The old issue on this functionality was incorrectly closed in favor of the Blowfish Support feature request.

OTR and Blowfish are separate things and the distinction is fairly well documented in this article.

Now, that explanation aside, there has been recent interest in the IRC channel in seeing OTR support as it has advantages over Blowfish when used in the context of 1:1 conversations (documented at the OTR site), and is fairly well supported and used via third-party extensions to other clients, so I decided to open a new feature request.

As stated in the original request, libotr remains an updated, portable, GPL library that can be used for implementing this functionality. Ideally, this would be an option available as an addition to the existing Blowfish encryption support, rather than a replacement, for maximum flexibility.