

USAID/Nepal
Operational Plan

FY 2006

June 12, 2006

Please Note:

The attached RESULTS INFORMATION is from the FY 2006 Operational Plan and was assembled and analyzed by the country or USAID operating unit identified on the cover page.

The Operational Plan is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID review(s) of this document.

Related document information can be obtained from:
USAID Development Experience Clearinghouse
8403 Colesville Road, Suite 210
Silver Spring, MD 20910
Telephone: (301) 562-0641
Fax: (301) 588-7787
Email: docorder@dec.cdie.org
Internet: <http://www.dec.org>

Portions released on or after July 1, 2006

Program Performance Summary FY 2005: In 2005, political and economic stability in Nepal further deteriorated. The ten-year old Maoist insurgency has spread to all but one of Nepal's 75 districts and has claimed over 13,000 lives. The conflict continues to disrupt the fragile national economy, drain budget resources, restrict some delivery of social services, and threaten peaceful elections. It has resulted in an increase in human rights abuses committed by both the Maoists and Government of Nepal (GON) security personnel. In February 2005, the King dismissed the four-party coalition government and assumed executive power. His imposition of emergency rule and suspension of many rights, including freedom of expression, assembly, and privacy, was a serious setback for democracy. Local political rights and accountability have diminished, and new structures and policies reflect the increasing centralization of power. In response to the impasse with the King, the seven major political parties formed a tenuous alliance with the Maoists and negotiated a 12 point agreement, which includes the abolition of the autocratic monarchy and election of a representative government according to democratic principles. Municipal elections are scheduled for February 2006, but the major political parties have stated that they will boycott the elections.

On the economic front, Nepal remains one of the poorest countries in the world, with markedly low human development indicators. The national average life expectancy is 62 years, but this varies from over 70 years in Kathmandu to less than 42 in the far western mountains. The literacy rate is 54% nationwide with disparities between men and women and those living in rural or urban areas. The maternal and child mortality rates are among the highest in South Asia. Nepal also has a concentrated HIV epidemic, with an estimated 14 Nepali adults becoming infected every day.

The Maoist insurgency and the crisis of governance threaten past development gains and put the state political integrity at risk. USAID programs and resources are therefore targeted to mitigate the conflict, address the sources of political and economic instability, and support good governance. In addition, USAID programs in economic development, population and health, and hydropower strive to increase the legitimacy and effectiveness of the government, stabilize rural communities, and ensure that critical services reach marginalized and disadvantaged groups.

Key Achievements

Promote Peace: USAID's conflict mitigation program addresses the root causes of Nepal's ongoing Maoist insurgency (poverty, social exclusion, and unequal access to justice and basic service) and mitigates the negative effects of the conflict. In FY 2005, the program provided income generation opportunities for conflict-affected rural households, supported community and national level peace building efforts, and promoted the protection of human rights. Over \$1.38 million in wages went to rural Nepalese, and over 12,562 micro enterprises received assistance. More than 50% of the income generation project beneficiaries are from underserved castes and ethnic groups. The program trained approximately 1,455 community mediators to provide communities with an alternative to Nepal's slow and often inaccessible justice system. USAID provided scholarships to 4,889 child victims of conflict, allowing them to maintain a sense of normalcy while continuing their education and decreasing the financial burden on their families. At the national level, USAID provided support to the Peace Secretariat, which is poised to play an important role in a sustainable peace process.

Democracy and Governance: USAID provided assistance to national, district and local level government officials, democratic institutions, civil society organizations, media, and community groups to enhance democratic practices in Nepal. Program activities focused on: strengthening the rule of law and respect for human rights; reducing public sector corruption; increasing adoption of democratic practices in rural communities; reducing trafficking in persons; ensuring government accountability to all sectors and strata of Nepalese society; and promoting political and electoral reform for a more representative and responsive democracy.

USAID supported activities that increased rural communities' organizational capacity, improved their management of natural resources, and significantly increased their annual income. For example, beneficiary communities increased the amount of harvested forest and rice yields as a result of more democratic resource management practices. At the national level, USAID initiated important programs to

support judicial sector development, political party reform, and anti-corruption institutions. USAID assistance has also helped to establish a women's caucus to improve women's participation in political party activities. Under the Anti-Trafficking Initiative, USAID supported 1,034 anti-trafficking campaigns, provided counseling to young migrants on safe migration options, and apprehended 158 groups of girls being trafficked, with a number of traffickers being prosecuted.

Health and Family Planning: USAID's program aims to strengthen the government's ability to provide quality basic services to its citizens. The program protects the health and reduces fertility of Nepalese families by: increasing access to quality maternal and child health services; controlling infectious diseases; increasing access to quality voluntary family planning services; and strengthening prevention-to-care HIV/AIDS services for most-at-risk groups. Activities are designed to maximize communities' participation in local governance and to mitigate exclusion. The nationwide reach of the program strengthens the public sector's visibility and legitimacy in providing basic services to its citizens. The ultimate beneficiaries of this program are 11 million men and women of reproductive age and 3.5 million children under the age of five years.

In FY 2005, great strides were made in strengthening the capacity of local health facility staff and promoting increased access to health services for disadvantaged and marginalized groups. USAID trained approximately 400 local health facility management committees, equipping them to take on new management responsibilities. USAID, in partnership with other donors, also supports the twice annual National Vitamin A Supplementation Program. This program has achieved nationwide coverage for the last three years and is a key factor in Nepal's remarkable success in reducing under-five mortality. USAID also provided health and life-skills training to almost 3,000 adolescent girls (approximately 60% from the lower castes) and over 1,100 of these girls became literate and 500 enrolled in formal education which will help broaden their life options.

Over the past year, USAID has expanded all HIV-related services and exceeded targets for prevention, voluntary counseling and testing, treatment of sexually-transmitted infections and community and home-based care and support services. Sero-prevalence rates among most-at-risk groups have stabilized and are even declining among the sub-set of injecting drug users.

Sustainable Production and Sales of Forest and High-Value Agricultural Products: Agriculture is Nepal's economic mainstay, with more than 80% of the Nepalese population dependent on farming and forest products for their livelihoods. As population pressures grow, an increasing number of families struggle to produce sufficient food on more marginal land holdings. USAID's agriculture program addresses poverty-related issues by expanding income-generating opportunities for rural farmers. Program activities include: small-scale farm and forest enterprise development; technical assistance in production and marketing of high-value forest and farm crops; conducting research and studies on policy impediments to agricultural growth and trade; and support for private-public partnerships to access new technologies and new markets.

USAID programs have assisted over 41,000 households in adopting improved technology to increase their agricultural production. As a result, the total annual sales of high-value agricultural, livestock and forest commodities increased by 36% in 2005. Viable employment and income generation options are necessary for increasing household income and addressing one of the primary causes of the ongoing conflict. The total number of households which received enterprise and market development assistance increased by 32%. USAID also assisted the GON to analyze and improve agricultural marketing policies in four areas: vegetable seed production and marketing; hybrid vegetable production; honey production and marketing, and marketing of non-timber forest products. These improved marketing policies have increased export opportunities for Nepalese farmers.

Hydropower Development: Nepal's tremendous hydropower potential, believed to be about 83,000 megawatts (MW), provides the most promising economic growth opportunity for the country. Despite this potential, less than 600 MW, or 1% of this potential, has been harnessed. As a result, only 18 % of the total population has access to electricity, which includes distribution to only 7% of rural areas. USAID's program supports technical assistance and training to: improve the enabling conditions for private

investment in hydropower by setting up a streamlined legal and regulatory framework; encourage good governance and much needed reform in the sector; strengthen institutional capacity to address environmental and social impacts; assist the GON to implement a new hydropower policy that promotes investment in both domestic and export markets; and establish a Power Development Fund, with World Bank support, as a catalyst for energy investment.

The program continues to attract private sector participation in hydropower development. New investments totaling \$10 million dollars were made in 2005 and the total private sector investment since the inception of this program is \$390 million. Significant progress was made in the power sector reform process with the GON amending some ordinances needed to proceed with restructuring the state-owned utility and the creation of an independent regulator. By program completion, at least 450,000 more Nepalese will have access to electricity, and thousands of low-skilled and hundreds of high-skilled jobs will have been created in rural areas.

Challenges

Nepal's greatest challenges in the coming years are to bring peace to the countryside and increase the legitimacy and effectiveness of the government by restoring multi-party democracy. With peace secured and a government which responds to the needs of its people, Nepal will be able to more adequately address the deteriorating economic status of the country. USAID programs help to stabilize Nepal by promoting peace, strengthening democracy, building capacity for better governance, and providing critical economic opportunities and social services to rural households.

Integrated programming

USAID programs collaborate and coordinate with each other to address the root causes of state fragility and mitigate the immediate impact of the conflict. For example, USAID's HIV/AIDS partners are working collaboratively with USAID's trafficking-in-persons partners to ensure that prevention messages are provided to at-risk groups. The agriculture and conflict programs work collaboratively to increase income and economic opportunities in conflict-affected districts. The economic policy and democracy and governance programs partnered to assist the GON to pursue various reforms in the areas of fiscal transparency, good governance, and accountability.

Gender

USAID has devoted considerable attention to ensuring that Nepalese women's needs, perspectives and concerns are addressed. Ongoing activities focus on: broadening and strengthening women and disadvantaged groups' participation in political processes; ensuring the participation of women in natural resource management; supporting family planning; and ending trafficking-in-persons. Gender integration remains a cross-cutting strategic priority through an organizational framework to mainstream gender equality into all new programs and activities.

Global Development Alliances and Partnerships

USAID supported three public-private partnerships in FY 2005: The Nepal Tree Crop Alliance which focuses on marketing coffee and tea for export; the Certification and Sustainable Marketing of Non-Timber Forest Products Alliance which certifies components of health and cosmetic products; and the Kathmandu Electric Vehicle Alliance (KEVA) activity which promotes the replacement of highly polluting privately owned diesel vehicles with electric vehicles. USAID's Public-Private Alliance programs made significant progress in certifying organic products and enterprises and increasing coffee bean exports in FY 2005. The KEVA activity also contributed to increasing jobs through the establishment of six manufacturing sites and ten battery recharging enterprises, and by providing employment for 600 new drivers to operate these vehicles. In addition, this activity helped to reduce air pollution in Kathmandu, contributed to the GON banning all diesel operated vehicles (three wheelers and motor scooters) in Kathmandu, and facilitated the reduction of import duties on electric vehicles.

Presidential Initiatives

Nepal is a non-focus country under the President's Emergency Plan; USAID complies with policies and directives for this special initiative.

FY 2006 Program**SO: 367-001 Sustainable Forest and Agricultural Products****Increase Agricultural Sector Productivity**

Increase Agricultural Sector Productivity (\$1,485,000 DA). USAID is augmenting incomes of over 55,000 rural households by increasing production of high-value agricultural and forest commodities, including non-timber forest products, herbs, spices, vegetables, fruit, tea, and coffee. Activities promote the use and adoption of improved agricultural technologies, which allow farmers to produce marketable products and respond to proven demand. USAID is increasing the use of microirrigation technology to access off-season markets in the hill areas and establishing private sector microirrigation supply chains. In addition, USAID is reaching agreements with drinking water and watershed management programs to enhance the flow and availability of point sources for microirrigation. Program activities are ensuring participation of women and marginalized community groups who are particularly vulnerable to the propaganda of Maoists and the depredations of human traffickers. Principal Implementer: Winrock International.

FY 2007 Program**SO: 367-001 Sustainable Forest and Agricultural Products****Increase Agricultural Sector Productivity**

Increase Agricultural Sector Productivity. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

FY 2006 Program**SO: 367-002 Reduced Fertility and Protected Health of Nepalese Families****Improve Child Survival, Health & Nutrition**

Improve Child Survival, Health, and Nutrition (\$3,941,000 CSH). USAID is strengthening community-level, integrated child health programs. USAID is expanding community-based treatment of diarrhea and pneumonia, continuing vitamin A supplementation for children, and strengthening nationwide availability of health commodities. Campaigns such as vitamin A are well accepted in rural communities, even in conflict-affected areas, and provide an opportunity for all sectors of society to come together around the common goal of saving children's lives. Principal Implementers: John Snow, Inc. (JSI), Johns Hopkins University (JHU), EngenderHealth, Save the Children (SC-USA), CARE, Adventist Development and Relief Agency (ADRA), and the United Nations Children's Fund (UNICEF).

Improve Maternal Health & Nutrition

Improve Maternal Health and Nutrition (\$1,010,000 CSH). USAID is strengthening community-level, integrated maternal and neonatal programs. The program emphasizes scaling up cost-effective, community-based interventions that have a real impact of reducing mortality. Community involvement in the design and management of these programs is mitigating exclusion -- a key driver of the conflict. USAID is continuing national advocacy for improved maternal, neonatal, and child health outcomes through development of competency-based training curricula. Principal Implementers: JSI, JHU, EngenderHealth, and SC-USA.

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission and Impact Of HIV/AIDS (\$7,326,000 CSH). To prevent a humanitarian crisis, USAID is expanding and strengthening behavior change interventions aimed at preventing HIV transmission using the Abstinence, Behavior Change, and Consistent Condom Use multi-sectoral approach. Voluntary counseling and testing is being expanded and linked to prevention, treatment of

sexually-transmitted infections, and care and support in target areas. USAID is rolling out home and community-based care for people living with HIV/AIDS (PLWHAs). Technical assistance and policy support is being provided to strengthen GON capacity to implement and manage the National HIV/AIDS Action Plan, improve surveillance and logistics systems, and address policy reform, particularly in the area of stigma and discrimination toward PLWHAs and their families. To prevent transmission, USAID is improving adolescents' knowledge of HIV through the revised national curriculum and nationally-broadcast radio program for youth. Principal Implementers: Family Health International/IMPACT, UNICEF, the Futures Group International, and Populations Services International (PSI).

Support Family Planning

Support Family Planning (\$6,336,000 CSH). USAID is strengthening public and private sector voluntary family planning services and the systems to support those services; increasing the number of skilled family planning providers; and ensuring nationwide availability of birth spacing methods. USAID is continuing to increase access to quality services by poor and marginalized groups (primarily low-caste, ethnic and religious minorities) to better address exclusion -- a key driver of the conflict and state fragility. New activities include support for improved district-level planning and management of services. USAID monitors all family planning activities for adherence to the Tiaht legislation. All family planning assistance agreements incorporate clauses that implement the President's directive restoring the Mexico City policy. Principal Implementers: JSI, JHU, EngenderHealth, ADRA, SC-USA, CARE, PSI, World Education International, and the Center for Development and Population Activities. New Implementer: Management Sciences for Health.

FY 2007 Program

SO: 367-002 Reduced Fertility and Protected Health of Nepalese Families

Improve Child Survival, Health & Nutrition

Improve Child Survival, Health & Nutrition. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

Improve Maternal Health & Nutrition

Improve Maternal Health & Nutrition. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission & Impact Of HIV/AIDS. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

Support Family Planning

Support Family Planning. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

FY 2006 Program

SO: 367-007 Strengthened Governance of Natural Resources and Selected Institutions

Improve Sustainable Management Of Natural Resources & Biodiversity

Improve Sustainable Management of Natural Resources and Biodiversity Conservation (\$1,567,000 DA).

USAID is training 1,187 water user groups and 710 community forestry and buffer zone groups to manage community resources using democratic practices. The management of these natural resources also contributes to critical terrestrial and aquatic biodiversity. USAID is initiating policy reform in areas that impact natural resource producers and users and providing training to government staff of district forest, park, and irrigation offices to improve district-level governance. Principal Implementer: CARE.

Promote And Support Anti-Corruption Reforms

Promote and Support Anti-Corruption Reforms (\$742,500 DA). USAID is supporting anti-corruption institutions including: Commission for the Investigation of Abuse of the Authority, National Vigilance Center, Office of the Attorney General, and the Special Anti-corruption Court. Specific activities include: development and distribution of investigation manuals; training of 100 investigators/prosecutors; promoting advocacy and training of 75 journalists; drafting anti-corruption legislation; and replicating information dissemination systems in 20 District Development Committees. USAID is training 300 women to increase recruitment and promote women in the civil service. Principal Implementers: Associates in Rural Development, Inc. (ARD), Association of District Development Committees of Nepal, and the United Nations Development Programme.

Reduce Trafficking In Persons

Reduce Trafficking In Persons (\$297,000 DA). USAID activities are helping to prevent trafficking of young girls by providing scholarships to trafficking victims and at-risk girls and women for secondary education, literacy, life skills training, and job skills training. Through these activities, the program is lessening the vulnerability of women and children to trafficking. Principal Implementer: The Asia Foundation.

Strengthen Democratic Political Parties

Strengthen Democratic Political Parties (\$990,000 ESF). USAID is providing training in leadership, consensus building, and internal party reforms for political practitioners (including 350 leaders of six parliamentary political parties) and five regional advocacy forums. USAID is also providing technical assistance to the Election Commission. Principal Implementers: the National Democratic Institute for International Affairs and International Foundation for Election Systems.

Strengthen the Justice Sector

Strengthen the Justice Sector (\$742,500 DA). USAID is providing technical assistance and training, including study tours, to judicial institutions including: the Supreme Court, the Judicial Council, the Judicial Academy, the Office of Attorney General, the Patan Appellate Court, the Lalitpur District Court and the Ministry of Law, Justice and Parliamentary Affairs, and the Judges Society. Areas of technical assistance include: archiving and data management systems, reference libraries, court rules and procedures, certification of lawyers to represent indigents, three court referred mediation centers, advocacy for judicial reform, and legal aid for the poor. Principal Implementer: ARD.

FY 2007 Program

SO: 367-007 Strengthened Governance of Natural Resources and Selected Institutions

Improve Sustainable Management Of Natural Resources & Biodiversity

Improve Sustainable Management Of Natural Resources & Biodiversity. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

Promote And Support Anti-Corruption Reforms

Promote And Support Anti-Corruption Reforms. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

Reduce Trafficking In Persons

Reduce Trafficking In Persons. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

Strengthen Democratic Political Parties

Strengthen Democratic Political Parties. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

FY 2006 Program

SO: 367-008 Promoting Peace Through Improved Governance and Incomes in Targeted Areas

Achieve Equitable Access to Quality Basic Education

Achieve Equitable Access to Quality Basic Education (\$797,900 DA). This program is designed to reduce a major source of fragility in Nepal -- gender and caste-based exclusion. USAID is setting up a Girls' Scholarship Fund that will cover both annual secondary school fees and supplies and establishing a mentoring system for girls from disadvantaged and conflict-affected families. Principal Implementers: To Be Determined (TBD).

Improve Quality of Workforce through Vocational/Technical Education

Improve Quality of Workforce Through Vocational/Technical Education (\$2,263,100 DA). USAID is initiating a skills training and employment program to increase incomes for vulnerable groups (e.g., youth, internally displaced persons, women, and disadvantaged groups) while improving productivity and building a competitive workforce that can meet the demands of tomorrow's job market. This effort combines literacy and skills training with scholarships, job counseling, and job placement. In addition, USAID is assisting university graduates and mid-career professionals to pursue professional and specialized skills training in regional or international universities, institutes, and colleges to build both host and recipient country capacity. Principal Implementers: TBD.

Mitigate Conflict and Support Peace

Mitigate Conflict and Support Peace (\$1,078,110 ESF). USAID is continuing to support the Peace Secretariat, which is poised to be a key player in any potential peace process. Specific activities are tailored to respond to opportunities but focus on training of staff, strategic planning, and facilitating consultation among stakeholders. Activities to link civil society peace efforts to the peace process are also being implemented. Principal Implementer: Academy for Educational Development.

Promote Effective and Democratic Governance of the Security Sector

Promote Effective and Democratic Governance of the Security Sector (\$348,480 ESF). USAID is exploring the possibility of establishing community policing initiatives to strengthen the relationship between the police and communities, encourage solidarity, and ultimately impact conflict and

development programs positively. Principal Implementers: TBD.

Protect and Increase the Assets and Livelihoods of the Poor

Protect and Increase the Assets and Livelihoods of the Poor (\$2,232,450 ESF). To increase the assets of individuals in rural conflict-affected areas, USAID is continuing to fund infrastructure projects, such as road building, that provide employment income and improve access to markets and services. Approximately 450,000 days of paid employment will be generated valued at \$540,000. Principal Implementer: Louis Berger Group.

Protect Human Rights

Protect Human Rights (\$198,000 ESF). USAID is continuing to provide capacity building for the National Human Rights Commission (NHRC) and support OHCHR to improve monitoring of human rights abuses in Nepal. Detailed public reports will be published on human rights abuses. National capacity for promotion and protection of human rights is being enhanced, particularly the quality of investigations and public reporting. Principal Implementers: United Nations Development Programme and OHCHR.

Support Populations at Risk

Support Populations at Risk (\$102,960 ESF). To strengthen support for victims of conflict -- internally displaced persons, widows, youth, and victims of torture -- and conflict-affected communities, USAID is funding an integrated community-level program combining economic and social support activities. In FY 2006, 9,492 households will experience an increase of at least \$71 in their annual income through the establishment or expansion of microenterprises (annual per capita income is \$276). One hundred and three community development projects will be implemented. Principal Implementers: Save the Children/U.S.

FY 2007 Program

SO: 367-008 Promoting Peace Through Improved Governance and Incomes in Targeted Areas

Achieve Equitable Access to Quality Basic Education

Achieve Equitable Access to Quality Basic Education. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

Improve Quality of Workforce through Vocational/Technical Education

Improve Quality of Workforce through Vocational/Technical Education. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

Mitigate Conflict and Support Peace

Mitigate Conflict and Support Peace. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

Promote Effective and Democratic Governance of the Security Sector

Promote Effective and Democratic Governance of the Security Sector. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

Protect and Increase the Assets and Livelihoods of the Poor

Protect and Increase the Assets and Livelihoods of the Poor. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

Protect Human Rights

Protect Human Rights. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

Support Populations at Risk

Support Populations at Risk. USAID will implement a new strategic statement in FY 2007. This program will end in FY 2006.

FY 2006 Program

SO: 367-WWWW Enhance Stability and Security

Mitigate Conflict and Support Peace

Mitigate Conflict and Support Peace. New in FY 2007.

Protect and Increase the Assets and Livelihoods of the Poor

Protect and Increase the Assets and Livelihoods of the Poor. New in FY 2007.

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission & Impact Of HIV/AIDS. New in FY 2007.

FY 2007 Program

SO: 367-WWWW Enhance Stability and Security

Mitigate Conflict and Support Peace

Mitigate Conflict and Support Peace (\$500,000 DA; \$1,050,000 ESF). USAID will set the stage for a sustainable peace in Nepal by building community capacity for peace, supporting the Government of Nepal's (GON) Peace Secretariat established in 2004, and assisting victims of conflict. USAID's activities will strengthen the capacity for peace building at the local level, increase participation of traditionally excluded groups in planning and implementing community development projects, and build the resiliency of communities to manage the effects of the conflict. USAID will also provide training to the Peace Secretariat to strengthen national expertise in conflict resolution and build capacity of potential negotiators. To assist communities affected by the insurgency, USAID will support victims of the conflict, including widows, internally displaced persons, youth, and victims of torture through a range of services, including psychosocial counseling, legal assistance, and educational support. USAID will explore the possibility of establishing community policing initiatives in urban districts outside Kathmandu to improve security, strengthen the relationship between the police and communities, and encourage solidarity. Principal Implementers: To Be Determined (TBD).

Prevent & Control Infectious Diseases Of Major Importance

Prevent & Control Infectious Diseases Of Major Importance (\$400,000 CSH). USAID will strengthen the GON's capacity for surveillance and control of selected infectious diseases. The hygiene promotion program will continue to increase hand washing with soap and improve water quality at the point-of-use (household level). Principal Implementers: TBD.

Protect and Increase the Assets and Livelihoods of the Poor

Protect and Increase the Assets and Livelihoods of the Poor (\$3,076,000 DA; \$2,950,000 ESF). USAID will support income generation through public works, agriculture, and microenterprise programs. These programs will provide short-term employment and concurrently build infrastructure that facilitates longer-term income generation opportunities, greater access to agricultural markets, and an improved quality of life. USAID will also provide skills training and employment programs to provide literacy and job skills to conflict-affected populations. Principal partners: TBD.

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission and Impact Of HIV/AIDS: (\$7,019,000 CSH). To prevent a humanitarian crisis and stabilize communities, USAID will expand and strengthen HIV/AIDS prevention interventions using the Abstinence, Behavior Change, and Consistent Condom Use multi-sectoral approach. USAID will also strengthen the GON's capacity to implement and manage its National HIV/AIDS Action Plan. Principal Implementers: TBD.

FY 2006 Program

SO: 367-YYY Strengthen Governance and Protect Human Rights

Protect Human Rights

Protect Human Rights. New in FY 2007.

Reduce Trafficking In Persons

Reduce Trafficking In Persons. New in FY 2007.

Strengthen Civil Society

Strengthen Civil Society. New in FY 2007.

Strengthen Democratic Political Parties

Strengthen Democratic Political Parties. New in FY 2007.

FY 2007 Program

SO: 367-YYY Strengthen Governance and Protect Human Rights

Reduce Trafficking In Persons

Reduce Trafficking In Persons (\$392,000 DA). USAID activities will help to prevent trafficking of young girls by providing trafficking victims and at-risk girls and women with scholarships for secondary education, literacy, life skills training, and job skills training for income generation. Through these

activities, the program will lessen the vulnerability of women and children to trafficking. Principal Implementers: To Be Determined (TBD).

Strengthen Civil Society

Strengthen Civil Society (\$1,583,000 DA). USAID's program to support democratic governance at the local level trains community groups to utilize principles of participation, representation, transparency, and accountability in the management of their natural resources. The program will create an appreciation for the principles of good governance, transparency, and respect for the rule of law at the grassroots level. USAID will simultaneously work with communities to organize and manage natural resources for maximum gain, preserving biodiversity, and creating social harmony. The management of these natural resources also contributes to critical terrestrial and aquatic biodiversity. Principal Implementers: TBD.

Strengthen Democratic Political Parties

Strengthen Democratic Political Parties (\$1,000,000 ESF). USAID will work with political party members, government institutions, civil society organizations, academia, and the media to support political party reform, build party leadership, change incentive structures, increase citizen demand for better governance, and improve the ability of civil society organizations to monitor and report on political and electoral reform progress. The program will also work with party members in Parliament (once re-established) to ensure effective and stable governance. USAID will provide technical assistance to Nepal's Election Commission to conduct voter education, registration, and electoral oversight. Should conditions for free and fair elections materialize, assistance will be provided to other organizations that would contribute to a transparent and participatory electoral process. Principal Implementers: TBD.

FY 2006 Program

SO: 367-ZZZ Build Capacity of Critical Institutions

Improve Child Survival, Health & Nutrition

Improve Child Survival, Health & Nutrition. New in FY 2007.

Improve Maternal Health & Nutrition

Improve Maternal Health & Nutrition. New in FY 2007.

Promote And Support Anti-Corruption Reforms

Promote And Support Anti-Corruption Reforms. New in FY 2007.

Strengthen the Justice Sector

Strengthen the Justice Sector. New in FY 2007.

Support Family Planning

Support Family Planning. New in FY 2007.

FY 2007 Program

SO: 367-ZZZ Build Capacity of Critical Institutions

Improve Child Survival, Health & Nutrition

Improve Child Survival, Health, and Nutrition (\$3,800,000 CSH). USAID's health sector interventions will be targeted to build local and national government capacity, address sources of fragility, and stabilize communities by saving the lives of thousands of Nepalese women and children each year. The program will support the GON's efforts to reduce mortality and morbidity; strengthen and expand service delivery; increase availability of health commodities; and improve the well-being of women and youth through health education programs. In particular, USAID will build the GON's capacity to deliver and sustain integrated child health programs such as vitamin A supplementation and treatment of diarrhea and pneumonia. Principal Implementers: To Be Determined (TBD).

Improve Maternal Health & Nutrition

Improve Maternal Health and Nutrition (\$1,165,000 CSH). USAID will support efforts to establish community and household-based models to deliver maternal and newborn health care services in areas impacted by the nine year conflict. Through technical training and support, female community health volunteers will be prepared to play a role in these maternal and child health interventions, particularly in areas heavily affected by the conflict. USAID will increase its efforts to ensure that marginalized populations, constrained by issues of accessibility, conflict, or caste/ethnic discrimination, are represented in local groups that manage service delivery and receive the relevant services to improve the quality of their lives. Principal Implementers: Save the Children and Johns Hopkins University.

Promote And Support Anti-Corruption Reforms

Promote And Support Anti-Corruption Reforms (\$750,000 DA). USAID will support state anti-corruption entities that exercise investigation and prosecutorial authority for public official corruption cases, an anti-corruption tribunal, and a center that surveys and reports on public officials' assets. Other public entities, civil society groups, and the media may receive program assistance for their functions that complement or contribute positively to anti-corruption efforts. USAID will tie these government-level initiatives to activities promoting media and civil society advocacy and engagement in anti-corruption reforms. USAID will also initiate programs to curb private sector corruption. Principal Implementers: TBD.

Strengthen the Justice Sector

Strengthen the Justice Sector (\$750,000 DA). USAID initiatives in this sector will promote equal treatment of all people before the law and help ensure human rights through improving the administration of justice in court, building the capacity of the public defense system, introducing court-referred mediation to speed the justice system, and building upon the success of USAID's alternative dispute resolution activity. USAID's rule of law program will also address access to justice and human rights protection, which have been severely hampered by the conflict. Principal Implementer: TBD.

Support Family Planning

Support Family Planning (\$5,601,000 CSH). USAID will build on its successful partnership with the government to deliver family planning and health education programs. In reaching approximately 11 million men and women of reproductive age, these programs will further reduce fertility beyond the 20% reduction over the past 10 years. With the GON, USAID will address the large unmet need for family planning and improve the quality of services in the private and public sectors. All family planning assistance agreements incorporate clauses that implement the President's directive restoring the Mexico City policy. Principal Implementers: TBD.

Results Framework

367-001 Sustainable Forest and Agricultural Products

Program Title: Sustainable Forest and Agricultural Products

- 1: Expanded Market Participation

367-002 Reduced Fertility and Protected Health of Nepalese Families

Program Title: Health and Family Planning

- 1: Increased Use of Quality Family Planning Services
- 2: Increased Use of Selected Maternal and Child Health Services
- 3: Increased Use of HIV/AIDS Prevention and Care Services by the Most-at-Risk Groups
- 4: Strengthened HMGN Capacity and Pilot Community Programs to Control Selected Infectious Diseases

Discussion: HIV sero-prevalence is measured every two years in each most-at-risk groups: female sex workers, clients, injecting drug users, men-who-have-sex-with-men, and male migrants.

367-006 Increased Private Sector Participation in Environmentally and Socially Sustainable Hydropower Development

Program Title: Hydropower Development

- 1: Improved Enabling Environment for Equitable and Sustainable Hydropower Development
- 2: Strengthened Environmental and Social Assessment Procedures with Broadened Stakeholder Participation

367-007 Strengthened Governance of Natural Resources and Selected Institutions

Program Title: Democracy and Governance

- 1: Increased Management Capacities of Natural Resource Management User Groups
- 2: Increased Advocacy Capacity of Selected Civil Society Groups at Community and Federation Levels
- 3: Increased Women's Participation
- 4: Improved Performance of Selected Institutions

367-008 Promoting Peace Through Improved Governance and Incomes in Targeted Areas

Program Title: Ending Conflict and Expanding Democracy

- 1: Improved Infrastructure and Expanded Economic Opportunities in Conflict-Affected Areas
- 2: Increased Use of Key Support Services by Victims of Conflict
- 3: Increased National Capacity to Engage Effectively in Transition to Peace Processes
- 4: Strengthened Community Capacity for Peace

367-WWWW Enhance Stability and Security

Program Title: Enhance Stability and Security

367-YYY Strengthen Governance and Protect Human Rights

Program Title: Strengthen Governance and Protect Human Rights

367-ZZZ Build Capacity of Critical Institutions

Program Title: Build Capacity of Critical Institutions