challenges remain to be addressed. Meanwhile, government efforts on land reform appear to have stalled, and planned commissions such as the Commission of Inquiry on Disappearances, the Truth and Reconciliation Commission, and the State Restructuring Commission remain outstanding.

• The security environment remains poor in the Tarai, with small and unknown criminal groups increasingly responsible for insecurity. Weak law enforcement and political intervention in police affairs around the country continue to undermine the rule of law and to strengthen the culture of impunity. Meanwhile, political party youth wings continue to interfere in contract tender processes and engage in widely publicized acts of sporadic violence.

The Carter Center recommends that the Constituent Assembly, with support from civil society and the international community, increase efforts to publicize basic information about the constitutional process. Efforts should be made to inform citizens about progress to date, current debates, and sensitive issues such as federalism. As well, plans to hold a second public consultation process after the completion of the first draft of the new constitution should go forward. The government also should form the already agreed upon State Restructuring Commission.

Furthermore, the Center recommends that the UCPN(M) return land seized during the conflict found to be remaining under its control, Nepal's political parties agree on a mechanism to deal with complex land return cases, and the government initiate discussions on a common minimum program for land reform. The government also should ensure that all eligible conflict affected persons are able to access the ongoing interim relief process and that provisions are made to extend support beyond interim relief. Additionally, the government should form the Commission of Inquiry on Disappearances and the Truth and Reconciliation Commission, and ensure full compliance with human rights standards.

Finally, to prevent entrenched insecurity which could become increasingly difficult to control, the Center recommends that Nepal's authorities prosecute individuals who commit criminal activities regardless of political affiliation, and continue ongoing efforts to increase police presence and India-Nepal cross border cooperation.

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Working to build peace in Nepal since 2003, the Carter Center deployed an international election observation mission to observe the 2008 constituent assembly elections. The Center has remained in country to monitor the constitution drafting efforts and the peace process, with a focus on the local level. Read all the Carter Center reports on Nepal's peace process at http://cartercenter.org/countries/nepal-peace.html

"Waging Peace, Fighting Disease, Building Hope." A not-for-profit, nongovernmental organization, The Carter Center has helped to improve life for people in more than 70 countries by resolving conflicts; advancing democracy, human rights, and economic opportunity; preventing diseases; improving mental health care; and teaching farmers in developing nations to increase crop production. The Carter Center was founded in 1982 by former U.S. President Jimmy Carter and his wife, Rosalynn, in partnership with Emory University, to advance peace and health worldwide. Please visit www.cartercenter.org to learn more about The Carter Center.

I. Introduction and Methodology

This brief report provides a general summary of key constitutional, identity group, peace process, and security trends since the start of the Carter Center's observation project in June 2009, and is intended as an update to the Center's August 2009 trends analysis report.¹ The findings noted here are based on information gathered by Carter Center observers, who have visited more than 60 districts and conducted more than 3,000 interviews with local government officials, political party representatives, civil society members, indigenous and marginalized group representatives, journalists, citizens, and international community representatives. The Center has also referenced findings from its subsequent public reports released in November 2009, February 2010, and June 2010, on the security environment, constitutional issues, and land issues, respectively. These reports offer more detailed information, including analysis, examples, figures and quotes, which are not contained in this summary report. The full text of all Carter Center reports is available at: http://cartercenter.org/countries/nepal-peace.html

The Carter Center wishes to thank the Nepali officials, political party members, civic activists, citizens, and representatives of the international community who have generously offered their time and energy to facilitate this report.

II. National Context

Nepal's peace process has resulted in many historic achievements, including agreement to a code of conduct, signing of a Comprehensive Peace Agreement (CPA), creation of a joint interim government and interim constitution, holding of successful Constituent Assembly elections, and a peaceful transfer of power. However, for more than one year, the process has been deadlocked due to disputes over government formation, failures of implementation on all sides, and a growing trust deficit. Partly due to this ongoing deadlock, the Constituent Assembly (CA) failed to meet its May 2010 deadline and consequently its tenure was extended until May 2011. Additionally, after seven extensions, with little concrete progress by Nepal's political leaders on the integration and rehabilitation of verified Maoist combatants and in response to the request of the government and political parties, the United Nations Mission in Nepal (UNMIN) expects to close on January 15, 2011 when its current mandate expires.

Positively, there has been some progress in the last year. Verified minors and late recruits were discharged from the Maoist cantonments in early 2010. Additionally, all 11 Concept Papers of the CA have been drafted, their "gaps and overlaps" analyzed, and a comprehensive list of over 200 outstanding questions developed. A recently created Task Force of senior leaders to address contentious constitutional issues also appears to have achieved some success, including key decisions on the judicial system in the new constitution.

At the same time, much work remains undone. Implementation of the integration and rehabilitation of Maoist combatants remaining in the cantonments is outstanding. Despite a September 13 agreement to "bring the Maoist Army combatants under the Special Committee without delay"² this process appears not yet to have been completed, and the Coordinator of the planned Secretariat has not yet been appointed. Additionally, land seized during the conflict in multiple districts has yet to be returned, land reform policies are yet to be formulated or implemented, conflict victims are yet to receive full reparations or even interim relief in some cases, and the formation of several high-level commissions, such as the State Restructuring Commission, Commission of Inquiry on Disappearances, and Truth and

¹ The August 2009 report is available on the internet at <u>http://cartercenter.org/news/pr/nepal-082609.html</u>; click on "English" or "Nepali" to read the full text.

² http://www.unmin.org.np/downloads/keydocs/Govt Maoist Four Point Agreement 13Sep10 ENG.pdf

Reconciliation Commission has not taken place. Appointments of chiefs of most of the constitutional commissions are also pending.

In the weeks prior to publication, political leaders held continuous senior level negotiations to find a resolution to the political deadlock and to begin to address a number of the issues noted above. This is a positive step and the Center strongly hopes that, despite renewed controversy, these talks will continue and will lead to concrete progress on the peace process, constitution drafting, and government formation.

III. Local Level Findings

The following local level findings are organized into four categories: constitutional issues, identity group activities, peace process issues, and the security environment. In all sections, the trends observed are listed in bold with summary explanations below.

A. CONSTITUTIONAL ISSUES

1. Citizens are increasingly disillusioned by the constitutional process, and most are pessimistic that the constitution will be written by May 2011.

Over the last year, an increasing number of citizens interviewed by Carter Center observers have been critical of the constitutional drafting process, and many currently believe that the constitution will not be drafted on time. The vast majority of citizens blame the major political parties and political leaders as a group, rather than singling out any one particular party or politician. In districts across the country interviewees complained that the parties are "only playing politics" or "only caring for the Prime Minister's seat." Citizens largely perceive CA members and party leaders as favoring self-interest over statesmanship. Many point to the ongoing failure of political parties to agree on a prime minister as indicative of an eventual failure to write the constitution on time.

However, thus far this disillusionment with national political leaders has not resulted in a rejection of the current process. Most citizens continue to say that they see no alternative to negotiation and consensus among the major political parties.

2. Citizen understanding of the constitutional process remains generally low. In particular, there appears to be little understanding of the concept of federalism, and some citizens remain concerned about its implementation in Nepal.

Many citizens have little information about the constitutional process and a minority are unaware of it entirely. The level of knowledge among citizens appears to decrease when moving from urban centers to more remote areas, and women are often found to be less knowledgeable about the constitution than men. Although many Nepalis listen to radio news, some citizens say they have learned little from these programs apart from the fact that the constitution is behind schedule.

Observers have noted little significant change in public understanding of federalism since the Center's February 2010 report *Federalism and Constitutional Issues in Nepal: Perspectives from the Local Level.* Although political parties and civil society organizations have held some events regarding federalism, their broader impact is unclear. Even among Nepalis who have heard of federalism, their level of understanding about what federalism means in practice is often highly limited. In Rolpa, for example, observers noted that members of political parties advocating for federalism often could explain little more than the new state boundaries for which their parties were advocating. Party members, as well as a

faction of the Federal Limbuwan State Council (FLSC) in late October in nine districts in the Eastern Region to obstruct the voter registration process until a Limbuwan Province has been created.

4. Brahmin and Chhetri activists are organizing district and VDC-level committees in many districts. However, their public activities have been few, and the potential of these organizations is yet to be tested.

In its February 2010 report, the Center noted that Chhetri and Brahmin groups were emerging at the local level with the goal of influencing the constitutional debate, notably against ethnic federalism. At the time, the Chhetri Samaj had begun forming district-level committees throughout the Western Region to demand recognition of Chhetris as an indigenous group and to campaign against ethnic federalism. Since that time, the Chhetri Samaj has established district-level and VDC-level offices in nearly all districts in the Western Region. Observers have also found that the Chhetri Samaj, Brahmin Samaj, Khas-Chhetri Ekta Samaj, and/or like-minded groups have established chapters in many districts throughout the country. Although these groups are not conducting many activities at present, they are extending their organizational reach and capacity.

Brahmin and Chhetri organizations have reportedly encountered some opposition from other groups at the local level, most notably the Maoists. In Dhankuta, the Maoists reportedly pressed their cadres to give up membership in the Khas-Chhetri Ekta Samaj, claiming that, because Brahmins and Chhetris are the dominant political group, their demands should not be prioritized. In February, Young Communist League (YCL) cadres reportedly obstructed Chhetri Samaj members in Gorkha who were traveling to Kathmandu to participate in a rally opposing ethnic federalism. A Chhetri Samaj member in Gorkha said, "We expect problems from the Maoists, but we are willing to face those."

Although the most overt opposition to Brahmin and Chhetri organizing has been from the Maoists thus far, the contrast between the platforms of Brahmin and Chhetri organizations and those of Adivasi and Janajati groups could lead to tensions in the future. The potential for tension is exacerbated by misinformation and fear; one Brahmin man in Kaski told observers he participated in a Brahmin Samaj rally because he feared he would "lose [his] citizenship in a Tamuwan state."

5. Many Madhesi citizens appear disappointed in the performance of Tarai-based parties to date, but continue to support the underlying demands that fueled the 2007 Madhesi andolan.

Fragmentation of the Madhes movement at the national level has disappointed many citizens who supported the 2007 protests and voted for Tarai-based parties in April 2008. In Siraha, citizens and civil society members noted increasing discontent with Madhesi political leaders; supporters complained that party leaders had quickly forgotten their commitments after being elected. Disappointment is felt by some party cadres as well; for example, two Tarai Madhes Loktantrik Party (TMLP) members in @05211000191(er)-6dTBT1

C. PEACE PROCESS

6. Although the Maoists have returned much of the land that they seized during the conflict in the

8. The process of providing relief to conflict-affected persons is ongoing, with

meeting in 12 of them. The remaining LPCs were still not formed or were inactive due to disputes among political parties over who would be the coordinator.

Most LPCs continue to see their main task as soliciting and reviewing applications from conflict victims for interim relief. However, a majority also say that they have undertaken at least some other activities.

districts. Some interviewees in the Mid and Far West have noted that opportunistic individuals are exploiting the weakness or lack of state presence, and that the police often take little or no action in response.

11. Weak law enforcement and political interference in police affairs continue to undermine 56.)7re

Nonetheless, party youth wings, most commonly the YCL and the UML's Youth Force (YF)⁶ continue to interfere in local contract tender processes in many districts visited. Such interference generally involves directing tenders to party-supported contractors and soliciting commissions on contracts in exchange for their assistance. During visits in July and August, many interviewees in Kailali, Kanchanpur, and Dadeldhura noted that the YCL is involved, to varying extents, in activities that bring the party or individual members financial gain. Alleged activities include extortion of businessmen and smuggling of goods and resources. In Dang, YF was reported to have been involved in securing tenders on behalf of contractors and taking brokerage commissions on the deals. Competition for financial gain through tenders, taxation, and donations has created tensions between the YCL and YF in many districts,

Management of Arms and Armies (AMMAA), including an alternative dispute resolution mechanism to the Joint Monitoring and Coordination Committee (JMCC) currently chaired by UNMIN, and what supervision roles the Secretariat should assume following UNMIN's departure to avoid a potential monitoring vacuum.

Constitutional Issues:

- 3. The Constituent Assembly and CA members, with support from civil society and the international community, should increase efforts to widely publicize basic information about constitutional issues and the CA process. Efforts should be made to inform citizens of progress achieved, raise awareness about the ongoing debates within the CA, and dispel myths about sensitive issues such as federalism. Increasing the use of efforts should be considered, as well as programs aimed at opinion leaders. Additionally, targeted efforts should be made to inform citizens should be made to inform citizens of planned provisions related to language, social, and cultural rights as these areas appear to be of special interest to many citizens.
- 4. The CA should ensure that sufficient time is preserved in the constitutional schedule for the planned second public consultation to take place in a well-organized and inclusive manner. The CA conducted a public consultation process in early 2009 and is expected to conduct a second public consultation after the first draft of the new constitution has been finalized. This public consultation should take place, and sufficient time, energy, and funds should be allocated for its planning and well-organized execution.
- 5. The government should form the already agreed upon State Restructuring Commission to study and propose recommendations for the implementation of federalism. The March 2010 agreement to form a Stat[se)--21nRtrstt u11(r)-3(a)6(n)11()-121(C)4(om-10(f)6(m)17(i)-4(ts)-4()-4(o)11(n)-10(ts)-4()-10(ts)-4(ts)-4()-10(ts)-4