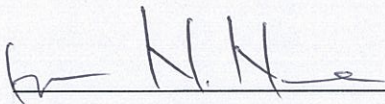


**RECORD OF DISCUSSIONS BETWEEN JAPANESE  
IMPLEMENTATION STUDY TEAM AND  
AUTHORITIES CONCERNED OF THE GOVERNMENT OF  
NEPAL  
ON JAPANESE TECHNICAL COOPERATION  
FOR THE STRENGTHENING COMMUNITY MEDIATION CAPACITY FOR PEACEFUL AND  
HARMONIOUS SOCIETY PROJECT**

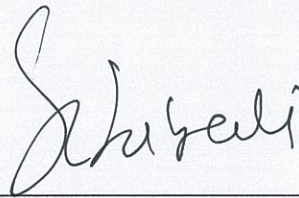
With regard to the Minutes of Meeting between the Preparatory Study Team and the Government of Nepal (hereinafter referred to as "GoN") dated 24 September 2009, Japan International Cooperation Agency (hereinafter referred to as "JICA") had an series of discussions, through the Senior Representative of JICA in Nepal, with the Authorities Concerned of the Government of Nepal with respect to desirable measures to be taken by JICA and the Government of Nepal for the successful implementation of Strengthening Community Mediation Capacity for Peaceful and Harmonious Society Project.

As a result of the discussions, and in accordance with the provisions of the Agreement on Technical Cooperation between the Government of Japan and the Government of Nepal, signed in Kathmandu on September 3, 2003, the JICA and Nepalese authorities concerned agreed to recommend to their respective Governments the matters referred to in the document attached hereto.

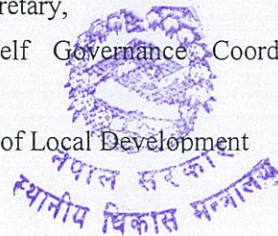
Nepal , 20 November 2009



Yoshio Fukuda  
Senior Representative  
Japan International Cooperation Agency  
JICA



Som Lal Subedi  
Joint Secretary,  
Local Self Governance, Coordination  
Division  
Ministry of Local Development



## THE ATTACHED DOCUMENT

### I. COOPERATION BETWEEN JICA and Government of Nepal

1. The Government of Nepal will implement the Strengthening Community Mediation Capacity for Peaceful and Harmonious Society Project (hereinafter referred to as "the Project") in cooperation with JICA.
2. The Project will be implemented in accordance with the Master Plan which is given in Annex I.

### II. MEASURES TO BE TAKEN BY JICA

In accordance with the laws and regulations in force in Japan and the provisions of Article III of the Agreement, JICA, as the executing agency for technical cooperation by the Government of JAPAN, will take, at its own expense, the following measures according to the normal procedures of its technical cooperation scheme.

#### 1. DISPATCH OF JAPANESE EXPERTS

JICA will provide the services of the Japanese experts as listed in Annex II.

#### 2. PROVISION OF MACHINERY AND EQUIPMENT

JICA will provide such machinery, equipment and other materials (hereinafter referred to as "the Equipment") necessary for the implementation of the Project as listed in Annex II. The provision of Article III (e) of the Agreement will be applied to the Equipment.

#### 3. TRAINING OF NEPAL PERSONNEL IN THIRD COUNTRY

JICA will receive the personnel connected with the Project for technical training in a third country.

### III. MEASURES TO BE TAKEN BY THE GOVERNMENT OF NEPAL

1. The Government of Nepal will take necessary measures to ensure that the self-reliant operation of the Project will be sustained during and after the period of Japanese technical cooperation, through full and active involvement in the Project by all related authorities, beneficiary groups and institutions.
2. The Government of Nepal will ensure that the skills and knowledge acquired by the Nepalese nationals as a result of the Japanese technical cooperation will contribute to the economic and social development of Nepal.
3. In accordance with the provisions of Article VI of the Agreement, the Government of Nepal will grant in Nepal privileges, exemptions and benefits to the Japanese experts referred to in II-1 above



and their families.

4. In accordance with the provisions of Article VIII of the Agreement, the Government of Nepal will take the measures necessary to receive and use the Equipment provided by JICA under II-2 above and equipment, machinery and materials carried in by the Japanese experts referred to in II-1 above.
5. The Government Nepal will take necessary measures to ensure that the knowledge and experience acquired by the Nepalese personnel from technical training in Japan will be utilized effectively in the implementation of the Project.
6. In accordance with the provision of Article V(b) of the Agreement, the Government of Nepal will provide the services of Nepalese counterpart personnel and administrative personnel as listed in Annex III.
7. In accordance with the provision of Article V(a) of the Agreement, the Government of Nepal will provide the buildings and facilities, if available, as listed in Annex IV.
8. In accordance with the laws and regulations in force in Nepal, the Government of Nepal will take, based on mutual understanding, necessary measures to supply equipments (machinery, equipment, instruments, vehicles, tools, spare parts and any other materials) at its own expenses for the implementation of the Project other than the Equipment provided by JICA under II-2 above.

#### IV. ADMINISTRATION OF THE PROJECT

1. Joint Secretary, Local Self Governance Coordination Division, Ministry of Local Development, as the Project Director, will bear overall responsibility for the administration and implementation of the Project.
2. Under Secretary, Local Body Support Section, Ministry of Local Development, as the Project Manager, will be responsible for the managerial and technical matters of the Project.
3. The Japanese Team Leader may provide necessary assistance and advice to the Project Director and the Project Manager on any matters pertaining to the implementation of the Project.
4. The Japanese experts may give necessary technical guidance and advice to Nepal counterpart personnel on technical matters pertaining to the implementation of the Project.
5. For the effective and successful implementation of technical cooperation for the Project, a Joint Coordinating Committee will be established whose functions and composition are described in Annex V.





## V MONITORING AND JOINT EVALUATION OF THE PROJECT

Ministry of Local Development and JICA may supervise and monitor the progress of the project time to time as and when necessary. Evaluation of the Project will be conducted jointly by JICA and the Nepalese authorities concerned, at the middle and during the last six months of the cooperation term in order to examine the level of achievement.

## VI. CLAIMS AGAINST JAPANESE EXPERTS

In accordance with the provision of Article VII of the Agreement, the Government of Nepal undertakes to bear claims, if any arises, against the Japanese experts engaged in technical cooperation for the Project resulting from, occurring in the course of, or otherwise connected with the discharge of their official functions in Nepal except for those arising from the willful misconduct or gross negligence of the Japanese experts.

## VII. MUTUAL CONSULTATION

There will be mutual consultation between JICA and Government of Nepal on any major issues arising from, or in connection with this project including Attached Document.

## VIII. MEASURES TO PROMOTE UNDERSTANDING OF AND SUPPORT FOR THE PROJECT

For the purpose of promoting support for the Project among the people of Nepal, the Government of Nepal will take appropriate measures to make the Project widely known to the people of Nepal.

## IX. TERM OF COOPERATION

The duration of the technical cooperation for the Project under this Attached Document will be three (3) years and nine (9) months from January 2010.

## X. PDM (Project Design Matrix) and PO (Plan of Operation)

Tentative PDM and PO are attached herewith at ANNEX VI and ANNEX VII as a tool for monitoring, evaluation, management of the activities of the Project. Both are provisional and subject to changes upon periodical reviews during the project preparation and implementation period based on a consultation between JICA and the GoN. In particular, the details of the Project will be specified in the course of the first several months of the Project based upon the further assessment and analysis.

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XI BASIC PRINCIPLE OF THE PROJECT

While implementing the project both party will follow the principle of transparency, accountability, sustainability, inclusiveness and rule of law.

- ANNEX I MASTER PLAN
- ANNEX II LIST OF JAPANESE INPUTS
- ANNEX III LIST OF NEPANESE PERSONNEL
- ANNEX IV LIST OF BUILDINGS AND FACILITIES
- ANNEX V COORDINATING COMMITTEES
- ANNEX VI PDM (Project Design Matrix-Tentative)
- ANNEX VII PO (Plan of Operation-Tentative)
- ANNEX VIII AGREEMENT OF TECHNICAL COOPERATION BETWEEN THE GOVERNMENT OF JAPAN AND GOVERNMENT OF NEPAL



## ANNEX I MASTER PLAN

### IMPLEMENTATION OF THE PROJECT

The project will be implemented by DDC Mahottari and Sindhuli Districts with necessary technical backstopping from the Ministry of Local Development. For the purpose of technical assistance, JICA and GON will hire an NGO or consulting company that is directly involved in the area of community mediation under JICA's rules and regulations. Japanese expert team will work with government staff and the NGO or company staff and shall provide necessary technical support and advice for the smooth implementation of the project.

#### a. Project Title

Strengthening Community Mediation Capacity for Peaceful and Harmonious Society

#### b. Implementing Organization

Ministry of Local Development

DDC and VDCs/Municipalities of target districts (Sindhuli and Mahottari)

#### c. Overall Goal of the Project

Knowledge on community mediation for peaceful and harmonious community is disseminated in Sindhuli road corridor area.

#### d. Purpose of the Project

Capacity and mechanism for dispute management mainly through community mediation are enhanced in Sindhuli and Mahottari Districts

#### e. Outputs

- 1 Situation on dispute management mainly through community mediation are assessed in Nepal and project target area.
2. Skills, knowledge and mechanism for dispute management mainly through community mediation are strengthened.
3. Experience on dispute management mainly through community mediation by the project are shared with central and local stakeholders.

#### f. Major Activities

- 1.1 Conduct workshops at central and local levels, to share the examples of community mediation in Nepal and other country.
- 1.2 Experience on Alternative Dispute Resolution (ADR) by other donors and NGOs and the situation of Nepalese traditional arbitration are assessed and collated.
- 1.3 Carry out baseline survey and capacity assessment at 2 districts and VDCS/Municipalities.
- 1.4 Select the targeted pilot VDCs/Municipalities



- 1.5 Carry out monitoring at target districts and pilot VDCs/Municipalities.
- 2-1 Formulate training modules and modify the existing manuals followed by other agencies if necessary.
- 2-2 Conduct orientation and consultation on peace building, community mediation and dispute management in the target districts/VDCs/Municipalities.
- 2-3 Select the community mediators and district coordinators through participatory process.
- 2-4 Carry out training for district trainers on community mediation and dispute management.
- 2-5 Carry out training for the community mediators on community mediation and dispute management with district trainers.
- 2-6 Implement the community mediation and dispute management in selected pilot VDCs and Municipalities with district trainers.
- 2-7 Provide periodical technical guidance of community mediation and dispute management activities.
- 2-8 Implement refresher training for community mediation and dispute management.
- 2-9 Conduct observation tour to learn the third country's experience.
- 2-10 Conduct observation tour to learn the other district's experience.
- 2-11 Hold the practice sharing workshop of mediators at target districts.
  
- 3-1 Formulate the Central and District Coordination Committees.
- 3-2 Compile the experiences of community mediation and dispute management as the conflict prevention model.
- 3-3 Hold a workshop to share the experiences of community mediation and dispute management with the stakeholders concerned at national level and Sindhuli road corridor area..

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## ANNEX II LIST OF JAPANESE INPUTS

### (1) Dispatch of experts

- a. Team leader having expertise on conflict management
- b. Expert on Community analyst and local governance
- c. Expert on Community Mediation Training/coordination

### (2) Equipment

JICA shall provide necessary equipments required for smooth implementation of the Project, based on the request by GoN and consultation with JICA.

### (3) Logistics and financial support

JICA shall provide necessary logistic and financial support required for smooth implementation of the Project based on the request by GoN and in consultation with JICA.

### (4) In-country/Third country training

Capacity development plan for central level, local level staff and community mediators will be prepared and implemented at Center/district/VDCs/Municipalities level. Third country observation tours training and orientation based on the capacity development plan will be conducted to share the similar experiences.

### (5) National Specialist, Local Consultants/NGOs

National specialist, local consultants will be hired by JICA under mutual consultation.

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ANNEX III LIST OF NEPALESE PERSONNEL

<Ministry of Local Development>

- Joint Secretary, Local Self Governance Coordination Division
- Under Secretary, Local Body Support Section
- Section Officer, Local Body Support Section
- Under Secretary (Law), Legal Advisory Section

<Sindhuli District>

- Local Development Officer, DDC Office
- Representative from District Administration Office
- Planning Officer, DDC Office
- Social Development Officer, DDC Office
- Pilot VDC Secretariats/Municipality Office

<Mahottari District>

- Local Development Officer, DDC Office
- Representative from District Administration Office
- Planning Officer, DDC Office
- Social Development Officer, DDC Office
- Pilot VDC Secretariats/Municipality Office

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#### ANNEX IV LIST OF BUILDINGS AND FACILITIES

The following space and facilities will be provided by the Government of Nepal for the implementation of the Project.

1. Necessary office space and other existing facilities at district level, if available in the District Office premises, for Japanese Experts at district level.
2. Other facilities mutually agreed upon as required.



## ANNEX V Coordination Committees

### Joint Coordination Committee

The Joint Coordination Committee will be formulated and the meeting will be held at least twice a year for the smooth implementation of the Project. Prospective functions and members of the committee will as follows.

- 1) Members
- 2) Joint Secretary, Local Self Governance Coordination Division, Ministry of Local Development (MoLD)

----- Chairperson

- Under Secretary, Local Body Support Section, MoLD----- Member Secretary
- Under Secretary (Law) Legal Section, MoLD --- Members
- Under Secretary, Planning and Foreign Aid Coordination Section
- Representative, Ministry of Law and Justice
- Representative, Ministry of Peace and Reconstruction
- Experts from JICA
- Representative from JICA

\*Based on mutual understanding, JICA and GoN can invite other experts as needed.

- 3) Major Functions of JCC

- To approve the Project Plan in accordance with the Record of Discussion
- To monitor and review overall progress of the technical cooperation project, in particular, activities carried out
- To review and exchange views on major issues arising from or in connection with the Project
- To revise the PDM/Plan of Operation if necessary.
- To request for necessary action to the related organization.
- To recommend to the concerned agencies for smooth operation of the project.

### District Coordination Committee (DCC)

The District Coordination Committee will be established and the meeting will be held at twice a year for the smooth implementation of the Project in each district. Prospective functions and members are follows:

- 1) Members

- Chairperson, Local Development officer, District Development Committee----Coordinator
- Representative of Local Peace Committee-----member
- Representative from District Administration Office
- Representative from District Police Office
- Two VDC secretaries selected by the committee
- One community Mediators selected by the committee
- Experts from JICA
- Representative from JICA
- An officer selected by the coordinator -----member secretary

\* Based on mutual understanding JICA and GoN can invite other experts as needed.2) Major Functions of DCC

- (a) To review the progress of the Project, in particular, activities carried out based on the approved Project Plan.





- (b) To decide next activities based on the review.
- (c) To monitor the progress and coordinate necessary activities with related organization.
- (d) To implement necessary countermeasures for issues if necessary.

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ANNEX VIII AGREEMENT ON TECHNICAL COOPERATION BETWEEN THE  
GOVERNMENT OF JAPAN AND THE GOVERNMENT OF NEPAL

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A handwritten signature in black ink, consisting of a large, stylized initial 'S' followed by a horizontal line extending to the right.

**Annex VI: Project Design Matrix (PDM) as of November 20, 2009**

**Project Name:** Strengthening Community Mediation Capacity for Peaceful and Harmonious Society

**Duration of the Project:** January 2010 to September 2013

**Target Area:** Sindhuli District, Mahottari District.

**Version Number:** \_\_\_\_\_

**Implementing Agencies:** Ministry of Local Development, DDC and VDCs/Municipalities of target districts

**Target Group:** Local bodies and Communities of 2 target districts (Sindhuli, Mahottari) mainly women, children and economically and socially excluded groups

**Date:** November 20, 2009

Narrative Summary	Objectively Verifiable Indicators	Means of Verification	Important Assumptions
<p><b>Overall Goal</b> Knowledge on dispute management mainly through community mediation for peaceful and harmonious community is disseminated in Sindhuli road corridor area.</p>	<p>1. Understanding on community mediation and dispute management developed among people in Sindhuli Corridor area.</p>	<p>Survey</p>	
<p><b>Project Purpose</b> Capacity and mechanism for dispute management mainly through community mediation are enhanced in Sindhuli and Mahottari Districts</p>	<p>1. The number of people who are aware of their capacity to manage their disputes developed is increased in the target area. 2. The number of people who are aware of more options for dispute management is increased in the target area. 3. DDCs, Pilot VDCs/Municipalities support for smooth implementation of community mediation and dispute management in the target area.</p>	<p>DDC plan &amp; annual report VDCs/Municipalities' plan &amp; annual report Capacity Assessment Project Report</p>	<p>Political stability will not deteriorate drastically in the target area.</p>



	(participation in training, provide room for mediation, allocation of facilitators)		
<b>Outputs</b> 1. Situation on dispute management mainly through community mediation are assessed in Nepal and project target area.  2. Skills, knowledge and mechanism for dispute management mainly through community mediation are strengthened.  3. Experience on dispute management mainly through community mediation by the project are shared with central and local stakeholders.	1-1 Monitoring is implemented regularly as planned and feedback provided twice a year to relevant ministries, DDC, VDCs and Municipalities and other donors.  2-1 XX mediators trained in two target districts. 2-2 Awareness of people on community mediation and dispute management is increased XX % in target districts  3-1 Stakeholder coordination committees are held twice a year at central and district level on community mediation and dispute management. 3-2 XXX Case Study Handbooks on community mediation and dispute management are distributed in Sindhuli corridor area.	Baseline survey report Capacity assessment report Project Report  Project report          Minutes of Meeting, Project report and other publication	Stakeholders support to implement community mediation.



Activities	Inputs		
<p>1.1 Conduct workshops at central and local levels, to share the examples of community mediation in Nepal and other country.</p> <p>1.2 Experience on Alternative Dispute Resolution (ADR) by other donors and NGOs and the situation of Nepalese traditional arbitration are assessed and collated.</p> <p>1.3 Carry out baseline survey and capacity assessment at 2 districts and VDCs/Municipalities.</p> <p>1.4 Select the targeted pilot VDCs/Municipalities</p> <p>1.5 Carry out monitoring at target districts and pilot VDCs/Municipalities.</p>	<p><b>Japanese side</b></p> <p>1. Dispatch of experts</p> <p>a. Team leader having expertise on dispute management</p> <p>b. Expert on Community analyst and local governance</p> <p>c. Expert on Community Mediation Training/Coordination</p> <p>2. Equipment</p> <p>3. Logistics and financial support</p> <p>4. In-country/Third country training</p> <p>5. National Specialist, Local Consultants/NGOs as and when required.</p>	<p><b>Nepalese side</b></p> <p>1. Allocation of Personnel</p> <p>(1) Project Director</p> <p>(2) Project Manager(2 districts)</p> <p>2. Local Cost</p> <p>4. Project Office, other necessary Assistance if available.</p>	<p>DDCs, VDCs/Municipalities' counterpart personnel are properly allocated.</p>
<p>2-1 Formulate training modules and modify the existing manuals followed by other agencies if necessary.</p> <p>2-2 Conduct orientation and consultation on peace building, community mediation and dispute management in the target districts/VDCs/Municipalities.</p> <p>2-3 Select the community mediators and district coordinators through participatory process.</p> <p>2-4 Carry out training for district trainers on community mediation and dispute management.</p> <p>2-5 Carry out training for the community mediators on community mediation and dispute management with district trainers.</p>			<p><b>Pre-Conditions</b></p> <p>1. Security situation does not deteriorate drastically</p> <p>2. No political intervention in community mediation</p>



- 2-6 Implement the community mediation and dispute management in selected pilot VDCs and Municipalities with district trainers.
- 2-7 Provide periodical technical guidance of community mediation and dispute management activities.
- 2-8 Implement refresher training for community mediation and dispute management.
- 2-9 Conduct observation tour to learn the third country's experience.
- 2-10 Conduct observation tour to learn the other district's experience
- 2-11 Hold the practice sharing workshop of mediators at target districts.
- 3-1 Formulate the Central and District Coordination Committees.
- 3-2 Compile the experiences of community mediation and dispute management as the conflict prevention model.
- 3-3 Hold a workshop to share the experiences of community mediation and dispute management with the stakeholders concerned at national level and Sindhuli road corridor area..

Strengthening Community Mediation Capacity for Peaceful and Harmonious Society

Annex III: Tentative Plan of Operation (PO) as of 20 November, 2009

	Year	2010				2011				2012				2013			Organiz ation (Central)	Organization (Local)	JICA Input
		Quarter	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II			
<b>Planned Activities</b>																			
<b>Output 1</b>	<b>Situation on dispute management mainly through community mediation are assessed in Nepal and project target area.</b>																		
1.1	Conduct workshops at central and local levels, to share the examples of community mediation from Nepal and other country.																MoLD	DDC, VDCs/Municipalities	Local Consultant
1.2	Experience on ADR by other donors and NGOs and the situation of Nepalese traditional arbitration are assessed and collated.																LBSS of MoLD	DDC, VDCs/Municipalities	Experts, Local Consultant
1.3	Carry out baseline survey and capacity assessment at 2 districts and VDCS/Municipalities.																LBSS of MoLD	DDC	Experts, Local Consultant
1.4	Select the target VDCs/Municipalities																LBSS of MoLD	DDC, VDCs/Municipalities	Experts, Local Consultant
1.5	Carry out monitoring at target districts and pilot VDCs/Municipalities.																LBSS of MoLD	DDC, VDCs/Municipalities	Experts, Local Consultant
<b>Output 2</b>	<b>Skills, knowledge and mechanism for dispute management mainly through community mediation are strengthened.</b>																		
2.1	Formulate training modules and modify the existing manuals followed by other agencies if necessary.																LBSS of MoLD	DDC, District Court, DAO, LPC, VDCs/Municipalities	Experts, Local consultant
2.2	Conduct orientation and consultation on peace building, community mediation and dispute management in the target districts/VDCs/Municipalities.																LBSS of MoLD	DDC, DAO, VDCs/Municipalities	Experts, Local consultant
2.3	Select the community mediator and coordinator through participatory process.																LBSS of MoLD	DDC, VDCs/Municipalities	Experts, Local consultant
2.4	Carry out training for district trainers on community mediation and dispute management.																LBSS of MoLD	DDC	Experts, Local consultant
2.5	Carry out training for the community mediators on community mediation and dispute management with district trainers.																LBSS of MoLD	DDC	Experts, Local consultant
2.6	Implement the community mediation and dispute management in selected pilot VDCs and Municipalities.																LBSS of MoLD	DDC, DAO, VDCs/Municipalities	Experts, Local consultant
2.7	Provide periodical technical guidance of community mediation and dispute management activities																LBSS of MoLD	DDC, DAO, VDCs/Municipalities	Experts, Local consultant
2.8	Implement refresher training for community mediation and dispute management																LBSS of MoLD	DDC, DAO, VDCs/Municipalities	Experts, Local consultant
2.9	Conduct observation tour to learn the third country's experience																MoLD	DDC	Third country Training

Strengthening Community Mediation Capacity for Peaceful and Harmonious Society

**Annex III: Tentative Plan of Operation (PO) as of 20 November, 2009**

Planned Activities	Year	2010				2011				2012				2013			Organiz- ation (Central)	Organization (Local)	JICA Input
	Quarter	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III			
2.10	Conduct observation tour to learn the other district's experience		■					■				■					LBSS of MoLD	DDC, VDCs/Municipalities, DAO, District Court, LPC	Experts, Local consultant, Training
2.11	Hold the practice sharing workshop of mediators at target districts			■				■				■					LBSS of MoLD	DDC, VDCs/Municipalities, DAO, District Court, LPC	Experts, Local consultant, Training
<b>Output 3</b>	<b>Experience on dispute management mainly through community mediation by the project are shared with central and local stakeholders</b>																		
3.1	Formulate the Central and District Coordination Committees.	■	■														MoLD	DDC, VDCs/Municipalities, DAO, District Court, LPC	Experts, Local Consultant
3.2	Compile the experiences of community mediation and dispute management as the conflict prevention model.													■	■	■	LBSS of MoLD	DDC, VDCs/Municipalities	Experts, Local Consultant
3.3	Hold the workshop to share the experiences of community mediation and dispute management with the stakeholders concerned at national level and Shinduli road corridor area			■				■				■					MoLD	DDC, VDCs/Municipalities, DAO, District Court, LPC	Experts, Local Consultant

**Project Management**

JCC	Joint Coordination Committee	●				●				●				●	●			
DCC	District Coordination committee	○	○	○	○	○	○	○	○	○	○	○	○	○	○			
Eva.	Joint Evaluation of GoN and JICA (Mid-term and Terminal Evaluation)						○						○					