

Canada has been providing development assistance to Nepal for 40 years and today focuses on supporting local NGOs, particularly those working in communities in primary health and rural livelihoods. But Jean-Marc Mangin, Canada's first secretary (development), told Nepali Times that future aid has become more precarious since Nepal was left off a new list of nations on which Canada will focus its development efforts.

Why is Nepal not listed among those core countries?

Based on poverty criteria, Nepal should have been one of those 25 countries but it was not chosen in large part because of poor governance and the armed conflict. Instead of being able to attract additional resources (from Canada) Nepal's long-term funding is now at risk. Each time money is tied up, it becomes more difficult for new programs to come online in countries like Nepal, not included in the key policy commitments.



So, governance was the main reason Nepal didn't make the list?

Yes. The two main criteria were—poverty and governance. Certainly based on poverty, Nepal would make the list. But other poor countries are better able to absorb assistance.

Does that mean Canada's funding to Nepal is at risk?

Canada intends to continue development assistance that delivers direct benefits to vulnerable populations as long as these three elements are in place: 1. the conflicting parties respect the Basic Operating Guidelines (BOGs) (on the rights and responsibilities of development agencies and their staff), 2. the security of our staff and partners is not compromised, 3. we can demonstrate to ourselves and to the people of Canada that we are still able to obtain good results in helping Nepal's poor. The public endorsements of the BOGs by the Government of Nepal (last July) and by the insurgents (last December) were critically important milestones.

But when current projects end, will more funding be available?

I don't have the answer to that question. We weren't able to start new bilateral programs last year. And after 1 February, all assistance to the central government was frozen, though it wasn't much. We're working on a new interim strategy. Till now we have decided to maintain a presence. We believe our assistance is still making a positive difference, notably working directly with poor women, dalits and janajatis. Canada wants to remain engaged. Canada doesn't want to abandon Nepal.

How much is Canada's contribution this year?

In 2005, our funding to Nepal was between \$ 8 million and \$ 9 million US. This year it should be about the same but I don't know because Canadian contributions to the CAP (Consolidated Appeals Process—a new UN-designed pool of money devoted to the humanitarian dimensions of the conflict) have not yet been finalised.

How will that CAP money be spent?

There will be assistance to the Office of the High Commissioner for Human Rights, UNHCR, OCHA and possibly other agencies. What is clear is that we support the analysis and rationale behind the CAP. One of the key aims of Canadian efforts here has been to support the UN's response to the various dimensions of the crisis affecting the people of Nepal.