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The Nepal Peace Trust Fund (NPTF) is a joint undertaking of the Government of Nepal and a group of donors. It was created to support critical peace activities and to foster the implementation of the Comprehensive Peace Accord (CPA) and other peace-related agreements. The Fund was established in January 2007 and has so far managed NPR 23.9 billion in support to 71 projects, of which 59 have been completed and 12 are underway. The fund has about 50 per cent contribution from the Government of Nepal and 50 per cent from the donor group as of 13 March 2016. NPTF Strategy (2014-2017) provides it the mandate to support four different peace-related clusters: Social dimension/CAPs, Transitional Justice and reconciliation, access to security and the political dimension.

### NPTF Board approved two new Projects worth NPR 636 million

The 19th meeting of the NPTF Board held at the Ministry of Peace and Reconstruction (MoPR) approved two projects of NPR 636 million for supporting livelihoods of conflict-affected people and for strengthening the Local Peace Committees (LPCs) on 28 March.

One project will be implemented by the MoPR in collaboration with Tribhuvan University aims to strengthen the LPCs for promoting local peace titled “Strengthening LPC for Local Peace Promotion”, and is expected to cost NPR 146 million.

The other project will be implemented by a consortium of five agencies led by the Ministry of Industry (MoI) and aims to support socio-economic integration of conflict-affected people through vocational training and enterprise development. The project

is titled “Livelihood Support to Conflict Affected People (CAP) through Vocational Training and Enterprise Development” and is expected to cost NPR 490 million.

The MoI’s project partners include Ministry of Agricultural Development (MoAD), the Council for Technical and Vocational Training (CTEVT), Industrial Enterprise Development Institute (IEDI) and the Federation of Nepalese Chambers of Commerce and Industry (FNCCI).

Both projects will be implemented in 35 districts that were most affected by the conflict.

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*Hon. Ek Nath Dhakal, Minister for Peace and Reconstruction, addressing NPTF's 19th Board Meeting at the MoPR, Singha Durbar.*

Likewise, the meeting also granted approval on a request for spending remaining funds with the Nepal Police on some ongoing but incomplete projects.

Officiating secretary of the MoPR, Rishi Rajbhandari informed the meeting about the progress of NPTF since its inception in 2007, saying that of 65 projects supported by NPTF, 59 have been completed and the remaining six were expected to be completed by mid-July 2016.

Until March 2016 the approved projects had a budget of NPR 23.9 billion of which 18.1 billion had been disbursed, he said, adding that the Implementing Agencies (IAs) had spent NPR 16.4 billion.

He further informed to the meeting that a major proportion of NPTF funds had gone into supporting the Constituent Assembly, and peace building (52%) processes. The other high spending area was the management of cantonments and the integration and rehabilitation of former Maoist combatants

(24%), security and transitional justice (20%), and support to conflict-affected people (4%). The NPTF has approved seven projects for its final phase from 2014 to July 2017.

Andreas Roettger, head of cooperation of the European Union in Nepal, represented the Donor Chair at the meeting. He said he had visited some LPCs and they have played a critical role in absence of the local bodies, and therefore it was important to strengthen them.

In the meeting Ek Nath Dhakal, minister MoPR said "With most of its tasks accomplished the Fund is inching towards closure". "Projects now are focused on consolidating the past achievements and facilitating smooth closure by carrying out the unfinished business."

The meeting was chaired by Hon. Minister for Peace and Reconstruction, Ek Nath Dhakal and was attended by Dip Narayan Sah, Minister of State for Peace



and Reconstruction, Dr. Kripa Sindhu Prasad, member of the National Planning Commission (NPC), and representatives from the Ministry of Home Affairs, Unified Communist Party of Nepal and the Rashtriya Prajatantra Party Nepal, representative from the Donor Group (DG) and other officials from MoPR, NPTF, Ministry of Industry (MoI), Nepal Police, officials from PFS and EUTA.

## Farewell to secretary

The MoPR bid a farewell to outgoing secretary of MoPR Mr. Ishwori Prasad Paudyal on 21 April at the Ministry. Mr. Paudyal retired from government service after serving for 30 years.



*Minister for Peace and Reconstruction Hon. Ek Nath Dhakal and high level officials of MoPR during farewell to outgoing Secretary Mr. Ishwari Prasad Paudyal.*

Officiating Secretary of the MoPR, Mr. Rishi Rajbhandari recalled Mr. Paudyal's contributions to Nepal's peace process during his tenure at MoPR. He also congratulated him for successfully completing his journey in public service with the Government of Nepal.

Mr. Paudyal thanked his colleagues for their support during his tenure at the MoPR.

The Honorable Minister for Peace and Reconstruction Mr. Ek Nath Dhakal, staffs at the MoPR, and officials from PFS and EUTA were present at the farewell.

## New Secretary in MoPR

Mr. Sarbjit Prasad Mahato assumed his position as a Secretary of the MoPR on 16 May. The position of



*Mr. Sanjaya Kumar Khanal, Executive Director of PFS welcoming new Secretary of MoPR, Mr. Sarbjit Mahato at PFS premises.*

secretary of MoPR had fallen vacant following the retirement of Mr. Ishwori Prasad Paudyal. Mr. Mahato was previously Director General at the Department of Mines and Geology. It is his first assignment as Secretary of the Government of Nepal.

Mr. Mahato visited the PFS on 17 May for a briefing on the NPTF mechanism and projects. During his visit to the PFS, Executive Director of PFS Mr. Sanjaya Kumar Khanal briefed about the NPTF mechanism and the status of the Fund. All PFS staff and members of the EUTA team attended the meeting.

## Technical Committee Meetings

The 43rd Technical Committee meeting (TC) of the NPTF held on 14 April discussed and approved two projects titled "Mainstreaming Peace Sensitive Development Approach (PSDA) in National Planning proposed by the MoPR, and "Enhancing Orthopedics and Rehabilitation Services to Conflict Affected Person with Disability (CAPwD) of the Mid and Far Western Regions" submitted by the Bheri Zonal Hospital (BZH).

Ms. Januka Subedi, Section Officer of MoPR made a brief presentation on the project proposal and clarified that comments and suggestions received from the earlier sectoral cluster meeting on the project proposal has been incorporated in the current document. She also explained the main outputs:



*Mr. Sanjaya Kumar Khanal and Dr. Janardan Panthi, Medical Superintendent RSH and Dr. Shyamsundar Yadav, Medical Superintendent, BZH with PFS team after signing the project agreement.*

She also explained some of the revised activities, for example, human resource capacity development, technical support and resource materials for LPC orientation and said that the budget had also been revised. The proposed duration and budget for the project is April 2016 to Mid-July 2017 and NPR 4,81,05,000, respectively.

There were a few comments received during the discussion that were later clarified by the concerned officials from the Ministry.

Similarly, Dr. Prakash Bahadur Thapa, Consultant Orthopedic Surgeon, Bheri Zonal Hospital made a presentation on another project with the goal, “To contribute towards improving the quality of life of CAPwDs along with victims/survivors of conflict-era sexual SGBV and other people with disability from vulnerable communities through quality health and rehabilitation services for achieving sustainable peace in Nepal.”

He added that the project document had been prepared in collaboration with Rapti Sub-Regional Hospital (RSH), Ghorahi, Dang. Proposed project aimed to cover 15 Districts from Mid-Western Region, and nine from the Far-Western regions.

Additionally, he said that 5,469 CAPwDs will be benefitted directly or indirectly from the project.

The project has three outputs; i) Improved awareness on availability of orthopedics and rehabilitation services at BZH and RSH ii) Orthopedics and rehabilitation facilities at BZH and RSH improved and effectively functioning, and iii) Regular services of

orthopedics and rehabilitation readily available to service seekers.

The proposed duration of the project was May 2016 to 15 July 2017 and estimated budget, NPR 99.52 million. Dr. Thapa also explained the sustainably plan of the project and the implementation modality. He also clarified that the individual hospitals would be responsible for implementing the planned activities as elaborated in the project document.

The members of the TC made several comments during the discussion, especially on the proposed steering committee, which is supposed to manage all the activities during the implementation.

Both the project documents were approved subject to incorporation of comments made at the meeting.

Ishwori Prasad Paudyal, Secretary of MoPR, had chaired the meeting, which was attended by the Implementing Agencies making the proposals, Donor Group Coordinator, and officials from the PFS and EUTA.

The NPTF signed the implementation contract with BZH and RSH project on June 7. The signatories were the Executive Director PFS Mr. Sanjaya Kumar Khanal and Medical Superintendent of RSH Dr. Janardan Panthi, and the Medical Superintendent of BZH Dr. Shyamsundar Yadav.

Similarly, the 44th TC meeting on 11 March had discussed the project -- Livelihood Support to Conflict Affected People (CAP) through Vocational Training and Enterprise Development – and a request for spending remaining funds on the ongoing/incomplete projects received from the Nepal Police.

Mr. Laxman Bhattarai, Executive Director of IEDI made a presentation on the project proposal. He clarified that the project was led by the MoI and had other implementing partners. The project had four outputs; i) Comprehensive need assessment of the target group and market demand assessment for developing vocational skills and enterprise development course for sustainable livelihoods of CAPs, ii) At least 80% of the CAPs receive vocational training and entrepreneurship skills for cottage and

small enterprise operation are and facilitated support for engagement in livelihood related activities in the family and community in industrial enterprises, agricultural farming, tourism and construction; iii) Enterprise development skill, services of business clinic and other post-training support services provided to graduates of vocational training expected to be engaged in business enterprises with value chain links, and iv) Effective job/business placement for livelihood through regular monitoring and follow up services.

He further added that 16,000 CAPs would benefit from the project to be implemented in the 35 districts. The proposed duration and the budget for the project were May 2016 to June 2017, and NPR 490 million, respectively.

After the presentations, the meeting decided to forward the project to the board after the Implementing Agencies had incorporated the comments and suggestion made by the TC members.

Likewise, the meeting also agreed to focus the request received from the Nepal Police for consideration by the NPTF Board.

Mr. Rishi Rajbhandari, Acting Secretary of MoPR, chaired the meeting that was attended by the Implementing Agencies making the proposals, Donor Group Coordinator, and officials from the PFS and EUTA.

### Sectoral Cluster Meeting

The Sectoral Cluster (SC) of NPTF met three times on 6 April, 26 April, and 4 May to discuss on the six project documents.

The meeting discussed “Livelihood Support to Conflict Affected People (CAP) through vocational training and enterprise development” proposed by the MoI, CTEVT, IEDI, FNCCI and MoAD; “Mainstreaming Peace Sensitive Development Approach (PSDA) in National Planning and Programming Process” submitted by MoPR, NPC and Ministry of Federal Affairs and Local Development (MoFALD); and “Enhancing Orthopedic and Rehabilitation Services to CAPwDs of the Mid- and Far-western Regions” submitted by



the BZH in collaboration with RSH. These projects were discussed on 6 April.

Likewise, “Institutionalization of Lessons Learned through Academic and Public Awareness Activities, Including Unofficial Truth-Telling and Documentation” submitted by the Tribhuvan University Centre for Human Rights, Faculty of Law, and “Establishment and Running of a National Peace Research Institute Nepal” of the MoPR were discussed on 26 April.

Similarly, last meeting of the Sectoral Cluster discussed “Strengthening the Parliament Secretariat in Supporting the Parliament for Post-Constitution Peace Building Process in Nepal” submitted by the Parliament Secretariat; and the revised proposal titled “Establishment and running of a National Peace Institute Nepal” submitted by the MoPR.

The respective Implementing Agencies made brief presentations on the proposed projects including the goals, objectives, and duration and estimated budget. The Sectoral Cluster members made comments and suggested changes in the projects during the discussion.

For the MoPR project the meeting decided recommend exploring alternative avenues for funding and decided that the other projects be taken to the next level of screening after the comments at the meeting had been incorporated.

All the meetings were chaired by Mr. Sanjaya Kumar Khanal, Executive Director of PFS and attended by

*Mr. Sanjaya Kumar Khanal, Executive Director of PFS addressing Sectoral Cluster meeting at PFS.*



the representatives of the EU, USAID, DG Coordinator, officials from the PFS and EUTA.

### Monitoring and District Level Project Review meetings in Kailali and Kanchanpur

PFS conducted an internal monitoring and district level project review meetings in Kailali and Kanchanpur districts from May 26 to June 1, 2016. The PFS monitoring team headed by Monitoring and Evaluation Officer (Under Secretary) Mr. Bed Raj Phuyel with Financial Management Officer (Under secretary) Mr. Tom Nath Upreti, Accountant Mr. Sushil Subedi and invitee member from Nepal Police Headquarter; Police Inspector Mr. Dakchya Kumar Basnet conducted the program.

In the district Level review meeting Kailali; District Police Office Kailali (Police Unit Reconstruction Projects), District Education Office Kailali (Non formal Education Section) (NAP 1325 and 1820, Empowering Conflict Affected Women and Girls through Literacy and Livelihood skills), Local Peace committee Kailali (Strengthening Local Peace Committee), Regional Election Commission Office Kailali (Voter education and Voter registration with Photographs) were participated and they made brief presentation of the progress/achievements of their respective projects funded by NPTF and responded to the monitoring team's queries.

Similarly, In Kanchanpur district the review meeting was attended by District Police Office Kanchanpur

(Police Unit Reconstruction Projects), Local Peace committee Kanchanpur (Strengthening Local Peace Committee), District Election Commission Office Kailali (Voter education and Voter registration with Photographs) and Nepal National Social Welfare Association (NNSWA) (Rehabilitation Services for Conflict Affected Disabled People) and made brief presentation on progress/achievements of the NPTF funded projects followed by short interaction.

During the review meetings, in both districts, participants had appreciated the PFS initiation to review the projects at district level mentioning that they had a chance to interact with NPTF funded project agencies and had better chance to coordinate among stakeholder for the ongoing projects. For the completed projects, they expressed satisfaction for having opportunity to showcase the district level achievements of the NPTF funded projects.

*Monitoring team and participants during Kailali district review meeting*



*Monitoring team in APO Tribhubanbasti, Kanchanpur construction site*

The monitoring team went to site visits in two police units: Area police Office Hasulia, Kailali and Area Police Office Tribhubanbasti, Kanchanpur. Inspecting the under construction buildings team leader gave direction to complete the building on time with prescribed quality. The team, after interacting with police personnel, contractors, Technical support team members, Public Facilitation Committee members and local people requested all stakeholders to facilitate the construction to complete within the end of July 2016.

During the visit, the monitoring team visited the



*Monitoring team and stakeholders in APO Hasulia, Kailali construction site*

Women and Children Service Centre constructed under Project 3/07:NAP 1325 and 1820: Prevention, Protection and Recovery Program (Ministry of Home Affairs) for dealing with cases related to women and children and interacted with the in-charge (Police Inspector Ms. Saileshowri Bohara) about the utilization of the building as well. Similarly, the financial management team in the monitoring team also conducted the financial monitoring in District Police Office Kailali regarding the financial matters in the police unit reconstruction projects in the district.

### **Progress Report**

The NPTF has prepared and shared the draft of the 26th Progress Report with donors. This report includes progress in program implementation and financial management covering the period 17 November 2015 to 13 March 2016. The report will be posted on the NPTF website [www.nptf.gov.np](http://www.nptf.gov.np) after it is finalized.

### **Support to IAs for strengthening internal controls**

A finance team comprised of Financial Management Officer (FMO), Mr. Tomnath Upreti, EUTA Team

Leader/PFM Expert Nanda Kishor Sharma, and EUTA Admin Manager Mr. Prakash Pyakurel visited BPKIHS, Dharan from 15 April to 17 April and supported the Rehabilitation Centre team at the BK Koirala Institute for Health Sciences (BPKIHS) to draft operation guidelines for the Rehabilitation Centre for CAPwDs in line with the provisions of the NPTF project. The team also held detailed discussions with the Registrar of the institute, the BPKIHS Finance Team and Rehabilitation personnel about the NPTF accounting and reporting requirements, fund flow system and coordination with BPKIHS Finance Team for proper record keeping.

The team also organized a daylong orientation on the NPTF's Financial Management and Reporting requirement for 36 finance staff from Nepal Police units implementing NPTF projects in the eastern region, and the central plains at the Eastern Regional Police Training Centre, Biratnagar on 17 April.

### **Financial Management Capacity Assessments**

The PFS finance team with support from the EUTA conducted Financial Management Capacity Assessments of five new implementing agencies

(Center for Technical Education and Vocational Training, Industrial Enterprise Development Institute, Bheri Zonal Hospital at Nepalgunj, Rapti Sub-regional Hospital at Dang and Tribhuvan University Centre for Human Rights, Faculty of Law) to assess their capacity and identify gaps that needed to be addressed in the new implementation contracts.

### **Audited Project Account for 2014/15**

The PFS received audited project accounts for 2014/15 (2071/72) from Office of the Auditor General (OAG) on 14 April 2016. The audit report did not have major objections or auditing issues.

### **Beneficiary Satisfaction Survey and NPTF I & II fund balances determination**

The PFS hired individual consultants to carry out a beneficiary satisfaction survey to evaluate the quality and effectiveness of service delivery of NPTF through EUTA. The final report of survey will be available at the end of June 2016. Similarly PFS also recruit a CA Firm to determined Source wise Fund Balance of NPTF phase I & II ongoing projects including individual Donor Partners balance of 13th March 2016. The final report will be ready by last week of June 2016.

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