sr. Human Development Specialist, Human Development Department South Asia Region World Bank -
Jasmine Rajbhandari	World Bank, Sector Specialist Protection Social Development
Sharada Jnawali	Asian Development Bank, Peace Building Advisor

Government of Nepal (Ministries)

Name	Function and Organization
Lal Shanker Ghimire	Ministry of Finance, Under Secretary-Foreign Aid Coordination
Ministry of Peace and Reconstruction	
Dhruba Prasad Sharma	Ministry of Peace and Reconstruction, Secretary
Sadhu Ram Sapkota	Joint Secretary – Law and communication Directorate Convenor of NPTF Sectoral cluster 3 "Security and transitional justice"
Shankar Prasad Pathak	Joint Secretary – Relief and Rehabilitation Directorate Convenor of NPTF Sectoral Cluster 2 "Conflict affected persons and communities" EPSP project coordinator
Kedar Neupane	Joint Secretary – Peace mechanisms coordination Directorate Convenor of NPTF Sectoral Cluster 4 "CA and Peace building initiatives"
Jaydev Shrestha	Joint Secretary –Office of the central coordinator office for Cantonment Management Head of NPTF Sectoral Cluster 1 "Cantonment Management, Integration/Rehabilitation of Combatants"
Brihaspati Raj Pant	Joint Secretary - Administration Planning and Foreign Aid Directorate
Ministry of Peace and Reconstruction – Nepal Peace Trust Fund – Peace Fund Secretariat (PFS)	
Surya Silwal	Joint Secretary - NPTF Director
Christoph Feyen	GIZ Technical Assistance to PFS
Santosh Bisht	GIZ Technical Assistance to PFS

Annex 3: List of References

1. MDTF Gateway
2. Nepal Peace and Development Strategy 2010 – 2015 (2011), published by RC/HC Office on behalf of Nepal Development Partners
3. NPTF four- month Progress reports 2-9
4. NPTF Joint Financing Agreement 2010
5. NPTF Programme Document 2007
6. NPTF Programme Document 2009
7. UNEG (2005) Norms for Evaluation in the UN System
8. UN Integrated Disarmament, Demobilization and Reintegration Standards (2006), UN DDR Resource Centre
9. UNPFN Annual Consolidated Reports 2007-2009
10. UNPFN Executive Committee TOR 2009
11. UNPFN TOR 2007
12. UNPFN TOR 2009
13. The PBF Nepal Priority Plan 2008
14. The PBF Programme Management Priorities 2011
15. The UNPFN M&E framework – working document
16. http://www.idea.int/asia_pacific/nepal/political_events_nepal.cfm, accessed on 16 May 2011
17. http://news.bbc.co.uk/2/hi/south_asia/1166516.stm, accessed on 16 May 2011
18. <http://mdtf.undp.org/>
19. <http://www.PBF.org/index.shtml>
20. <http://www.unddr.org/>
21. <http://www.nptf.gov.np/>

(All resource websites accessed within May 2011)

Annex 4: Bibliography

1. Accra Agenda for Action, 2008
2. Agreement on Monitoring of the management of Armies, 8 December, 2006
3. Comprehensive Peace Agreement, 2006
4. DAC Guidelines and Reference Series Quality Standards for Development Evaluation, OECD Development Assistance Committee, 2010
5. Four-monthly Progress Reports (2-9), NPTF
6. General Assembly Resolution 67/5 on the Review of PBF Architecture, 2010
7. Guidelines for 1325 implementation in proposal selection process prepared by UNSCR 1325 Peace Support Working Group, June 2009
8. Joint Financing Arrangement on the Nepal Peace Trust Fund between The Government of Nepal and The Donor Group, 2010
9. Nepal PBF Priority Plan 2008
10. Nepal Peace and Development Strategy 2010-2015 (with action Plan)
11. Norms of Evaluation in the UN System, UNEG, 2005
12. NPTF Programme Document, 2010
13. NPTF Review, 2009
14. NPTF Operation Rules, 2008
15. Paris Declaration on Aid Effectiveness, 2005
16. PBF Performance management Plan 2011
17. PBF Review Final Report 2009
18. RC/HC annual Reports 2007-2010
19. Standards for Evaluation in the UN System, UNEG, 2005
20. ToR and Rules of Procedures for the Executive Committee of the UNPFN, 2007
21. UNDAF 2008-2010
22. UN Integrated Disarmament, Demobilization and Reintegration Standards (2006), UN DDR Resource Centre
23. PBF Annual Reports 2007-2010
24. UNPFN annual consolidated reports 2007-2010
25. UNPFN annual individual projects reports 2007-2010
26. UNPFN Projects Annual Reports 2007-2010
27. UNPFN ToR 2007
28. UNPFN ToR 2009 (revised)
29. UNPFN executive Committee ToR 2009
30. UNSCR 1612
31. UNSCR 1325
32. UNSCR 1820
33. <http://mdtf.undp.org/>
34. <http://www.PBF.org/index.shtml>
35. <http://www.unddr.org/>
36. <http://www.nptf.gov.np/>

(All resource websites accessed within May 2011)

Annex 5: Questionnaire Framework

Review of the United Nations Peace Fund for Nepal (UNPFN)

Questionnaire Guidelines

Administered by Organisation Development Centre

1. PERFORMANCE GOVERNANCE AND PROCESSES

a) Decision making

- Are you aware of how the key decisions for Fund disbursements are made?
- Any comments on the decision making process of ExCom?

For interviewer only:

The answer should include:

- suggestions for improvement
- good practices to be replicated
- how they see the overall performance but also the relevance and assessment of the projects

b) Communication

- How often and through which channels does the Fund communicate with your agency?
- Are the communications channels, contact persons clear to you?
- Where do you look for information that you need? Is it adequate and timely?
- Do you exchange information with other than ExCom or UNP N Office participants in the Fund? If yes, what type of information and with whom?

For interviewer only:

The answer should include:

- Suggestions for improvements
- Good practices
- The utilization of MDTF Office GATEWAY website
- Do the systems that they have in place provide enough information as per the actors' needs?
- Are they aware about the achievements and progress of the Fund on overall and other agencies or focused only on their work? Is the information dissemination helpful in seeing own project results in wider context of the Fund?

c) One UN Approach

- Have planning and joint implementation bring UN agencies closer?
- In your opinion, what is the impact of the Fund on the agencies join work on peace-building?
- Can you think about any evidence of how the work under the Fund helped the agencies realize complementarily of their work on peace-building (between each other)?
- In context of your role in the Fund how can you describe the added value of UN agencies working with other stakeholders jointly?

For interviewer only

The answer should include:

- Suggestions
- Good practices
- For those who worked in the area of peace building before the peace fund- do they notice difference between working on their own and working together?
- For those who have parallel peace-building related projects funded from other sources and executed differently- any difference between the modalities?
- For donors and NPTF- does it make difference and how?

d) Efficiency and accountability

- Share with us your opinion about the projects selection and approval process of the fund.
- Are you satisfied with the implementation pace and rates of the projects and use of the resources?

For interviewer only

The answer should include:

- Whether the donors are happy with financial reporting and the use of their money
- In case of agencies with low implementation rate- what are the problems
- In case of agencies with continues high implementation rates – what’s the key to their success

e) Programme management

- Comment on reporting mechanisms, their timeliness and quality of output- articulating projects results and impact.
- What M&E framework does your agency use for the projects under UNPFN?
- Describe the monitoring and evaluation guidelines and tools provided by the Fund Office and explain to what extent they are sufficient for your agency?
- Name three lessons learnt (issues) that will be useful for your agency in future programming in peace-building context?
- Only for agencies implementing projects since 2007: what changes have you noticed in UNPFN approach to programme management over the years?

For interviewer only

The answer should include:

- Suggestions and good practices
- Some agencies are very strong on M&E and, if identified, the Fund might find it useful to build on it.

2. ALIGNMENT WITH NPTF: contributing to a more coherent international and UN peace-building support

- The major objective of the UNPFN is to establish a healthy alignment with the NPTF. From your perspective how much progress has been made with regard to closer collaboration, ensuring consistency in agreed activities/decisions and avoiding duplications?
- To what extent has the UNPFN played a complementary role to the government peace-building strategy and mechanisms?

- What particular initiatives should the two entities carry out jointly to strengthen the alignment?
- What else can be done to ensure the alignment? (to ensure the continuity of the alignment)

For the interviewer only:

- Lessons learnt and good practices
- If the answers are very negative, make sure that the justification and examples are included to make the point. For instance, if somebody says that UNPFN is not needed at all we should get arguments in support of this statement.

3. CONTRIBUTION TO MORE COHERENT PEACE BUILDING SUPPORT

- How working with other actors under the Fund helped you to improve your own work and expertise in peace-building and role of development for sustainable peace? Give at least two examples.
- According to you, what comparative advantage or added value UN, and more specifically UNPF, offers in comparison to other actors in peace-building?
- Have you ever thought about activities or areas where UNPFN hasn't worked but in your opinion could contribute in the future? What are they?
- Have you noticed any areas or issues on which UNPFN worked but hasn't utilized its full potential?

4. CUMULATIVE ACHIEVEMENTS

- Do you have any suggestions related to project implementation in context of improving their results? Was the capacity of the agencies well assessed to guarantee the project implementation?
- In your opinion, is there enough national ownership in the projects planning and implementation?
- Is the capacity building of local actors prominent enough in the projects that you are familiar with?
- Are you familiar with UNSCRs 1325, 1820 and 1612 as well as ILO Convention 169? To your knowledge, to what extent does the Fund promote the concern of women, children and marginalized groups in the peace process, including UNSCRs 1325, 1820 and 1612 as well as ILO Convention 169?
- For the UN agencies only: did you have peace-building related programming before applying for UNPF? If yes, how did being a part of UNPF change your work? Are you going to include peace-building as cross cutting perspective in your future programming other than under UNPF?

5. LESSONS LEARNT

- In what measure the project results have contributed to the peace-building and were in line with UN priorities?
- To what extent the UNPFN contribution has supported a coordinated and comprehensive approach with government, donors and the UN system?

Terms of Reference

UNPFN Evaluation March 2011

After four years of existence and the implementation of several funding rounds, it is deemed important to take stock of the UNPFN through the conduct of an evaluation. The UNPFN is seeking consulting services to conduct this review of the fund. This Statement of Work sets out the process, methodology and expected outcomes of the evaluation, as well as a framework for the content of the evaluation report.

1. Background

Since the end of a decade long conflict in 2006 and the subsequent signing of the Comprehensive Peace Agreement (CPA), Nepal has engaged on the road of peace. Following the signing of the CPA, a government-led multi-donor trust fund, the Nepal Peace Trust Fund (NPTF), was established as a collective financing mechanism for peace-building. This was followed in March 2007 by the set up of the UN Peace Fund for Nepal (UNPFN) as a complementary instrument to the NPTF.

The UNPFN delivers rapid, focused and flexible UN responses to the unique needs arising from Nepal's transitional environment. It is the primary financing mechanism for channeling UN support to peace-building in Nepal and complements the NPTF and other existing mechanism by focusing on tasks that cannot be funded or implemented through existing government mechanisms. The UNPFN also finances initiatives where the UN possesses key comparative advantages, particularly through cross-agency support and by piloting innovative approaches. Importantly, it is also a means for channeling global UN Peacebuilding Fund resources to Nepal. The UNPFN remains a key instrument for enhancing UN and donor coordination and alignment in order to ensure more coherent international peace-building support to Nepal. The UNPFN fits within the wider NPTF governance structure and the two funds share similar priority areas through designated sector clusters. Since their establishment, efforts have been made to increasingly align both funds to ensure improved coherence and coordination.

By the end of 2010, UNPFN had disbursed and committed a total of USD 32 million through 18 projects implemented by various UN agencies. The UNPFN has received funds from the UN Peace-building Fund and the governments of the Canada, Denmark, Norway, Switzerland and United Kingdom.

Overall guidance to the UNPFN and the NPTF is provided by the **Government-led Board**. The UNPFN is further overseen and coordinated by an **Executive Committee** comprising the UN Resident and Humanitarian Coordinator, a government representative (the Director of the NPTF) and a donor representative (currently, the Danish Ambassador).¹ The Executive Committee is responsible for project approval decisions, resource allocation and governance of the fund. This small structure aims at:

- enabling quick decision-making;
- ensuring close alignment with the Nepal Peace Trust Fund (NPTF) and its Board;
- ensuring coordination within the UN system and with donors' priorities.

The Executive Committee is assisted by a **UNPFN Support Office** that ensures daily management of the Fund and the coordination, monitoring and evaluation of projects. The Committee is also assisted by assembling **Expert Groups** that provide technical advice on the design of proposed projects during the approval process. The **Multi-Donor Trust Fund Office** (MDTFO) serves as the fund's Administrative Agent.

This project selection and approval architecture combines the following features:

- A coordinated and comprehensive approach with government, donors and the UN system;
- A competitive process supporting an inclusive UNCT approach that uses UN Agencies comparative advantage to design and deliver focused, time-limited support for peace-building process;

¹ Until the cessation of mission activities on 15 January 2011, the UNMIN SRSR sat as the Vice Chair of the UNPFN Executive Committee.

- The harnessing of relevant technical expertise through the Expert Group mechanism to develop consistent and strong project documents designed as rapid, flexible responses sensitive to the unique needs of Nepal's transitional environment;
- An efficient management system enabling rapid decisions and release of funds.

The need for peace-building and moving forward on the peace and development agenda is increasingly recognized. In January 2011, the Nepal Peace and Development strategy was released by donors and UN agencies. This joint document not only takes stock of the peace process evolution and progress, it also analyzes the current and upcoming peace-building tasks and challenges. It finally serves as a framework for action articulating how all development partners could assist Nepal, if so asked, in specific areas in the years ahead to realize the development agenda embedded in the CPA to support the national peace-building efforts to build lasting peace.

Initially answering to the immediate needs of the peace process, UNPFN funded activities have gradually evolved to adapt and respond to the progressive needs of the peace process. In this way, the agenda for the UNPFN has become broader and more complex, moving beyond consolidation of the ceasefire and towards interventions directed towards achieving sustainable peace and recovery. While critical milestones have been achieved, there remains a need for peace-building activities in the years to come to strengthen and sustain the progress achieved.

2. UNPFN evaluation goal and objectives

The goal of conducting the evaluation is to assess and examine the UNPFN's role and contribution to the peace-building process in Nepal and identify measures and approaches to strengthen the operation of the Fund in the future. The specific objectives of the evaluation are to:

- A. Assess the performance of the fund's governance, technical and financial management structures and processes;
- B. Assess the role of the fund as a complement to national mechanisms (in particular the alignment with the NPTF);
- C. Appraise the fund's contribution to a more coherent international and UN peace-building support;
- D. Examine and highlight the cumulative achievements and outcomes of UNPFN projects in support of peace-building in Nepal;
- E. Analyze lessons learned with regards to peace-building and development work in Nepal and provide recommendations on how the UNPFN contribution to the peace process could be strengthened.

Guiding questions for each of these specific objectives constitute Annex I of the TOR.

3. Beneficiaries:

The primary recipient of this work will be the Executive Committee and the Support Office of the fund, as well as the government (primarily the NPTF) and the fund's donors (bilateral and multilateral). The findings will help ensure that the UNPFN becomes more effective and efficient in supporting the UN contribution to the peace in Nepal and so the ultimate beneficiaries will be the wider Nepali population.

4. Methodology and criteria for analysis

The strategic approach of this evaluation will draw from three main sources. Firstly, the OECD/DAC evaluation guidelines with their emphasis on relevance, efficiency, effectiveness, impact and sustainability. Secondly, the criteria prescribed by the UN Peace-building Fund including will also be taken into account. Thirdly, the evaluation will be conducted in line with the UN Evaluation Group norms and principles. Suggested evaluation guiding questions are enclosed in Annex I.

The evaluation will be conducted using a participatory approach to ensure the involvement of all key stakeholders² to ensure the appropriation of the results and recommendations. The evaluation process will be open, objective,

² Key stakeholders include: members of the Donor Advisory Group; government representatives, including the NPTF; UN agencies; the MDTFO; UN Peace Building Fund; GIZ; project beneficiaries and the UN RC/HC Office.

impartial, and transparent as well as carried out with due respect and regard to those being evaluated. The methodology will combine both a review of the relevant documentation, interviews and focus groups and visits to a sample of projects and will reflect the highest professional standards. As far as possible and as appropriate, the evaluation exercise will combine both qualitative and quantitative analysis. The analysis will be evidence-based.

5. Work plan and timeline

Under the overall supervision of the UNPFN Executive Committee, the evaluation will be conducted by an independent evaluation consultant team in close coordination with the UNPFN Support Office. The following activities will be undertaken:

Activities	Responsible actor
1. Submission and endorsement of an evaluation work plan	Evaluation consultant team
2. Review mission of external evaluation consultant team: <ul style="list-style-type: none"> • Desk review of UNPFN and other relevant documentation, including survey of UNPFN project achievements, lessons learned and best practice • Interview, workshops and/or focus groups with relevant stakeholders (donors, government, UN Agencies representatives etc.) 	Evaluation consultant team
3. Submit to the UNPFN Executive Committee preliminary findings / recommendations and receive feedback	Evaluation consultant team
4. Develop draft report and submit to the UNPFN Executive Committee for feedback	Evaluation consultant team
5. Sharing first draft results with key stakeholders and compilation of feedback	Evaluation consultant team
6. Incorporation of stakeholder feedback into second report draft	Evaluation consultant team
7. Submission and presentation of Final Report to UNPFN Executive Committee for approval	Evaluation consultant team

The timeframe will not be more than 5 weeks and the evaluation exercise should start on April 18. The evaluation proposal should submit a timeline in line with the proposed timeframe.

6. Deliverables expected

- a) A preliminary report presenting in depth the methodology and the timeframe.
- b) A first draft of the evaluation report, including an executive summary and recommendations (electronic version) to be presented to the UNPFN.
- c) A final report to be presented to the UNPFN Executive Committee. The report should demonstrate a clear line of analysis between findings, conclusions and recommendations. The report must be in concise and clear English and will not exceed 25 pages and contain the following, in line with UNEG standards Evaluation in the UN system³:
 - The title of the evaluation
 - An executive summary of findings and conclusions
 - An introduction
 - The design of the evaluation and the methodology
 - Presentation of the findings of the evaluation as per the 4 issues areas including good practices, lessons learned and challenges.
 - A presentation of the results achieved
 - The challenges and lessons learned
 - Conclusions and recommendations

³ http://www.uneval.org/normsandstandards/index.jsp?doc_cat_source_id=4

- References used for the evaluation
- Annexes

7. Expertise required

- It is anticipated the evaluation will be conducted by a Senior Team leader and two team associates. Applicant can include additional part-time expertise as required. They will be coordinated and supported by the UNPFN Support Office all along the evaluation process. The evaluation consultant team should be of a multidisciplinary background and combine:
 - Substantial knowledge of the Nepal peace process and experience of working in Nepal;
 - Expertise in the field of programme management (project design, monitoring, reporting and evaluation), including development and peace-building;
 - Strong expertise in the field of evaluation, familiarity with the DAC evaluation criteria and UNEG guidelines;
 - Familiarity with the specificity of evaluating peace-building activities;
 - Strong knowledge of the UN system and the international aid environment;
 - Knowledge of the operations of multi-donors trust funds;
- The team leader should have a proven record of successful team leading of similar evaluations.
- The composition of the team should ideally be gender balanced;
- A recent work sample will also be submitted with the technical proposal.

8. Supporting documentation:

- Key UNPFN documents are available on the MDTF Gateway:
 - <http://mdtf.undp.org/factsheet/fund/NPF00>
 - <http://mdtf.undp.org/factsheet/country/NPL>
 - <http://mdtf.undp.org/factsheet/fund/PBC00>
- Additional documentation will be supplied to the selected organization.

UNPFN Support Office March 2011

Annex 7: Participants to the UNPFN Review Stakeholders feedback Meeting

Government of Nepal

- Ministry of Peace and Reconstruction

Donor Community

- Australia Aid (AusAid)
- Department for International Development (DfID) – United Kingdom
- Delegation of the European Union to Nepal
- Embassy of Denmark
- Embassy of Germany
- Embassy of Norway
- Embassy of Switzerland
- GIZ
- Japan International Cooperation Agency
- World Bank

United Nations

- Teleconference with MDTF and PBSO 18 July 2011