Joint Evaluation

THE INTERNATIONAL SUPPORT TO THE PEACE PROCESS IN NEPAL 2006-12

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Responsibility for the content and presentation of findings and recommendations rests with the authors.

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List of abbreviations

ADB	Asian Development Bank
ALNAP	Active Learning Network for Accountability and Performance in Humanitarian Action
AMG	Aid Management Guidelines
BIMP	Business Integrity Management Plan
BOGs	Basic Operating Guidelines
CA	Constituent Assembly
CBO	Community-Based Organisation
CDC	Community Development Council
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CERF	Central Emergency Response Fund
CP	Congress Party
CPA	Comprehensive Peace Agreement
CPN(M)	Communist Party of Nepal (Maoist). Also given the full title of UCPN(M)
CSO	Civil Society Organisation
CSPM	Conflict-Sensitive Programme Management
DAC	Development Assistance Committee (of the OECD)
Danida	Danish International Development Assistance
DDC	District Development Committee
Demo	Political Parties of Finland for Democracy
DFID	UK Department for International Development
DK	Denmark
DKK	Danish Kroner
DPA	Danish People's Aid
DPs	Development Partners
DRC	Danish Refugee Council
EfA	Education for All
EIF	Aid for Trade Programme
ERG	Evaluation Reference Group
EPSP	Emergency Peace Support Project
EUR	European Union Euro
EVAL	Danida's Evaluation Department
EVI	Extremely Vulnerable Individuals
GBV	Gender-Based Violence
GoN	Government of Nepal
HRGGP	Human Rights and Good Governance Programme
HSD	Swiss Human Security Division (formerly Political Division IV)
HUGOU	The Programme Implementation Unit for the HRGGP
HUC	Danida's Department for Humanitarian Action
IASC	Inter-Agency Standing Committee
ICCPR	International Covenant on Civil and Political Rights
ICJ	International Commission of Jurists
ICG	International Crisis Group
ICRC	International Committee of the Red Cross
ICTJ	International Center for Transitional Justice
IDEA	International Institute for Democracy and Electoral Assistance

IDMC	Internal Displacement Monitoring Centre
IDP	Internally Displaced Person
IDPG	International Development Partners Group
INGO	International Non-Governmental Organisation
INSEC	Informal Sector Service Centre
IO	International Organisation
IOM	International Organisation for Migration
IRIN	Integrated Regional Information Networks
JFA	Joint Financing Arrangement
LGCDP	Local Governance and Community Development Project
LPC	Local Peace Council
LRRD	Linking Relief, Rehabilitation and Development
MDG	Millennium Development Goal
MDTF	Multi-Donor Trust Fund
MFA	Ministry of Foreign Affairs
MLD	Ministry of Local Development
MoPR	Ministry of Peace and Reconstruction
MoU	Memorandum of Understanding
NEFIN	Nepal Federation of Indigenous Nationalities
NGO	Non-Governmental Organisation
NHRC	National Human Rights Commission
NPTF	Nepal Peace Trust Fund
NPR	Nepalese Rupee
NRC	Norwegian Refugee Council
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
PAP	Process Action Plan
PIU	Programme Implementation Unit
PDS	Nepal Peace and Development Strategy
PDIV	Political Division IV of Switzerland's Department of Foreign Affairs
PLA	People's Liberation Army
PR	Proportional Representation
PRS	Poverty Reduction Strategy
PSG	Peacebuilding and Statebuilding Goal
PSP	Peace Support Programme
QA	Quality Assurance
RDIF	Rights, Democracy and Inclusion Fund
ROACH	Danida Results-Oriented Approach to Capacity Change
SDC	Swiss Development Cooperation

SGBV	Sexual and Gender-Based Violence
SWAp	Sector-Wide Approach
ToR	Terms of Reference
ToC	Theory of Change
TRC	Truth and Reconciliation Commission
UCPN	Unified Communist Party of Nepal (Maoist) – or CPN-M
UML	Communist Party of Nepal – United Marxist Leninist
UN	United Nations
UN Women	The United Nations entity for Gender Equality and the Empowerment of Women
UNDP	United Nations Development Programme
UNDPKO	United Nations Department for Peacekeeping Operations
UNHCR	United Nations High Commissioner for Refugees
UNMIN	United Nations Mission in Nepal
UNOCHA	United Nations Office for Coordination of Humanitarian Affairs
UNOHCHR	United Nations Office of the High Commissioner for Human Rights
UNODC	United Nations Office on Drugs and Crime
UNPBF	United Nations Peacebuilding Fund
UNRCHCO	UN Resident Coordinator and Humanitarian Coordinator's Office
UNPFN	United Nations Peace Fund for Nepal
UNSCR	United Nations Security Council Resolution
UPR	Universal Periodic Review
USD	United States Dollar
VAWG	Violence Against Women and Girls
VDC	Village Development Council
VMLR	Verified Minors and Late Recruits
WASH	Water, Sanitation and Hygiene
WatSan	Water and Sanitation
WFP	World Food Programme
YCL	Young Communist League (a UCPN structure)

Exchange rates
Figures are listed in original currency followed by USD conversions based on 31 May 2012 exchange rates, unless noted otherwise.

Executive summary

Introduction

This evaluation of the international support to the peace process in Nepal focuses on the contributions made by Denmark, Switzerland and Finland in the period from 2006 to May 2012. The contributions by these focal development partners are viewed in the context of support from other development partner countries, especially where provided through joint funds.

The evaluation was commissioned by the Danish Ministry of Foreign Affairs' (MFA) Department for Evaluation (EVAL) in January 2012 and was carried out by a team of international and Nepalese experts from February to December 2012.

The evaluation adopted a theory-based approach, building on the idea that the logic of a programme can be formulated in a 'theory of change'. In a first step, the evaluation mapped the focal development partners' conflict analyses, which pointed to four drivers of conflict: poverty, power relations, inequality and violence. Secondly, the evaluation uncovered an implicit theory of change: *The changes to be brought about by the full implementation of the Comprehensive Peace Agreement (CPA) would contribute to a sustainable peace in Nepal, and development partners could assist this through their support for implementation of the agreement.* While this statement was very general, it did show a common determination to support the CPA and a belief that the CPA was an appropriate vehicle for furthering peace. Thirdly, the evaluation adopted the CPA as a common yardstick against which the performance of the focal development partners' support could be measured. It was also noted that some activities were not aimed at the CPA objectives. Using traditional OECD/DAC programme evaluation criteria, in the fourth step, the evaluation then sampled programmes and processes to determine whether they had been relevant, effective, efficient, and had produced sustainable impact. Finally, the evaluation assessed how development partner coordination mechanisms have contributed to the peace process.

The evaluation included a broad focus on the different mixes of implementing channels used by the three development partners. These have included nationwide pooled funded mechanisms which explicitly address peacebuilding goals such as NPTF and UNPF. Other mechanisms have supported an enabling environment for peace in the country such as RDIF. The development partners have also funded more discrete projects working directly with communities, for example via NGOs. The nature of this support has been both in financial and technical assistance. Support has been delivered with and through the Government and also channelled to support civil society initiatives.

The evaluation used a range of research tools, including analysis of project portfolios, key informant interviews, documentary research, and a development partner survey. The findings were validated through the circulation of the draft reports by EVAL to key stakeholders and the reference group.

The nature of the peace process meant that there were risks that the outcomes – and certainly the impact – of individual development partner interventions would be lost in the complexity of contributing variables. The evaluation sought to turn this into

an advantage by comparing the different approaches. In addition, the focal development partners have supported not only the joint funds, but also broader human rights and good governance issues, along with development, which addressed some of the structural causes of the conflict in Nepal. In order to lower the risk of overwhelming complexity and lack of any links between inputs and outcomes, the evaluation specifically concentrated on activities in support of national implementation of the CPA.

Context

Nepal is a landlocked country on the slopes of the Himalayas, with a population of 26.6 million. It is bordered by the Tibet autonomous region of China to the north, and India to the west, south and east. Being wedged between two large and powerful neighbours, both of them regional giants, has forced Nepal to maintain a balance in its foreign policy.

From 1768 to 2008, Nepal was an independent monarchical state. The feudal economic and political system depended on hierarchies of gender and caste/ethnicity, which contributed to widespread poverty and discrimination. Elections in 1990 led to a Congress Party government, and one branch of the Communist Party of Nepal (Unified Marxist-Leninist – UML) became the largest opposition group. In 1996, the other branch of the Communist Party of Nepal (Maoist – CPN-M, later UCPN-M) launched the "People's War" against Nepal's feudal monarchy and multiparty democracy. The conflict intensified from 2001 onwards, and peace negotiations failed in 2001 and 2003. In early 2006, seven main political parties and the Maoists came together in a "people's movement" to press for change. By November that year, the Government and Maoists signed the CPA, ending 10 years of armed conflict.

The CPA covered a comprehensive list of issues aimed at transforming Nepali society. Some of these issues were supported by the international development partners, some were effectively dealt with by Nepali parties only, and others were largely left aside by the Nepali parties. These points are still held up as the objective of the peace process, and progress can be measured against these, while further specifying the criteria and the level of ambition implied in the agreement.

The Constituent Assembly (CA), for example, was elected in April 2008 and began to serve as an interim parliament pending the drafting and ratification of a new constitution and fresh elections. The CA abolished the monarchy and declared Nepal a republic, thereby also achieving several CPA objectives. Yet this peace agreement was followed by the rise of other smaller armed conflicts, especially in the Terai region, and Nepal has not achieved the political stability and economic progress envisaged by the CPA. The political parties have continued to debate many of the key issues, and the CA was extended several times before it was dissolved in May 2012 because it failed to agree on a new constitution. New elections have been scheduled for 2013.

Support to the peace process

Official Development Assistance (ODA) to Nepal from 2006 to 2011 totals nearly USD 4.4 billion, annually accounting for 5-6% of Nepal's gross national income and development partner contribute about one quarter of the national budget. While there a no combined records of the financial support to the peace process, the evaluation team estimates it at USD 300-400 million for the period evaluated. Much of this assistance is provided through three joint funds:

The Nepal Peace Trust Fund (NPTF) is a government-development partner funding mechanism established in 2007 specifically to support the peace process. With annual development partner contributions of USD 10-20 million, the Government itself has more than doubled the external funding, allowing the Fund to disburse USD 170 million to more than 50 projects during the period evaluated. While it has been troubled by slow administrative procedures and lack of capacity, this Fund is emerging as the most effective hub for development partner-development partner and development partner-government interaction and planning.

The United Nations Peace Fund for Nepal (UNPFN) was established in March 2007 at the request of development partners and the Government. The Fund was created to mobilise resources for activities of clear, short-term relevance to the peace process where they could not be funded or implemented through the NPTF or other existing mechanisms. With USD 44.5 million contributed to UNPFN over its lifetime, the Fund is now closely coordinated with NPTF.

The Rights, Democracy and Inclusion Fund (RDIF), first launched in February 2006, was an initiative of the UK, Swiss, Norwegian, Australian and Danish Governments for the sustainable reform of political governance in Nepal. With a USD 12 million budget, the Fund has been viewed as a collection of quick turnaround projects, and an evaluation concluded that the projects have been carried out in agreement with the CPA and have achieved synergy effects.

As contributors to these funds, and with direct implementation capacity in Nepal, the three focal development partners each have a long and sustained history of support.

Denmark began its development assistance to Nepal in 1973. Denmark has since then provided support within education, forestry, business development, human rights, good governance and democracy as well as access to energy. The current support to the peace process has primarily been directed through two programmes:

The Human Rights and Good Governance Programme (HRGGP), having a programme budget of US$ 45 million for the period 2003-2013, and disbursement of US$ 24 million to projects by end 2011.It has been managed by a programme implementation unit with strong technical expertise and a solid network of civil society partners.

The Peace Support Programme (PSP) has, since its inception in 2007, programmed a support of US$ 28 million (US$ 21 million disbursed by end 2011) to NPTF, UNPFN and civil society partners. Compared to HRGGP, with a stronger peace building agenda, the PSP focused on more short-term interventions that could support the peace process. Given that 70% of PSP went through pooled funding mechanisms, Denmark thus supported the peace process in each district in Nepal.

Switzerland has 50 years of development cooperation in Nepal and has been traditionally engaged with livelihood activities in the rural areas of Nepal. The Swiss cooperation strategy for Nepal applies a whole-of-government approach, involving mainly the Swiss Development Cooperation and the Human Security Division of the Ministry of Foreign Affairs. Since 2005, this has amounted to USD 183 million. The Swiss Programme has a special emphasis on two geographic areas in central and in western Nepal, seeking to deepen the effect of the interventions. This includes work on livelihood and inclusion, meaningful dialogue, and conflict transformation. The third component is primarily focused on Kathmandu, specifically on work towards a harmonised bilateral and multilateral framework for the peace process.

Finland, which began its development cooperation with Nepal in 1982 aims to assist Nepal to reduce poverty, enhance the peace process, embed democracy into Nepalese society, improve human rights, and promote environmentally sustainable development. While Finland has traditionally been a strong supporter of forestry, water, and WASH (water, sanitation and hygiene) initiatives, it is a newer development partner on peace and conflict issues. Total funding to Nepal since 2005 is USD 130 million. Nearly all funding for peace process issues (USD 8 million) has been channelled through NPTF, and Finnish advisers have focused on women's and other human rights.

Conflict understanding and theories of change

Danida's direct support for the peace process (PSP) is not based on any formal conflict analysis at the strategic level, but, given the interaction and complementarity with HRGGP, which relies on more articulated theories of change and is framed in a conflict transformation approach, the evaluation finds this strategy appropriate and relevant for the situation in Nepal. Meanwhile, partly due to its unique Swiss Development Cooperation (SDC)/Human Security Division (HSD) set-up, **Switzerland** has in place comprehensive in-house conflict analysis expertise, scenario planning, regular updating of programme documents based on political developments, and monitoring that feeds back into learning. While the theory of change methodology may not feature explicitly in aid documents, it appears that Switzerland places strong emphasis on "process" and staying abreast of political developments. **Finland** has invested carefully in the peace process and has relied on joint mechanisms for conflict analysis at the strategic level and theory of change at the programme level – partly because no other resources were available and partly because post-conflict transition is a new area of engagement for Finland. The evaluation finds this approach appropriate for Finland's volume of aid and current resources allocated to conflict analysis.

On theories of change (ToCs), the evaluation finds a very limited usage of ToCs as a design or monitoring tool, but notes that the focal development partners have utilised other methods to ensure a match between analysis and programming. The evaluation has not, however, been able to determine whether these other tools, including scenario building, have been superior to ToC methodology.

Programme relevance

The focal development partner strategies all aim to support the CPA objectives – and, as such, signify good coherence with national peace aspirations. However, as the peace process itself is beholden to political interests and developments, certain CPA elements (such as social and economic development) have been side-lined by the joint funds. The HRGGP is an example of programming that successfully addresses an issue that NPTF does not engage with – namely, human rights. On other strategic frameworks, the evaluation notes that the comprehensive effort involved in producing the Peace and Development Strategy (PDS) has not borne fruit in terms of alignment or harmonisation. Meanwhile, the evaluation found that NPTF is emerging as the key joint instrument through which development partners can harmonise their efforts, align with government priorities, and help build capacity in the process.

The evaluation found the fragile states principles a useful prism through which to study the support to the peace process, and many of the evaluation questions are also reflected through this framework. The focal development partners generally have lived up to the spirit, if not the letter, of the principles, although the ambition to "Do No Harm" is particularly tricky when supporting change processes.

The evaluation also found that the mix of channels used by the focal development partners were appropriate and allowed the most effective channel to be used for different types of intervention.

Peace process status and conclusions
The evaluation chose the CPA as a yardstick for progress on the peace process, as development partners explicitly aimed to contribute to the fulfilment of the CPA objectives.

Constituent assembly election
Under the CPA, the CA was charged both with writing the new constitution and with acting as parliament pending the introduction of the new political order by that constitution. Support from the core development partners to the electoral process was quite broad. It included support to national and international election monitoring, technical support to the Election Commission, and support for poll logistics. It also included support to civil society groups for voter education and for broader civil awareness of the whole process. The elections were a success, in that they delivered an inclusive CA that had very broad representation across Nepali society. Women and other often-marginalised groups were reasonably well represented in the CA. However, this very inclusivity may have contributed to the inability of the CA to draft a new constitution. It should be noted that the original timetable for the elections was unrealistic in the given context.

Constitution
Despite four years of effort, and the setting of repeated deadlines by the key stakeholders, Nepal has not yet achieved a new constitution. While agreements have been made on many issues, the critical outstanding point is the format of a new federal structure and the form of government. Elections for a new CA were planned for November 2012, then again rescheduled for 2013. The outlook for the adoption of a constitution is now uncertain.

All three focal development partners provided substantial support to the constitutional process. Support to the constitutional process and to the elections accounted for more than one quarter of all Danish PSP expenditure. The Swiss provided constitutional technical expertise and facilitation and mediation support. Finland has supported the constitutional process through its funding of NPTF (though that was not earmarked) and through the support to the International Institute for Democracy and Electoral Assistance (International IDEA).

The reason why the CA failed to agree on a constitution was that the leading political parties had conflicting objectives for the constitution and different definitions of basic principles. While development partners have provided a significant amount of support for the constitutional process, this support has turned out to be a necessary – though not sufficient – condition for the development of an inclusive constitution for Nepal.

Good governance
Many development partners present a negative picture of progress towards good and inclusive governance – a goal envisaged in the CPA. Among the Nepalese population,

there is an overall lack of trust in Government, partly due to high unfulfilled expectations of the peace process. Similarly, political parties are generally viewed as participating in, and contributing to, corruption, with no credible mechanisms existing to make them accountable.

The Danish HRGGP has focused extensively on good governance issues. Switzerland, meanwhile, has aimed at contributing to good governance in the domains of consolidation of the peace process and statebuilding. The latter includes helping to ensure that relevant stakeholders engage in the state transformation process and the implementation of international human rights standards, with a focus on impunity and reconciliation. The work of the Political Parties of Finland for Democracy (Demo Finland) in Nepal has also contributed towards young people's political empowerment and to constructive dialogue across party lines.

An end to discrimination

The Interim Constitution brought the promise that a new federal structure would transform Nepali society towards ending exclusion of marginalised groups. It looked likely that a federal state would lead to more representative governance structures. However, there is still a long way to go in several areas. Civil service jobs, for example, are held primarily by advantaged social groups, leaving their proportion of positions unchanged over nearly two decades.

The focal development partners have contributed to addressing class, ethnic, linguistic, gender, cultural, religious and regional discrimination through social mobilisation and empowerment of people in their project/programme areas. However, a key gap in the support of the development partners has been the inability to facilitate a reasoned debate and achieve a consensus on accommodating multiculturalism in a context where demands for individual identity rights were becoming increasingly strident in Nepal during the years after the CPA was signed.

Cantonment and demobilisation/reintegration

The CPA included provisions both for the demobilisation and cantonment of the Maoist People's Liberation Army (PLA), and for integration into the National Army. More than 30,000 PLA combatants were registered, of which nearly two-thirds were temporarily placed in seven UN-monitored cantonments and 21 satellite camps located throughout the country. Overall, the demobilisation process was a success as the PLA was disbanded and most former combatants were removed from the military environment. Civilians generally credited the presence of the cantonments as increasing their security significantly, due to almost complete suppression of criminal activity caused by the military presence at the sites.

The core development partners supported the UN agencies with resources and some technical assistance to work with the Government and national stakeholders to implement the cantonment and reintegration processes. Support was also given via the NPTF after the departure of UNMIN. Given the complexity of the process, the development partners' decision to give support to the UN was appropriate to the circumstances. The NPTF proved to be an effective body with regard to the process, and enabled greater national ownership of this sensitive issue.

Action on "the disappeared" and establishing the Ministry of Peace and Reconstruction

The Maoist conflict caused a large number of disappearances of people – a figure today estimated at between 1,500 and 5,700. The origins of the Ministry of Peace and Reconstruction (MoPR) lie in the formal peace talks initiated between the Government and the Maoists in 2001, which led to the establishment of a Peace Secretariat to provide physical, technical and other assistance to advance the peace process. MoPR has delivered relief and rehabilitation packages, principally in the form of cash transfers.

The development partner assistance for compensation for the families of the people known as "the disappeared" has been mostly channelled through the NPTF, which has enabled a good degree of national ownership over the process. While many families have received compensation, this process has been marred by political affiliations, lack of geographic outreach, and allegations of corruption. Development assistance to NGOs to support families to access compensation has been quite effective, particularly in the case of the work conducted by the NGO, the Informal Sector Service Centre (INSEC). However, financial compensation is only one part of the resolution of injustices. Where development partners have not been successful has been in getting justice – rather than just financial compensation – for people affected by the conflict. This is a broader problem with the whole peace process, reflected in the failure to establish a Truth and Reconciliation Commission (TRC). However, the real issue is not the TRC, but the continuing impunity of those who committed serious human rights abuses.

Setting up a Truth and Reconciliation Commission

Despite the best efforts of development partners, Nepal does not have an adequate law on the TRC and on "the disappeared". It looks very unlikely that the victims of abuses during the conflict will get justice in Nepal. Given the way the Government has previously withdrawn cases from the courts, observers are concerned that amnesty decisions will be based on considerations of politics rather than justice.

The focal development partners – in particular, Denmark and Switzerland – prioritise transitional justice. Most recently, they have established a basket fund to serve as a financial and political risk-sharing arrangement. The Danish HUGOU Office was designated as the administrator, and the UK, Norway, Switzerland and Denmark became funders, with the International Commission of Jurists and the International Center for Transitional Justice (ICTJ) as the implementing partners.

Respect for human rights

Since 2006, the number of human rights violations has decreased steadily. While this is a positive trend, Amnesty International notes that impunity is still widespread (Amnesty International, 2013), both for historic and current abuses. Failure to take action in several human rights cases reflects the continuing weakness of the police – in part due to lack of resources and training, but in large measure due to lack of institutional independence and accountability. There is little appetite to investigate and prosecute perpetrators of human rights abuses.

HRGGP is the cornerstone of Denmark's human rights work. Partner organisations, beneficiaries, international organisations and also Government credit Denmark with making a unique contribution in this regard. In this area, the Swiss believe that their value added is to align closely with other like-minded development partners to gain the maximum traction.

Monitoring by OHCHR and NHRC – two key institutions mandated by the CPA to monitor the human rights situation in Nepal – achieved mixed results. Both did good work in pursuing human rights violations and reporting them. They worked as a watchdog and brought to the attention of the Government instances of criminal injustice, impunity, torture and other acts of human rights violations. However, due to structural issues and the lack of political will of the Government, these institutions could not work as effectively as required.

The UNMIN Mission
The UN Mission in Nepal (UNMIN) is given a narrow mandate to support the implementation of the CPA, including on arms management, ceasefire arrangements, and constitutional assembly elections. The intermediation of UNMIN allowed the two sides to trust each other to successfully remain in the cantonments and barracks, and to follow the CPA commitment on the military side through to completion.

Although most of the work around the demobilisation and disarmament was done by the Nepali actors themselves, there can be little doubt that UNMIN contributed to sustaining the peace. The progress of the parts of the CPA that were intermediated by UNMIN is in marked contrast to the elements of the CPA such as the development of a new constitution), which was not intermediated effectively.

Coordination
Nepal is host to a wide variety of aid coordination platforms, some of which relate more directly to the peace process. The evaluation found a remarkable lack of consensus on the issue of coordination. Some development partners were very positive, some very negative, and many eager to utilise the current structures or develop new ones. The evaluation finds this diversity of opinion to be healthy and concludes that there is no optimal model for coordination in Nepal. Particular procedures and divisions of responsibilities can continually be improved. Sector-specific coordination appears especially effective, and NPTF may be emerging as a more effective hub for development partner-development partner and development partner-government interaction and planning.

Recommendations
The evaluation produced a broad range of recommendations based on the findings. Some of these recommendations may also serve the wider issues identified below.

Programme design

1. Development partners should continue to invest in conflict analysis with a political economy approach, and should mainstream this for all of their development interventions, i.e. paying attention to the potential impact of interventions on differing groups.

2. Development partners should sharpen their strategic focus to peacebuilding by:

   a. making more explicit the underlying theory of change they are working on (whether formally adopting a theory of change or not);

   b. addressing peace-building through their whole portfolio, and not just through specific peace-building projects;

   c. jointly considering what levels are available to the development partners (including international law) to encourage stakeholders to adhere to the commitments they have made in this nationally-owned process.

3. Development partners should further develop joint programming to ensure that the individual depth of action is complemented by joint breadth. Such joint programming should concentrate on specific programmes, such as the transitional justice basket fund, rather than on grand designs of comprehensive coordination, such as the PDS.

4. Development partners should make a greater effort to help increase accountability, while at the same time recognising the essentially national context of the issue. This could be done by:

   a. including an analysis of the potential risks of corruption in project plans, and identifying mitigating measures that takes into account project beneficiaries suggestions;

   b. continuing to advocate for greater transparency, and ensure transparency in their own operations by, for example, publishing grant details;

   c. continuing to promote inclusion and voice in local government, the civil service, and their own staff, as these promote transparency, bring in different perspectives based on experience and remove the stranglehold of one group on resources.

5. Development partners should continue to work through all channels − including the UN, INGOS, Funds, NGOs, community-based organisations (CBOs), and the various levels of government − to address the deep-seated issues of inequality, and should mainstream the addressing of inequality in their whole programme. At the same time, development partners should avoid the risks of creating parallel structures − for justice, such as local transitional justice mechanisms or other activities − that undermine the development of state capacity.

6. Development partners should concentrate support on:

   a. implementation of the various positive policies that the Government has adopted (e.g. National Action Plans on 1325 or 1820, on GBV, civil service diversity);

   b. facilitating people who are marginalised because of gender, caste, religion, politics, or geography to access the assistance that they are entitled to, under these policies or under existing laws.

   c. continued efforts to address impunity, while including reconciliation efforts that can further a process towards broader political compromises.

7. Development partners should continue to support the full implementation of the CPA, including the human rights elements. They should use the levels of influence that they have to pursue progress in those areas that can move forward under current political conditions, but should not be swayed by the political class or dominant groups' unwillingness to address either historical or ongoing abuses. Where feasible, they should engage all major development partners to ensure that a joint and clear message is delivered.

Programme management

8. Development partners should continue to use Project Implementation Units (PIUs), as they are appropriate in a context of weak governance.

9. Development partners in Nepal, and in similar contexts, should:

   a. advocate the application of a threshold to be applied whereby the proportional representation (PR) list voting system is used;

   b. advocate the adoption of realistic timetables for elections;

   c. advocate the separation of roles between the acting parliament and the constituent assembly;

   d. continue to employ a wide range of channels;

   e. place greater emphasis on voter education, and on the coordination of the efforts of different partners so that coverage of the whole country is achieved with a consistent message; and

   f. continue to support election monitoring.

10. Development partners should advocate, and support, the introduction of an improved CA process through;

    a. advocating for the setting out of general principles in the constitution, with the details to be agreed in legislation;

    b. agreeing a common advocacy position towards the peace process stakeholders;

    c. continuing to advocate that the constitution should conform to international norms.

11. Development partners should, rather than supporting organisations that cater for individual marginalised groups or sub-groups, support coalitions of such organisations, to promote a shift of focus from individual identity groups to supporting a multicultural state where different groups have to live in harmony with each other.

12. Development partners should commission a tracer study of ex-combatants, including those disqualified as former combatants, to determine what has become of them and which elements of the assistance they received (including support in the cantonments) proved to be the most useful.

13. Development partners should make greater use of coordination platforms to;

    a. establish common advocacy positions;

    b. share and advance ideas for joint and government benefit;

    c. reduce costs by sharing administrative burdens;

    d. advance learning though joint monitoring and evaluation;

    e. leverage the investments by small and medium donors though their leadership of coordination sub-groups.

14. Development partners should:

    a. revisit the memberships of coordination forums;

    b. establish an encompassing heads of mission group, alongside the International Development Partners Group (IDPG) and NPTF (with these three being the main coordination bodies);

    c. ensure that policy discussions in the heads of mission forum are relevant for, and communicated to, the other two forums.

Wider lessons
The evaluation identified a number of wider lessons that could be applied in other fragile environments. The eight lessons are:

- Investments in political understanding have allowed development partners to provide sustainable peace process support. Such an investment is necessary in any fragile setting, and peace processes cannot be approached as development programmes only.

- Development partners have exerted moral influence, especially when working in concert – for example, advocating against the ordinance on the transitional justice commissions in 2012. It is crucial that development partners in fragile settings recognise and utilise the full set of influencing tools that are available to them.

- Given past levels of political and financial investment, the development partners achieved what was feasible in a domestically-owned process. A peace process is inherently a political bargaining process between constituencies in a fragile society. The process is thus nationally-owned and must allow for a narrative that builds national strength.

- The focal development partners may have attempted to gain access more broadly, but have failed to engage via a channel of engagement that could greatly leverage their support to the peace process, even if those other actors' primary interests are trade or security. In similar settings, it is essential to engage with all influential parties to avoid technical inputs being undermined by wider political processes.

- While the Danish assistance is effectively advancing several rights issues in Nepal, due diligence would demand a country programme conflict analysis to be conducted prior to undertaking social change initiatives in a fragile setting. In such settings, it is pertinent that development partners establish minimum conflict analysis guidelines for all programmes, especially those that risk escalating social tension. The guidelines could also discuss mitigation strategies in case of unintended consequences.

- Despite the Paris Declaration intentions, the use of a PIU was wholly appropriate in the case of Nepal. This is likely also to apply to other fragile settings where government parties are reluctant to advance certain issues. If PIUs are not feasible, an umbrella grant system – with a key NGO at the centre – could also be implemented in countries with strong and credible NGOs.

- While Switzerland encountered the same political obstacles as Denmark and Finland, the evaluation concludes that the whole-of-government approach by the Swiss has proved to be particularly effective in the fragile environment of Nepal – and may well be the case for other such environments – because it allows the development partner to assess and influence government policy above the technical level.

- Smaller development partners such as Finland can leverage their impact by taking leadership in joint forums and attracting development partners to joint efforts.

1 Introduction

The evaluation report falls into 10 chapters. This chapter presents the scope of the report, outlines the evaluation scope, methodology and the tools, as well as the context in which the peace support was provided. It also notes the risks and limitations faced by the evaluation.

Chapter 2 lays out the conflict understanding and theories of change that guided the support to the peace process. Chapter 3 provides a condensed overview of the focal development partner assistance. Chapter 4 tackles the key evaluation criteria of relevance, whereas Chapters 5-8 focus on effectiveness, efficiency, impact and sustainability across nine areas of the peace process. Chapter 9 deals specifically with development partner coordination, an area that received special attention towards the end of the evaluation. Finally, Chapter 10 provides Nepal-specific conclusions, discusses wider lessons for engagement in fragile and conflict affected states and presents the evaluation's recommendations. The annexes provide great detail on many of the issues discussed in this main report.

1.1 Scope of the evaluation

This evaluation of the international support to the peace process in Nepal focuses on the contributions made by Denmark, Switzerland and Finland from 2006 to May 2012. The contributions by these focal development partners are viewed in the context of support from other development partner countries, especially where provided through joint funds.

The evaluation was commissioned by the Danish Ministry of Foreign Affairs' (MFA) Department for Evaluation (EVAL) in January 2012, and was carried out by a team of international and Nepalese experts during February 2012 - March 2013. A reference group comprising representatives from focal development partners, the UN and other interested development partners followed the evaluation process and provided valuable comments to draft reports.

The main purpose of the evaluation is to contribute to the continued improvement of the support to the peace process from the focal development partners, as well as others. Furthermore, the evaluation is expected to contribute to the continued learning in relation to supporting peace processes and peacebuilding efforts in conflict-affected/ post-conflict situations elsewhere.

The evaluation report is based on a Pre-study, an inception visit to Nepal in March 2012, and on evaluation field visits to Nepal in May and November 2012. The Pre-study contains details of conflict models and theories of change, and provides an overview of the Nepalese context, as well as broad conflict literature. Specific sections of the Pre-study have been included as part of this report or as annexes to the report. The Inception Report provided a detailed discussion on methodology, the most salient parts of which

are reproduced below. As a contribution to the evaluation, Finland has commissioned a sub-evaluation of its contribution to Building Inclusive Peace in Nepal.[1]

1.2 Methodology

A more detailed presentation of the methodology can be found in Annex C. The evaluation used a theory-of-change approach, as specified in the Terms of Reference (ToR) (presented in abridged format in Annex A). A theory-of-change is a statement of how development interventions and the desired change are linked. Unlike the Logical Framework, which is centred on an assumption of linearity (A causes B), a theory-based model allows for much more complex interactions and is not dependent on linearity (Church and Rogers, 2006; Funnell and Rogers, 2011; Weiss, 1996).

However, the support for the peace process by the focal development partners was not based on a single explicit theory of change (ToC). The evaluation therefore sought to establish what implicit ToC underlay the support for the peace process, and then used this to examine the interventions. The evaluation did this through a series of steps:

1. Identifying the main drivers of conflict in Nepal. These were presented in the Pre-study and the Inception Report, and were found to be: poverty, power relations, inequality, and direct violence.

2. No explicit overall theory of change was found, but interviews and documents suggested that the implicit theory of change was *the changes to be brought about by the full implementation of the Comprehensive Peace Agreement (CPA) would contribute to a sustainable peace in Nepal, and development partners could assist this through their support for implementation of the agreement.*

3. A number of key elements of the CPA, on which the parties had attempted to make progress, were then examined. The elements that the parties had not tried to implement, such as land reform, were ignored. In each case, the evaluation established a yardstick to measure success. Nine elements were examined: CA Elections; writing of the constitution; good governance; an end to discrimination; cantonment and demobilisation; action on "the disappeared"; setting up a Truth and Reconciliation Commission; respect for, and monitoring of, human rights; and the UNMIN mission. The yardsticks were chosen to represent either:

    - the full implementation of that element of the CA, where a consideration of the context and of previous peace processes suggested that this was a realistic target; or

    - the extent of the implementation of that element of the CA which the evaluation considered reasonable to expect given the context and the example of peace processes elsewhere.

1 "Finland's Contribution to Building Inclusive Peace in Nepal", Evaluation Report 2012: 7, Ministry for Foreign Affairs of Finland.

4. The evaluation reviewed the progress against the yardstick, using the standard DAC criteria of relevance, effectiveness, efficiency, sustainability, and impact.

5. The evaluation examined the extent to which coordination mechanisms assisted development partners in their implementation.

6. The evaluation then examined how other parties and events had influenced the peace process.

Although the steps are presented sequentially here, the last three were carried out concurrently in an iterative fashion. In order to facilitate the last two steps, the evaluation examined three milestone events in detail. These were: the CA elections; the discharge of verified minors and late recruits (VMLRs); and the departure of UNMIN. The analysis is presented in Annex I.

Although the evaluation was centred on a ToC approach, the methodology was informed by other peacebuilding frameworks for analysis such as the "Utstein Palette" (Smith, D. 2004, p. 28) of peacebuilding measures and approaches such as the Aid for Peace Approach and Comprehensive Visioning and Strategic Analysis.

The evaluation used a standard range of methods, including:

- Portfolio analysis
- Key informant interviews
- Document research
- Development partner survey
- Numerical data analysis
- Statistical testing

The evaluation made use of triangulation (method, source, and researcher) and validation (through circulating the draft report) to ensure that the findings of the evaluation are accurate and reliable.

1.3 Risks and limitations of the evaluation

The nature of the peace process results in the risk of the outcomes – and certainly the impact – of individual development partner interventions being lost in the complexity of contributing variables. In addition, the focal development partners have supported not only the joint funds, but also broader human rights and good governance issues along with development, which addressed some of the structural causes of the conflict in Nepal. In order to mitigate this risk, the evaluation has specifically concentrated on activities in support of national implementation of the CPA.

Similarly, contributions by the focal development partners to the peace process – which, for a large part, passes through joints mechanisms – have lost their distinct development partner name. The evaluation has addressed this issue by assessing the level of development partner engagement in the fund management structures and their financial contribution levels.

Finally, teasing out which element served to further a particular outcome involved much interpretation and judgment by the evaluation team. The risk of subjective interpretations was mitigated by triangulation among sources, methods and team members. In line with the ToR for the evaluation, this report does not seek to attribute specific or general outcomes to particular development partners, but will rather note the areas where contributions have been made, and thereby raise the probability of their impact on that outcome.

Apart from a few instances where development partner assistance was coordinated (such as the funds), data on overall development partner assistance is fragmented, and there still is no overall overview of the assistance. While some development partners provide comprehensive details of their projects on their websites, others make limited data available to the public. Hence, while the evaluation has received detailed data about the focal development partners' programmes, it has not been possible to form an overall view of all development partner assistance. In other evaluations – such as the 2010 South Sudan Peace Building Evaluation – the lead development partner for the joint evaluation spent considerable staff time getting participating development partners to provide data on their project portfolios. Without such active engagement from all parties, and in the absence of a well-managed development partner assistance database, it has not been possible to build an overall picture of the comprehensiveness of overall development partner assistance in Nepal.[2]

Despite being the most active joint funder, the data on NPTF, for example, is questionable. The evaluation spent six weeks of investigation – including eight face-to-face meetings with NPTF staff and the Ministry of Finance – trying to establish key figures on budgets, donations and disbursements. At each meeting, the figures changed. Similarly, the Ministry of Finance development partner database does not provide data on which the evaluation could rely.

Support to the peace process also included facilitation, convening and negotiation by the development partners. The evaluation found the evidence for these activities very limited. While interviews provided some evidence, the team was not given access to the development partners' internal and external communication or cables to triangulate the findings obtained through interviews. As a result, such activities are referred to only in passing and when the evaluation has been able to triangulate individual statements.

This evaluation focused on the peace process related to the Maoist conflict – a peace process that has been affected by many events, internal and external to Nepal, including the conflict in the Terai region. The evaluation will not discuss the Terai conflict, however, except when directly related to the findings on the Maoist conflict and peace process.

Since the signing of the CPA, the focal development partners have invested significantly in support to the peace process. Other types of programmes were already underway or were later started – some directly related to peace writ large, others more narrowly

2 The Ministry of Finance's 'Aid Management Platform' (AMP) was set up to provide a complete information and planning tool on development assistance. Although it is not completed or publicly available, development partners do have access to it, and – while delayed – the parties involved insist that eventually it will be the data platform for coordinating aid. At present, the AMP is not useful for searching for peace support or peace-building assistance because the dataset is incomplete, and it uses OECD/DAC peacebuilding codes that are not specific or useful in the Nepal context.

focused on specific sectors, such as forestry, water, or business development. The evaluation's main objective is to help improve support to the peace process and, as such, the "extra-peace process" programmes will not be evaluated, but referred to only when relevant.

For each of the focal development partners, the borders between the types of assistance are fuzzy. This definitional fuzziness, combined with the great differences in the volume of support to the peace process, means that the focal development partners are not always treated in a uniform manner. The evaluation has made an attempt, however, to assess the contributions against a similar set of criteria.

The fieldwork in May 2012 faced interruptions by bandhs (protests) and political events, given that this was near the date set for the completion of the constitution. Interruptions also occurred during the planning phase of the evaluation. The consequent cancellation of certain field trips was mitigated by extending the evaluation period and adding a field trip during November 2012.

1.4 Context

A fuller description of the context is provided in Annex E.

Nepal is a landlocked country on the slopes of the Himalayas, with a population of 26.5 million (CBS, 2012). It is sandwiched between India and the Tibet autonomous region of China, with no other neighbours. Nepal can be divided into three ecological regions: the Terai plains to the south, the hills in the centre, and the mountains to the north. Historically, the population of the hills have dominated the country, with only a small percentage of the population living in the mountains. Until the 2011 census, the hills region was also where the majority of the population lived. Now, the majority live in the Terai.

Nepal was an independent monarchy from 1768 to 2008. It has a feudal system based on complex caste and ethnic hierarchies. In 1950, the Nepali Congress party, with the support of India, launched an armed revolt to overthrow 100 years of rule by Rana family prime ministers and restore the rule of the King. Nepal then became a parliamentary democracy, but in 1960 the King suspended parliament and adopted a non-party system of representation. In 1990, elections were held and led to a Congress Party government, with one branch of the Communist Party of Nepal (Unified Marxist-Leninist, commonly known as UML) forming the main opposition.

There was a broad liberalisation within Nepal at this time, with the forming of many NGOs. However, by 1996, there was a great deal of disillusionment with the fruits of the 1990 democratic election, and the Communist Part of Nepal (Maoist) – referred to as the UCPN(M) in this report – launched the "People's War" against the Government.

The war intensified in 2001, and peace talks in 2003 and 2005 failed to bring about the desired result. Eventually, peace talks in 2006 led to the signing of the CPA in November of that year. The conflict had directly cost over 17,000 lives.

The CPA was quite comprehensive, covering the armies, human rights, the constitution, elections, and economic development. Elections to the CA were due to be held in June

2007, but they were repeatedly postponed until April 2008. This postponement was typical of the peace process, which has seen long periods of deadlock punctuated by last-minute agreements. Other aspects of the peace process were also much delayed, including the retirement or integration of ex-combatants.

The UCPN(M) won the most seats in the 2008 elections. This was a shock, as they were generally expected to come third behind Congress and the UML. The CA declared Nepal a republic, thus ending the role of the Monarchy.

While the CPA ended the Maoist-Government conflict, new conflicts then cropped up. The most serious of these was in the Terai, a region that traditionally had been marginalised by the hill region elite who ruled Nepal. However, even though these groups were not parties to the CPA, they have been included in the peace process through their engagement with the structures established by the CPA.

Despite four years of efforts, the CA failed to deliver a new constitution and was dissolved in May 2012. The parties then returned to the ongoing situation of political deadlock, as parties continued to pursue narrow political advantage rather than the national good.

While there have been significant improvements in the position of women and marginalised groups in Nepal, they still suffer from marginalisation. In addition, there has been a complete failure to bring to account those responsible for abuses during the conflict. The people of Nepal are frustrated with the slow progress, and the failure to realise a bigger peace dividend from the end of the conflict.

1.5 Theory of change methodology

A theory of change (ToC) defines how change comes about and sets out the assumptions that link inputs and activities to the attainment of desired ends. As a preliminary step towards identifying theories of change among the focal development partners, the evaluation mapped their conflict analyses. These should, ideally, serve as the starting point for the programme logic, irrespective of whether such logic is explicitly stated or implicitly understood.

The evaluation then sought to ascertain the theories of change for each of the focal development partners. The focal development partners' conflict understanding, followed by their theories of change, is described in Chapter 2.

The evaluation could not identify an expressed overarching ToC, but a general ToC, but interviews with development partners and review of programme documents allowed the evaluation team to compose an implicit ToC for the core development partners:

> *The changes to be brought about by the full implementation of the Comprehensive Peace Agreement (CPA) would contribute to a sustainable peace in Nepal, and development partners could assist this through their support for implementation of the agreement.*

While this statement was very general, it did show a common determination to support the CPA, and a belief that the CPA was an appropriate vehicle for furthering peace.

2 Understanding and responding to the conflict

2.1 Conflict analysis

The focal development partners were all party to the initial Basic Operating Guidelines (BOGs) Group, which today represents almost all the major development partners operating in Nepal, as well as the Association of International NGOs in Nepal and the UN Country Team.[3] The group was established in October 2003 in order to provide a forum to establish common positions on operational space issues, share experiences among BOGs members, and disseminate examples of best practice. Meetings are held at the Swiss embassy, under the co-chairmanship of the UN Resident Coordinator and the Swiss Ambassador, and are open to all members of the BOGs Group.

At the time of the BOGs being introduced in 2003, the armed conflict was having a negative effect on operational space for development organisations, and the BOGs were developed as a way of keeping operational space open and ensuring the security of staff. Their fundamental principles of impartiality, transparency, accountability and inclusion are internationally-accepted best practices that should be respected in war, peace or periods of transition.

During the period evaluated, the BOGs Secretariat, with the assistance of the Information Management Unit and Field Coordination Offices of the UN Resident Coordinator and Humanitarian Coordinator's Office (UNRCHCO), has produced maps and analysis of incidents and trends to better inform the BOGs Group's responses to operational space incidents and trends.

Adequate conflict analysis for strategic and programme levels
Danida has no formal requirement for conflict analysis, and its broader development programme in Nepal has thus not been subject to such an analysis. In the absence of formal guidelines, PSP and HRGGP4 have each taken different approaches, and it appears that the embassy has revised its conflict analysis approach over the course of the period evaluated.

The early PSP programme documents contained no conflict analyses, and the Phase III document lists only eight risk factors in an otherwise well-argued presentation of

3 There were initially 10 signatories to the BOGs – the European Commission, Danish International Development Assistance (Danida), Swiss Agency for Development and Cooperation (SDC), Canadian International Development Agency (CIDA), the Norwegian embassy, the Department for International Development of the United Kingdom (DFID), Japan International Cooperation Agency (JICA), Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the Embassy of Finland, and Netherlands Development Organisation (SNV). The UN in Nepal initially had its own BOGs, which were drafted in 2003. Similarly, the Association of International NGOs in Nepal (AIN) had a Code of Conduct, and some of the other development partners had a set of BOGs, which were drafted in 2004. However, since 2007, one unified set of BOGs has existed. The UN, Association of International NGOs in Nepal and the Australian Government Overseas Aid Programme (AusAID) became signatories in 2009, bringing the total number of signatories to 13.

4 HRGGP is the Human Rights and Good Governance Programme run by HUGOU, the Programme Implementation Unit for the HRGGP. PSP is the Peace Support Programme managed from the Danish embassy.

programme choices. This was intentional because PSP initially relied on partner conflict analyses and joint development partner efforts, such as the BOGs. By the middle of Phase II, however, the embassy recruited a Conflict Adviser, who provided part-time support to the programme. HRGGP, meanwhile, had invested in conflict understanding from programme inception and has further benefited from the embassy's recruitment of the Conflict Adviser, who also provides part-time support to HRGGP.[5]

The 2005 HRGGP programme document includes a thorough context analysis, including: a conflict assessment addressing the military situation; social origins of the Maoist "people's war"; political origins; structural factors sustaining the conflict (ethnicity, caste, gender and age, internal displacement, social change in conflict-affected areas); and conflict dynamics (intimidation and terror).[6] In addition, the document presents a Conflict Transformation Framework intended to be adopted across the programme, and to link issues emerging from the conflict analysis to strategic considerations, upon which to base a conflict transformation strategy.

The 2009 HRGGP programme document analysed the then evolving situation, in terms of a weak and unfair institutional framework for upholding law and order leading to the conflict spreading rapidly throughout the country. The analysis further stated that *"the Palace and the Army dismantled democratic institutions from the centre and they were destroyed from the periphery by the Maoists, as they killed local leaders and targeted development infrastructure".* The lack of democratic control over the Army was also mentioned as a challenge, as were the weaknesses of a civil society that was divided and politicised. It was furthermore found that the structural causes of the conflict still prevailed after the CPA was implemented, including lack of accountability, exclusion of large sections of the population in political, economic and social development, subversion of the rule of law, weak institutions, and an unresponsive state. Finally, deficiencies in relation to governance – such as lack of trust between political parties and a government inclined to engage in real dialogue with opponents only when the situation was extremely critical – were mentioned as important challenges. This analysis served to guide the programme towards continued human rights work.

Interviews with HUGOU staff in 2012 reaffirm the earlier analysis that the socio-economic marginalisation and lack of fulfilment of human rights are the main underlying causes of the conflict, that the civil society is still divided, and that intra-party and inter-party rifts create confusion about who to believe and which side to support.[7]

Overall, while the lack of a formal conflict analysis is puzzling in a post-conflict environment such as Nepal, Danida has successfully used other approaches to avoid conflict blindness.

- Danida has sometimes conducted analyses of key aspects of the development programme from a conflict perspective, such as the review of the Danida-supported Education for All project (Vaux et al., 2006).

5 The Adviser post was funded by HRGGP from 2009 to 2011 and by PSP from 2012 to 2013. Danida Board Notice, PSP Phase III, October 2012.

6 Danish Ministry of Foreign Affairs Danida: Human Rights and Good Governance Programme in Nepal, Programme Document, October 2005.

7 Interviews with HUGOU staff in March and May 2012.

- Danida's partners (such as International Alert, and Search for Common Ground) themselves conduct detailed conflict analyses of their projects, including the Danida-funded ones.

- The development programme is grounded on an understanding of the context in Nepal, and the programme documents for the PSP have been found to be relevant and appropriate to the context.

During the latter stages of the conflict in Nepal, **Switzerland** (including SDC and the then Political Directorate IV representatives) engaged in detailed conflict analysis. This was done internally to inform the 2005-09 strategic plan, which includes a narrative that provides a situational analysis identifying the underlying causes of conflict and a model depicting the components of the political crisis. This analysis was meaningfully connected to all of the three programme components through a strategy matrix that based programme adaptation on two scenarios: Scenario A – Civil War and Humanitarian Crisis; Scenario B – Meaningful Dialogue. In addition to in-house conflict analysis, the Swiss also participated in the "Re-thinking Aid Project" with a group of like-minded development partners to build a common understanding of the conflict drivers and a joined-up development partner response.[8]

Since the CPA was agreed, the Swiss programme in Nepal has continued to conduct regular situational analyses at a national level and in the development clusters. The monitoring and evaluation (M&E) tools in place allow for the capture and review of relevant information to produce these analyses. The Swiss whole-of-government approach[9] enables the development and political wings at the embassy to collaborate effectively in identifying and responding to conflict issues such as the "small fire" conflicts that increasingly have become part of the post-conflict Nepal landscape.[10]

Finland's strategy and programme design have taken the conflict context into consideration, although there has been no formal conflict adviser or analysis as yet.[11] The annual reports for the period 2008-11 reflect this in their description and analysis of the situation. In sum, they reflect a hotchpotch of concerns across many domains, and it is unclear whether a particular approach has guided the strategic planning. Individual programmes, however, appear to be directed at specific conflict issues. Concerns such as the increasing insecurity in people's lives in Nepal, limited improvements in the human rights situation, and natural disasters (Result Agreement 2009) were considered during the conception of the development cooperation. The Finnish embassy Result Card specified actions to promote security based on a wider security concept, with emphasis that all the development cooperation support (e.g. to education and NRM) was to be seen as part of conflict prevention. There was a strong focus on inclusion, security and protection of human rights. Finland also planned to work on impunity issues together with the EU and OHCHR, and on trafficking of human beings with the NHRC. It was explicitly stated in its documents that all support was to be directed towards the promotion of security. Mainstreaming and institutionalisation of cross-cut-

8 Denmark, Switzerland, GTZ, DFID, Finland, Canada, SNV, Norway. All meetings convened at SDC, now the Swiss embassy.

9 An approach integrating all government agencies in addressing specific issues, thereby building synergies and ideally improving efficiency.

10 Examples of "small fire" in this context are outbreaks of violence and disruption. This includes those in the Far West in April 2012.

11 Interview notes, Evaluation team, Meeting with Development Counsellor, Satu Pehu-Voima, and team, May 2012.

ting issues (gender equality; rights of women and girls; rights and equal participation of marginalised groups; HIV/AIDS) in all programmes and projects was mentioned as a key main action.[12]

Programmes also have integrated a conflict perspective. A review of the Education for All (EfA) commissioned by Finland in 2012 examined the programme in relation to the conflict and the political crisis in the country, and considered factors related to social, economic and political exclusion and to security (i.e. the immediate effects of violence). It focused on the impact of education on the conflict. Its analysis concluded that EfA targeted issues of exclusion and was therefore a highly appropriate response to conflict, being among the most suitable of instruments available to development partners and reflecting key principles for working in fragile states (OECD/DAC 2007). Similarly, inequitable land distribution and unclear tenure have been identified as a serious source of conflict and unsustainability in Nepal, so Finland's support for developing an open-access land administration system was potentially relevant, although it addressed only some of the constraints to improving governance and transparency in land administration. Inter-institutional Development Cooperation programmes aimed to strengthen the capacity of state institutions, such as ministries, departments and universities, in cooperation with Finnish state institutions or civil service departments. The embassy allocated local cooperation funds (LCFs) for projects aimed at conflict prevention and peacebuilding.[13]

None of the focal development partners explicitly used the PDS as part of their conflict analysis or programme planning.

Regular updating of conflict analysis to account for changes in environment
The conflict analysis presented in the 2005 **HRGGP** programme document (following the 2005 review) has provided an important basis for programmatic decisions during the remaining period of Phase II of HRGGP. In the programme document for Phase III, the Conflict Transformation Framework from 2005 was further developed and updated, but now more constraining because of less optimistic assumptions about stability and progress. The political situation did not develop as positively as expected, and the planning was therefore too detailed. A more appropriate strategy would simply list HRGGP partners, but leave each allocation to subsequent, local negotiations.

Although not benefiting from a formal conflict analysis, the programme documents demonstrate that the **PSP** has changed from phase to phase in line with needs. The first phase was the most flexible, with a broad funding envelope, while the third phase is less flexible than the other two, with the projects to be supported identified in advance. The PSP programme documents also reflect a greater understanding of the changing environment in Nepal. In the reporting on progress, HUGOU and PSP both have assessed the state of the peace process and degree of fragility and risk of unrest, and programmatic choices are based on this assessment.

As previously described, there is a robust **Swiss** monitoring system that enables timely collecting of data and analysis through context monitoring with a participatory MERV

12 Banerjee, P. et al. 2010. Implementation of UN Security Council Resolution 1325 "Women, Peace and Security" in the Context of Finnish Development Policy, with case studies from Kenya, Nepal and North-East India – Final Report. Ministry for Foreign Affairs.

13 Caldecott, J. et al. 2012. The Country Programme between Finland and Nepal Evaluation Report 2012: 2. Ministry for Foreign Affairs of Finland.

monitoring instrument every three months. There are also monthly risk assessments in the Swiss clusters. This system benefits from being led and managed by a Security Manager, who is responsible for collating the information that generates the planning material review of the scenarios and updates the analysis. The representative of Political Division IV (PD-IV) of Switzerland's Department of Foreign Affairs also produces detailed monthly updates on the political and peacebuilding process. This process helped to ensure relevance to the rapidly changing context.

One of the strengths of the **Finland** cooperation programme has been the consistent review and consultations for the development of appropriate cooperation strategies. There has been flexibility in responding to changing needs and opportunities by Finland (as discussed above), combined with a clear understanding of development needs gained through a long partnership with Nepal, and with effective use of leverage gained by working with larger and multiple development partners.

Changes in programme plans based on updated conflict analysis
Contextual changes during Phase I of the **HRGGP** programme were taken into account in the planning of the second part of Phase II and led to a change in focus. The insurgency and political crisis that had developed was seen to have considerably weakened the original policy framework upon which the Programme was based. At the same time, political parties and civil society organisations had demonstrated their desire for continued democracy, and opinion polls showed that a clear majority in the population preferred democracy as a political system.

As for the **PSP,** the programme emphasis has changed throughout the three phases, based on the changing context in Nepal and the risks facing the process. For example, in Phase I, the PSP funded Explosive Ordnance Disposal activities in the cantonments. Apart from support for demobilisation of ex-combatants, a large part of the effort in Phase I was focused on elections to the CA, including promoting broader engagement in the process and election monitoring. The second phase included several projects to promote broader engagement in the peace process and in the writing of the constitution. By the third phase, the emphasis had shifted to governance structures and had introduced a police component. This shift to state-building was conceived in the programme document as a reflection of the perceived stability and progress in Nepal. This meant greater reliance on joint funds, but the Danish embassy retained influence and flexibility by engaging in the overview of NPTF and UNPFN. In this way, Denmark helped in responses to new needs arising as the environment changed.

In **Swiss** cooperation, internal annual planning processes include updating scenarios, analysing the impact of the context on the programmes, and detailed results-based monitoring on the domains and modalities of interventions. The domains and modalities of intervention are then scored A, B, C, and implications and planning priorities for the following year are developed. It is understood that the planning process of April 2012 re-affirmed that Nepal was most closely aligned to Scenario B, and certain programmatic adjustments had been made as a result of this analysis.

As an example, the 2011 annual planning process produced several adaptations to Swiss programme strategies:

- The overall costs of the peace process are likely to increase, and the NPTF will continue to require significant development partner support, in 2012 and onwards.

- Even though the service delivery from the local authorities improved in 2010, this could revert back any time, and SDC needs to work even closer with the local government, especially District Development Committees (DDCs) and Village Development Committees (VDCs).

- According to progress made in the peace and Constitutional drafting process, Switzerland will adapt its strategy, while remaining strongly engaged in strategic development partner coordination to bring about alignment of resources and policies.

- The integration and rehabilitation of PLA ex-combatants will pose serious risks of increased insecurity. As a consequence, safety and security training to all staff will be continued.

Finland's country programme has been designed in accordance with the analysis done in review and annual reports. The annual reports provide the evidence of the conflict analysis and the selection of the strategic interventions based on the existing realities of Nepal – for example, support to NPTF and for peacebuilding, continued work on human rights, support for implementation of UNSCR 1325 are evidence that Finland also has adapted according to the updated peace and conflict situation.

2.2 Development partners' theories of change

A comprehensive conflict understanding, for example through a formal conflict analysis, is a crucial component in programme design in post-conflict areas. Such analysis may be coupled with a theory of change, suggesting the causal pathways along which an intervention is intended to affect change. The evaluation carried out a thorough analysis of the focal development partners' policies, programmes and theories of chance. While their programme logic or ToCs seldom were explicit, certain patterns appeared that amounted to implicit ToCs.

In workshops with the development partners, and in discussions with the Reference Group that provided guidance to the evaluation, it became clear that planners and evaluators placed far more value on formal programme logic or ToCs than did implementers and policy-makers. While this could be a result of different levels of knowledge dissemination about ToCs, it also appeared to be a consequence of the mind-sets and incentives that operate within each group.

Chapter 4 discusses the fragile state principle "Do No Harm", and Box 1 provides an example of how the use of theory of change planning can help in the design and implementation of conflict-sensitive programmes that are also transformative.

Denmark
Denmark's assistance to Nepal reflects many different implicit theories of changes, and theories of action for how that change is to be achieved.

Danida's current strategy for Development Cooperation, *The Right to a Better Life,* is predicated on the belief that poverty must be fought with human rights and economic growth. The overarching theory of change can be stated as:

> Combating poverty and promoting human rights and growth will support the creation of societies that ensure people's rights and promote equality, including access to decent employment, education, health and to social protection.

Even though a different overall strategy document applied for part of the period evaluated, it would be fair to say that Danish development cooperation is predicated on the concept that economic growth and human rights are interlinked and are necessary conditions for human development. This is reflected in the interim strategy for Nepal, which is based in part on the need to improve the delivery and efficiency of basic services *"… to improve living conditions and livelihoods – and partly to maintain popular faith in the transition process".*

Within the project portfolio, each project can be seen to have its own ToC. However, the project documents sketch out some broader ToCs.

Table 1 Danida Theories of Change

Programme	Implicit Theory of Change
PSP Phase I, and some elements of HRGGP	The development of a democratic political environment, respect for human rights and rule of law, and a peaceful resolution of the armed conflict will contribute to a sustainable peace in Nepal.
PSP Phase II and III	An inclusive peace process will contribute to building a peaceful, democratic, socially just and economically prosperous Nepal.
HRGGP 2005-09	Greater adherence to, and respect for, human rights, with state and civil society institutions fulfilling their governance and rule of law roles, will with the establishment of transparent and democratic political processes and good local governance (with accountability, participation, and empowerment) lead to the establishment of a functional and inclusive democracy based on respect for human rights.
HRGGP 2009-13	The support of initiatives by Government and state institutions and civil society organisations designed to deepen democracy and contribute to the realisation of human rights and to effective, inclusive and accountable local governance will support the establishment of a functional and inclusive democracy based on respect for human rights in Nepal.

Each of the elements of the HRGGP has slightly different ToCs and could be broken down further. However, broader themes emerge from the implicit Danida ToCs:

- A sustainable peace is multi-faceted and is not predicated on a single area or intervention or a single target group.

- A sustainable peace is possible only with both social justice and economic security.

Switzerland
The 2005-09 strategic plan was devised during the conflict and, as such, included a situational analysis identifying the underlying causes of conflict and a model depicting the components of the political crisis. This analysis was connected to all of the three programme components through a strategy matrix (rather than an explicit ToC), which based programme adaptation on two scenarios: Scenario A – Civil War and Humanitarian Crisis; Scenario B – Meaningful Dialogue.

The strategic plan for 2009-12 was notably different to the previous plan because it was conceptualised in the post-conflict context. Although there is not an explicit theory of change, Swiss development cooperation in Nepal did have all the components of a ToC in the 2009-12 phase of their work, allowing for planning perspectives for the short, medium and long terms to be linked to an overall goal. Since there is regular monitoring, short-term and longer-term objectives can be adjusted to the context. The components are:

- An analysis of the underlying causes of conflict and the drivers of conflict in the Strategic Plan.

- An overarching goal: The overall goal of the Swiss Cooperation Strategy for Nepal (2009-12) is to support inclusive democratic state-building and to promote human security and socio-economic development in Nepal.

- Identified domains of change on which interventions will be focused: Switzerland will focus on the peace process, human rights and livelihoods.

- Impact groups and sub-impact groups: Geographic focus in remote/inaccessible parts of Nepal, disadvantaged groups (DAGs), and women.

- Partners and intervention modalities: Defined and chosen through prescribed intervention logic (bilateral Swiss projects, programme contributions to multi-lateral and bilateral organisations, and programme support to the GoN).

- Assumptions: The Swiss ToC is not a static model, and the programme interventions are adapted accordingly to three scenarios: Scenario A – Authoritarian Rule with Crisis; Scenario B – Transition with Fragile Coalitions; Scenario C – Successful Transformation.

Finland
Finland's documents do not provide an explicit programme theory or theory of change, but the Nepal-Finland cooperation is based on the memorandum of understanding (MoU)[14] signed in 2007, which indicates the magnitude and priorities of the cooperation for the period covered by this evaluation. Elements of a ToC are implicit in this document.

14 NEPAL; Development; Semi-annual Report of the Embassy of Finland in Kathmandu, 20.12.2008-18.6.2009.

Based on an analysis of the existing situation, and after various consultations with key stakeholders, the MoU stated that the **aim** of Finland's development policy was to *"contribute to the global effort to eradicate poverty through economically, socially and ecologically sustainable development"*. Its cooperation **focus** continued the support in the current natural resources and education sectors. In addition to striving to improve governance at municipal and village levels, Finland considered it also important to develop regions through a more integrated approach. It identified its **geographical coverage** based on an assessment of the development of the various regions of Nepal, with increased development assistance to the Far West, Western Nepal and South-Eastern Nepal regions in a programmatic manner. Selection of the working areas for regional development efforts was based on the analysis of poverty and the presence of specific environmental problems. **Detailed activities** for each of the intervention areas are presented in Annex F. **Partners and implementation modalities** were also defined with various ministries, district and VDC level bodies, local NGOs/CBOs, and mechanisms such as the NPTF.

While not amounting to a theory of change, a set of key elements for cooperation emerges:

- Local and regional development is necessary.
- Poverty can be addressed through sectoral interventions with a focus on geographical areas that lag behind. Peace at the national level is important for the development and for the implementation of different initiatives.
- In the Far West, which is the poorest region in Nepal, Finland is currently assisting a water resource management project, which will be further developed into an integrated watershed management programme aimed at analysing the potentials and vulnerabilities of each watershed, and at protection and sustainable management of their resources by the local population.
- In the Western development region, the Finnish cooperation programme is aimed at an improvement of the quality of life of the local population by attending to the needs for clean drinking water, sanitation, hygiene and nutrition. Special consideration is given to mitigate the arsenic problem in drinking water. Finnish and Nepali NGOs are encouraged to participate in the implementation and/or to complement the programme.
- In East Nepal region, the Finnish cooperation works together with District administrations – especially the newly-established local environmental offices – and with private industries to boost the local economy and to mitigate the environmental problems of the region.
- At national level, Finland´s first priority is to assist the GoN to consolidate the peace process. For that purpose, Finland contributes funds to the GoN, UN specialised agencies, and to NGOs. During the period evaluated, Finland has also led the political dialogue of the EU, in which the peace process has been the most important item in the agenda.
- Finland continues to support the Ministry of Education to carry out the School Sector Reform (SSR). Finland dedicates special efforts to guide SSR in such a way

that it develops school leavers' capacities to attend vocational training and apprenticeships, and thus acquire skills for jobs in various fields of the economy.

- Finland envisages continuing working together with the GoN in the framework of the National Development Strategy of Nepal. Finland, among the other development partners, will participate in the Nepal Development Forum and will commit itself to harmonising and coordinating its cooperation with the other development partners in order to support the GoN in its efforts to deliver the development benefits to its people during the coming years.

2.3 From conflict analysis to change theory

While it changed over time and across the two main programmes, **Denmark's** analysis of the causes of conflict has included: lack of accountability; exclusion of large sections of the population in political, economic and social development; subversion of the rule of law; weak institutions; and an unresponsive state. Governance deficiencies, such as lack of trust between political parties and the Government, also were critical areas.

The implicit ToCs accounted for these broad causes of conflict:

- A sustainable peace is multi-faceted and is not predicated on a single area or intervention or a single target group.

- A sustainable peace is possible only with both social justice and economic security.

The evaluation finds that there is a match between the Danish conflict understanding and the implicit ToCs, and that this consequently results in a very broad set of peace support programmes.

For **Switzerland** conflict analysis and programme components were combined in a strategy matrix which, in effect, also served as the ToC. For 2009-12, this included:

- An analysis of the underlying causes of conflict and the drivers of conflict in the Strategic Plan.

- An overarching goal: to support inclusive democratic state-building and to promote human security and socio-economic development in Nepal.

- Identified domains of change: the peace process, human rights and livelihoods.

Again, there appears to be a match between analysis and design, although the areas of concern are somewhat all-encompassing, and thus provide limited strategic guidance.

Finland's analysis reflects a medley of concerns across many domains, and it is unclear whether a particular approach has guided the strategic planning. With regard to issues contributing to the conflict, policy and programmes documents point to: insecurity; the human rights situation; natural disasters; impunity issues; land distribution; and a range of cross-cutting issues (e.g. gender, marginalised groups). The programmes approach involves a sector focus and working with district-level administrations. In sum, while this also points to a comprehensive approach, similar to Denmark and Switzerland, the evalu-

ation notes a lack of strategic coherence or overall guiding principles driving analytical and programming choices.

The evaluation covers a period that initially was characterised by post-CPA optimism and by investment in peace support initiatives from a broad range of development partners. This was followed by a period of slow-but-steady political progress, leading many development partners to shift into less flexible and more state-centric programmes. Over the past year, some development partners have started to question whether the recent governance and security gains are as sustainable as was previously assumed, and they are considering how to strategically interpret the current political stalemate.

In sum, the evaluation – with OECD advice in mind – notes that programme transitions ideally should be tied to changes in fragility, not to time passed since the conflict ended.[15] In Nepal, this advice may not have been fully heeded. The shift from post-conflict to traditional development assistance is already underway, with several development partners in Nepal replacing conflict advisers with sector advisers**.**[16]

While **Danida's** direct support for the peace process (PSP) is not based on any formal conflict analysis at the strategic level, the support has been based on broad strategies set out in the Interim Strategy, and it ties in with the efforts of development partners through NPTF and UNPFN. Furthermore, the PSP programme reviews have endorsed this approach and they have helped adjust the focus of the programme as it has evolved. Given the interaction and complementarity with HRGGP, which relies on more articulated theories of change and is framed in a conflict transformation approach, the evaluation finds this strategy appropriate and relevant for the situation in Nepal.

Meanwhile, partly due to its unique SDC/HSD set-up, **Switzerland** has in place a comprehensive in-house conflict analysis expertise, scenario planning, regular updating of programme documents based on political developments, and monitoring that feeds back into learning. While the theory of change methodology may not feature explicitly in aid documents, it appears that Switzerland places strong emphasis on "process" and staying abreast of political developments. The implicit theories of change are derived from scenario-building, and a concurrent focus on short-term and long-term planning. The investment in conflict understanding allows the Swiss embassy to take a prominent role in development partner coordination forums and to help guide the development partner group according to Swiss interests. The evaluation finds this an effective way to leverage investment and gain influence on issues of broader national importance – perhaps a necessary counter-balance to the area-based approach of the actual programming.

Finland has invested conservatively in the peace process and has relied on joint mechanisms for conflict analysis at the strategic level and theory of change at the programme level, partly because no other resources were available and partly because post-conflict transition is a new area of engagement for Finland. The evaluation finds this approach appropriate for Finland's volume of aid and current resources allocated to conflict analysis.

15 OECD Fragile States Principles. OECD 2007. Number of years since conflict ended is a poor indicator of stability. In order to assess fragility, it is more useful to observe quality of governance and justice systems, and the overall human security situation.

16 November 2012 interviews with donor representatives.

During the period evaluated, **Denmark** first relied more strongly on partners' conflict analysis, but later strengthened its internal capacity in this area. Revisions based on conflict analysis primarily were made as a result of annual or bi-annual programme reviews. **Switzerland** has consistently engaged in comprehensive conflict analysis, based on in-house expertise. It also had a built-in monitoring and revision system accounting for changes in the context, which would be reflected in programme changes at very short notice. **Finland's** approach is less comprehensive, but combines high-level strategic analysis with project specific conflict assessments. The former is often based on joint efforts, although the PDS did not feature as a useful resource either for Finland or for the other focal development partners. Adjustments were made with even longer intervals, often at the beginning of new programme cycles.

Each approach appeared, in the main, to be adequate for the programming – that is, the analysis was generally sufficient to account for the risks and opportunities provided by each of the development partners' implementation models, although the analyses often were so broad that they provided limited strategic guidance. The question of social tension as a result of rights-based approaches may, however, be an exception. It is discussed under the "Do No Harm" principle in Chapter 4.

The evaluation found a very limited usage of explicit programme theories or ToCs as a design or monitoring tool. The evaluation also found that the three focal development partners have utilised other methods to ensure a match between analysis and programming, but, given their very broad approach across many domains, it is unclear whether these tools have helped with strategic coherence. Specifically in the case of Denmark, the evaluation found there is a match between the Danish conflict understanding and the implicit ToCs, and that this consequently results in a very broad set of peace support programmes. With regard to the Swiss assistance, again there appears to be a match between analysis and design, although the areas of concern are somewhat all-encompassing, and thus provide only limited strategic guidance. Finally, the Finnish analysis is a medley of concerns across many domains, and the evaluation notes a lack of strategic coherence or overall guiding principles driving analytical and programming choices.

In workshops with the development partners, and in discussions with the Reference Group that provided guidance to the evaluation, it became clear that planners and evaluators placed far more value on ToCs than did implementers and policy-makers. While this could be a result of different levels of knowledge dissemination about ToCs, it also appeared to be a consequence of the mind-sets and incentives that operate within each group.

3 Development partner support

This chapter presents a very brief overview only. See Annex F for full details.

Denmark is the largest of the three development partners, in monetary terms. Switzerland is the longest established development partner, having supported development in Nepal for more than 50 years. Finland channelled a larger proportion of its ODA to Nepal than any other development partner for the period 2006-11.

Table 2 Summary of the activities of the three focal development partners

Aspect	Denmark	Switzerland	Finland
Peace Support Programme	Peace Support Programme (average USD 2.9 million a year) specifically supporting CPA implementation. The Human Rights and Good Governance Programme (average USD 5.7 million a year) supports human rights and good governance aspects. Denmark also supports SWAPs in education and other development activity.	Integrated whole-of-government programme focused on building a peaceful Nepal. Support for the peace process is integrated into other support. The embassy is very engaged with advocacy with stakeholders in the peace process. Development support for rural infrastructure and the environment.	Some specific support for elements of the Peace Process. Main support for the Peace Process is channelled through the NPTF. Finland has also supported constitutional development and the implementation of UN resolutions 1325 and 1820. Finland has supported human rights through UNOHCHR and NHRC. Other development support for education and the environment.
Current annual support for peace	USD 8.6 million	USD 3.7 million	USD 2.2 million
Average ODA to Nepal 2006-11	USD 41 million (OECD Data)	USD 26 million (OECD Data)	USD 17 million (OECD Data)
Ranking of Donor as ODA source for Nepal 2006-11	6th (UK, USA, Japan, Germany and Norway are the top five ranked – OECD Data for bilateral donors only)	7th	8th
Percentage of Donor ODA for Nepal 2006-11	2.2% Rank: 2nd (OECD Data – Korea is ranked 3rd for this period)	1.5% Rank 4th	2.5% Rank 1st

Aspect	Denmark	Switzerland	Finland
Channels	Uses Government, Joint Funds, UN, INGOs, Civil Society Organisations.	Uses all channels and contractors.	Uses UN, Government Funds, INGOs, Civil Society Organisations.
Aid management	PSP and other development programmes by the embassy. HUGOU acts as a PIU for most of the HRGGP.	Embassy, except for some political elements from Berne. Helvetas acts as a type of PIU for the Western Region programme.	Embassy, except for Finnish NGO programme, which is managed from Helsinki.
Leading coordination	Donor representative on UNPFN Exec. Committee. Impunity and Human Rights working groups. Energy off-grid WG.	NPTF Donor Group. Forestry, Rural Infrastructure, and Forestry.	UNSCR 1325 and 1820 implementation working group (with UN Women).
Average ODA to Nepal 2006-11	USD 41 million (OECD Data)	USD 26 million (OECD Data)	USD 17 million (OECD Data)
Geographic Focus	Country-wide.	Geographical focus for Development Programme on a cluster of districts in Eastern and Western Nepal.	Geographical focus on districts in Western Nepal for Water and Sanitation.
Funds Supported	NPTF, LGCDP, RDIF, UNPFN – both directly and indirectly via the UNPBF.	NPTF, LGCDP, RDIF, UNPFN directly. Switzerland is a very minor donor to the UNPBF.	NPTF, UNPFN not directly, but indirectly via the UNPBF.

The focal point development partners supported the implementation of all of the nine elements of the CPA examined in Annex G, with some variation between them, based on the size and nature of their overall assistance programme.

Table 3 Support for the CPA elements by the Focal Development Partners

Element	Denmark	Switzerland	Finland
CA elections	Direct support to election commission, and via the NPTF. Support to NGOs for voter education. Support for election observers.	Support to the election commission via the NPTF. Support to observers.	Support to the election commission via the NPTF. Support to observers.
Constitution	Support via UNDP for the constitution writing process. Support for civil society to encourage inclusion and voice.	Support via UNDP for the constitution writing process.	Support to International Idea to support the constitutional process.

Element	Denmark	Switzerland	Finland
Governance	Support for the Local Governance and Community Development Project (LGCDP). Support for action on corruption by civil society groups. Support for the Commission for the Investigation of Abuses of Authority (CIAA).	Support to LGCDP. In depth support for local governance in the districts in which SDC is working in Eastern Nepal. Support to statebuilding at the local level.	While governance is a focus of overall Finnish ODA, there is no particular governance support in Nepal.
Ending discrimination	Support to the Rights Democracy and Inclusion Fund (RDIF). Support to marginalised groups and support for inclusion.	Support to RDIF. Funding for projects on inclusion.	Support for the Implementation of UNSCR 1325 and 1820. Funding for local projects on inclusion.
Cantonments	Support for demining, work by the UN (UNPFN). Support via the NPTF and UNPFN.	Support via the NPTF.	Support via the NPTF.
Action on the disappeared	Support via the NPTF.	Support via the NPTF.	Support via the NPTF.
Truth and Reconciliation Commission	Support for NGOs working on TRC. Provision of technical assistance on TRC. Advocacy on TRC.	Support for advocacy on TRC. Direct advocacy on TRC.	Support for advocacy on TRC.
Human rights	A significant focus for Denmark. Support for UNOHCHR, NHRC. Support for local rights organisations.	Support for UNOHCHR, NHRC. Support for local rights organisations.	Support for UNOHCHR, NHRC. Support for local rights organisations.
UNMIN	UNMIN was not counted as a development expense during the period evaluated. However, various projects funded by Denmark supported the work of UNMIN.	Various projects funded by Switzerland supported the work of UNMIN.	Various projects funded by Finland supported the work of UNMIN.

4 Relevance

This chapter discusses the key evaluation criteria relevance, under which heading also falls meeting Nepal's needs, coherence with national and international frameworks, flexibility, and complementarity with development efforts.

4.1 Meeting Nepal's needs

This evaluation has chosen the CPA as the yardstick to measure progress on the peace process, given the significance of the agreement and the widespread reference to the document in development partner strategies on peace support. This section assesses whether the focal development partners have aimed their programmes at reaching the CPA objectives, and analyses what processes were utilised to implement the activities.

As noted in the risks and limitations section, the focal development partners have invested significantly in support to the peace process. Other types of programmes were already underway or were later started – some directly related to peace writ large, others more narrowly focused on specific sectors, such as forestry, water, or business development. The evaluation's main objective is to help improve support to the peace process, and so the "extra-peace process" programmes in the development partner's regular development portfolio will not be evaluated, but referred to only when relevant. In some cases the evaluation found that some of these "extra-peace process" programmes, like education support, were relevant to the peace process.

For each of the focal development partners, the borders between the types of assistance are fuzzy. This definitional fuzziness, combined with the great differences in the volume of support to the peace process, meant that the focal development partners are not always treated in a uniform manner. The evaluation has made an attempt, however, to assess the contributions against a similar set of criteria. As noted in the theory of change section, the evaluation has treated the relationship between peace support and "extra-peace process" programmes as ideally contributing to the same "beyond CPA" objectives of stability and development in Nepal.

Programme coherence with CPA objectives
Denmark's assistance has broadly aimed to support the CPA objectives. The HRGGP objectives and indicators have generally been aligned with those defined in the Government's 10th Plan/PRSP, and the majority of focus areas relate to the elements in the CPA.[17] PSP has similarly broadly supported the implementation of those aspects of the CPA on which the Nepali political structures have focused. However, support for the implementation of the CPA is broader than the PSP programme documents suggest. While the NPTF funding is very specifically in support of the implementation of the CPA, the funding via the UN and civil society has enabled and supported other aspects of the process including broader and greater community engagement. In particular, funding through the UNPFN has supported elements of the CPA that were politically difficult for the NPTF to address (such as the issues around registration of ex-combatants, discharge and rehabilitation of VMLRs, monitoring under UNSCR 1612 for child soldiers), where there needed to be an injection and building-up of national capacities

17 Documentation received from HUGOU.

that did not yet exist (such as action on clearing landmines) or where specialised UN technical and advocacy expertise could catalyse the opening up of new and innovative government responses to peace-building (such as on the NAP for UNSCR 1325, NPA for CAAC).

Supporting implementation of the CPA is a core principle for **Swiss** peacebuilding activities in Nepal. This is highlighted in Domain 1 of the 2009-12 Strategy: *"Contribution to consolidation of peace process and statebuilding".* The first strategic objective is that the core elements of the peace process are implemented by the stakeholders. The Swiss have specifically (and bilaterally) supported implementation of the CPA in the areas of statebuilding (particularly in technical support to writing the constitution) and in addressing conflict-related human rights violations, with a focus on impunity and reconciliation (Annual Plan 2011; Strategic Plans). The Swiss implementation modality focuses on strong coordination with other development partners to support their implementation of core elements of the CPA. Joint mechanisms, such as NPTF, reinforce a joined-up approach to implementing the CPA.

After 2007, **Finland** had recognised that a more evidence-based, predictable, harmonised and aligned approach was required in their development cooperation.[18] It appears that most aspects of the country programme during the period evaluated represent choices developed in dialogue with Government and in response to needs identified through consultations. Dialogues between political parties, among the representatives of the judiciary and the Constituent Assembly members were organised on the issue of the form of government and on reforming the judiciary. Finland's experiences on both were shared through the visit of a delegation by the President of Nepal's office to Finland (February 2010) to meet and discuss with the President of Finland's Cabinet staff, the Parliamentary Ombudsman, the Chancellor of Justice, and Supreme Administrative Court judges. Likewise, four influential CA members and a representative of the CA Secretariat visited Indonesia (October 2009) and learned about the system of government, electoral system, minority rights, and the functioning of the Constitutional Court.[19]

In sum, the support to the peace process by focal development partners has been well aligned with national priorities, as expressed in the CPA and emphasised by the current political agenda. However, not all CPA areas have been supported by the development partners, because the political parties that retain ownership over the peace process have stalled work on certain areas of the CPA.[20] One area where there has been little or no progress is around the economic aspects of the CPA – even though economic issues formed an important part of the original Maoist 40-point demand (Bhattarai, 1996) and have repeatedly been identified as critical conflict factors in analyses of the conflict and in evaluations[21], as well as in the fieldwork for this evaluation. Outside of Kathmandu, and during numerous field interviews, economic issues were repeatedly identified as critical issues that had not been adequately addressed. Recurrent discussions in NPTF question whether the Fund could also focus on economic issues, but at present it does not. In a similar vein, the Danish PSP portfolio does not include economic development

18 Semi-annual report, 2008.

19 International IDEA. 2011. Supporting Constitution Building in Nepal: Implementation of Rights, Oversight and Accountability Mechanisms of the New Constitution in the Making (during mid 2009-10).

20 Interviewees in the field repeatedly identified the political parties both as the owners of the peace process and as its chief beneficiaries.

21 For example, Search for Common Grounds programmatic evaluation flagged the importance of livelihoods and economic development in the peace process.

activities, but plans are being made to invest in a new – and separate from PSP – inclusive growth and employment programme. Similarly all of the core development partners already support general development programmes that fall outside the rubric of support to the peace process. Balancing the national ownership of the peace process with the needs of the population is a challenge faced by all the development partners. The activities not directly related to the peace process contribute to the overall stability and progress in Nepal, but are not immediately measurable on the central CPA objectives pursued since 2006.

Consultations with stakeholders

Denmark's programmes rely heavily on its partners. For HRGGP, the design of the programme was aimed precisely at building the capacity of the strategic partners, and it was up to them to develop capacity to consult with beneficiaries. Preparing for the third phase included intense participation by strategic partners, but not comprehensive consultations with the beneficiaries. Previous phases were less participatory. As for PSP, stakeholder input into the programme design was effectively limited to the input collected by the two review missions for Phase I (January 2008) and Phase II (September 2009). The projects themselves were developed by the partners, rather than by PSP staff.

The **Swiss** Ambassador has taken a personal interest in consultations. Through regular "town hall meetings" in districts throughout Nepal, and especially in cluster locations, he has solicited direct feedback from community members. Generally speaking, evidence from the evaluation fieldwork in non-Swiss cluster areas suggests that community members and stakeholders feel that they are not adequately consulted about development partner programming. However, this may also be a concern in the current and former Swiss cluster areas. A focus group meeting of stakeholders from Dolakha district, in the Central Development Region, revealed that SDC did not sufficiently discuss or explain their rationale for withdrawing development assistance from this project.

The interactions with the human rights defenders (EU Working Group for HRDs) and field-based NGOs of the Peace Supporting Working Group provided **Finland** with an information channel to local communities and their experiences on peace support. In addition, the baseline survey for UN Resolutions 1325 and 1820 revealed that the jointly-funded programmes and projects did not reach the actual beneficiaries, particularly the women. Combined with messages from the field-based NGOs, visits to bilateral projects, schools and communities, this provides an example of how Finland devised new project designs, such as the 1325 support with UN Women.

For programmes carried out by the joint funds, the focal development partners often do not have access to direct consultations, but rely on the funded organisations. Fieldwork evidence suggests that consultation around programme design for the work of some partners, such as the NPTF, was very limited. During interviews, community groups repeatedly stated that their view on such issues as transitional justice, compensation, and livelihoods were not being heard. The relative failure of the rehabilitation package for the ex-combatants (only six of the almost 19,000 ex-combatants opted for the package) may be an illustration of the lack of consultation on programmes implemented through the NPTF. However, those designing the package noted that the Maoists, citing the personal security of the combatants, would only allow the collection of the most basic data from those in the cantonments. This meant that interest in different types of assistance could not be tested in advance.

It has been suggested that ex-combatants did not take the rehabilitation package because they were instructed not to do so for political reasons or for party funding22. However, party instructions proved inadequate to maintain the numbers integrating at the level set out by the CPA. Ex-combatants opted for voluntary retirement, rather than the rehabilitation package, because:

- All were aware of how unhappy the VMLRs were with the rehabilitation assistance that they had received (International Crisis Group, 2011).

- The "rehabilitation" tag was considered objectionable. Names matter, and one persistent complaint from the VMLRs is the use of the "ayogya" (or "disqualified") label (IRIN, 2012a).

- The rehabilitation package was spread over time, thus requiring trust in the will and ability of the UN and the Government to continue assistance in the future – a leap of faith, given the prevailing situation.

- The rehabilitation package was simply economically far less attractive than the voluntary retirement package.

The experience with the rehabilitation packages highlights the need to ensure that those discharged first are happy with their experience, and thus encourage people discharged later to follow in their footsteps. It should be noted that the VMLRs are now demanding the same voluntary retirement packages as their comrades received.

Post-conflict awareness

The **Danish** programmes have continuously reflected on Nepal's place on its transition path. The interim strategy, in mid-2006, noted that Nepal was then not yet a post-conflict environment. Two years later, the extension to the interim strategy refers to the need for strategic flexibility in a post-conflict setting, suggesting that Nepal was a post-conflict setting. The January 2008 PSP Phase I review then stated that *"Nepal is currently in a process of post-conflict transition"*. However, by September 2009, the review of the PSP's second phase stated that: *"It therefore seems that Nepal has not yet entered into a post-conflict situation, but only a post-peace agreement phase"*. The programme document for the third phase of the PSP noted that *"Nepal has not yet entered a fully stable, post-conflict phase of development"*.

The evaluation notes that any post-conflict definition is fluid, and the key question is whether this label signifies strategic or operational changes in the programme. It appears that the PSP programme documents reflect the understanding of the context at the time in which they were written. They pay attention to the particular nature of the post-conflict settings, with a focus on the need for flexibility – one of the principles for engagement in fragile states (OECD/DAC, 2007b).

There is ample evidence of **Swiss** consideration of the post-conflict context in Nepal. This can be found, *inter alia,* in PD-IV monthly update reports, Annual Planning Reports (internal use), Strategic Plan 2009-12, Asia Briefing Reports, Annual Evaluations, and in the "Adaptation of Programme to Scenarios" model. However, it should

22 Opponents of the Maoists argued that the numbers in the cantonments were overstated and that the party was diverting their salaries (ICG, 2011a, p. 5). While stipends were paid through the PLA structure, the voluntary retirement grants were paid by cheque directly to the ex-combatants.

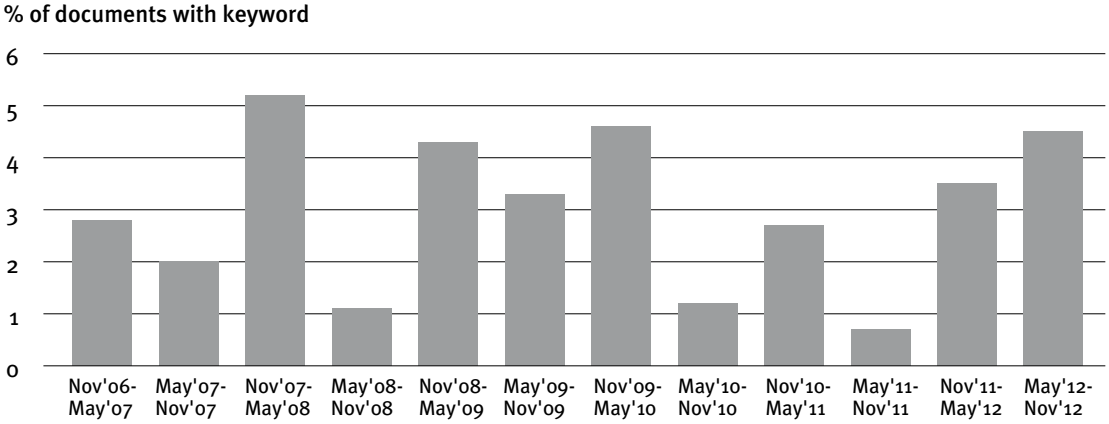
be highlighted that Swiss analysis not only focuses on the post-conflict context but also extends to further considerations for Nepal as a fragile state.

In response to local circumstances, the cross-cutting themes of peace, governance and human rights (including gender) were prioritised into major activities by **Finland** for its development cooperation, and by 2008 the embassy reported: *"Nepal will remain in a fragile situation for years to come, even in the best of scenarios. Continued support to the peace process is essential to ensure the possibility for fully-fledged development activities"*.[23] All the reports cover the current political context, human rights and security situation, and then details of programmatic interventions implemented/adjusted on the basis of the existing situation.

Some interviewees challenged the idea that Nepal had even entered into a post-conflict situation, citing the continuing violence in the Terai region, and the continuing use of bandhs and other forms of coercion for political ends. If bandhs were an indicator of continued conflict, the graph below suggests that the conflict is ongoing.[24]

Figure 1 Documents about Nepal posted to ReliefWeb with the keyword "bandh" (2006-12)

Distribution in time of keyword 'bandh' in 91 of 2,983 ReliefWeb documents for Nepal



Source: Analysis of ReliefWeb documents.

The evaluation also found that, along with the discussion about conflict and post-conflict, development partner stakeholders were starting to equate post-conflict with "development". The evaluation finds this a misleading conflation, and perhaps an indication of a desire for the return to (development) business as normal. In hindsight, given the continued fragility of Nepal and the volatile centre-periphery tensions since

23 Embassy of Finland, Semi-annual Report, Section 3.1, 2008.

24 A search of 2,983 postings to ReliefWeb over the period 2006-12 found 91 postings referring to the term "bandhs". The posting occurred throughout period but with considerable variation, possibly indicating different levels of tension. ReliefWeb is the OCHA website where UN agencies and NGOs post press releases, situation reports and other updates on their humanitarian work. The frequency of reference to different topics provides a proxy indication of the how the level of concern humanitarian community around different issues varies over time.

the CPA was implemented, the focal development partners adequately took existing conditions into account and maintained a post-conflict awareness throughout the period evaluated.

Conflict sensitivity policies
Denmark and **Finland** did not issue explicit policies or programme guidelines on conflict sensitivity for programme staff in Nepal. Yet, as noted in Section 3.1 above, both development partners were among the initial stakeholders in the Basic Operating Guidelines, which provide a one-page guidance on operations in Nepal. Denmark has been an active advocate for the BOGs, and Finland has implemented the guidelines throughout its bilateral projects. They both also subscribe to the Fragile States Principles, and Denmark's programme documents provide evidence of conflict-sensitive planning.[25] The evaluation did not detect specific programme missteps as a consequence of there being no explicit guidance on conflict sensitivity.

Meanwhile, conflict sensitivity is a key implementing modality for the **Swiss** engagement in Nepal. The Conflict-Sensitive Programme Management (CSPM) approach is not only mainstreamed, but is also monitored and evaluated with other programmatic domains. The CSPM contributes to the following outcomes:

- Switzerland enhances, through a geographic cluster approach, inclusive and connected local development.
- Projects within the Swiss programme work in a conflict-sensitive way.
- SDC strengthens synergies and cooperation with other Swiss programmes in South Asia, as well as on the global level, with a clear focus on selected topics of regional relevance (e.g. CSPM; migration; statebuilding; decentralisation; inclusion; and environment).
- As a learning organisation, SDC manages its knowledge and adapts its practices on the basis of lessons learned and experiences gained, mainly within the Swiss programme.[26]

CSPM has evolved into an organisational identity for Switzerland in Nepal. Strict policies regarding staff behaviour, a focus on "inclusion and not exclusion", transparency of information, and equality in relationships have been instituted to maintain Switzerland's identity as a neutral and trusted actor. Switzerland has also contributed to developing the BOGs and has provided funding to the BOGs Secretariat.

4.2 Coherence with national and international frameworks

This section discusses whether the focal development partners' programmes and policies apply agreed guidelines for assistance in fragile settings, and whether the peace support programmes complement other programmes funded by the focal development partners. For this evaluation, the CPA has served as the main national framework. Other national frameworks are relevant for peacebuilding and development, but will not be reviewed here.

25 Reviews of PSP and HRGGP programme confirm this.
26 Strategic Plan 2009-12 p. 13.

Application of Fragile States Principles

The Principles for Good International Engagement in Fragile States are intended to help international actors foster constructive engagement between national and international stakeholders in countries with problems of weak governance and conflict, and during episodes of temporary fragility in the stronger-performing countries.[27] Complementing the Paris Declaration on Aid Effectiveness and a pre-cursor to the New Deal, they represent the international community's best joint guidance of how to engage in fragile situations. The table below reviews the focal development partners' policies and programmes for each of the 10 Principles.

Table 4 Focal development partners performance on the 10 OECD principles for engagement in fragile states

Principles	Denmark	Switzerland	Finland
1. Take the context as the starting point	Both HRGGP and PSP programme documents are based on the context in Nepal, and the reviews have found these to be adequate. The programmes have changed in response to the changing context.	Swiss programming takes into account the context. Scenario planning ensures that the context does not remain a static anchor to the programmes, but instead they are adapted to the changing context through regular scenario review mechanisms.	The Nepal country programme of Finland has been based on contextual analysis, priorities and risks assessment. The annual reports provide evidence of the conflict analysis and the selection of the strategic interventions based on the existing realities in Nepal.
2. Do no harm	Danish-supported programmes strengthened the voice of groups such as Dalits, which in turn challenged previously favoured groups (see Box 1 below). The broader development programme was not subject to any rigorous conflict analysis for do-no-harm, although the programme staff have highlighted conflict analysis took place in the programme design phase of HRGGP III and, to some extent, prior to PSP III. The embassy staff also participate in the BOGs (UN et al., 2010) working group, which provides guidelines on programming.	Conflict sensitivity is a key implementing modality for Swiss engagement in Nepal. The CSPM approach is not only mainstreamed but is also monitored and evaluated with other programmatic domains. CSPM has evolved into an organisational identity for Switzerland in Nepal. Strict policies regarding staff behaviour, a focus on "inclusion and not exclusion", transparency of information, and equality in relationships have been instituted to maintain Switzerland's identity as a neutral actor.	In 2006, the embassy of Finland contracted International Alert to support mainstreaming of "do no harm" and conflict sensitivity principles into all programmes.

27 The Principles for Good International Engagement in Fragile States, OECD/DAC 2007.

Examples of joint "do no harm"/conflict-sensitive initiatives	a. Denmark participated in a conflict assessment of EFA commissioned by the Finnish embassy. (Vaux et al., 2006). b. All three development partners are active members of the BOGs working group.		
3. Focus on statebuilding as the central objective	Denmark has made a contribution to statebuilding. In partnership with DFID, it has supported the LGCDP. This is a Joint Programme that aims to support local governance and community-led development in Nepal through a sector-wide approach. The planned police support project in the third phase is also an example of statebuilding.	The primacy of statebuilding is highlighted in Domain 1 of the 2009-12 Swiss Strategy: "Contribution to consolidation of peace process and statebuilding". The Swiss have specifically supported statebuilding in the field of constitution building.	Finland's support to statebuilding has been through initiatives such as the Inter-institutional Development Cooperation programmes aimed to strengthen the capacity of state institutions, such as ministries, departments and universities in cooperation with Finnish state institutions or civil service departments.
Examples of joint initiatives focusing on statebuilding as the central objective	a. All three development partners have supported the NPTF. b. Denmark and Finland have supported the SWAp for education (EFA).		
4. Prioritise conflict prevention	Denmark's commitment to this principle is emphasised by the employment of a Conflict Adviser in HRGGP. The embassy has also supported a number of conflict-prevention and peacebuilding initiatives through work with partners such as Search for Common Ground and International Alert.	Conflict prevention and peacebuilding have been central tenets of the Phase I (2005-09) and Phase II (2009-12) Nepal country strategies.	Acknowledging the centrality of women's role in conflict prevention, Finland has taken the lead on supporting UNSCR 1325 activities in Nepal, including the promulgation of a National Action Plan on 1325 and 1820.
Examples of joint initiatives on conflict prevention	a. Denmark and Switzerland have contributed to the RDIF, which has initiated throughout Nepal small-scale projects that have included elements of conflict resolution and mediation, and have contributed to addressing inequality and discrimination identified as root causes of conflict. b. All three development partners have supported the NPTF to implement issues relating to cantonment management (after the departure of UNMIN), reintegration of ex-combatants, and compensation to conflict victims.		

5. Recognise the links between political, security and development objectives	While the PSP programme documents recognise these links, it is not clear that the owners of the peace process do so. The development elements are the least discussed or implemented elements of the CPA. National ownership constrains attention to these issues within the PSP, but other Danida projects address some of the development issues.	The Swiss cooperation strategy for Nepal (2009-12) focuses on the work of the Swiss Foreign Ministry, applying a whole-of-government approach to its intervention in Nepal. The strategic orientation of the activities of the Swiss Government is to support inclusive democratic statebuilding and to promote human security and socio-economic development in Nepal.	Finland addresses political, security and development objectives in Nepal through separate funding and programmatic initiatives. Although these activities do contribute to an overarching goal of peace and development in Nepal, the links are not explicitly acknowledged in an overall framework or by adopting a whole-of-government approach.
6. Promote non-discrimination as a basis for inclusive and stable societies	The PSP has promoted non-discrimination to a limited extent, while the HRGGP programme has paid a lot more attention to these aspects, with specific projects addressing inclusion and the voice of excluded groups.	The Swiss have focused on promoting inclusion in all activities and meetings, rather than on particular inclusion for excluded groups. This forms a central part of the conflict-sensitive programme management approach.	Non-discrimination is mainstreamed in all Finish development activities. Finland has in particular, promoted a positive and inclusive role for women in peacebuilding and statebuilding.
Examples of joint initiatives to promote non-discrimination as a basis for inclusive and stable societies	a. Danish and Swiss support the RDIF. b. Finland supports, with Norway, the International Institute of Democracy and Electoral Assistance (IDEA).		

7. Align with local priorities in different ways in different contexts	Danish development assistance makes significant use of SWAps, thus ensuring alignment. The PSP provides strong support to the MoPR and the NPTF, again ensuring alignment with local priorities. HRGGP ensures local priorities are followed by engaging extensively with "strategic" local partners who have demonstrated their local influence in previous phases.	The Swiss cluster model approach enables assistance to be targeted specifically at the needs of the cluster districts (and communities), rather than employing a one-size-fits-all development model across Nepal. The Human Security Division in the Swiss embassy has had latitude to support local priorities in specific issues in different parts of Nepal (e.g. support to a facilitator dealing with Far Western bandhs in April/May 2012).	Finland developed its Nepal programming in close cooperation with the GoN, based on inputs received in meetings with development team members, consultations, sectoral reviews, and project lessons. Finland's support is based on GoN priorities identified in its Three-Year Plans. Local priorities of civic and political rights and economic security were addressed through projects on vocational training, land tenure and community-based resource management.
Examples of joint initiatives to align with local priorities in different ways in different contexts	a. Swiss and Danish support to the RDIF as a vehicle to implement a large number of small projects throughout the various regions/communities in Nepal. b. All three development partners have supported the NPTF to address local peacebuilding priorities throughout Nepal.		
8. Agree on practical coordination mechanisms between international actors	a. Denmark, Switzerland and Finland all participate in the NPTF, where coordination has been good. Switzerland is the NPTF DG Chair, and therefore at the heart of the donor coordination process for this fund. b. Switzerland and Denmark have coordinated with other development partners around support for a new pooled fund for transitional justice. c. All three development partners have coordinated around the UNPFN. Denmark is the donor representative member of the Executive Committee of UNPFN, and so is deeply involved in the coordination of this fund. d. Swiss and Danish support to the RDIF has been coordinated through a Steering Committee (with Danish, Swiss, AusAID and DFID representatives). This mechanism has sometimes found it a difficult challenge to play a strategic role because of time constraints on some of the representatives and inputs by the RDIF Secretariat. e. Finland is leading on cooperation mechanisms among GoN, the development partners and INGOs in the field of UNSCR 1325. f. The development partners (UN agencies, bilateral aid agencies, international financial institutions, and non-governmental organisations) developed a Peace and Development Strategy (2010-15). The strategy articulates how development partners could assist Nepal in the years ahead to realise the development agenda embedded in the CPA. The process was considered useful in terms of developing a shared analysis and informing NPTF clusters but the PDS was not subsequently used by the bilateral aid agencies.		

9. Act fast… but stay engaged long enough to give success a chance	The PSP programme was designed to act fast, leading to large amounts of unallocated funds in the first two phases. Flexibility greatly reduced in Phase III due to demands from headquarters and an increasingly unmanageable portfolio of many minor interventions. Fast action has at times been constrained by capacity limits within Government. Denmark has remained engaged with the peace process, and the current phase is due to continue to the end of 2013.	At times, the need to stay engaged has been made difficult by actions taken (or not taken) by the GoN. Switzerland will continue to stay engaged in state-building, peacebuilding and development activities in Nepal through a whole-of-government approach, which will be articulated in a new strategic framework in 2013.	The need for major investment in the post-conflict areas of Peace, governance and human rights was reaffirmed by Finland in its development cooperation strategies. It supported the development of the National Action Plan on UNSCR 1325, developed through a collaborative multi-stakeholder process. Finland has supported UN Women for a follow-up programme to support the implementation of the NAP. It has had a continued presence in sectors such as WASH.
Examples of joint initiatives with regard to the principle of Act fast… but stay engaged long enough to give success a chance	With regard to the NPTF generally, the development partners have continued to stay engaged, but the donor-conditional commitments to the fund have proved challenging to the GoN to engage in the matching requirements.		
10. Avoid pockets of exclusion	Danish assistance has reached every part of the country. PSP and HRGGP have provided some limited support for groups that were previously discriminated against. In Phase II, the PSP funded Support Nepal to ensure the inclusion of minority rights provisions in the constitution, and provided funding support to the NGO Federation to move towards an inclusive and democratic Nepal.	The majority of bilateral Swiss development cooperation is focused in two clusters in the Far Western and Eastern Nepal regions. The logic for this approach is to avoid being spread too thinly throughout the country and to ensure maximum reach and development potential in these quite isolated areas of Nepal. Domain 2 of the Swiss Phase II development strategy places a focus on the "contribution to inclusive and connected local development (with a focus on Disadvantaged Groups)".	Finnish support addresses issues of exclusion within the project activities and outcomes for example, improvements in the lives of the least advantaged in the WASH sector projects, as well as the promotion of democratic participation in school management committees, water user groups, and forest user groups.

Box 1 Do No Harm while promoting inclusion

The principle of *Do No Harm* argues that the challenges of statebuilding are such that donors, in the countries where they are operating, must develop a sophisticated understanding of political processes, patterns of state-society relations, and ensure legitimacy among the population and Government. As an OECD report on *Do No Harm* has highlighted: "Donor support for civil society organisations, including NGOs, can affect state-society relations, either by increasing 'voice' with positive impacts on political inclusiveness and the capacity of society to make demands on the state, or by enhancing antagonistic polarisation with a potentially negative impact on processes of statebuilding, often unwittingly affecting political processes".[28]

Denmark, Switzerland and Finland individually, jointly and through various initiatives have supported Clause 3.5 of the CPA, which aims to "address the problems related to women, Dalit, indigenous people, Janajatis, Madheshi, oppressed, neglected, minorities [communities] and the backward [regions] by ending discrimination based on class, caste, language, sex, culture, religion, and region and to restructure the state on the basis of inclusiveness, democracy and progression by ending present centralised and unitary structure of the state".[29]

An article in February 2013 by IRIN, the humanitarian news and analysis service of the UN Office for the Coordination of Human Affairs (UNOCHA), says: "Dissent in Nepal over the role of ethnicity in a post-conflict state has put donor agencies under increased scrutiny, with politicians and analysts accusing them of meddling, taking sides, and circumventing the Government to push an agenda of 'social cohesion'."[30] The article further suggests that "donors' intentions are suspect, say critics, when agencies direct funding towards traditionally marginalised indigenous ethnic groups that rank low in the long-standing feudal caste system, while overlooking the needs of historically privileged 'high-caste' communities".[31] More specifically, DFID support to the Nepal Federation of Indigenous Nationalities (NEFIN) has been criticised for contributing to social tension. In this instance, the issue may not necessarily be doing harm through supporting inclusion *per se*, but rather in relation to any risk strategies that DFID may employ with regard to working with partners who have activist tendencies.[32]

28 "Conflict and Fragility: Do No Harm International Support for Statebuilding," (OECD Publications, 2010), p. 13.

29 Comprehensive Peace Agreement, 2006. English translation.

30 "Analysis: Politicians, donors question donor neutrality in Nepal". (IRIN Kathmandu, 26 February 2013).

31 Ibid.

32 It should also be noted that DFID may have taken a very overt approach to supporting minority rights and inclusion, given that a review of the relationship between DFID's programmes and the conflict in Nepal in 2002 found that "DFID's activities risked fuelling conflict in a number of ways. Aid focused on capacity-building and awareness-raising benefited elite groups and provided little benefit to the most excluded groups". Cited in "Working Effectively in Conflict-affected and Fragile Situations". (Briefing Paper B: Do No Harm: March 2010), p. 2.

This evaluation found evidence that general international support and promotion of Dalit and minority inclusion was causing societal tension at both the community and national levels.[33] This is understandable, given that the transformation of deep-seated power relations is being challenged. The issue is whether these tensions are a manageable process that will lead to long-term positive change or will radically polarise a fragile state, and thus endanger the peace process. The development partners have faced a dilemma of how to support inclusion on a short-, medium- and long-term basis by reinforcing the "connectors" and mitigating the "dividers" that lead to renewed conflict.

Using a ToC to Plan and Manage Risks Associated with Inclusion Programming
These dilemmas can be better managed, considered and planned for by using a theory of change as a tool (rather than simply a model) for programming, planning and adaptation. To some extent, this is being done by the three development partners, who have developed clear conflict analyses that identify exclusion as an underlying cause and driver of conflict. Therefore, there is a strong logic for inclusion programming, above and beyond support for Clause 3.5 in the CPA. The development partners have differed in their approaches to iterative analysis that can inform ongoing programme adjustments. The Swiss have been the most proactive in iterative analysis, scenario planning and adaptation to the context. The ability to analyse and adjust to the context is critical in relation to the issues of inclusion, which are highly sensitive and carry a high risk of doing harm in fragile states.

A theory of change defines how change comes about, and sets out the assumptions that link a programme's inputs and activities to the attainment of desired ends. These assumptions include potential risks that the programming may bring about, and are important elements of monitoring and planning to ensure that potential harm is managed and mitigated. A high functioning ToC tool describes the causal logic between short-, medium- and long-term interventions and can capture change at milestone points. Although the use of this type of tool is not explicit in the development partners' plans, it is a means to carefully phase activities to ensure that quick win interventions that help consolidate peace dividends are balanced with initiatives that substantively address social change on a long-term basis. This type of planning will help mitigate against allegations such as those voiced by Rajan Bhattarai, head of the Nepal Institute of Policy Studies, who claimed: "The inclusion [agenda] has been narrowed down to political empowerment, distribution of powers and [job quotas] and anything that has immediate solutions, instead of empowering the marginalised people from the bottom level". He blamed foreign donors for a too-exclusive focus on dismantling the political basis of the caste system without financing long-term fundamental change.[34]

4.3 Linkages and flexibility

Linkages between peace support and other programming
The formal linkages between the PSP and other elements of the **Danish** portfolio, apart from HRGGP, have been weak, even though other elements of the Danish portfolio complement the PSP. For example, the PSP documentation did not make any reference to the *Education for All* programme, despite the potential role of education in peacebuilding.[35] This stems in part from the way in which these other elements of the Danish

33 Interviews in VDC in Gorka, May 2012, and in Kathmandu, May 2012.
34 Quoted in "Analysis: Politicians, donors question donor neutrality in Nepal". (IRIN, Kathmandu, 26 February 2013).
35 This differs from the Finnish approach.

portfolio have been managed. The education programme was supported through a sector-wide approach – hence, Danida had little scope for interlinking that programme with the PSP. More importantly, the initial Interim Strategy made no reference to potential overlaps and inter-linkages between PSP and other programmes, even with the related HRGGP. To the evaluators, it appears that the programmes originally were conceived as wholly independent programmes, rather than as part of an overall package of assistance. The strategic shift to collaboration occurred only later, as witnessed in the most recent programme documents – in particular, PSP Phase III. The 2012 joint review of these programmes now recommends a merger of the programmes. Given the SDC-HSD joint set-up in Nepal, **Switzerland** specifically emphasises a whole-of-government approach. This implies that all programmes are interdependent. These linkages are highlighted with regard both to the strategic objectives of the programme domains and to the implementation modalities.

The **Finnish** strategy was to participate in well-considered multi-actor approaches, rather than in fragmentary activities. In the diverse area of peace, governance and human rights, the Finnish strategy was to deploy funding in a highly targeted way, so as to obtain access to forums where Finnish influence, knowledge and added value could do most good at the least cost. Particular attention was given to investments with shared responsibility, as indicated by Finland's support to the education and WASH SWAps, as well as the pooling of resources through the NPTF.

The **Danish** Interim Strategy and the Extension to the Interim Strategy for Nepal are in line with broader Danida development policy. They are also broadly in accordance with the fragile states principles. For example, the Interim Strategy states that, for support to the peace process, *"the key must be to what extent the Nepalese actors see the need for and request the support of the international community or parts thereof"*. This also aligns with the broader Danish commitment to the Paris Declaration (OECD, 2005) and the Busan Partnership document (ICG, 2011b). The emphasis in the PSP on supporting the NPTF aligns with the policy set out in the Interim Strategy. While broader Danish development programmes in Nepal also are coherent with the Interim Strategy and overall Danida policies, programmes are generally managed in their individual silos, with little inter-linkage between them. The greatest integration has been between the HRGGP and PSP, with HUGOU staff sitting on the peace support task force that advised the PSP.

Switzerland consistently highlights its adherence to international frameworks, including the fragile states principles. The policies and procedures appear to bear out this commitment – for example, the conflict-sensitive approach (Do No Harm) and the area-based cluster approach (align with local priorities).

The strength of **Finland's** work in Nepal has been that it is founded on approaches promoting a relationship with Government, working jointly with development partners and working on the basis of people's needs and priorities. It strategically tried to maximise Finland's impact, as a relatively small development partner, by working in coordination with other development partners – an approach that perhaps has been more effective for the other two focal development partners, as they have had the resources to lead the key coordination forums.

Flexibility over time
By Phase III of the **Danish** support, PSP was explicitly targeting shorter-term CPA-linked issues, whereas HRGGP would concentrate on longer-term structural peacebuilding areas.[36] This set-up was new, and in theory the arrangement should allow for a natural sequencing from short-term to longer-term activities. Partner organisations reported, however, that there was no deliberate attempt to sequence such support, and those partners who have had funding from both programmes note that there was little coordination in the management of the grants. In the absence of direct monitoring by PSP staff, as reported to the evaluation team by beneficiaries in several locations, it appears that the Danish embassy was not aware of the lack of coordination. Meanwhile, each of the programmes has adjusted to changes in the context by each phase. This is evident when programme reviews are compared with subsequent programme documents.

The **Swiss** focus on short-term and long-term programming seems adequate, in that the objectives are adjusted to the political context through monitoring of results and continuous conflict analysis. The implicit theory of change, discussed in Section 4.1 above, allows for short-, medium- and long-term planning perspectives linked to an overall goal. Since there is regular monitoring, short-term and longer-term objectives are adjusted to the context. The strategic objectives specifically related to the contribution to the consolidation of peace process and statebuilding are, for the most part, realistic in the 2009-12 timeframe and allow for short-term and medium-term initiatives, such as technical input on the constitution formation, and longer-term activities to mitigate impunity and bring about a reconciliations process in Nepal.

Finland's work has addressed both long-term and short-term perspectives. Its sectoral work – through projects/programmes for rural water supply and sanitation, in education, forest, energy and human rights protection and promotion – has been long-term and, in some sectors, has continued since 1998. The work with NPTF, OHCHR, NHRC and CA is shorter-term because of the very nature of the work. NPTF focused on providing immediate support to combatants and conflict-affected victims. The CA had a set period to accomplish its work, and hence the support was dictated by the context. Strengthening the capacity of NHRC may require a longer-term approach.

In sum, all three focal development partners have maintained a dual focus on short-term and long-term objectives. Whereas this is an integrated consideration in the Swiss programming, Finland has balanced long-term sector programmes with shorter-term interventions through the joint funds, and Denmark has carried out short-term and long-term activities through HRGGP and PSP, respectively.

Overall, the support provided by all three core development partners to the peace process has been relevant.

36 HRGGP programme document Phase III.

5 Effectiveness

The evaluation considered the effectiveness of the different elements of the peace process support and of the approaches to implementation. The assessment included the choice of implementing channels, the variation in effectiveness between different elements, the contribution of broader development support, and the extent to which issues of exclusion were effectively addressed. The evaluation looked not only at the effectiveness of different interventions, but also at how reasonable it was to expect interventions to have an effective where the process was essentially nationally owned.

The focal development partners have used different mixes of implementing channels. All three development partners funded county-wide initiatives via the NPTF, the most effective channel for such broad programming. They also funded work directly with communities, primarily via NGOs. Again, this approach was deemed most effective. Finally, the development partners provided funding through the UN for activities that exceeded NGO capacity and which also posed political problems for the Government, for example the registration of verified minors. This was also an effective choice.

The effectiveness of the support to the peace process has varied with the element of the peace process. Support for some elements was more effective than for others. For example, the elections were in themselves effective, even if the CA that they elected did not achieve the main task set for it – the elaboration of a new constitution. The success of the elections depended not only on the support of the development partners for the electoral processes or for the CPA, but also on longer-term support in such areas as education and civil society.[37]

The CA has not yet managed to draft a constitution. The reasons for this are complex, and are rooted in political competition between the parties, and the fact that the constitution dealt with some issues in great detail, rather than just establishing a framework that could later be negotiated between the parties, as (Taagepera, 1999) suggests for electoral systems.

Heiniger (2011, p. 55) notes that there was a conflict between the function of the CA as a parliament, where the normal mode is competition between the parties, and as a Constituent Assembly, where the normal operating mode should be one of consensus.

The scope for development partners to influence the constitutional process was quite limited in any case, but it was further limited by the lack of a common advocacy platform and strategic approach across the development partners. Advocacy has been most effective where the development partners have been in agreement with each other.

Development partners were addressing governance issues in Nepal prior to the CPA, and the efforts have continued. However, over the period of the CPA, Nepal has been perceived as becoming more corrupt, despite some gains in some VDCs. Thus, this CPA intent on governance has been achieved.

37 This raises the issue that evaluation of peacebuilding efforts should probably review the full "Utstein Palette" (Smith, D. 2004, p. 28) of peacebuilding measures (including socio-economic foundations), rather than just the security, political, reconciliation and justice efforts.

However, the struggle for public integrity is a political one, between predatory elites in a society and its losers and is fought primarily on domestic battlegrounds. Thus, development partners have only a limited role in addressing it (Mungiu-Pippidi et al., 2011). This is similar to many other elements of the peace process.

All three focal development partners have succeeded to a large extent in ensuring a conscious focus on gender and inclusion issues in their programme activities. This support has seen some successes – for example, the increased representation of women and people from different social groups in the CA enabled a more representative voice to be present in the policy-making processes.

This was a result of the PR voting rule that was applied by the political parties. While this cannot be attributed directly to the work of the development partners, it is clear that their support for inclusion over many years helped to create an awareness of the need for such inclusion when the interim constitution was being developed.

Despite such successes, the support of the focal donors in the area of inclusion has not always been as effective. While recognising that identity was gradually evolving as a major issue in Nepal, the focal development partners were unable to influence the thinking and the debate on how different identity groups could live with each other without discrimination or without impinging on each other's rights. Instead, we have seen a rise in the number of organisations arguing for the rights of their specific sub-group, rather than for better treatment of marginalised people as a whole.

Despite a lot of effort on UNSCR 1325 and 1820 (specifically by Finland), they have not been mainstreamed into the implementation of NPTF projects. Thus, activities implemented under the four clusters of the NPTF did not take UNSCR 1325 into account (see Annex F2 on NPTF for project activity details).

Evidence in recent years has indicated that programmes tend to be more impactful in achieving their goals if gender and specifically women's contributions in peacebuilding are addressed explicitly in the programming. Therefore action under each of these clusters could have been more effective if there had been a specific focus on issues relating to women, people from excluded communities, and those disadvantaged due to other social variables. Such a focus would have ensured that specific measures to address the barriers were taken. Thus, in the reintegration of ex-combatants, no attention was paid to the particular problem of women returning to their communities after spending years as rebels – a role that did not fit within the narrow confines of the socially-prescribed roles for women in many parts of Nepal.

Similarly, the development partner focus on inclusion has not been effective with regard to action on the "disappeared" or on transitional justice issues. Here again, inadequate attention has been given to issues experienced by women and by people from social groups such as Dalits.

Despite good policies, there has been only a very limited improvement in diversity in the civil service. Focal development partners have paid little attention to projects to build the skills of women and people from excluded groups to enable them to qualify for employment in the public service. Neither has there been any specific interventions with existing civil servants to create an environment for the acceptance of more a representa-

tive civil service. Neglecting these supporting areas has meant that the improved policies have not been effective.

The cantonment of the PLA was effective in reducing the level of intimidation overall. Interviewees reported that the Maoists had relied on intimidation and extortion to fund their struggle. Intimidation ceased as a significant factor after the first few years after cantonment began.

However, in Gorkha, where there was no cantonment, increasing levels of Maoist intimidation were reported in 2012. This was mostly from the hard-core "rogue" factions of the party, and may have been related to the then incipient UCPN-M/CPN-M split.

The establishment of the MoPR was an important process in expediting cases of the "disappeared" and providing financial compensation for the families. However, the impact of compensation has been less effective due to the variable performance of Local Peace Councils (LPCs). Additionally, some key groups of victims – such as victims of torture or of sexual violence – have been excluded to date.

Development partner support was effective in assisting the development of a draft TRC bill, which, while not perfect, at least conformed with international norms. However, this bill was derailed by political concerns, which is hardly surprising, given that some senior party figures and their clients do not have "clean hands" in terms of serious rights abuses.

The development partners' support for human rights protection has been greatest in the area of women's rights and for the promotion of civil, political and socio-economic rights. Although the reality may not have changed much for many women, their legal position is now significantly different, and their actual position is slowly changing.

Similarly, support for the reporting and recording of human rights abuses has also been effective, as has been the recording – by the NGO, Advocacy Forum-Nepal – of the continuing ill-treatment of detainees. The least effective support has been in the area of transitional justice, because the parties to the CPA have not honoured their commitments in the agreement.

UNMIN's mandate for the monitoring of arms and armies was a vital part of the peace process. The intermediation of UNMIN made it possible for two sides that had little trust in each other to successfully remain in the cantonments and barracks, and to follow the CPA commitment on the military side through to completion. The UN reported relatively few breaches, and these were mostly minor ones. It should be noted that this intermediated process advanced, while processes such as the writing of the constitution – which was not intermediated by external parties – did not advance.

The main reason determining the effectiveness or otherwise of the development partners' interventions was not so much what the partner did, but the relative leverage that they had to influence events. For example, all of the political parties of the CPA were keen to hold elections to signal that Nepal was once again a democracy. The three the main parties (two of them mistakenly, as it transpired) expected that they would do well in the elections. The development partners across the board were keen that the elections should be held (even if there were differences of opinion on the timing). Thus, for the elections, the level of international legitimacy was a very important one. Although the congruence of interests to hold the elections was partly serendipitous, the holding of the elections

indicates the effectiveness of donors working at scale to both influence the initiation and realisation of important milestone events.

In contrast to the elections, the issue of the TRC was not a priority for all development partners, and so the level of international approval had far less influence on the outcome. Here, the interests of the political parties, some of whose members or supporters had committed abuses in the past, were far stronger on the issue of supporting amnesty than on supporting justice.

In a nationally-owned process such as the peace process in Nepal, intervention can be effective only to the extent that there is alignment between the intent of the development partners and the interests of the parties to the CPA. Development partners will likely probe the tipping point of their role to influence certain agendas, in this case TRC. However, beyond this tipping point attempts at influencing will start to reduce the overall effectiveness of peacebuilding initiatives of the development partners by undermining trust and faith with the key national stakeholders.

6 Efficiency

The efficiency of the different elements of support for the CPA varied, partly in terms of the effectiveness, and partly with regard to the timetable.

The elections delivered a very inclusive CA. It is difficult to envisage any more efficient means by which such an inclusive CA, with a democratic mandate, could have been delivered. However, the initial timetable for the elections was not realistic in the Nepali context, given the need not only for voter registration and enabling legislation, but also the need to register undocumented citizens. Preparations for the elections could have been conducted more efficiently if there had been a realistic timetable from the start.

While the CA was inclusive, the assembly was also larger than might be deemed ideal for a country the size of Nepal, and may have been inefficient as a result. Assemblies that are smaller than the ideal size have more communication pathways to maintain. Assemblies that are larger than the ideal size see more decisions deferred to the executive – or, in this case, the political party leaders.

However, while the size originally specified in the interim constitution was appropriate, it was then increased by the political parties in their negotiations with each other, as in the 23-point agreement (Seven Party Alliance, 2007). Oversizing the CA may have been one of the factors that prevented it from delivering a constitution on time. Again, the development partners have little influence over this, but in general, when interviewees raised the question of size, it was generally more about the additional cost, rather than the impact on efficiency.

Improving governance offers high efficiencies to development partners, because reduced corruption leverages foreign direct investment. However, the clandestine nature of corruption makes it very difficult to assess how efficient different interventions have been.

A 2011 report for Norad (Alina Mungiu-Pippidi et al., 2011, p. 81) compared four good governance tools: 1. adherence to the UN Convention against Corruption (UNODC, 2004); 2. passage of a Freedom of Information Act (FOIA); 3. establishing an anti-corruption agency; 4. appointing an ombudsman. Of these, only the passage of a FOIA had a statistically significant impact on corruption.

This would suggest that interventions focused on information (including community radio, promoting inclusion, and giving a voice to communities), and which the focal development partners supported, may have been efficient approaches.

The use of joint funds, such as the NPTF, or the transitional justice basket fund is more efficient (for the development partners, at least[38]) than separate funding would have been.

38 It is sometimes argued that pooled funding arrangements simply transfer the administrative burden from the development partner to the fund administrator and grant recipients.

The evaluation was unable to make an assessment on the efficiency of efforts to promote inclusion – in part because such efforts are likely to require at least a generation to change the underlying cultural norms in Nepali society.

Cantonments proved to be expensive. However, this was due to delays elsewhere in the implementation of the CPA that discouraged or prevented demobilisation. In any event, the cost of the cantonments and stipends for the combatants was far less than the economic cost of the conflict had been.

The payment of cash grants has probably been far more efficient than the delivery of packages of cash plus access to training services[39]. The main concerns about the efficiency of cash payments centred on whether the people entitled had received assistance, and those ineligible had been excluded. During the fieldwork, the evaluation was told of instances where eligible persons had not received assistance. However, this varied very much from place to place and depended on the quality of the LPC in the locality. The evaluation was also told of instances where parties had tried to access assistance for ineligible persons (injured in traffic accidents, rather than by conflict), but such reports were far rarer than those of eligible persons not getting assistance.

The development partners provided technical support for the drafting process of the TRC bill, as well as supporting victims groups to find their voice. Both of these approaches were reasonably efficient as the issue remained Nepali-owned and the development partners could add high quality expertise to the drafting of the TRC bill in this way.

Development partners, through their programming, supported human rights and enabled target groups to defend their rights better. This approach to addressing abuses has been efficient, as it has created the tools by which the people guilty of committing such abuses will eventually be called to account.

Unlike the UNDP Multi-Donor Trust Fund (MDTF) Gateway, a data sharing "transparency-project" that provides financial data in real time to stakeholders and the public for the funds managed by UNDP, the Department of Political Affairs does not provide a similarly transparent long-term view of its funding, and only the Annual Reports for the most recent years are directly available on its website. Similarly, the 2009 evaluation report on the DPA, cited in the 2010 DPA annual report[40], is not available on the DPA website. Without even the most basic cost data (and similar comparative date for other missions) it is not possible to make any grounded assessment of the efficiency of the UNMIN mission.

The main challenge to the efficiency of the interventions of the focal development partners in support of the peace process was the dragging out of the peace process itself. This increased the costs of the cantonments, the CA, and many other elements.

39 Certainly this appears to have been the assessment of all the ex-combatants who opted for a cash retirement package, rather than a package of access to training services and limited cash.

40 Preventive Diplomacy and Mediation Response Fund, July 2009.

Another aspect that reduced development partner leverage was that, unlike some other contexts, the bulk of the costs of the peace process were borne by the Nepali exchequer. While ODA provides about one quarter of the Government's budget, and is largely fungible, the lack of a direct link reduces its utility as a lever.

Some interviewees argued that slower implementation helped the parties to adjust to the new realities, especially after the unexpected Maoist victory in the 2008 elections. This was, however, a serendipitous outcome, rather than a planned one.

The pace of the peace process implementation was set by the pattern of political deadlock punctuated by 11th-hour agreements that have marked the implementation of the CPA. It was this slow crawl that increased the costs of many elements of the process.

7 Impact

The various elements supported by the focal development partners had differing time-scales for likely impact. Thus, it is possible to see initial impacts for some interventions, as it is now more than six years since the signing of the CPA.

The elections were repeatedly cited by interviewees in Nepal as one of the most successful elements of the peace process. Even though the elections were not perfect, they were broadly free and fair, and the results – although very disappointing for the former main political parties – were accepted by all. The success of the elections facilitated the implementation of other elements of the CPA. This has had a major impact on the whole process.

In a paper for the 2011 Swisspeace annual conference, Markus Heiniger (2011, pp. 54-55) notes that the elections in Nepal changed what have been consensus politics into competitive politics. However, such changes may have come about anyway, as the first meeting of the CA formally marked the end of the monarchy as a political power in Nepal. The removal of this common threat to the parties may have paved the way for them to move to a more competitive stance.

The delays in drafting the constitution have become the excuse for not implementing other key elements of the CPA, including those around land reform and the economy. This has had a significant negative impact on the scale of the peace dividend in Nepal.

The other impact of the slow constitution process has been the continued fracturing of the Nepali political landscape. This is particularly dangerous in that it is happening in a constitutional vacuum. For example, CPN-M is clamouring for attention and is using low levels of violence to push its agenda, with the abduction of election workers and the sacking of electoral offices. The slow process may also have encouraged an increasing focus on "identity politics" that focus on the concerns of specific social groups (in that identity-based parties, instead of having to negotiate for their share of the cake, instead try to argue for rules – such as a particular federal structure – that guarantee them a set share of the cake).

Despite unprecedented donor investment in anti-corruption in the last 15 years, progress has been seen in only a few countries (Mungiu-Pippidi et al., 2011, p. 9). Nepal is not among the success stories.

Some aspects of the development partner interventions will probably take much longer for any impact to be apparent. This is particularly the case with interventions that focus on societal change, such as changing the position of marginalised groups. Thus, only very limited impact can yet be seen for work that promoted inclusion. There are some headline successes, but deep-rooted problems remain.

Other initiatives have as yet found expression only on paper. Thus, the work on developing the National Action Plans on UNSCR 1325 and 1820 and support for their implementation was appropriate, but they have not yet been implemented in any substantive way. This means that it will be some time before it will be possible to assess if this support has had any impact.

Overall, the demobilisation process was a success, as the PLA was disbanded and most former combatants were removed from the military environment. Civilians generally credited the presence of the cantonments for increasing their security significantly, due to almost complete suppression of criminal activity as a result of the military presence at the sites. Many interviewees regarded the demobilisation and disbanding of the PLA as one of the most significant impacts of the peace process.

As part of the overall management and cantonment programme, Nepal was also cleared of its minefields, and is now free of landmines and improvised explosive devices. This is another extremely welcome impact.

The impact of financial compensation for victims and their families has varied, depending on the circumstances of the family and the amount received. For some, while the money was welcome, the main issue was that the people guilty of human rights abuses have still not been called to account, plus the fact that the fate of some of the families' loved ones has not been clearly established.

The support of focal development partners to end discrimination has had an impact, in that inequality and exclusion are now recognised as key issues to be addressed by all in all their activities. The ongoing support to civil society organisations (CSOs) has enabled them to continue raising their voice about issues affecting women, and poor and excluded groups, and to influence policy-makers.

Nepal now has a TRC and Disappeared Law. However, this law does not comply with international norms, and nor, according to Nepali rights organisations, does it comply with Nepali law or with previous Supreme Court decisions. It is impossible for the evaluation to state what the impact will be, as it is not even certain that the current TRC law will withstand challenge in the Supreme Court.

Support from the focal development partners has had a significant impact on the monitoring of human rights in Nepal. Through their support, the data on the human rights situation is made available to the public, and all stakeholders use this as evidence. The education of women and men about their rights has also had a significant impact, in that their increased understanding and awareness of their rights has enabled them to speak out.

There has been less impact on areas such as continued violence against women, and the structural violence implicit in the continuing discriminatory practices towards Dalits and other marginalised groups. The strengthening of NHRC – the key institution for human rights protection, promotion and monitoring – was not very effective, but the fact that, against the odds, NHRC could survive and continue to work is an achievement.

Despite some flaws, UNMIN played a critical role in the peace process in Nepal and had significant impact, particularly in the demobilisation and disarmament process. The work of UNMIN was coherent with the political efforts of development partners and complemented the financial and technical assistance that development partners provided for the peace process.

While some argue that most of the work around the demobilisation and disarmament was done by the Nepali actors themselves, there can be little doubt that UNMIN contributed to sustaining the peace. The progress of the parts of the CPA that were intermediated by UNMIN is in marked contrast to the elements of the CPA – such as the development of a new constitution – that were, in effect, not intermediated.

Overall, while some impact is already apparent, the longer-term impact of many of CPA elements supported by development partners has yet to unfold. Even impacts that look reasonably favourable now, such as demobilisation, may change if the demobilised find that they are marginalised and left without livelihoods. Thus, any of the favourable impacts identified here need to be considered in the light of a peace process that is still a long way from completion, and that there are major gaps in all four of the Utstein Peacebuilding Palette areas – the largest gap being in the socio-economic foundations[41].

41 There are also very significant gaps in the other three palette (Smith, D, 2004, p. 28) areas: of reconciliation and justice; political framework (including governance and human rights); and security.

8 Sustainability

The CPA was intended to deliver a sustainable peace to Nepal. The first challenge to this sustainability is that only some elements of the CPA have been implemented, while others have been held up by politics and some have been completely ignored. However, it is also possible to examine the extent to which different elements of the CPA were themselves sustainable.

For example, the assembly model delivered by the 2008 elections was seen not to be sustainable, and is therefore being changed for the next CA elections with:

- An agreement by the four main parties – which won a total of 82% of the PR vote and 86% of the first-past-the-post vote – will reduce the number of PR seats from 335 to 240 in the next CA elections (Republica, 2013c). This would reduce the number of seats won by minorities, and would remove three parties from the CA if voting were identical to 2008.

- A proposal to limit the award of PR seats to parties achieving more than 1% of the total poll would remove 13 of the current 25 parties (assuming the same pattern of voting and nominations as in 2008). This proposal has not been agreed by all of the government parties (Republica, 2013b).

Press comment during the negotiations on the number of PR seats suggested that the four parties thought that one of the reasons for the failure of the CA to deliver a constitution was that too many different groups were represented in the CA, making it impossible to reach agreement on any proposed federal structure. The majority of PR list voting systems incorporate a threshold for representation, ranging from 0.67% in the Netherlands to 10% in Turkey (Reynolds et al., 2005, p. 83). Some interviewees also commented that the costs of such a large assembly are not sustainable for Nepal in the long term.

Such legal thresholds are intended to exclude from parliament extremists or those with very little popular support. The Parliamentary Assembly of the Council of Europe recommended in 2007 that such thresholds be no more that 3% (Parliamentary Assembly of the Council of Europe, 2007). However, the European Parliament is subject to a threshold of 5% if a list PR system is used (Reynolds et al., 2005, p. 142). The issue of the size of the CA is discussed in detail under the effectiveness of the Constitution-writing process.

The constitutional approach taken in Nepal does not appear to be sustainable. The same pattern of political deadlock punctuated by last minute agreements has been continually repeated. Pledges to complete the constitution in three months (UCPN-M et al., 2011b) or in three weeks (CPN (UML) et al., 2012b) have not been fulfilled. The whole process is held up repeatedly by parties jockeying for political advantage.

A 2011 Norad report on corruption and anti-corruption in Nepal ("Corruption and Anti Corruption in Nepal: Lessons Learned and Possible Future Initiatives". Dix, S. 2011, p. 3) makes the point that development partners will not be able to effect much change in the area of corruption without a change in governance regimes (from closed/

particular to open/universal). Thus, sustainable change needs deep-rooted changes in the way that people do things. While donor-supported oversight projects can achieve temporary improvements, they face the problem of sustainability.

There is complete consensus among the different groups of Nepalese society, Government and development partners about the necessity to address discrimination and respond to the priorities of women and poor and excluded groups. This is something that has become a sustainable part of the discourse in Nepal, and the support of development partners to this agenda has contributed to this.

While the cantonment process very effectively dealt with the threat posed to the peace process by the PLA, it had no significant effect on the threat to the peace process posed by the new conflicts that emerged into the open with the signing of the CPA. The Maoists withdrew key fighters to the Young Communist League (YCL) (Carter Center study, The Role of Political Party Youth Wings in Nepal, 2011), presumably to maintain the possibility of direct action outside of the cantonments. However, the long peace process, and the disgruntlement of YCL fighters at their situation compared with that of those who stayed in cantonments and retired, has degraded their potential to act as an armed wing. The other threat to sustainability is the question of whether the ex-combatants will be able to achieve sustainable livelihoods or will be tempted to return to living by the gun.

In some instances, the packages have provided an important platform for family members to enhance their livelihoods. Interviewees reported that grant recipients did not use the initial grant of NPR 100,000 (USD 1,150) in a strategic way, but were more likely to use it for consumption than for trying to establish a livelihood. However, even those who acknowledged that their use of the first NPR 100,000 was not strategic, indicated that they intended to use the second tranche of NPR 200,000 (USD 2,300) in a more strategic way. Examples of non-strategic uses were the purchase of motorcycles, or the payment of dowries or marriage costs. Examples of more strategic uses include the payment of recruitment agency fees for migration or the purchase of livelihoods-related tools and equipment.

There are still outstanding cases that need to be processed and compensated, and significant progress has not been made towards the establishment of and accepted truth and reconciliation process. The overall progress has been marred by political posturing within the LPCs and the presence in the prevailing political systems of parties recently engaged in violent conflict.

Clearly, TRC legislation that is not in compliance with international norms isolates Nepal, and is unsustainable in the long term.

The agenda of human rights has become a visible and core agenda in Nepal – a contribution of the intense work done by the development partners on these issues. The increased voice and capacity of human rights defenders is also a sustainable contribution of the development partners.

Two years after the departure of UNMIN, it appears that the contribution on security, thus far, has been sustainable. There has been little, if any, violence related to the cantonments, and the arms have not fallen into the hands of violent groups. The CA elections,

however, have not produced sustainable results as the CA was dissolved and new elections must be held.

The fact that the peace has been sustained thus far is due in part to the support offered by the development partners. However, the slow pace of the peace programme, and the failure to provide a significant peace dividend and address such drivers of conflict as poverty, raise some questions about the long-term sustainability of the peace process.

9 Coordination

This chapter sets out the existing coordination platforms, reviews three milestone events during which the development partners were critically engaged, and presents an analysis of current development partner networks and preferences in Nepal.

In each instance of development partner support, including when well-coordinated among themselves, the impact on the peace process is heavily dependent on GoN interests.

9.1 Coordination platforms

Nepal is host to a broad variety of aid coordination platforms, some of which relate more directly to the peace process and are highlighted below.[42]

Table 5 Coordination Working Groups

Cluster	Name of Working Group[43]	Lead agency in January 2013
Economic growth	Aid for Trade (EIF programme)	Germany/GIZ
	Access to Finance	World Bank/IFC
	Economic Growth & Private Sector Dev	DFID
	Irrigation	ADB/World Bank
	Rural Infrastructure	Switzerland
	Agriculture & Food Security	USAID
Climate Change	Climate Change	UNDP
	Forestry*	Switzerland
Governance	(Public Sector) Governance	World Bank
	Local Governance and Community Development Programme Donor Group*	DFID (Norway co-chair)
	Public Finance Management^	World Bank
	Elections^	UNDP/EU

42 This table is based on an initial list compiled by DFID in October 2012 as part of a donor coordination exercise. This version was received from UNRC in March 2013.

43 * = Joint funding arrangement. ^ = Pooled funding arrangement. **Exceptions:** The **Gender and Social Inclusion Action Group** fits neither into a cluster nor is it a donor working group as it has active members who are consultants/sector specialists. **Disaster Risk Reduction** is coordinated through the joint GoN/UN-headed NRRC. **Omissions:** Aid effectiveness/Aid management; Transport/Roads/Bridges.

Cluster	Name of Working Group[43]	Lead agency in January 2013
Human Development	Health*	WHO/(USAID co-chair)
	WASH	UNICEF/ADB co-chair
	Education*	World Bank
	Social Protection Task Team	UNICEF/ILO
	Vocational Training	Switzerland
Human Rights & Rule of Law	UPR, Impunity, Human Rights	Denmark, UK, EU
	Rule of Law, Access to Justice, Security, Combating VAWG	UN RCHC Office
Peace	Nepal Peace Trust Fund Donor Group*	Switzerland
	Integration & Rehabilitation	UNDP
	Peace Support Working Group (UNSCRs 1325 & 1820)	UN Women & Finland
	Elections (and in Governance Cluster)^	UNDP/EU
	BOGs	UN RCHC Office/Switzerland
Energy	Energy: overall coordination (SE4All)	UNDP
	Energy: on-grid	ADB
	Energy: off-grid (NRREP)*	Denmark

9.2 Development partner network

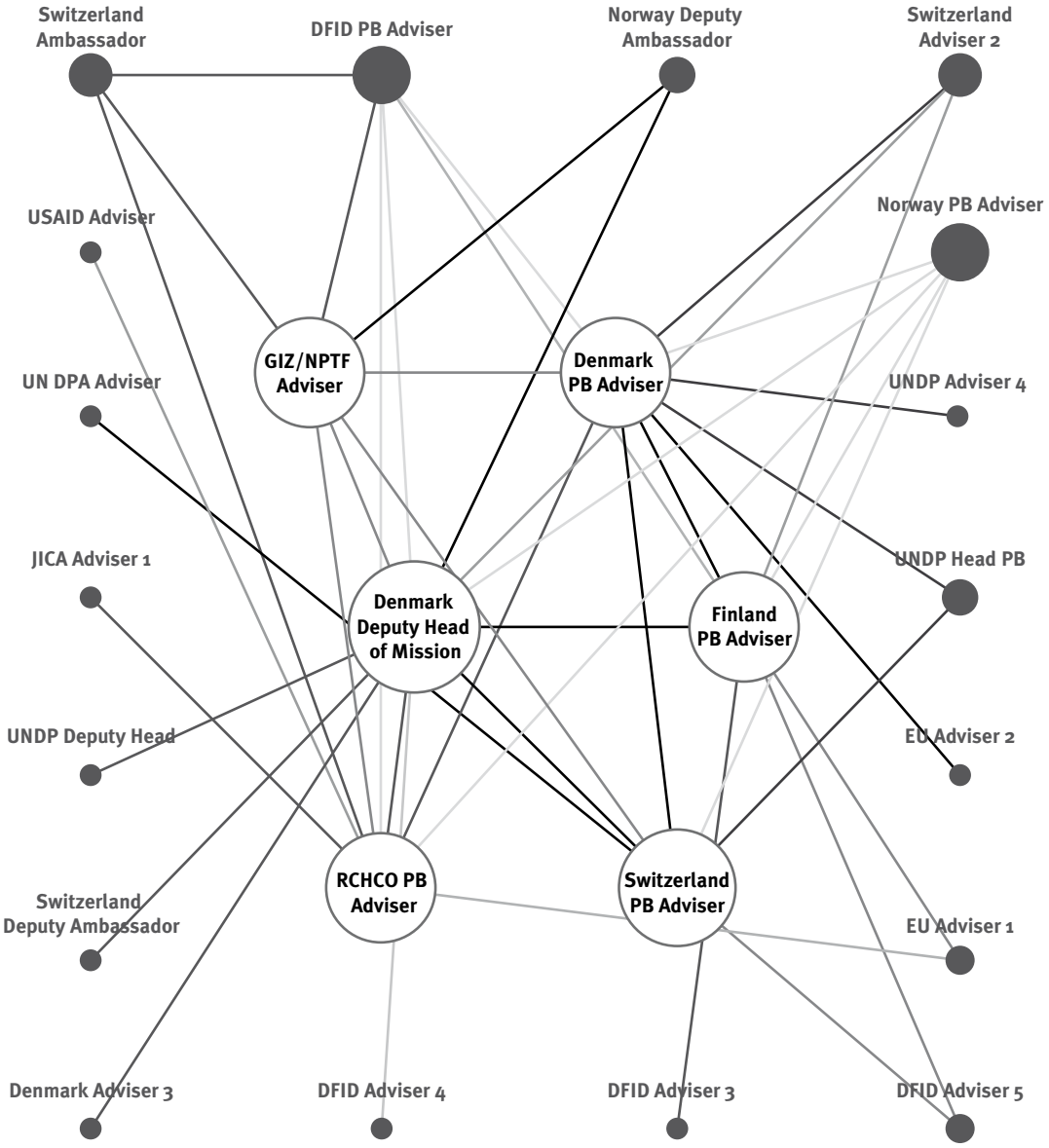
The evaluation carried out a short survey among a selected group of development partner representatives in December 2012 to better understand development partner motivations and coordination patterns, complementing the information already gathered during the field missions. They represented the focal development partners, the group of like-minded development partners, and two international organisations (IOs). The survey was not intended to provide a representative sample but rather offer qualitative insights on development partner coordination. Eight out of 12 potential respondents chose to participate in the survey, which consisted of 20 multiple-choice questions, followed up by a qualitative telephone interview.

The respondents occupied positions at the level of senior advisers or deputy heads of mission. One person was selected from outside the peace support group to serve as a control (group). The respondents had each been in country for between one and four years. The majority expected to leave during 2013, with a few scheduled to leave sometime in the following two years.

They all attended NPTF development partner meetings regularly, whereas only a few respondents participated in the bi-weekly IDPG gathering – others attended with less frequency. These development partner and IO representatives also attended specific other regularly scheduled coordination groups, but with less joint frequency. The survey found that most respondents also meet at ad-hoc professional or social functions, where they often exchange information about Nepal and the peace process. On average, they meet other development partners/IO representatives several times a week.

The survey sought to assess whether certain positions or persons have served as hubs in the development partner coordination on the peace process. The development partner network map below illustrates how the respondents rate their connections in terms of frequency of interaction. The thickest lines indicate weekly meetings. The respondents self-selected who among other donor agencies to include in their network, and the map below thus reflects the respondents' own perception of parties and relationships.

Figure 2 Development partner Network Map



Source: Evaluation team survey analysis.

9.3 Coordination perception

During the visits to Nepal and in the development partner survey itself, the evaluation found a surprisingly wide range of opinions about the state of development partner coordination in Nepal. The evaluation team asked development partners to comment on the diversity of findings, but none could provide answers that were not rebuffed by the suggestions of others. In short, "coordination" appeared to be important to all parties, but their definition of the concept itself varied so widely that a joint analysis of the effort was lacking. The PDS was a case in point.

Some development partner representatives claimed that coordination was exactly as effective and flexible as it could be; others lamented the lack of clarity, the continued overlaps, and described development partner coordination in dysfunctional terms. Also surprisingly, these comments did not correlate with the length of stay in Nepal or how central the representative was placed in the development partner groups. Some said that, on their arrival, development partner coordination initially appeared very effective, but that they later realised that the meetings only facilitated information sharing, not coordination with the ultimate aim of harmonisation. Others were shocked on arrival, noting that working groups often overlapped in scope and did not appear to report to any higher level forum – such as the IDPG – that could cross-check for programme duplication or gaps. Over time, some of these representatives learned to better navigate the systems and felt that they were adequate. However, all invested extensively in improved coordination mechanisms (e.g. the Nepal PDS), only to acknowledge that, while development partners temporarily shared more information, a grand plan did not serve their individual interests. Individually-initiated efforts, such as the transitional justice basket fund or sector coordination efforts, have generated more positive comments, possibly suggesting that task and subject-matter problem-solving serves as a better incentive to collaboration than general harmonisation efforts. Some development partners noted that the process of developing the PDS was a useful tool for information sharing among development partners, but the process was lacking in two fundamental aspects: first, despite successive efforts over several years and numerous consultations on its development, the Government did not come on board and agree to the PDS as a joint strategy; second, while the PDS served as a stock-taking exercise, development partners did not agree mechanisms by which to further generate joint programming or to continued joint efforts, and. as a result, the PDS failed to have a life beyond the publication date.

This may offer some important lessons. Facilitated by the UN Resident and Humanitarian Coordinator's Office, the Utstein Group (since transformed and expanded into the IDPG) invested in the PDS process, involving more than 60 people from 12 major development partners over almost a two-year period. The UK and Denmark were key instigators. The latter was partly in response to the 2007 OECD/DAC Peer Review of Denmark, which pointed out the shortcomings of coordination in Nepal: **"***As a result, and despite a multiplicity of coordination mechanisms regrouping different circles of donors but mostly limited to exchange of information, the donor community reacted – and continues to react – in a rather ad hoc way to the evolving situation in Nepal".* It added that the donor community should *"develop a forward-looking joint analysis of upcoming challenges in Nepal".*[44]

44 OECD/DAC, Peer Review of Denmark, 2007, pp. 90-91.

The PDS set out to build on the CPA, which had broad support among domestic and foreign stakeholders. With such a foundation, the Utstein Group made efforts to engage GoN in the planning process, but obtained little buy-in among key ministries, and the process therefore did not result in a joint strategy.[45] The PDS was eventually published with what many observers felt was a very broad menu of issues to be addressed, but with no coherent strategy on how to move jointly forward. To some, it had become a cove for UN programming.[46] It also did not discuss how to influence a government-owned peace process, but rather listed a set of activities.

Meanwhile, bilateral donors are perceived as sometimes selectively choosing to collaborate despite best intentions or principles of good development coordination practice, often because of over-riding institutional and foreign policy interests.[47] In addition, many embassies and agencies are perceived as having limited technical capacity and human resources to effectively follow through on all their intended peace-building coordination efforts. While other development partners have not used the PDS for subsequent planning purposes, the UN has done so.

Many development partner representatives noted the disconnect between discussions at technical and policy levels. This was observed within their organisations and was further reinforced by an inadequate development partner coordination structure. In particular, IDPG did not appear to consider issues discussed in other forums, and the development partners lacked a joint policy forum where all relevant parties could participate. If the EU Heads of Mission meetings – which thus far have included only European development partners – could be extended to other heads of mission, the forum could become more valuable. Finally, most development partners acknowledged that, while it had not performed effectively throughout, NPTF has grown in its capacity to serve as a joint forum for development partners and Government to meet, exchange information, and even make strategic decisions.

Several efforts have been undertaken to go beyond policy and programme planning. The Ministry of Finance has established an Aid Management Platform, which was designed to capture and help manage information on foreign assistance. Until mid-2012, the Platform received technical assistance from a UNDP expert. The database organises information according to OECD/DAC categories and cannot be searched specifically for peace process activities. It is also not publicly accessible, and the information contained is not validated with development partners. As a result, the reliability and value of the platform is of limited use to coordination efforts.[48]

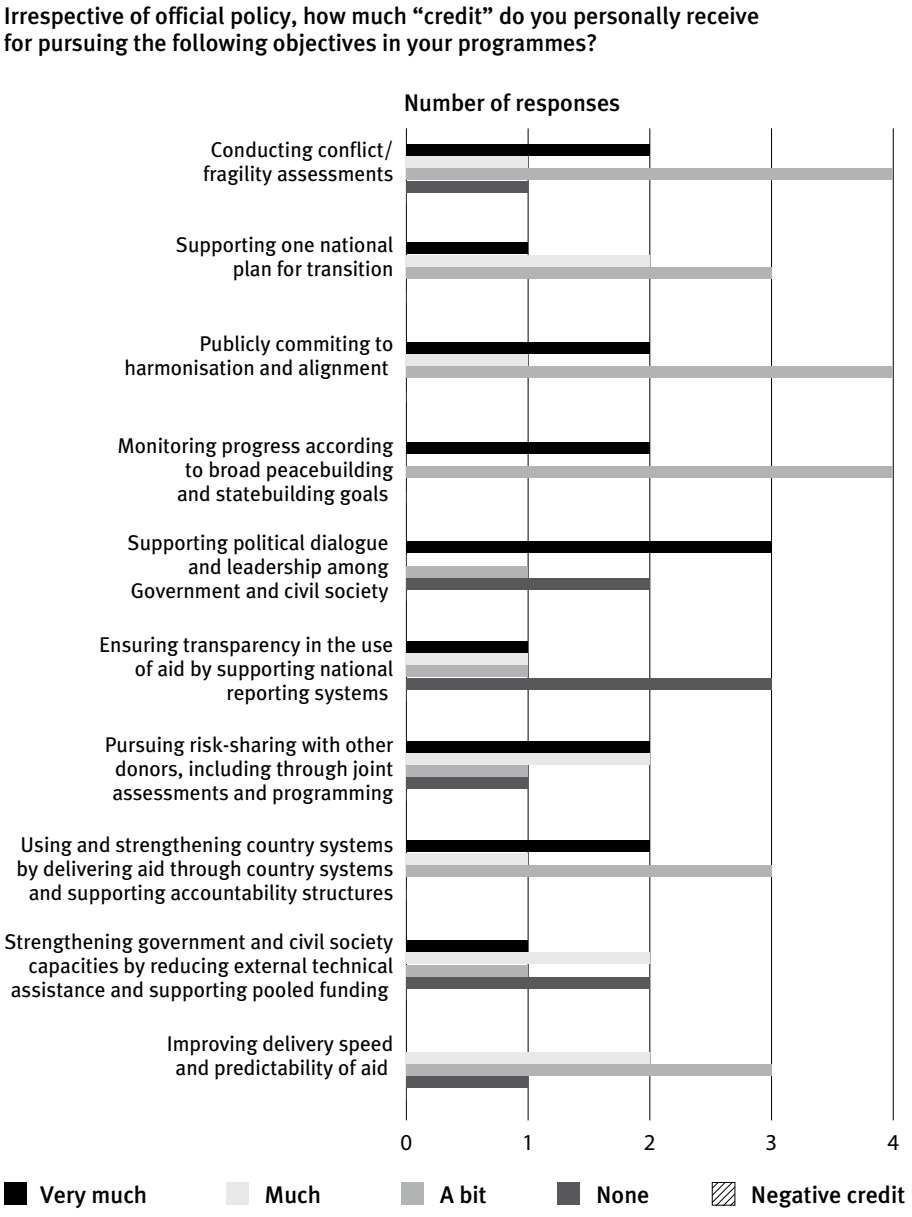
9.4 Development partner interests

Follow-up interviews with the survey respondents further explored development partner interests in the Nepal peace process. While the respondents all represented the focal development partners, like-minded development partners, and IOs working on the peace

45 Email interview in March 2013.
46 Field interviews in May 2012.
47 Email interview in March 2013.
48 Based on interviews in November 2012. The evaluation team posed several queries to the database and the Ministry of Finance. After several attempts, the Ministry suggested that international development partners had spent USD 200 million during 2006-12 on the peace process. As of January 2013, not all development partners have supplied complete information, but the data base still is the only potentially complete ODA tracking tool in Nepal.

process in Nepal, the answers and comments were remarkably heterogeneous. Most respondents noted a medium awareness of, and general adherence to, the 10 PSGs agreed under the New Deal for Engagement in Fragile States[49]. They differed starkly, however, in how much incentives their headquarters provided to their staff on objectives such as alignment, transparency, and the other PSGs as illustrated in the graph below.

Figure 3 Incentives to implement the Peacebuilding and Statebuilding Goals



Source: Evaluation team survey analysis.

49 A New Deal for Engagement in Fragile States. Agreed in Busan, South Korea, 2011. www.oecd.org.

The graph illustrates the diversity of responses. Eight respondents answered this group of questions. Yet, nearly every question elicited an answer from three or more categories. This is a clear indication of the great diversity with which individual development partner representatives approach assistance to fragile states, despite the common fragile states principles. Although it should be noted that the respondents hold different types of posts and the diversity of thinking about fragile states could also be influenced by this factor. Some respondents said that the New Deal is indeed very new, and thus poorly understood by development agencies. Others noted that Nepal rejects the *fragile state* designation, and that these goals are relevant at policy level only, not for programming. One respondent commented that the agency applies conflict-sensitive programming, which is sufficient detail for headquarters. Another replied development partners real interest is beyond these goals and relates more to international visibility or other national interest. Finally, one respondent concluded that several of these goals already are deeply engrained in development programming and, as such, their staff adherence is taken for granted.

In sum, even 'like-minded' development partners operate very differently. It is thus unlikely that further attempts to harmonise efforts will bear any fruits. While many parties noted that the process around the PDS was flawed, the extensive information collection and strategy drafting process represent one of the most comprehensive coordination efforts in the Nepal aid community. However, measured by subsequent usage or reference, the effort serves as a good reminder of the limits of "master plan coordination". Only in specific cases does joint programming offer sufficient incentive for development partners to collaborate that closely. In most areas, they are adequately served by information sharing that feeds into their individual planning processes.

10 Conclusions, recommendations and wider lessons

This chapter first draws together the conclusions and recommendations from Chapters 4-9 above. In line with the ToR, the evaluation then seeks to draw wider lessons that could be used for other fragile environments and conflict-affected settings. To achieve such a broad picture, the evaluation moves up one level of abstraction.

10.1 Conclusions

Understanding and responding to conflict
The evaluation covers a period that initially was characterised by post-CPA optimism and by investment in peace support initiatives by a broad range of development partners. This was followed by a period of slow-but-steady political progress, leading many development partners to shift into less flexible and more state-centric programmes. However, as from 2012, some development partners have started to question whether the recent governance and security gains are as sustainable as previously assumed, and they are considering how to strategically interpret the current political stalemate.

The evaluation – with OECD advice in mind – notes that programme transitions ideally should be tied to changes in fragility, not to time passed since the conflict ended.[50] In Nepal, this advice may not have been fully heeded. One indication of this thinking is reflected in the fact that some – but not all – development partners in Nepal have started replacing conflict advisers with sector advisers.[51]

While **Danida's** direct support for the peace process (PSP) is not based on any formal conflict analysis at the strategic level, the support has been based on broad strategies set out in the Interim Strategy and ties in with the efforts of development partners through NPTF and UNPFN. Furthermore, the PSP programme reviews have endorsed this approach and they have helped adjust the focus of the programme as it has evolved. Given the interaction and complementarity with HRGGP, which relies on more articulated theories of change and is framed in a conflict transformation approach, the evaluation finds this strategy appropriate and relevant for the situation in Nepal.

Meanwhile, partly due to its unique SDC/HSD set-up, **Switzerland** has in place a comprehensive in-house conflict analysis expertise, scenario planning, regular updating of programme documents based on political developments, and monitoring that feeds back into learning. While the theory of change methodology may not feature explicitly in aid documents, it appears that Switzerland places strong emphasis on "process" and staying abreast of political developments. The implicit theories of change are derived from scenario-building, and a concurrent focus on short-term and long-term planning. The investment in conflict understanding allows the Swiss embassy to take a prominent role in development partner coordination forums and to help guide the development partner group according to Swiss interests. The evaluation finds this an effective way

50 OECD Fragile States Principles. OECD 2007. Number of years since conflict ended is a poor indicator of stability. In order to assess fragility, it is more useful to observe quality of governance and justice systems, and the overall human security situation.

51 November 2012 interviews with donor representatives.

to leverage investment and gain influence on issues of broader national importance; perhaps a necessary counter-balance to the area-based approach of the actual programming.

Finland has invested conservatively in the peace process and has relied on joint mechanisms for conflict analysis at the strategic level and theory of change at the programme level, partly because no other resources were available and partly because post-conflict transition is a new area of engagement for Finland. The evaluation finds this approach appropriate for Finland's volume of aid and current resources allocated to conflict analysis.

During the period evaluated, **Denmark** first relied more strongly on partners' conflict analysis, but later strengthened its internal capacity in this area. Revisions based on conflict analysis primarily were made as a result of annual or bi-annual programme reviews. **Switzerland** has consistently engaged in comprehensive conflict analysis, based on in-house expertise. It also had a built-in monitoring and revision system accounting for changes in the context, which would be reflected in programme changes at very short notice. **Finland's** approach is less comprehensive, but combines high-level strategic analysis with project specific conflict assessments – the former often based on joint efforts, although the PDS did not feature as a useful resource either for Finland or for the other focal development partners. Adjustments were made with even longer intervals, often at the beginning of new programme cycles.

Each approach appeared, in the main, to be adequate for the programming – that is, the analysis was generally sufficient to account for the risks and opportunities provided by each of the development partners' implementation models, although the analyses often were so broad that they provided limited strategic guidance. The question of social tension as a result of rights-based approached may, however, be an exception – as discussed under the "Do No Harm" principle in Chapter 4.

On theories of change, the evaluation found a very limited usage of ToCs as a design or monitoring tool. The evaluation also found that the three focal development partners have utilised other methods to ensure a match between analysis and programming, but, given their very broad approach across many domains, it is unclear whether these tools have helped with strategic coherence. Specifically in the case of Denmark, the evaluation found there is a match between the Danish conflict understanding and the implicit theories of change, and that this consequently results in a very broad set of peace support programmes. With regard to the Swiss assistance, again there appears to be a match between analysis and design, although the areas of concern are somewhat all-encompassing, and thus provide limited strategic guidance. Finally, the Finnish analysis is a medley of concerns across many domains, and the evaluation notes a lack of strategic coherence or overall guiding principles driving analytical and programming choices.

In workshops with the development partners and in discussions with the Reference Group that provided guidance to the evaluation, it became clear that planners and evaluators placed far more value on ToCs than did implementers and policy-makers. While this could be a result of different levels of knowledge dissemination about ToCs, it also appeared to be a consequence of the mind-sets and incentives that operate within each group.

Relevance
The focal development partner strategies all aim to support the CPA objectives – and, as such, signify good coherence with national peace aspirations. However, as the peace process itself is beholden to political interests and developments, certain CPA elements – such as social and economic development – have been side-lined by the joint funds. The HRGGP is an example of programming that successfully addresses an issue that NPTF does not engage with – namely, human rights.

On other strategic frameworks, the evaluation notes that the comprehensive effort involved in producing the PDS has not borne fruit in terms of alignment or harmonisation – the latter discussed under coordination in Chapter 9. Meanwhile, the evaluation found that NPTF is emerging as the key joint instrument through which development partners can harmonise their efforts, align with government priorities and help build capacity in the process. Based on interviews with a range of stakeholders, the evaluation concludes that there has been a very good partnership with development partners and under the DG representatives, and discussions among the Fund partners have been very constructive.

Given the difference in programming approaches, the focal development partners engage very differently with the beneficiaries of their programmes. The evaluation noted that beneficiaries of certain Swiss and NPTF programming felt insufficiently consulted, which could led to inefficient programming – for example, as witnessed by NPTF's failure to attract interest in the compensation package. Danish programming, which relies extensively on partner organisations, did not elicit the same concern from beneficiaries.

Nepal's continued volatility has led to debate about, and several revisions of, the country's status on a conflict – post-conflict – development timescale. The evaluation found it encouraging that the context changes are reflected in development partner documents. However, the debate is fruitful, only if the various definitions trigger different types of approaches.

The evaluation found the fragile states principles to be a useful prism through which to study the support to the peace process, and many of the evaluation questions are also reflected through this framework. The focal development partners generally have lived up to the spirit, if not the letter, of the principles, although the ambition to "Do No Harm" is particularly tricky when supporting change processes. Denmark, Switzerland and Finland – individually, jointly and through various initiatives – have supported ending discrimination. This evaluation found that general international support and promotion of Dalit and minority inclusion was causing societal tension at both the community and national levels. This is understandable, given that the transformation of deep-seated power relations is being challenged. The issue is whether these tensions are a manageable process that will lead to long-term positive change or will radically polarise a fragile state, and thus endanger the peace process. The development partners have faced a dilemma of how to support inclusion on a short-, medium- and long-term basis by reinforcing the "connectors" and mitigating the "dividers" that lead to renewed conflict.

The evaluation found that the focal development partners used the most appropriate and effective channels for specific types of intervention, including NGOs for community work, government funds for national coverage programmes, and the UN for areas that were difficult for the Government to address.

Constituent assembly and monitoring

The elections were a success, in that they delivered an inclusive CA that had very broad representation across Nepali society. Women and other often-marginalised groups were reasonably well represented in the CA. However, this very inclusivity may have contributed to the inability of the CA to draft a new constitution. It should be noted that the original timetable for the elections was unrealistic in the given context. Moreover, there is a conflict between the function of a parliament and that of a constituent assembly, which became clearer the longer the CA lasted.

The success of the somewhat complicated election (two polls at the same time, one based on PR, and the other for constituency seats) was partly due to development partner support for the elections, whether channelled through the UN, NGOs or directly by the international community.

Overall, the monitoring of the elections was a success and helped to contribute to the acceptance of the poll as having been free and fair. The evaluation concludes that the level of spoiled votes was due to some factor other than voter illiteracy, and must reflect at least in part on the variability and quality of the voter education delivered, because the level of spoiled votes was higher than in previous elections in Nepal or in similar elections in India. Interestingly, a lower percentage of votes in the second ballot were spoiled, even though there were more than three times as many selections on the paper.

Constitution

Despite four years of effort, and the setting of repeated deadlines by the key stakeholders, Nepal has not yet achieved a new constitution. As such, this element of the CPA has not been implemented, and there are even voices that now question whether this is actually the best approach.[52] The same political issues that dogged the first CA elections are being repeated in the run-up to the second CA.

The CA has suffered from several issues that have constrained it. The first of these is the dual mandate as a parliament (adversarial politics) and as a constitutional drafting body (collaborative politics). The second is that the CA is nearly 50% bigger than the ideal size for such an assembly. A third factor is that many of the constitution clauses appear to be very detailed, and thus take longer to negotiate.

Development partners have only very limited leverage with a home-grown process like the peace process in Nepal. However, there is little explicit discussion of potential levels of influence on specific actors in the conflict analysis documents seen during this evaluation. Development partner advocacy has been at its most effective when the development partners have all had a common message. This has rarely been the case, and even the overall strategy is rarely explicitly expressed via a theory of change.

The draft constitution appears to be largely in conformity with international norms. The one glaring exception is over the proposal to introduce a blanket amnesty for crimes committed during the conflict.

There is little evidence of ongoing consultations with the general population. Even local party officials stated that there had been no consultation within party ranks at the local level on the positions taken by the party leaders in Kathmandu.

52 Interviews in Kathmandu, November 2012.

The main outstanding sticking point on the constitution at the end of May 2012 was the proposed federal structure of Nepal. It is not known how many of the previous compromises will unwind when, or if, a new CA is elected.

Development partners have provided a significant amount of support for the constitutional process. This support, although not sufficient, has turned out to be a necessary condition for the development of an inclusive constitution for Nepal.

Good governance
While there have been some gains in better governance in some VDCs, the broad perception is that governance is deteriorating in Nepal. Corruption remains endemic. It has constrained some development partner support, and has constrained the use of particular channels. It has also lessened FDI in Nepal.

While the NPTF programmes are not free of corruption or political influence, the compensation programme appears to operate in a less corrupt way than many other services. Corruption is not restricted to Government, but is also a problem for NGO governance.

Development partners have supported a range of interventions to promote good governance. However, as with broader support to the peace process, they have only limited ability to influence the struggle played out between the various Nepali groups.

Transparency has been one of the most effective tools in combating corruption. Inclusion has also proved to be effective in ensuring broader access to information and breaking the stranglehold of one group on the bureaucracy.

An end to discrimination
Development partners' efforts to address discrimination have resulted in ensuring that the agenda is kept alive, and that representative constituencies have a stronger voice and are able to influence some local and national policies. Funding support has enabled projects and programmes to be implemented at community level, engaging women and men of different social groups. Over years of work, differences in gender and caste/ethnicity-based discriminatory practices have occurred.

Despite a strong national and development partner specific mandate to address discrimination, efforts have often been inadequate to address these issues as an integral part of planning, implementation and monitoring, especially in the activities implemented jointly with the Government. Development partners have been able to address these issues in the programmes they have implemented independently.

A key gap in the support of the development partners has been in the inadequate ability to recognise and facilitate a reasoned debate and a consensus on accommodating multiculturalism in a context where demands for individual identity rights were becoming increasingly strident in Nepal in the years after the CPA was signed.

Cantonment and demobilisation/reintegration
The cantonment process was remarkably peaceful. In contrast to many other peace processes, where cantonments have been flashpoints, no major clashes were reported in the cantonments.

The process regarding the VMLRs was problematic in two ways. First, the label of *"ayogya"* (or "disqualified") was viewed as a derogatory term among local communities, implying "useless or "incapable". This perceived affront has continued to be a rallying call for small elements of VMLRS who have continued to protest after discharge.

Second, the discharge packages were viewed as unequal between the VMLRS and other ex-combatants. According to the UN, this caused problems with expectation management with regard to the heavily cash-focused final negotiations around the remaining 19,000 ex-combatants. This problem might have been avoided if the discharge of these VMLRs had been carried out several years earlier – as anticipated in the peace agreements – and the dust had been allowed to settle.

The core development partners supported the UN agencies with resources and some technical assistance to work with the GoN and national stakeholders to implement the cantonment and reintegration processes. Support was also given via the NPTF after the departure of UNMIN. Given the complexity of the process, the donor decision to give support to the UN was appropriate to the circumstances. The NPTF proved to be an effective body with regard to the process, and enabled greater national ownership over this sensitive issue.

Action on the "disappeared" and establishing the MoPR
Local Peace Councils (LPCs) have served as redress systems and have performed to varying degrees of satisfaction, according to families of the "disappeared" people. For LPC officials, the key concern is that questions of political affiliation are influencing the process, and they also report a lack of resources to reach more remote areas. Meanwhile, the justice system is costly in terms of financial and time resources. As a result, few families embark on the formal legal process to get redress – and, if they do, they often require the support of NGOs.

In many instances, information about "disappeared" family members was linked more to compensation mechanisms or the need to perform burial rites, rather than to a need for "truth and reconciliation".

The development partner assistance for compensation for the "disappeared" has mostly been channelled through the NPTF, thus enabling a good degree of national ownership over the process. While many families have received compensation, this process has been marred by political affiliations, lack of geographic outreach, and allegations of corruption. Development assistance to NGOs to support families to access compensation has been quite effective, particularly in the case of the work conducted by INSEC. However, financial compensation is only one part of the resolution of injustices. Where development partners have not been successful has been in getting justice – rather than just money – for the people affected by the conflict. This is a broader problem with the whole peace process, reflected in the failure to establish a TRC. The real issue is not the TRC, but the continuing impunity of those who committed serious human rights abuses.

Setting up of a Truth and Reconciliation Commission
Despite the best efforts of development partners, Nepal does not have an adequate law on the TRC and the "disappeared". It is looking very unlikely that the victims of abuses during the conflict will get justice in Nepal.

In the light of the case of Kumar Lama – the Nepalese army colonel arrested in the UK in January 2013 and charged with two counts of committing torture during the civil war – it may be worth considering whether more aggressive action by development partners would not have been a more efficient approach than just focusing on legislation in Nepal. For example, in applying the universal jurisdiction of the convention against torture, or in pushing for referrals to the International Criminal Court.

Respect for human rights
The human rights situation improved after the signing of the CPA, but the commitments made in that historic document were not adhered to by the Government and political parties. This limited the effectiveness of the development partners, as a reduction in human rights violations was dependent on an effective justice system and a responsive state.

There are still serious issues in Nepal relating to continuing rights abuses, albeit at a far lower level than during the open conflict. Continuing impunity for people who committed abuses is another issue that needs attention. Impunity is compounded by weak institutions, including the police and justice system.

Development partner efforts to support women and various social groups provided them with capacities to better defend their rights. Nevertheless, there are still high levels of violence against women and discrimination based on caste/ethnicity, as they have deep cultural roots that will take time to change.

Monitoring by OHCHR and NHRC, two key institutions that were mandated by the CPA to monitor the human rights situation in Nepal, had mixed results. Both did good work in pursuing human rights violations and reporting them. They worked as a watchdog and brought to the attention of the Government instances of criminal injustice, impunity, torture and other acts of human rights violations. However, due to structural issues and the lack of political will of the Government, these institutions could not work as effectively as required.

The UNMIN Mission
The two elements of the UNMIN mandate – the security side and the political side (limited to support for the CA elections) – were implemented in very different ways and with very different outcomes. The intermediation of UNMIN allowed the two sides to trust each other sufficiently for ex-combatants to remain in the cantonments and barracks, and to follow the CPA commitment on the security side through to completion. Other elements of the peace process, such as the constitutional process, were not intermediated, except where various bodies provided good offices. The lack of progress on the constitutional process is striking, in comparison with the effective UNMIN intermediated demobilisation process. There can be little doubt that UNMIN contributed to sustaining the peace.

Coordination
Elections were a success in part due to the support provided by development partners. However, development partners did not make any great effort to coordinate their efforts, either in support to the Election Commission, in voter education, or in election observation. The lack of coordination of assistance to the Election Commission was resolved by the Commission itself, and the lack of prior coordination for international observers was resolved in part by the procedures adopted by the observers.

At all stages leading to the release of VMLRs, the development partners felt that this was a process that should be managed by national stakeholders and the UN in-country team. Despite encountering some frustrations, it was felt that the UN did a good job in this process. The decision to enable the UN to mediate and manage was an appropriate strategy to ensure that communication and coordination with the key national stakeholders could be maximised, rather than diluted with further engagement of the development partners, individually or jointly.

UNMIN was a regular agenda point at the Utstein (now IDPG) coordination meetings, though its mandate ultimately was an issue for the UN Security Council permanent (P5) members.

Smaller development partners, including Denmark, Norway, Switzerland and Finland, were eager for UNMIN to stay. They were afraid that the situation would deteriorate without UNMIN. Unable to establish a joint EU approach, they saw the P5s make the decisions, mostly based on their own interests. Yet, smaller donors also acted in own interests – for example, during discussions on who could replace the monitoring of the cantonments.

The evaluation found a remarkable lack of consensus on the issue of coordination. Some development partners were very positive, some very negative, and many eager to utilise the current structures or develop new ones. The evaluation found this diversity of opinion healthy and concludes that there is no optimal model for coordination in Nepal. Particular procedures and divisions of responsibilities can continually be improved. Sector-specific coordination appears especially effective, and NPTF may be emerging as a more effective hub for development partner-development partner and development partner-government interaction and planning.

10.2 Recommendations

The following recommendations were discussed in their initial conception with the three focal development partners and NGOs during debriefings in November 2012.

Programme design

1. Development partners in Nepal should continue to invest in conflict analysis with a political economy approach, and should mainstream this for all of their development interventions, i.e. paying attention to the potential impact of interventions on differing groups.

2. Development partners should sharpen their strategic focus to peacebuilding in Nepal by:

    a. making more explicit the underlying theory of change they are working on (whether formally adopting a theory of change or not);

    b. addressing peace-building through their whole portfolio, and not just through specific peace-building projects;

    c. jointly considering what levels are available to the development partners (including international law) to encourage stakeholders to adhere to the commitments they have made in this nationally-owned process.

3. Development partners in Nepal should further develop joint programming to ensure that the individual depth of action is complemented by joint breadth. Such joint programming should concentrate on practical programmes, rather than on grand designs.

4. Development partners should make a greater effort to help increase accountability, while at the same time recognising the essentially national context of the issue. This could be done by:

   a. including an analysis of the potential risks of corruption in project plans, and identifying mitigating measures that takes into account project beneficiaries suggestions;

   b. continuing to advocate for greater transparency, and ensure transparency in their own operations by, for example, publishing grant details;

   c. continuing to promote inclusion and voice in local government, the civil service, and their own staff, as these promote transparency, bring in different perspectives based on experience and remove the stranglehold of one group on resources.

5. Development partners should continue to work through all channels – including the UN, INGOS, Funds, NGOs, community-based organisations (CBOs), and the various levels of government – to address the deep-seated issues of inequality in Nepal, and should mainstream the addressing of inequality in their whole programme. At the same time, development partners should avoid the risks of creating parallel structures – for justice or other activities – that undermine the development of state capacity.

6. Development partners should concentrate support on:

   a. implementation of the various positive policies that the Government has adopted (e.g. National Action Plans on 1325 or 1820, on GBV, civil service diversity);

   b. facilitating people who are marginalised because of gender, caste, religion, politics, or geography to access the assistance that they are entitled to, under these policies or under existing laws;

   c. continued efforts to address impunity, while including reconciliation efforts that can further a process towards broader political compromises.

7. Development partners should continue to support the full implementation of the CPA, including the human rights elements. They should use the levels of influence that they have to pursue progress in those areas that can move forward under current political conditions, but should not be swayed by the political class or dominant groups' unwillingness to address either historical or ongoing abuses. Where feasible, they should engage all major development partners to ensure that a joint and clear message is delivered.

Programme management

1. Development partners in Nepal should continue to use programme implementation units, as they are appropriate in a context of weak governance.

2. Development partners, in Nepal and similar contexts, should:

   a. advocate the application of a threshold whereby the PR list voting system is used;

   b. advocate the adoption of realistic timetables for elections;

   c. advocate the separation of roles between the acting parliament and the constituent assembly;

   d. continue to employ a wide range of channels;

   e. place greater emphasis on voter education, and on the coordination of the efforts of different partners so that coverage of the whole country is achieved with a consistent message;

   f. continue to support election monitoring.

3. Development partners in Nepal should advocate, and support, the introduction of an improved CA process through;

   a. advocating the setting out of general principles in the constitution, with the details to be agreed in legislation;

   b. agreeing on a common advocacy position towards the peace process stakeholders; and

   c. continuing to advocate that the constitution should conform to international norms.

4. Development partners should, rather than supporting organisations that cater for individual marginalised groups or sub-groups, support coalitions of such organisations, to promote a shift of focus from individual identity groups to supporting a multicultural state where different groups have to live in harmony with each other.

5. Development partners should commission a tracer study of ex-combatants, including those disqualified from competition, to determine what has become of them and which elements of the assistance (including support in the cantonments) they received proved to be the most useful.

6. Development partners should make greater use of coordination platforms to:

    a. establish common advocacy positions;

    b. share and advance ideas for joint and government benefit;

    c. reduce costs by sharing administrative burdens;

    d. advance learning though joint monitoring and evaluation;

    e. leverage the investments by small and medium donors through their leadership of coordination sub-groups.

7. Development partners should:

    a. revisit the memberships of coordination forums;

    b. establish an encompassing heads of mission group, alongside IDPG and NPTF (with these three being the main coordination bodies);

    c. ensure that policy discussions in the heads of mission forum are relevant for, and communicated to, the other two forums.

10.3 Wider lessons

The evaluation identified a number of wider lessons that could be applied in other fragile environments. The eight lessons are:

- Investments in political understanding have allowed development partners to provide sustainable peace process support. Such an investment is necessary in any fragile setting; peace processes cannot be approached as development programmes only.

- Development partners have exerted moral influence especially when working in concert, e.g. advocating against the ordinance on the transitional justice commissions in 2012. It is crucial that development partners in fragile settings recognise and utilise the full set of influencing tools that are available to them.

- Given past levels of political and financial investment, the development partners achieved what was feasible in a domestically-owned process. A peace process is inherently a political bargaining process between constituencies in a fragile society. The process is thus member-owned and must allow for a narrative that builds national strength.

- The focal development partners may have attempted to gain access more broadly, but have failed to engage on a channel of engagement that could greatly leverage their support to the peace process, even if those other actors' primary interests are trade or security. In similar settings, it is essential to engage with all influential parties to avoid that technical inputs are undermined by larger political processes.

- While the Danish assistance is effectively advancing several rights issues in Nepal, due diligence would demand a country programme conflict analysis prior to undertaking social change initiatives in a fragile setting. In such settings, it is pertinent that development partners establish minimum conflict analysis guidelines for all programmes, especially those that risk escalating social tension. The guidelines could also discuss mitigation strategies in case of unintended consequences.

- Despite the Paris Declaration intentions, in the case of Nepal, the use of a Project Implementation Unit (PIU) was wholly appropriate. This is likely to also apply to other fragile settings where government parties are reluctant to advance certain issues. If PIUs are not feasible, an umbrella grant system – with a key NGO at the centre – could also be implemented in countries with strong and credible NGOs.

- While Switzerland encountered the same political obstacles as Denmark and Finland, the evaluation concludes that the whole-of-government approach has proved to be particularly effective in the fragile environment of Nepal – and it may well be the case for other such environments – because it allows the development partner to assess and influence government policy above the technical level.

- Smaller development partners such as Finland can leverage their impact by taking leadership in joint forums and attracting development partners to joint efforts.

Annex A Terms of Reference

Evaluation of the support to the peace process in Nepal 2006-11, to which Denmark has contributed.

A.1 Background

In November 2006, a Comprehensive Peace Agreement (CPA) was signed between the Government of Nepal (GoN) and the Communist Party of Nepal (the Maoist movement), ending a ten-year period of violent conflict that claimed more than 16,000 lives and displaced between 100,000 and 200,000 people. A range of bilateral and multilateral donors and organisations, Denmark being one of them, has since then supported the peace process and related efforts in Nepal.

In Denmark, as well as in other donor countries, there is currently a strong interest in learning from the experiences of support to peace processes. More specifically, there is a wish to learn from and document the results of support to the peace process in Nepal. Thus, the Evaluation Department of the Danish Ministry of Foreign Affairs (EVAL) wishes to commission an evaluation of the support to the peace process and related efforts in Nepal, to which Denmark (and other development partners (DPs)) have contributed. The hope is that this evaluation can feed into the continued learning and improvement of peace process support, in particularly in relation to the continued process in Nepal but also with relevance for wider learning.

Detailed context and description of Danida programme removed from this abridged version.

Rationale, purpose and objectives
Many of the elements of the international support to the peace process have been assessed individually, with the reviews focusing mostly on management, coordination and operationalisation issues, linked to specific aid instrument reviews (e.g. the NPTF review, the UNPFN review, and the previous Danish PSP and HUGOU reviews as well as reviews and studies commissioned by other bilateral development partner). As a result, there is a substantial amount of information available, but a more a comprehensive assessment of the support, the interplay between different support areas etc. would be relevant. Furthermore, it appears relevant to aim at a stronger inclusion of the results and changes experienced by the Nepalese people into the assessment, by including and supplementing the knowledge currently available on this issue.

Thus, an important part of the overall rationale for the evaluation is to contribute to providing as comprehensive as possible an overview of the international support to the Nepal peace process to which Denmark (and other DPs) has contributed; the dynamics and results, building as far as possible on existing information, and complementing this with additional investigation and analysis where relevant and required.

The main purposes are to contribute to the continued improvement of the support to the peace process, e.g. in relation to the future support from Denmark, as well as from other development partnerrs. Furthermore, the evaluation is expected to contribute to

the continued learning in relation to supporting peace processes and peacebuilding efforts in conflict-affected/post-conflict situations elsewhere.

The main objectives of the evaluation are therefore to comprehensively assess and document the way in which Danish support to the peace process in Nepal, together with the support from other development partners as part of the broader international engagement to support peace in Nepal, has contributed to the achievement of results, and to identify conclusions, lessons learned and forward-looking recommendations for the continued support to the peace and development process in Nepal, as well as to other situations where international actors support conflict prevention and peacebuilding.

Evaluation period
The evaluation must cover support to the peace process in Nepal from 2006 and onwards, i.e. since the signing of the Comprehensive Peace Agreement (CPA). The signing of the CPA has marked the formal kick-off of several of the key peace support programmes (including the NPTF and the UNPFN but also the Danish PSP as well as support from other development partners and actors) and marks a substantial increase in the development assistance provided to Nepal.

Taking the CPA as a starting point will furthermore allow the evaluation to see what kind of activities have been developed in response to the CPA, allowing for questions like how these activities were coordinated with existing and on-going activities, how the coherence of these activities was taken into account, et cetera.

The situation in Nepal and the support provided prior to the signing of the CPA should be taken into account as relevant background to the evaluation, as this enables the evaluators to understand the context in which post-CPA peace support has been designed and developed. Similarly, key socio-economic and developments which are of important to understanding the context of Nepal prior to the signing of the CPA (including during the conflict period) must be included as important to the understanding of the background to the CPA, the support provided and the continued peace process. It is expected that the evaluators conduct such a background analysis as part of the inception period of the evaluation, and that it includes conflict analysis identifying the key causes and drivers of conflict.

Similarly, although it is not expected that the evaluation can include support given after January 2012, it should as far as possible consider any key developments which take place in during the evaluation period, if it gives important insights into the status and progress of the peace process.

Coverage in relation to support to the Nepal peace process – thematic scope
When evaluating the support to the Nepal peace process, it should be taken into account that the peace process consists of different layers of activities, actors and issues. An important core of the peace process is formed by political processes, which have focused on issues like the Constitutional Assembly elections and the drafting of a new constitution, as well as the cantonment and reintegration of former Maoist combatants. However, it is important for the evaluation to also assess the contribution of the support in relation to the wider issues related to the peace process, including the key drivers of conflict, i.e. political, social and economic exclusion of marginalised groups (whether based on gender, caste, ethnicity etc.), longer-term issues concerning stability etc. It is therefore expected that the evaluation takes into account not only the support provided

to the political aspects of the Nepal peace process, but also focuses on support provided to for instance Security Sector Reform processes and the strengthening of Rule of Law (including police reform and training schemes), statebuilding processes, for instance in relation to local governance, reconciliation issues and strengthening of the inclusiveness of the peace process, human rights etc. It is important that the evaluation considers the different roles of donors and donor support, different timeframes and possibilities with regards to outputs, outcomes and impacts etc., when looking at support to the different issues and processes.

In addition, the evaluation should establish a sufficient overview of other important support areas, so as to be able to assess the support to the peace process with consideration of the direct or indirect links to other types of development support, in particular support of relevance to addressing the issues of social and economic exclusion. This context should include, but not necessarily be limited to, the Danish and other DPs' support provided to the health, education and energy sector (see further below). It should be stressed that the intention is not to assess these other support areas, but rather to include them as important parts of the context, in which the support to the peace process unfolds.

Coverage in relation to support to the Nepal peace process – activity scope
The evaluation must cover the different aspects of the Danish contribution as a part of a wider picture of support to the peace process in Nepal. This clearly holds true for the contributions to the joint funds, but also the bilateral programmes should be considered in relation to the wider level of support provided to the process of peace and development in Nepal, including the support given jointly with others. This relates to the aim of Denmark to pursue a track of cooperation and alignment, where the different components are to complement each other as part of a broader approach to the peace process in Nepal. Further, it links to the analytical necessity to establish a sufficient overview of the different dynamics and linkages between areas of support from Denmark as well as other donors, and their results in order to assess the roles and contributions of more specific areas of support.

Therefore, in order to understand the wider dynamics and the role and contribution of the support to the peace process in which Denmark has had part, the evaluation should consider the broader international donor support to the Nepal peace process. In order to focus on areas where cooperation and interlinks are present, this consideration is particularly important in relation to the group of donors that on the one hand contributes to and cooperates around the joint funds, while also supporting the peace process through other (bilateral) channels. If possible, the evaluation may include activities supported by these other bilateral donors in the sample, to the degree feasible and appropriate, depending on the level of engagement by other donors. The more specific degree and depth hereof must be further addressed in the inception phase, in line with the need for an informed, purposive sample (see further below).

The PSP and the HUGOU are central elements of the Danish support to the peace process and cover a range of sub-components. The core scope of the evaluation must therefore include (but not necessarily be limited to), these elements. By implication, the NPTF and the UNPFN are also included at the core of the evaluation, since they form the bulk of the international support provided to the peace process in Nepal, and a large share of the Danish support has contributed hereto. Further, the "bilateral" elements of the PSP and the HUGOU should also be important core elements of the proposed

evaluation, as well as the support given jointly with others, outside the realm of the pooled funds. For some bilateral elements, it may be possible to investigate the specific role and contribution of the Danish support. For the NPTF and UNPFN it is not expected to be feasible to identify the specific Danish contribution to results, but rather to look at the role and contribution of the funds more generally. It is expected that the evaluation will address the interplay or division of labour between the different elements of support; including (but not necessarily limited to) the interplay between the two funds, and between HUGOU and PSP. Further, it may be relevant to include the interplay with and between other areas of support, including more specific support from other DPs contributing to the joint funds, to the degree feasible and appropriate (depending on, amongst other things, the interest and participation of different DPs).

A.2 Depth of analysis

The considerations on what types of support to include and how, indicates parameters for defining the breadth of the scope. However, gauging and deciding on the depth of scope is also important. Considering processes and results, it is important to include the different result levels and change processes that the different areas of support target explicitly, but unforeseen interplay and effects, positive or negative as well as enabling and hindering factors should be included as well. It is therefore expected that the evaluation will apply a multi-layered approach. The first layer relates to establishing a sufficient understanding of the background and context for the support, so as to have a foundation for investigating the different interventions and their interplay with the context(s). The second and third layer comprises establishing an overall picture of the support to which Denmark has contributed (as well as the contributions of others as far as considered in the sample); the process, achievements, and overall dynamics as well as a more in-depth understanding of the workings and results of support to specific interventions and activities, also at the local level. It should be noted that while each of the different levels represent important areas of analysis in their own right, a central and challenging aspect of the work will bring the different levels of analysis together.

The first layer consists of the broader support to the peace process in Nepal (overview of the field, actors and key programmes, and the context in which it is set). The second layer will consist of a more detailed overview and assessment of the support to the peace process, to which Denmark has contributed, both bilaterally and jointly with other DPs. The third layer will consist of more in-depth investigation of specific activities or results areas of the peace support.
(*Detail omitted).*

A.3 Evaluation criteria and questions

Overall, the evaluation is expected to shed light on the following question:

- How, why and to what extent has the support to the peace process in Nepal in the period 2006-11, to which Denmark together with other development partners has contributed, helped achieve the intended results;

- have any unintended processes or results (be they positive or negative) occurred;

- and what lessons can be learned from this engagement?

The evaluation will assess the support provided by using the OECD/DAC evaluation criteria of relevance, effectiveness, efficiency, sustainability and impact. The additional evaluation criteria of coherence, coordination and linkages are seen as relevant in relation to different aspects of the support to peace processes (e.g. coordination between the wide range of actors; complementarity between the different types of the support, whether sufficient coverage of target groups is achieved; the positive or negative interplay between specific peace process interventions and interventions aimed at other development priorities).

The criteria should be used to assess the different types/areas and objectives of support. Based on this, the criteria should also be used to express a more overall assessment of the support at the portfolio level to the degree possible. It should be noted that the different criteria can to some extent be seen as interlinked, as when the issue of sustainability has implications for the prospects of achieving longer-term impacts, or when assessment of efficiency may consider issues of short-term and long term objectives and results (as related to effectiveness and sustainability). The evaluation is expected to consider such important interlinkages where relevant. An outline of evaluation questions for the different criteria is indicated below. It should be stressed that this should be revisited, prioritised and/or supplemented and refined, as part of the proposal and the inception phase. Further, it should be stressed that the questions must be interpreted in light of the specific context and the characteristics of the Nepal peace process, e.g. its "home-grown" character.

Relevance
Relevance addresses the extent to which the objectives and activities of a development intervention are consistent with country needs and priorities, beneficiaries' requirements, and partners' and donors' policies. To evaluate the relevance be assessed to what extent this support has responded to the needs of the peace process, i.e. whether it has tackled the key causes and drivers of conflict as identified. Furthermore, the policy relevance has to be assessed, i.e. whether the support has been provided in line with the overall strategies and policy frameworks guiding international support to the Nepal peace process (the strategies and policies of GoN, but also individual and joint donor frameworks), and the theories of change that have guided donor support.

Specific questions to consider include:

- Is the support to the Nepal peace process to which Denmark has contributed based on an adequate (and up-to-date) understanding of the conflict, and does it address the relevant causes, key dynamics and driving factors of conflict and fragility?

- To what extent have the objectives and activities of the support to the Nepal peace process been in line with the (evolving) Nepalese needs, priorities and policies, including the needs, priorities and rights of the Nepalese people?

- To what extent is the support to the Nepal peace process to which Denmark has contributed coherent with internationally agreed principles and overall strategies for (Danish) ODA, and more specifically to what extent has it been coherent with the objectives for international/Danish support to Nepal, including broader development objectives?

- Has the support to which Denmark has contributed been able to respond flexibly to changing circumstances over time (i.e. since the signing of the CPA), and has it been able to respond to short-term and the long-term needs of the Nepal peace process in a balanced manner?

- What is the relevance of the support to the Nepal peace process when considered in relation to the overall donor assistance provided to the peace process and relevant development areas in Nepal; e.g. has the coverage with regards to areas, target groups and objectives been appropriate (division of labour, complementarity of objectives/approaches, gaps, overlaps et cetera)?

Effectiveness
Effectiveness is a measure of the extent to which the interventions' intended outputs and outcomes have been achieved. To evaluate the effectiveness of the support provided by Denmark (and other key DPs; jointly or bilaterally) to the Nepal peace process, the key question is to assess whether this support has reached – or contributed to – its intended results (objectives) in a timely fashion, and if it did not or not fully achieve its intended results, why not? Further, as a peace process may often be a long-term effort, for some areas it may be more relevant to assess whether progress is made towards the intended results, rather than whether results have been achieved. An important consideration in this regard is the different levels of interventions and overall results; e.g. the distinction between technical and political issues and results. Similarly, care should be taken when the objectives of a programme directly relate to issues that are only indirectly or implicitly linked to the peace process. Here, it may be relevant to distinguish between 'programme effectiveness' (i.e. did the programme achieve its stated objective) and 'peace effectiveness' (i.e. did the programme contribute to the peace process). Where relevant and possible, evaluators should assess peace effectiveness in addition to programme effectiveness, and as such evaluate the wider peace process. Further, when a clear line cannot be drawn, the evaluators must address the issues in as transparent a manner as possible, indicating the reasoning and the analysis, as well as the implications thereof.

It should be noted that it is expected that analysis will only to a very limited degree be able to attribute results and achievements to Danish support (or indeed, any individual donor), given the range of actors involved, context issues etc. Thus, assessment of contribution is expected to be essential. Synergies, positive or negative interplay and/or complementarity between results of different types of support should be considered.

Specific questions to consider include:

- To what degree, how and in what respects has the support to the Nepal peace process to which Denmark has contributed fulfilled its overall intentions, or is making progress to do so? What major factors are contributing to achievement or non-achievement and progress/lack thereof?

- To what degree, how and in what respects have the different areas of support to the Nepal peace process achieved the intended more specific results, or is making progress to do so? The assessment should include the experienced and/or perceived change by relevant beneficiaries/target groups. What major factors are contributing to achievement or non-achievement and progress/lack thereof?

- Was the support provided in a conflict sensitive manner, i.e. did the support aggravate or mitigate grievances, vulnerabilities or tensions? To what extent were issues of marginalization and exclusion/inclusion (economic, social and political) taken into consideration and what are the results?

- Has the support process worked as envisaged? Has the Theory(ies) of Change for the support and its different elements been justified? How and to what degree have possible interlinkages, synergies, prerequisites etc. been considered, and how has this affected results?

- What has been the basis for selection of partners, has selection been appropriate/ worked as intended, and what have the implications for results been?

Efficiency
Broadly speaking, efficiency is a measure of whether the financial and human resources are used as fruitfully as possible, to allow results to be achieved in a cost-effective manner. When evaluating the support to a peace process, with many interlinked elements and a high need for flexibility, comparing with other options is expected to be feasible only to a very limited degree. However, the issues of synergies, division of labour, transaction costs and planning/flexibility to optimize use of resources should be explored (at different layers, including, but not necessarily limited to between the NPTF and the UNPFN, between the Danish PSP and HUGOU, as well as the various streams of bilateral support). The issue of efficiency in light of short-term and longer-term results should be considered.

Specific questions to consider include:

- How has the balance been between planning and management versus flexibility and risk-willingness, and with what implications? To what degree has the support been implemented in line with plans and budgets? Why/why not and with what implications?

- To what extent, and why, has the use of different modalities (allocations through broad joint funding mechanisms, joint funding and direct bilateral funding, choice of partners etc.) been appropriate and efficient in the context of Nepal? What trade-offs have been encountered when deciding on modalities of support and ways of working, and what are the implications for efficiency (when considering the need for both short-term results and longer term results and sustainability)?

- How has the general management of the support to the peace process been addressed, (steering, management, organisational and governance structures and procedures); and what have been the implications for efficiency?

- To what extent have progress and achievements in supporting the Nepal peace process been monitored, and to what extent have the outcomes of this monitoring been used to improve programming and/or learning purposes?

Coherence/coordination
In a complex context like the Nepal peace process, it is often fruitful to consider the interplay between interventions. What may seem appropriate from the point of view of one activity may not be appropriate from the point of view of a different contribution

to the peace process as a whole. It is therefore important to consider the degree to which the intervention is consistent with or aligned to the larger policy contexts (conflict strategy or overall country framework) and the degree to which it is coordinated with other policies, programmes or projects aiming to contribute to the Nepal peace process. As part of the coherence and coordination criterion, connections between activities and policies at different levels and across sectors need to be taken into account. It should be noted, that this links to the questions on relevance and efficiency above, on the expectations/ assumptions with regards to interlinkages between the different support areas.

Specific questions to consider include:

- Have possibilities for coordination, synergy and division of labour between efforts been sufficiently pursued? What were the main constraints and challenges for coherence and coordination, and how have they been addressed?

- To what extent and how has the coordination, dialogue on priorities etc. between different actors (e.g. between GoN and donors, between donors, and between donors and non-state actors) contributed to the achievement of the intended results of the support to the Nepal peace process? Why/why not?

- Were the different aid modalities and the key instruments used to support to the peace process coherent? Here, coherence is to be assessed both within the different areas of support to which Denmark has contributed, as well as in relation to the wider support.

- To what extent did the trade-off between the need for coordination and local ownership on the one hand, and the need for quick impact and broader focus (peace dividend) on the other, influence the achievement of the intended results of the support to the Nepal peace process?

Sustainability and impact
Sustainability is a measure of whether the benefits of development interventions are likely to continue after external support has been completed. The sustainability of the support to the peace process in Nepal depends on several factors, some more immediately linked to the support provided to the peace process and others linked to the overall development situation in the country. The support for institutional and managerial capacity development is a key factor in ensuring sustainability.

Impact is a measure of all significant positive and negative, primary and secondary wider effects of a development intervention on its beneficiaries and other affected parties, and considers the wider social, economic and other intended and unintended effects of the intervention. In the case of Nepal, the impact criterion is used to identify and evaluate the effects the support provided has had on the peace process. These effects can be relatively immediate or longer term. It is not necessary to hold interventions in Nepal to an ultimate standard of "achieving peace". Rather, the evaluation should identify the effects of the interventions on the key driving factors and actors of the conflict as identified by the conflict analysis.

At this point in time, it is seen as less feasible to make a robust assessment of the overall impact of the support to the peace process. Peacebuilding is generally acknowledged to be a long-term process. In some areas it may however be possible to assess early signs

of impacts. It is suggested that the evaluators use the logic of plausibility and the investigation of the appropriateness of the Theories of Change to assess whether or not a significant positive (or negative) impact of the intervention on the peace process is plausible.

Impact and sustainability can be seen as interlinked; since impacts are concerned with wider and long-term effects, the sustainability of the interventions is an important aspect of whether more immediate outputs and outcomes will lead to longer-term impacts, and whether early signs of impact will be able to mature. Thus, it is suggested that sustainability and impact are assessed with attention to this interplay.

The following evaluation questions should be included when assessing the sustainability and early signs of impacts:

- To what degree have the selected aid modalities, choice of partners etc. supported ownership at all levels, and as such longer-term sustainability and impact? What trade-offs have been encountered, and what have the implications been?

- Are there any (early) signs of unintended impacts, be they positive or negative?

- When looking at the overall picture of the peace process support to which Denmark has contributed, its achievements and results, areas of progress or lack hereof, what are the prospects for sustainability and longer term impacts? What enabling factors or major threats (including "spoilers") can be identified? How have issues of risk mitigation and exit strategy considerations been addressed?

- In a forward looking perspective: what issues and priorities should be considered for the further support to peace and development in Nepal, to enhance impact of support and sustainability?

While exploring and answering these questions is in itself an important part of the evaluation and will constitute a substantial part of the work, they should further form the basis for elaborating lessons learned and recommendations.

A.4 Approach and Methodology

As indicated above, the intention is to get an evaluation that is as comprehensive as possible with regards to the support to which Denmark has contributed, and which further embeds the analysis of this support in a thorough understanding of the context, the different areas of support (also provided by other donors) and the dynamics in play. Thus, it is expected to be a demanding task, both in terms of data collection and analysis. This ambition also means that the final approach and the specific methodology can only be decided after a thorough first assessment of the information at hand, existing studies, data sources and quality etc., with regards to the different areas of peace process support, to get the best possible match between evaluation purpose and questions, analytical approach, selection of cases/sample for in depth investigation and data collection. This implies 1) that the directions for approach and methodology at this stage relates to overall design considerations and analytical principles and requirements, rather than a very specific guidance to all steps of the evaluation process and 2) that the preparatory inception phase is crucial in order to establish the specific foundation. Therefore,

the expectations with regards to establishing the foundation for the evaluation in the inception phase will be described below.

Pre-studies and establishing overview of information and knowledge
Thus, the evaluation is expected to follow a phased approach: the first phase of the evaluation, the inception phase, consists of establishing a sufficient foundation for defining the specific coverage, analytical priorities within the framework of the ToR etc. An important part must be to conduct a comprehensive desk study of existing information on the overall international support to the Nepal peace process in a comprehensive manner: Existing evaluations, reviews, study reports, research, conflict analysis etc. must be collected, assessed and distilled, in a manner that allow this to be presented as a separate pre-study report. A conflict analysis should be established as far as possible as part of this work (to be refined at a later stage, if necessary). Key elements of the analysis should include aspects such as the profile of the conflict, its causes and potential for peace; actors; and dynamics and possible future trends. For reasons of comparison, the conflict analysis would also need to take into account the situation at the time the CPA was signed, as well as any important adjustment during the evaluation period. As indicated in Section 3, the conflict analysis should consider whether perceptions of the relevant actors was uniform or diverse, whether it covered the relevant issues and whether the understanding of conflict that underpinned the different areas of support was appropriate (at that given point in time as well as with the benefit of hindsight).

In parallel, descriptive information on the support to the peace process and the context must be collected and used to map out an overview, as indicated under scope. The policies and strategies of Denmark and other donors and key DPs in Nepal should be considered to provide insight in the objectives and intervention strategies (theories of change) underlying the support to the peace process in Nepal. The policy analysis should be built on a review of relevant files, combined with interviews with key stakeholders both at headquarters and field level as deemed relevant and feasible (head quarter interviews may possibly be held by telephone or video). Thus, while the desk study work should feed as much into the process as possible, an inception visit is expected to be relevant.

Using these overviews together, a first mapping of the priorities of the peace process support in relation to the wider context, the expectations of interlinkages etc., should be created (by "superimposing" one overview on the other", so to speak). This mapping should then be used as part of the foundation for selection of specific focus areas for in-depth investigation, clarification of where there is a lot of information available, and where there is a bigger need to collect additional information, possibilities for validation and triangulation etc.

A theory based approach with a focus on contribution
The evaluation is expected to apply a theory-based approach. An important part of the inception work will therefore be to identify possible overarching theories of change (if existing and relevant to the context), and/or the more specific theories of change for different support areas, interlinkages – or lack thereof – between them; expectations about their interplay, prerequisites, compatibility, causalities and mechanisms in play et cetera, based on a solid understanding of the context and an overview of the support. Such a framework is expected to be important to be able to investigate and assess the relevance of interventions, the interplay, the coordination and coherence issues as well as both intended and unintended results.

An understanding of the possible interplays, different influencing factors etc. is further important due to the fact that the evaluation is expected to focus on contribution, rather than attribution. This is due to the fact that the Danish contribution is only one part of the wider support, and that the overall changes cannot necessarily be expected to be a result of a specific cause; rather – and more probably – it is a result of range of factors that influence each other. Thus, the evaluation must be able to consider the possible pathways of contribution from a specific support area to the wider process, in order to assess contribution. It should be noted that in line with the complex nature of the context and, by implication, the overall support, this is not to be a static, unified theory of change. Rather, it should be used to map out and capture the changing dynamics, how one support area affects or is affected by, others, the role of enabling and constraining factors etc. This may limit the degree of specificity with regards to any overall logic model, but it is expected to facilitate that in-depth assessment of specific interventions areas can on one hand consider the specific working of the activities support, and on the other the linkages to the wider peace process.

Sampling strategy and analytical needs and implications
Finally, the collection and assessment of existing data, establishing of overall analytical framework etc. carried out in the pre-study should be used to define the strategy for (supplementary) data collection during the evaluation. The information overview should help clarify, where there is the greatest need to supplement with additional data collection, and what type of data is needed. Further, the specific sample of interventions, activities and results areas should be selected.

A purposive sampling approach is expected to be most appropriate, in order to ensure that the sample includes project and programmes that cover the core areas of support to the peace process and links to key drivers of conflict in Nepal. This should include, but not necessarily be limited to, issues around inclusion/exclusion of marginalised groups, reintegration and reconciliation and (local) governance.

Given the possibility for the evaluation to contribute by providing insight in the results of the support as experiences by beneficiaries and target groups, and the fact that many issues can be expected to play out differently in the rural areas of Nepal than they do in the capital Kathmandu, the sample will have to include projects and programmes in both the rural areas and in Kathmandu, and should consider different relevant target groups.

Finally, it is important to recognise that evaluating in a fragile (conflict) context usually provides challenges in terms of security issues, lack of baseline data, access, lack of institutional memory, and difficulty of assessing political interventions. Although some of these challenges may be less pronounced for Nepal than they are in other fragile contexts, the sampling should also consider practical issues of information, possibilities of validation etc. This means that the sampling strategy must both establish and explain the criteria used in relation to the analytical needs (types of support, links to causes of conflict, coverage of contexts and target groups etc.), and clarify the analytical implications of any practical constraints; i.e. actual coverage, how typical/atypical the sample is, etc. so as to strengthen the transparency and validity of the subsequent analysis.

As indicated above, the sample must include, but not necessarily be limited to, important aspects of the support provided by Denmark, both bilaterally and jointly with others. Other donors who contribute to the joint funds and also support the peace process through bilateral channels may choose that their support is not only addressed as part

of the context, but that activities or areas of their support can be included in the sample. If so, the considerations above on how to maximise the relevance and analytical coverage etc. of the sample apply here as well.

Data collection and analysis
As indicated above, the data collection should be defined by the analytical needs. By implication, it is expected that a carefully selected mix of qualitative and quantitative methods will be applied, to ensure that existing data is supplemented as effectively as possible. This should include supplementing the information collected and assessed during the inception phase to establish a more comprehensive overview of support to the peace process in Nepal to which Denmark has contributed (as well as the support of other DPs, to the degree relevant and feasible), to allow for portfolio analysis and investigation of the evaluation questions with regards to relevance, efficiency, overall achievements and progress (and potential lack thereof) etc. Key informant interviews, both with DPs and external actors are expected to be an important part hereof. Further, the data collection must be aimed at exploring and assessing more specific results.

An important consideration will be to allow the perspectives of target groups and beneficiaries to be expressed.

(Detail omitted)

The evaluation should follow Danida's Evaluation Guidelines (2006) and the DAC Evaluation Quality Standards (2010). It should consider the OECD/DAC (draft) guidance to Evaluating Conflict Prevention and Peacebuilding Activities (2008/under revision). Principles or triangulation and validation are of core importance throughout. In order to enhance the transparency and strength of the report, the evaluation should clarify assumption and analytical considerations on internal and external validity as needed.

Outputs
The outputs of the assignment shall include:

A pre-study report, in draft(s) and final version(s), not exceeding 40 pages, which presents the results of the desk study of available information (evaluations, reviews, research, study reports etc.): What information is available, which is of sufficient solidity to be of use, what areas of the peace process and results areas is covered, how, and what can be said with regards to the assessments of the information at hand (in synthesis or for specific areas, as the information permits). Assessment of commonalities and differences in understanding of the conflict and the peace process as well as the related support should be indicated. As part of the report, the process of selecting and vetting the information should be explained. Drafts(s) and final version are to be submitted to the evaluation department for approval. As part of this process, it is expected that the evaluation department will invite comments from stakeholders.

An Inception Report, in draft(s) and final version(s), not exceeding 40 pages excluding annexes, is produced. The report should include a thorough presentation of the context, including a conflict as well as an overview of the relevant support, including but not limited to, the different elements of support to the peace process that Denmark has contributed to. The inception report should outline an overall understanding of

the dynamics and challenges and map out and explain the related theories of change of relevance to the peace process support. The pre-study is expected to facilitate this work.

(Detail omitted)

An Evaluation Report in draft(s) and final version(s) (not exceeding 60 pages, excluding annexes, to be delivered in word and pdf-files, with cover photo proposals (in high resolution)). The report must include an executive summary of maximum 10 pages, introduction and background, presentation and explanation of the methodological approach and its analytical implications. The main content sections should present the peace process support and any core focus areas, so as to be able to respond to the evaluation questions in a clear and coherent manner. The report must also include conclusions with regards to the support to the peace process, to which Denmark has contributed, as well as lessons learned and forward-looking recommendations.

(Detail omitted)

Debriefing notes and presentations: at the end of the team's visits to Nepal, as well as in relation to sharing of important evaluation outputs, it is expected that outputs in the form of debriefing notes and presentations are delivered. The specific outputs are expected to include, but not necessarily be limited to the following:

- Debriefing note/presentation after inception visit;
- Presentation of the final draft inception report, to EVAL and reference group, including GoN as well as other stakeholders and partners in Nepal;
- Debriefing note/presentation after the main evaluation visit;
- Presentation of the draft evaluation report, to EVAL and the reference group, including GoN as well as other stakeholders and partners in Nepal;
- Presentation of the final report at a seminar/workshop aimed at possible users of the evaluation, expected to include reference group including GoN as well as other partners and stakeholders in Nepal.

Evaluation Principles, Management and Support
The evaluation will be carried out by an independent Evaluation Team selected through an international tender.

The evaluation will be managed by Danida EVAL. Management of the evaluation will be in accordance with MFA Evaluation Guidelines (2006) and the OECD/DAC evaluation standards.

Stakeholders will be consulted at strategic points during the evaluation process, notably in connection with the discussion of the draft inception report and the draft evaluation report.

An Evaluation Reference Group (ERG) will be established and chaired by EVAL, inviting the Government of Nepal, other donors and core actors involved in the support to the peace process to which Denmark has contributed. Further, a forum for involvement of Stakeholders will be established. The ERG and the Stakeholder forum are not decision-making bodies. Rather, their mandate is to provide advisory support and inputs to the evaluation, e.g. through comments to draft reports.

The functions of the two groups will in many ways be parallel. However, given the different roles of different actors in relation to the peace process, it is the experience that it is most fruitful and efficient to have two different groups.

The full text of the ToR can be found on www.evaluation.dk

Annex B Field schedules and persons met

Itinerary, November 2012 Mission

Dates	Location
18-20 November	Kathmandu
21-26 November	Kailali and Dadeldhura Districts, Far Western Region
27-30 November	Kathmandu

Itinerary, May 2012 Mission

Dates	Location
West Team	
30 April-2 May	Kathmandu
3-5 May	Banke District
6-7 May	Dang District
8 May	Kapilvastu District
9-18 May	Kathmandu (planned fieldwork curtailed by increasing bandhs)
Mid-West Team	
30 April-2 May	Kathmandu
3-6 May	Ghorka District
7-8 May	Tanahu District
9-18 May	Kathmandu (planned fieldwork curtailed by increasing bandhs)
East Team	
30 April	Kathmandu
1-2 May	Saptari and Morang Districts
3 May	Kavre District
4-7 May	Dhanusa, Parsa, and Chitwan Districts
8-18 May	Kathmandu (planned fieldwork curtailed by increasing bandhs)

Itinerary, March 2012 Mission

Dates	Location
7-16 March	Kathmandu

Participants at Kathmandu Donor Workshop 29 November 2012

Organisation	Name
Denmark	María Ana Petrera, Lis K. Christensen, Mie Roesdahl
Switzerland	Martin Stuerzinger
Finland	Satu Pehu-Voima
Germany	Christoph Feyen
EU	Shiva Bhandari, Chris Touwaide
Also invited	
Norway	

Organisation	Name
United Kingdom	
World Bank	
UNDP	

Participants at Kathmandu Stakeholder Workshop 29 November 2012

Organisation	Name
INSEC	Posh RaJ Adhikari
Search for Common Ground	Rajendra Mulmi, Serena Tripathi
International Centre for Transitional Justice	Reshma Thapa
International Alert	Subarna Prasad Gautam, Sadhana Ghimire Bhetuwal, Rebecca Crozier
Carter Centre	Sarah Levit-Shore
Care Nepal	Jay Shankar Lal
RDIF-ESP	Pustak OJha, Bharat Nepali
Martin Chautari	Seira Tamang
NNDSWO	Mohan Singh Sunar
Women for Human Rights	Tracy Ghala
Youth Initiative	Anita Thapa
KIRDARC	Govind Sai
NGO Fonin	Chandra Singh Kulung
NGO Forum	Tri Ratna Manandhar
NEFIN	Raj Kumar Lekhy
Support Nepal	Rakesh Karna
Alliance for Peace	Prakash Bastola
Holistic Development Service Centre (SAMAGRA)	Dornath Neupane
Association of Community Radio Broadcasters (ACORAB)	Khem Bhandari
Community Self Reliance Centre (CSRC)	Jagat Basnet
Centre for Legal Research and Resource Development	Sudeep Gautam
Also invited	
National Federation of Journalists	
Nepal Peace Campaign	

B.1 Key Informants

Key Informants from Government

Organisation	Name	Title	M/F
Chitwan Cantonment	Thukbar Thapa aka Bde Cdr Arjun aka Ranji Thapa	PLA Brigade Commander	M
Dirgha Smriti Brigade, Dang	Raj Singh Gurau	Inspector	M
District Administration Office	Dandiraj Pokhrel	Chief District Officer (CDO)	M
District Administration Office Dang	Sridhar KC	Acting CDO	M
District Administration Office Jaleswar	Pradip Rajkanel	Chief District Officer (CDO)	M
District Administration Office Tanahu	Budra Poudel	Chief District Officer (CDO)	M
District Development Committee	Sanu Kaji Karki	District Engineer	M
District Development Committee Dang	Bishnu Prasad Pokhrel	Local Development Officer	M
District Police Office Gorkha	BB Kuwar	DSP/Chief	M
District Police Office Tanahu	Raj Kattel Gautam	DSP/Chief	M
District Police Office, Dang	Prakash Malla	Inspector	M
Election Commission	Madhu Regmi	Joint Secretary	M
Ministry of Local Development	Gopi Krishna Khanal	Under Secretary, MLD, Programme Manager, LGCDP	M
Ministry of Peace and Reconstruction	Dhurba Prasad Sharma, Mr.	Secretary	M
National Army	Malesh Silival	Major/Officer in charge, Illam	M
National Dalit Commission	Bhuwan Bahadur Sunar	Member secretary	M
National Federation for Development of Indigenous People	Phatak B. Gole		M
National Foundation for Development of Indigenous Nationalities	Lal-Shyakarelu Rapacha	Chief Research Officer	M
National Foundation for Development of Indigenous Nationalities	PB Golay	Member-Secretary	M
National Foundation for Development of Indigenous Nationalities	Khem Thapa Magar	Project Coordinator Peace Building through Dialogue on indigenous Nationalities Rights	M
National Women's Commission	Sheikh Chand Tara (and other members and Secretary)	Chairperson	F
Nepal Human Rights Commission (NHRC)	Bishal Khanal	Member	M
NHRC	Gauri Pradhan	Member	M
NHRC, RO, Janakpur	Ajit Kumar Thakur	Chief, Regional Office	M
Nepal Peace Trust Fund (NPTF)	Surya Sirwal	Joint Secretary and Director	M

Organisation	Name	Title	M/F
NPTF	Deependra Nath Sharma	Director	M
NPTF	Arvind Rimal	Undersecretary	M
NPTF	Christoph Feyen	Programme Manager (GIZ, Support to the NPTF)	M
NPTF	Bishwadeep Bogati	Finance Officer	M

Key informants from the Danida Evaluation Department

Organisation	Name	Title	M/F
EVAL	Eva Jakobsen Broegaard	Technical Advisor	F
EVAL	Margrethe Holm Andersen	Deputy Head	F
EVAL	Ole Winckler Andersen	Head	M
EVAL Consultant	Mariska van Beijnum	Deputy Head, Conflict Research Unit, Clingendael Institute	F

Key informants from Danida, other Development Partners and Embassies

Organisation	Name	Title	M/F
Australian embassy	Damien Dunn	First Secretary and Consul	M
Embassy of Denmark	Morten Jespersen	Ambassador	M
Embassy of Denmark	Peter Eilschow Olesen	Deputy Head of Mission from September 2007 to July 2011, now with Middle East Desk in Danida	M
Embassy of Denmark	Maria Ana Petrera	Deputy Head of Mission	F
Embassy of Denmark	Lis Christensen	Human Rights Adviser	M
Embassy of Denmark	Mie Vestergaard	Peace Support Consultant	F
Embassy of Denmark	Maria Nielsen	Intern	F
Delegation of the European Union to Nepal	Lluis Navarro	Head of Cooperation	M
Embassy of Finland	Satu Pehu-Voima	Counsellor for Development	F
Embassy of Finland	Bhola Prasad Dahal	Programme Coordinator	M
Embassy of Finland	Shobha Gautam	Research Consultant	F
Embassy of Finland	Indra Gurung	Programme Coordinator	M
Embassy of India	Jaideep Mazumdar	Deputy Chief of Mission	M
Embassy of Norway	Kristina Revheim	First Secretary	F
Embassy of Switzerland	Thomas Gass	Ambassador	M
Embassy of Switzerland	Martin Stuerzinge	Senior Advisor for Peacebuilding	M
Embassy of Switzerland	Ngdup Tshan	Security Director	M
Embassy of the Federal Republic of Germany to Nepal	Udo Weber	Counsellor (Development)	M

Organisation	Name	Title	M/F
Danida Technical Assistance Service	Nina Berg	Team-leader for Conflict and Fragility	F
Danida Technical Assistance Service	Rene Taus Hansen	Senior Advisor	M
DFID Nepal	Ed Bell	Conflict Adviser	M
DFID Nepal	Juliet Wattebo O'Brien	Peacebuilding Adviser	F

Key Informants from the HUGOU Project Implementation Unit

Organisation	Name	Title	M/F
Danida HUGOU	Niels Hjortdal	Program Coordinator	M
Danida HUGOU	Jit B Gurung	Social inclusion Adviser	M
Danida HUGOU	Mukunda Raj Kattel	Impunity, Human Rights, and Justice Adviser	M
Danida HUGOU	Murari Shivakoti	Deputy Programme Coordinator	M
Danida HUGOU	Yashoda Shrestha	Inclusive Democracy Adviser	F
Danida HUGOU	Mie Roesdahl	Conflict Transformation and Human Rights Adviser	F

Summary of all person met and interviewed (excluding group meetings where no names were taken)

Organisation	No of persons	Of which women	% women
Government of Nepal	29	1	3%
Danida, other donors and embassies	22	8	36%
HUGOU	6	2	33%
Danida Evaluation Department	4	3	75%
United Nations Staff	9	2	22%
INGO and Partner staff	25	11	44%
Civil Society	167	41	25%
Chamber of Commerce	5	0	0%
LPC Members	50	14	28%
Political Party Representatives	23	0	0%
Individuals	65	25	38%
Total	405	107	26%

Annex C Methodology

C.1 Theory of Change Approach

The evaluation adopted a theory-based approach, which builds on the idea that the logic of a programme can be formulated in a *theory of change,* or ToC. A theory of change defines how change comes about and sets out the assumptions that link a programme's inputs and activities to the attainment of desired ends. Unlike the Logical Framework, which is centred on an assumption of linearity (A causes B), a theory-based model allows for much more complex interactions and is not dependant on linearity (Weiss, 1995; Church and Rogers, 2006).

Programme theory can also be referred to as the logic model for a programme, which can be:

- explicit, where the logic model is presented in the project/programme document or in the ToR;
- semi-explicit, where a logic model can be constructed from a logical framework in the project/programme documents;
- implicit, where there is no formal logical framework, but a logic model can be constructed from the way in which the project/programme has operated, and from interviews with key project staff. This is the approach taken here in the development of the logic model.

As a **preliminary step** to identifying theories of change the evaluation mapped the focal development partners' conflict analyses. Ideally, such analysis should serve as the starting point for the programme logic, irrespective of whether such logic is explicitly stated or implicitly understood.

The pre-study and the inception visit had already identified a number of factors that contributed to the Maoist conflict in Nepal. The linkages between the conflict factors, the actors and the overall environment are naturally complex and should not be reduced to simple flow diagrams. Yet, for sake of overview the total set of conflict factors can be categorised into four drivers of conflict: poverty, power relations, inequality and violence.[53] Whereas the first three are generally viewed as structural, or root, causes of the conflict, direct (and the threat) violence has served as a triggers or sustainers of the conflict not a structural cause.

These drivers are specific to Nepal and the analysis bears this out. It is noteworthy, however, that the World Bank's WDR 2011 concludes that *"strengthening legitimate institutions and governance to provide citizen security, justice, and jobs is crucial to break cycles of violence",* i.e. addressing the same four categories of conflict drivers. Additionally, the New Deal for Engagement in Fragile States lays out five Peace and Statebuilding

53 Unless explicitly noted, this report uses *violence* to describe overt, direct violence, not structural violence. The term structural violence, according to the usage by Galtung (1996), covers most of the grievances covered within the other three conflict driver categories. In this report the structural violence term is therefore omitted as it likely would create confusion, rather than clarity.

Goals (PSGs) for progress towards the MDGs in fragile and conflict affected states, the first four of which are similar to the drivers of conflict categories in Nepal: legitimate politics, security, justice, economic foundations and revenues and services. The evaluation is conscious that this overlap in categories should not obscure the context-specific conditions and interventions in Nepal, but rather help set the findings in a broader context of lessons on assistance to conflict affected states.

In the **second step,** following the mapping of the development partners' conflict analyses, the evaluation assessed these analyses in relation to the theories of change and also asked whether their analytical work had yielded some models that helped understand the peace process reality. Did the analysis and logic capture how change actually was supposed to happen in Nepal? The evaluation compared the conflict analyses of the focal development partners to each other, and to the understanding that the evaluation team itself had formed through the evaluation process of document and field research.

The desk study found no expressed overarching theory of change for the peace support programmes of the three focal development partners. However, a general theory of change implicit in interviews with development partners and the programme documents appeared:

> *The changes to be brought about by the full implementation of the Comprehensive Peace Agreement (CPA) would contribute to a sustainable peace in Nepal, and development partners could assist this through their support for implementation of the agreement.*

While this statement was very general, it did show a common determination to support the CPA and a belief that the CPA was an appropriate vehicle for furthering peace. During the field phase, the evaluation repeatedly sought to draw out more specific theories of change from the development partners, and the issue was discussed during Reference Group meetings. This yielded limited information, however, and a methodological gap opened up between the interests of development partners in Nepal and their capitals. While the latter wanted to pursue a deeper analysis of the validity of this planning and monitoring tool, the former found it less useful and relevant to their work.

In the **third step,** the evaluation established a common yardstick against which the performance of the focal development partners' support could be measured. Serving as an interconnected measurement framework for peace process aspirations during the evaluation period, the evaluation designated the CPA as the general objective to which focal development partners support to the peace process would contribute. The focal development partners also conducted activities not aimed at the CPA objectives, and – where appropriate – these programmes have been discussed to set the peace process support into context. For the peace process activities the evaluation focussed on ten key CPA areas. As each area was researched and assessed by the evaluation team, an initial judgment was made on (1) the probability of achieving the objective within a six-year timeframe, and (2) the degree to which the development partners could contribute to the fulfilment of the objective.

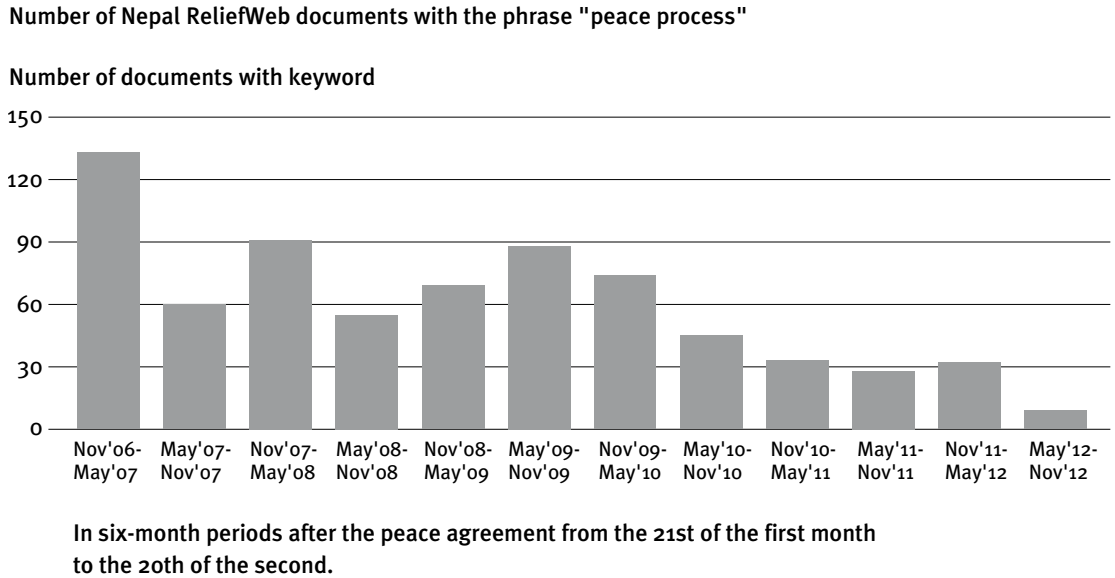
Using traditional OECD/DAC programme evaluation criteria, in the **fourth step, t**he evaluation then sampled programmes and processes to determine whether they had been relevant, effective, efficient and had produced sustainable impact. Evidence for the latter was collected through a variety of tools mentioned below. It is clear, however, that, given

the fragility of the peace process in Nepal, considerations and assessments regarding the sustainability of impacts of support have to be made with caveats: given the fact that the peace process is still ongoing, sustainability could, in most cases, only be assessed in terms of "prospects for sustainability" by looking at the extent to which the required framework conditions would already be in place. A few cases demonstrate the sustainability issue: The demobilisation programme has proven not only effective, but also sustainable in that Maoists fighters have not regrouped despite slow progress on the political front. Meanwhile, a successful Constitutional Assembly election was not sustainable in that the CA was dissolved after four years of failed attempts to agree on a constitution.

In **steps five and six,** the evaluation first assessed how development partner coordination mechanisms have contributed to the peace process. Lastly, the evaluation described and analysed how other parties and events influenced the peace process, thereby embedding the focal development partners' contribution in its context. The research for these last two steps occurred concurrently with the prior steps and was iterative in nature, but has been presented in sequence here to understand the elements of the methodology. The introductory chapter below sets out the overall context, whereas Chapter 6 focusses on the coordination issues.

The evaluation covers a six-year period and many issues have evolved since the signing of the Comprehensive Peace Agreement (CPA). One way to capture how the focus has changed is through a time-series content analysis of documents about the peace process. To this end, the evaluation has chosen the UN OCHA administered website ReliefWeb which posts documents related to political and natural emergencies globally and as such also provides an indicator for Nepal interest. **Figure 4** displays postings about Nepal with the phrase "peace process" for the period 21 November 2006 (the date of the CPA) to 20 November 2012.

Figure 4 Documents about Nepal posted to ReliefWeb with the phrase "peace process" (2006-12)



In six-month periods after the peace agreement from the 21st of the first month to the 20th of the second.

ReliefWeb contains a total 717 postings on the Nepal peace process for the six years following the CPA. As might be expected the volume of documents dropped over time, whereas other search terms show upward shifts that match local developments. Those results are included in the relevant chapters below.[54]

C.2 Tools

Analysis of project portfolios
A key part of the evaluation work was examining project portfolios. Team members were each allocated specific development partners and analysed project documents related to their agency, with a priority on those specifically intended to support the peace process, rather than the broader development programmes. On this basis, the team has made an assessment of:

- Which elements of the CPA the intervention addressed.
- The apparent relevance, effectiveness, efficiency, impact, and sustainability of the activity.
- The extent to which the intervention is likely to have contributed to the outcomes observed during the fieldwork.

Key informant interviews
These have been one of the principle sources for the evaluation. Interviews have targeted:

- Focal development partner staff, other development partners and international organisations.
- Government of Nepal officials at both national and district levels.
- Partner organisations and civil society organisations (including women's groups).
- Conflict survivors, community leaders and ex-combatants and the military.
- Local Peace Committees members, political party members and local media.

The interviews have been conducted under a modification of the Chatham House Rule (Chatham House, 2007) whereby nothing that interviewees say will be directly or indirectly attributed to them without their express permission. The team has also conducted interviews and consultations with groups, especially during field visits where the presence of several people allowed for a broader discussion of key issues. The people met are listed in Annex B.

54 While the ReliefWeb postings seldom provides a direct indication of interest or performance, the evaluation has used it as a proxy in several places in the text to illustrate trends.

Documentary research
The team assembled a large number of documents on Nepal, the peace process and conflict management in general. All key documents collected have been annotated and entered into a bibliographic database. The documentary research provided the basis for the conflict model, which is discussed in Chapter 1. The documents were also indexed (using the dtSearch indexing software) so that any issues arising in the evaluation could quickly be researched in the document set.

Development partner survey
During the final debriefing in November 2012 a strong interest emerged within the development partner group to understand more deeply the level and motivation for coordination among the development partners. The evaluation subsequently conducted an anonymised small-n survey, which consisted of a 20 question online survey followed up by a 40-minute telephone conversation. The survey was offered to twelve development partner representatives, selected because of their engagement on the peace process.

Triangulation
The team has used triangulation to ensure that the findings of the evaluation are accurate and reliable. Three types of triangulation have been applied:

- Source triangulation. Information from different sources, e.g. focal development partners, government officials, international agencies, expert reports, and partner organisations.

- Method triangulation: Information collected by different methods, e.g. interviews and document review.

- Researcher triangulation. During field work the evaluation team split into several groups, providing independent – but comparable – sets of data.

Validation
The evaluation has validated findings through the circulation of the draft reports by EVAL to key stakeholders and the reference group.

Numerical data analysis
The financial contributions of the focal development partners and the three main joint funds were subject to numerical analysis. The pattern of document posting to ReliefWeb, and the patterns of the recording of human rights abused were also analysed.

A significant amount of analysis was devoted to the election results, examining voting patterns for different parties and the interplay of vote spoilage and party support with district literacy levels.

Statistical testing

Statistical testing was carried out as an adjunct to numerical analysis. Results were assumed to the statistically significant if the probability of them occurring by chance was less than 5% ($p<0.5$). The main statistical test used was the t-test. One-tailed statistics were calculated where the two variables were expected to vary in a particular way (for example, to test if lower levels of vote spoilage was associated with high level of literacy at the district level). Two-tailed statistics were calculated where there was no prior hypothesis (for example, to test if the level in support for a particular party was associated with higher or lower levels of district literacy).

The degree of statistical dispersion of different variables with geography was calculated using the Gini index. This was calculated using the method given by (Deaton, 1997, p. 139).

A strong chain of evidence

Reliability has been achieved by building a strong chain of evidence by using several sources that can be traced, if needed (Yin, 2003). The team has used an advanced by simple-to-use evidence tool to record evidence on a spread sheet from the different parts of the research.[55] The tool lists the sources of the information and has remained internal to the team, in order not to breach the Chatham House rule under which the interviews were conducted.

55 This tool was developed by the John Cosgrave in 2007. An earlier version of the tool was recently described in New Directions in Evaluation (Brusset et al., 2010).

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