

Central Nepal Hotspot

ANNUAL REPORT / FOR PERIOD 1 JANUARY TO 31 DECEMBER, 2015

The Central Nepal hotspot was launched in September 2015, building on past work against commercial sexual exploitation of children supported by one of the Freedom Fund's founding investors, the Legatum Foundation. Based on these experiences, the hotspot has begun implementing three core strategies to significantly reduce the number of children (under 18s) at risk of sexual exploitation due to their work in the adult entertainment sector. These are: Firstly, create the services and systems needed for minors to speedily, safely and permanently leave the sector; secondly, reduce the use of children in the industry by influencing customers and employers not to engage minors; and thirdly, prevent children from being recruited from their home areas into jobs that put them at risk of commercial sexual exploitation.

To undertake these approaches, the hotspot has identified and begun to fund 12 local partner organisations with diverse strengths, methods and working areas. These partners work across many of the neighbourhoods of Kathmandu where cabin restaurants, dance bars, guest houses, massage parlours and snack shops are using children, and they also work in several of the nearby rural districts from which adolescents are dropping out of school and being taken into this work.

Within the first few months of operation, partners were able to create 127 community freedom groups with a total of 2,517 members to carry forward local activities to protect children against exploitation. Importantly, several of the organisations enabled officials and journalists to have direct exposure to the realities of the adult entertainment industry, by having them accompany NGO outreach workers who were visiting the workplaces.

Operating context

The Freedom Fund made its first grants to support the Central Nepal hotspot strategy of reducing commercial sexual exploitation of children in September 2015, after first responding to the devastating earthquake of April 2015 with emergency relief funding. Nepal was hit by a massive earthquake on April 25, 2015, followed by hundreds of aftershocks and landslides, which greatly affected the Kathmandu valley and surrounding districts, the geographic focus of the central Nepal hotspot. For example, Sindhupalchok, where one of our partners operates, was one of the worst-affected districts with the majority of houses and other structures destroyed. We responded by immediately placing 11 emergency grants totalling \$69,542.

The earthquake was followed by months of political unrest that caused some delays in arranging funding, but 12 implementing partners were able to launch their programs with Freedom Fund support between September and December. We expect to begin support to additional partners in the hotspot in 2016.

In addition to the earthquake, Kathmandu was severely affected by the political unrest that resulted in a blockade of essential items from India to Nepal. Nepal promulgated its long awaited constitution on 20 September, 2015, replacing the interim constitution of 2007. In anticipation of its signing, protests against the new constitution began to flare in August 2015; groups claimed that the provisional boundaries of the federal republic's seven states, citizenship requirements, and Parliamentary representation further marginalised women and other socially excluded groups. Protests by Madhesi ethnic groups in the Terai region of Nepal began a blockade of essential items entering Nepal from India, crippling the economy and dwindling crucial supplies including fuel, cooking gas, and medicine. The blockade continued up to February 2016.

Some experts have suggested that the economic impact of the blockade was greater than that of the earthquake. The blockade further exacerbated the difficulties and vulnerability of workers in the adult entertainment sector. Our NGO partners reported that many adult entertainment establishments had temporarily shut down, with owners consolidating the work into fewer locations and forcing workers to relocate to the ones that remained open.

The earthquake also intensified trafficking risks especially for children and young people in the most affected areas surrounding Kathmandu. Given the scale of destruction in these districts, we decided to allocate more funds than originally planned to local NGOs working in nearby districts for activities aimed at reducing vulnerability and preventing commercial sexual exploitation of children (CSEC).

Finally, Nepal made several amendments to the penal code that have the opportunity to bolster charges filed against perpetrators of CSEC and other forms of gender-based violence. For example, the definition of rape was widened to include, among other things, paedophilia, and punishments were expanded. Further, under the new amendments if perpetrators fail to provide restitution to the victim, the government will provide victim compensation. In addition, in order to encourage more incidence reports, First Information Reports (FIRs¹) can now be filed up to six months after the crime occurred compared to the previous requirement of only 35 days. These changes and amendments can potentially aid Freedom Fund partners in promoting prosecutions against CSEC.

Headline results

1 11 emergency relief grants made

The April 2015 earthquake struck Nepal just as we were inviting organisations to apply for funding through the Central Nepal hotspot. We swiftly responded by providing emergency relief grants to the potential hotspot partners, with the aim of assisting those most at-risk of exploitation to meet their immediate needs. Emergency relief funds were used by grantees to distribute tents, food, medical supplies, sanitation supplies, and first aid; provide psychosocial counselling; and help create temporary learning centres to support rural school children.

In addition, we could see that in the areas where government and relief agencies could barely reach, it was important that local residents themselves be able to protect individuals who were at increased risk. So in Sindhupalchok district, we supported a project to train 81 frontline community workers – most of whom had themselves lost their homes – on how to identify risks and take actions to protect children and young women at risk of violence, sexual exploitation and trafficking. As well as supporting these direct actions, we wanted to know more about what these workers could realistically do, in this extremely difficult context. Working with three Nepali organisations, we supported rapid research and training

¹ First Information Reports (FIRs) is the physical record of an incident deemed to be illegal or potentially illegal. It is taken by a representative of a police department on behalf of a victim or a witness to a crime or alleged crime.

workshops, at which the local participants made their own action plans and then, after three months and six months, our NGO partners interviewed 33 of them to find out what the participants actually did. The participants demonstrated an astonishing capacity to organise practical protections for women and children in the temporary camps, as well as to rescue people in trafficking cases, and arrange access to government emergency schemes. The community-based participants came up with important recommendations for improving protection of human rights during future disasters. We're now disseminating these ideas to international humanitarian agencies. See the report: Understanding Vulnerabilities and Strengthening Response.²

2 225 victims received psychosocial services

Kathmandu-based partner organisations assist minors to leave the industry primarily through the provision of psychosocial services delivered by outreach workers and at drop-in centres (DICs), and rarely use police to organise raid and rescue operations. These services include counselling, access to shelter places, vocational and lifeskills training, non-formal education, access to health care and legal services. In the first months of implementation and in the midst of the aftermath of the earthquake and blockade, it is significant that partners were able to provide psychosocial support to 225 victims.

3 Eight slavery victims liberated with follow-up services

Partners began in-depth work with adolescents to help them come out of exploitation, and were able to assist eight individuals to leave CSEC. As the situation continues to stabilise, it is expected that the hotspot will continue to increase its outreach to minors engaged in the sex industry, including within the adult entertainment sector, and that partners will be able to more quickly assist them to leave the sector. Creating the joined-up and comprehensive services that enable young people to leave situations of exploitation will be a major focus of the hotspot in 2016 (see Looking Ahead section).

4 127 community freedom groups supported, with a total of 2,517 group members

Groups ranging from adolescent groups to community vigilance committees were formed across the hotspot to prevent and respond to exploitation of children. Formation of such groups is an important first step, particularly in source communities. Community freedom groups provide a platform to provide know-your-rights training, disseminate important messages about migration, and equip communities with information on how to prevent minors from being recruited into the sex industry. These groups also create platforms for collective action to address root causes of vulnerability in their own communities. Often, these local groups are linked with or are revitalising the governmental Community Child Protection Committees. Because these groups are part of the government's plan of action to combat trafficking, they have negotiating power with local officials. For instance, they are able to advocate for Village Development Committee budgets to allocate spending towards child protection. In communities severely affected by child trafficking, empowering these groups to advocate can lead to important policy changes. At the same time, partners such as Shakti Samuha and AAN have been forming adolescent groups to provide life skills and livelihoods training, as well as working with adolescents to become change agents by spreading prevention messages.

5 11 legal cases assisted, including one conviction of a perpetrator

One of the major strategies of the hotspot is to create sufficient disincentives and social pressures for owners, managers and customers of sex industry establishments to not engage minors. In order to do this, the number of prosecutions against perpetrators of sexual abuse of children must increase. In 2015, the Freedom Fund's partners participated in 11 cases against perpetrators, including one conviction; the remaining cases are still in court.

² <http://freedomfund.org/wp-content/uploads/Understanding-Vulnerabilities-and-Strengthening-Response-March-7-2016.pdf>

1 Improving Monitoring Action Committee (MAC) accountability

A 2008 Nepal Supreme Court decision established MACs to regulate the entertainment sector at the district level. Comprised of the Chief District Officer, District Police Chief, and the Women and Children's Officer, they have a responsibility to investigate reports of commercial sexual exploitation. The MACs have been almost entirely inactive. One of the major strategies of partners is to support the MACs' active oversight of the adult entertainment sector in order to reduce exploitation and eliminate the presence of children in the sector. Biswas Nepal and Change Nepal, two hotspot partner organisations, were able to include MAC members in their own outreach visits. One result is that the Kathmandu MAC now seems to be more willing to cooperate with NGOs. Partners will carry out collective advocacy to encourage the government to allocate more resources to the MACs in order to increase their effectiveness.

2 Engaging media

In order to raise the sensitivity of journalists on victim-centred reporting, our partner, Shakti Samuha, invited journalists whom they had earlier trained to join them on an outreach visit. As a result, the journalists agreed to check with Shakti Samuha before publishing their reports, to ensure that the publications do not have unintended consequences or further stigmatize workers and CSEC victims.

3 Contributing to Nepal's Trafficking in Persons (TIP) Report

Seven of our partners also collected information on the situation of CSEC, and submitted it to the National Human Rights Commission (NHRC)³. The commission is finalising its 2015 Trafficking in Persons (TIP) report. Partners hope that the report will assess emerging trends in CSEC, measure the level of legal enforcement and judicial response over the past year, and include partners' recommendations for revision of policies and programs to combat trafficking and CSEC.

4 Increasing access to legal remedies to encourage prosecutions against perpetrators

To date, victims have been hesitant to participate in the criminal justice process, and organisations working in the sector have focused legal services on activities such as assisting beneficiaries to obtain identity documents or with wage disputes. In order to encourage more prosecutions against perpetrators, the Freedom Fund invited CeLLRd, a legal aid organization, to be an implementing partner. We are pleased that collaboration between other hotspot partners and CeLLRd has increased, even in the months since the hotspot launched. For example, CeLLRd, in collaboration with Chhori (another hotspot partner), held an orientation for women and girls working in the adult entertainment sector, the first among many planned. The orientation was aimed at enhancing their knowledge on legal provisions against child sexual exploitation.

5 Engaging government

Nepal has strong policies and laws against human trafficking and CSEC on paper, but implementation is lacking. At the start of the hotspot program, partners met with government agencies at many levels in order to create buy-in for the hotspot by enhancing their engagement in responding to CSEC.

Enhancing civil society capacity

- **Bringing together a wide range of grantee partners**

³ The Office of the Special Rapporteur (OSRT) under the Nepal NHRC is mandated to monitor the incidence of trafficking in persons, coordinate national, regional and international efforts to combat crime of trafficking and publish annual reports on the situation of TIP in Nepal.

The Freedom Fund is bringing together a diverse group of partners with a wide range of experience and expertise to contribute to the hotspot strategy. For example, WOFOWON and Biswas Nepal previously focused on protecting the labour rights of adult women working in the sector, and are now using their expertise to engage these workers to prevent exploitation of children. Shakti Samuha, CAP Nepal and Chhori all provide shelter services to women and girls who have been trafficked. Sathsath works exclusively with boy victims, and YST Nepal focuses on reducing the likelihood that children of sex workers will enter sexual exploitation. AATWIN is an NGO coordinating body whose key objective is to advocate for policies that prevent and respond to trafficking. CeLLRd brings legal expertise to the program. GMSP, AAN and KCDC work in source districts to prevent children from being recruited into jobs that put them at risk of commercial sexual exploitation by equipping at-risk communities with the necessary knowledge and mobilisation to protect children. The connections between these groups have already proved effective: Implementing partners refer cases to each other; share lessons learned and best practices; and create opportunities for collaboration.

- **Developing a community of practice through conceptual clarity and capacity building**

A key element of the hotspot strategy approach is to support our implementing partners to develop peer-based learning opportunities by participating in quarterly meetings and other capacity building events. Importantly, at the start of the hotspot, partners went through conceptual clarity workshops to ensure that each partner understood the goals of the hotspot, recognising that civil society organizations approach the issue from a diverse set of perspectives. Partners also came together for five meetings in 2015 focused on monitoring and evaluation, improving psychosocial support in post-disaster situations, and developing legal aid referrals.

- **Supporting community-based groups to build their capacity**

In addition to our focus on capacity building of our partners, these NGOs themselves also build the capacity of local community based groups, especially to ensure that local groups can make government agencies accountable for protective services.

Learning

1 Instability in the sector resulting from the earthquake and trade blockade make it difficult to establish a baseline

As a result of the earthquake and trade embargo, Nepal's sex industry is evolving constantly to react to decreased clientele and skyrocketing rents. By the end of 2015 many establishments still had not reopened, and clientele was still sharply down. As reconstruction begins, many experts believe that there will be further changes in users and locations. Within this constantly changing context, we decided not to conduct a prevalence study during 2015 that would be inaccurate within a few months.

2 Short-term and transitional housing is needed to support survivors of CSEC

Lack of access to shelter or affordable housing is one of the primary reasons that people stay in situations of exploitation, especially when victims are not able to return to their home communities. Many girls and women resort to living with 'boyfriends' who often perpetuate the exploitation. The earthquake created a shortage of housing for vulnerable girls and women. Further, the number of shelter beds available in Kathmandu hovers around 100 (anecdotal count of women's shelters). With estimates of 13,000 girls engaged in the sector, progress will be limited until they have a place to go when they leave their situations. In addition, the shelter referral system among the NGOs, government and law enforcement agencies is not well developed. Access to a centralized system would allow the provider to quickly ascertain if there was an open shelter bed available and what the criteria for that shelter program are.

In 2016, we intend to:

- **Enhance partners' advocacy efforts through increased technical assistance and capacity building**

The Freedom Fund has commissioned a review of the current status of government action in relation to the existing regulation and law enforcement related to preventing and responding to CSEC. The goal is to produce a baseline of the current context; to identify the respective duty bearers (e.g. government officials and structures); and describe the barriers that prevent officials from taking the required action. From the review, the Freedom Fund will work with partners to create an advocacy strategy, and strengthen their capacities to implement relevant actions, especially working with existing advocacy networks.

- **Conduct research on the most effective 'paths out' for minors in the sex industry with the goal of increasing the number of people liberated**

At the beginning of 2016, the Freedom Fund will commission research to understand what services and systems need to be in place for children to speedily, safely, and permanently leave CSEC. The research will develop a comprehensive understanding of the services available to children, including the type of service, beneficiary criteria, number of places available, location and access. Then it will identify the referral mechanisms, processes and systems through which children may access these services. It will learn directly from survivors and those currently in exploitation about which types of assistance would make most difference for them. This information will help shape the program going forward, prioritising key types of assistance. It will also inform advocacy to improve government services.

- **Carry out research to understand the profiles of people who own, manage and visit venues in which children are present and exploited**

The Freedom Fund will also commission research on the nature and profiles of the people (users) who use the services of children within Nepal's sex industry, and second, the nature and profiles of people who own or manage venues in which children are present and exploited. The research will guide strategies to change or deter their behavior, including media campaigns or other direct interaction.