

CIDA mechanisms for reasons of speed, level of risk or type of intervention. Optimally, the Fund will intervene at the point of convergence of several criteria: urgent peacebuilding needs, rapid response, selected niches, geographic focus and availability of appropriate Canadian capacity. Short-term interventions under the Fund will assist in creating an environment in which sustainable peace and longer-term development become possible.

The Peacebuilding Fund recognizes that the answers to conflict cannot be developed externally but have to respond to local dynamics. Peacebuilding projects should aim, wherever possible, to support and strengthen locally-generated peacebuilding initiatives so as to make them more effective and sustainable. The Fund will support people-centered peace initiatives.

The Peacebuilding Fund strategy will be more clearly defined as the Fund acquires operational experience. Similarly, issues such as sectoral focus will be further developed to reflect information received from the ongoing Canadian capacity studies, the CIDA tracking survey and queries to other donors.

Geographic Focus: While the Canadian Peacebuilding Initiative will retain broad geographic scope, the Fund will focus its peacebuilding efforts on those ODA countries with the most pressing peacebuilding needs. During its first year of operation, the Fund will principally be involved in the Great Lakes region of Africa, Guatemala, Former Yugoslavia and, as conditions permit, in Cambodia.

Sectoral Focus: The Fund will seek to support local initiatives aimed at enhancing the peace dialogue and to develop local leadership for the consolidation of peace. The Fund will also seek to strengthen Canadian capacity and to enhance international peacebuilding machinery. Sectoral priorities, or Canadian niches, will be further defined based on experience and forthcoming data.

Timing: While peacebuilding is a long-term and complex activity, in certain conflict situations rapid action is critical in order to restore or maintain peace. By closely following developments in conflict-affected areas, the Fund will intervene at the most effective moment possible in order to serve as a catalyst in the peace process.

Risk: While rapid action often carries a higher risk factor, it may outweigh the high costs of inaction. Risk assessment will be undertaken in cooperation with substantive desks and posts.

Type of Intervention: The Fund will support activities, up to a maximum of \$500,000 per