

Donors, recipients need to revisit aid strategy

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The experts suggested both the donors and aid recipient countries to walk the talk and revisit their strategy to help develop trade in making the recipient countries independent in the long run.

"Both donors and the government have been unable to fully meet their commitments in both financing and governing the needed development initiatives," said central bank governor Dr Yubraj Khatiwada addressing a validation workshop on 'Nepal Case Study For European Report on Development', organised by South Asia Watch on Trade, Economics and Environment (SAWTEE) and Center for the Study of Labour and Migration (CESLM) here today.

"Donors need to focus on hardware aspects as well because 'in the absence of infrastructure', mobilising development support in software areas like rights issues, will not be fruitful," he said, adding there is a need to create enabling environment for growth so that



Central Bank Governor Dr Yubraj Khatiwada addressing a workshop on 'Nepal Case Study For European Report on Development' in Kathmandu on Monday.

domestic revenue mobilisation could finance social protection and human security related development activities. Khatiwada also stressed on the need to refocus development efforts and social progress agenda so that they don't undermine economic growth.

The study is a part of the European Report on Development (ERD), an annual report commissioned by the European Commission since 2009 that looks at the course of de-

velopment cooperation in several socio-economic areas. The focus of the 2012-2013 report — the fourth in the series — is 'Development in a Changing World: Elements for a Post-2015 Global Agenda'.

"Post 2015, meeting some of Millennium Development Goals (MDGs) targets will still remain a challenge, which will require development partners to reorient their development interventions keeping in mind the changing actors and new

challenges like climate change and the impact of financial crisis," said SAWTEE executive chairman Dr Posh Raj Pandey.

Similarly, highlighting the objective of the study, senior adviser EU Development Policy and lead author of European Report on Development 2013 Dr James Mackie said that the report aims at evaluating progress made so far in meeting MDG targets, learn from experiences and use it to frame post 2015 development agen-

da. "The goal is to think beyond MDGs and aid to suggest a framework for the future, and in Nepal's case the relationship between Nepal and EU development cooperation," he said, adding that three main themes are aid and finance, trade and investment and migration.

The report is aimed at policy oriented study to bridge the gap between research and policymaking related to development initiatives. "The deadline for 2015 is close and not all

MDG targets will be met," head of Operation at the Delegation of the EU to Nepal Luis Navarro said. "It is good time for the report to think about post 2015 framework for development initiatives and support mobilisation," he said, adding post 2015 development framework needs to look at framing support of both traditional as well as new donors in relation to the needs of recipient country.

The Nepal case study assesses progress made since 1990s, the key drivers and obstacles for it, and the role of external actors and impact of MDGs, apart from looking at the main constraints and opportunities faced by the economy and the possibilities for external actors to better support national development strategies.

MDG targets are helping to galvanise global support and mobilising resources accordingly, said co-presenter of the report chief executive director of SAWTEE Dr Ratnakar Adhikari stressing on the need to scale up absorptive capacity and need assessment, stop frequent transfer in bureaucracy and increase ownership.