

# NEPAL



Previously one of the poorest countries in the world, Nepal has seen three consecutive years of significant economic growth. However, development and capacity challenges of a changing climate, inadequate sanitation systems, a high illiteracy rate, and an inefficient and corrupt public sector threaten progress.

## Country Context

Nepal enacted a new constitution in 2015, creating a new federal government structure and new legal frameworks. This new government structure opened the door for economic development and opportunities to improve the delivery of government services, but has yet to address capacity challenges and meet immediate needs. The country ranks 124 of 180 on Transparency International's Corruption Perceptions Index, indicating endemic corruption. Further, Nepal is highly vulnerable to the effects of climate change. Natural disasters such as earthquakes, glacial lake outbursts, avalanches, and cold and heat waves are constant.

## Key Figures



**Only 27%**

of the population has access to safely managed water.



**About 50%**

of houses that were damaged or destroyed by the 2015 earthquakes have been rebuilt



**81%**

of the population lives in rural areas



**Over 70%**

of people work in agriculture



**Only 48.8%**

of adult women are literate

## How is the U.S. Involved?

Nepal is a Feed the Future target country, and the U.S. government is one of Nepal's leading donors, having provided significant additional support since the 2015 earthquake. USAID supports Nepal through Sajhedari, a program that helps citizens and civil society organizations collaborate and implement policies to increase government transparency and accountability.

## On-the-Ground Perspective

- Rigid social stratification based on caste and the marginalization of Dalits impedes the participation of ethnic and religious minorities in education and economic activities.
- Recent legislation and new policies in Nepal have put onerous restrictions on financial flows for local and international NGOs and limited organizations' ability to advocate on policy issues and social change. Aid groups warn that these new measures amount to the government trying to control NGO activities. Policy shifts have also prioritized infrastructure development over other areas of development work.

## Responses and Actions

- Feed the Future programs have helped provide 1.6 million children with nutrition assistance.
- Since the 2015 earthquake, NGOs have been critical to the country's massive rebuilding effort by implementing education; Water, Sanitation, and Hygiene; micro-loan; and agricultural modernization programs.

References available at [interaction.org/2020globalsituationreport](https://www.interaction.org/2020globalsituationreport).

