Annex 1: Country Profile

1. Introduction

Nepal is one of the least developed countries in the world with approximately 42% of the population living below the poverty line. Agriculture provides a livelihood for over 80% of the population and accounts for over 40% of its Gross National Product. Over 85% of the total population lives in rural areas of the country.

2. Geography

Nepal is located in South Asia wedged between China on the edge of the Himalayan mountain range (North) and India on the Indo-Gangetic Plain (South). It is a country of large geographic diversity. There are three main geographical regions including the Terai region, the Hill region and the Mountain region. Mt. Everest, the highest mountain in the world, is located in the northern area of the country. Total Area of the country is 147180 km² out of which the forest including shrub land covers about 58280 km². Capital city of the country is Kathmandu.

3. Socio-economic Profile

3.1 Demographics

Nepal is a multi-lingual, religious and ethnic society. The National Language Policy Advisory Commission has listed 60 living languages. According to 1991 census more than 50 percent of total population has Nepali as their mother tongue followed by Maithili (12%). Other main languages are Bhojpuri, Tharu, Tamang, Newari, Magar, Rai and Abadhi.

**Cast and Ethnicity:** The major caste/ethnic groups identified by the 2001 census are Chhetri (15.8%), Brahmin Hill (12.7%), Magar (7.1%), Tharu (6.8%) Tamang (5.6%) Newar (5.5%), Muslim (4.3%), Kami (3.9%), Rai (3.9), Gurung, (2.8%) and Damai/Dholi (2.4%).

**Religions:** So far religion is concerned Hinduism accounts for over 80% of the population with Buddhism practiced by approximately 11%, Islam accounting for 4.2% and Kirant, Jain and Christianity covers approximately 5 % of the population.

**Literacy rate:** The 2001 census data indicates that the overall literacy rate was 53.7% of the total population aged 6 years and over. Literacy rate is 65% for males and 42% females.

**Health:** According to the World Health Organization (WHO), life expectancy of males and females is 59.5 and 60.2 years respectively. The child mortality (per 1,000) for males and females is 81 and 87, respectively.

3.2 Population

The population of Nepal was 22,736,934 as of the 2001 Census as compared to 18,491,097 reported in the 1991 Census, representing a 2.25% growth over the past 10 years.
According to the World Bank, the estimated population as of July 2003 was 24.2 million. The ratio between males and females is almost equal with males accounting for 49.96% of the total population and females 50.04%. According to the Central Bureau of Statistics in 2002, 14.2% of the population lived in urban areas while the remaining 85.8% lived in rural areas.

Table 1

<table>
<thead>
<tr>
<th>Age</th>
<th>Males</th>
<th>%</th>
<th>Females</th>
<th>%</th>
<th>Total</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>Urban</td>
<td>1,664,362</td>
<td>14.7</td>
<td>1,563,517</td>
<td>13.7</td>
<td>3,227,879</td>
<td>14.2</td>
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<tr>
<td>Rural</td>
<td>9,695,016</td>
<td>85.3</td>
<td>9,814,039</td>
<td>86.3</td>
<td>19,509,055</td>
<td>85.8</td>
</tr>
<tr>
<td>Total</td>
<td>11,359,378</td>
<td>100.0</td>
<td>11,377,556</td>
<td>100.0</td>
<td>22,736,934</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: National Planning Commission and Central Bureau of Statistics

4. Economy

Over 80% of the population is involved with agriculture with over 90% of women working in the agricultural sector.

Gross Domestic Product (GDP)

Gross Domestic Product grew by 2.3% in 2003 as compared to a negative growth of 0.6% in 2002. GDP in 2003 was US$5.7 billion contributed by sectors as shown below.

Source: The World Bank

5. Government

Nepal was a parliamentary democracy and constitutional monarchy since the ascension of King Gyanendra to the throne in June 2001. Nepal's parliament was dissolved in May 2002, however a bicameral parliament consisting of a National Council and a House of Representatives existed prior to it was dissolved. After restoration of democracy and the parliament by peoples' movement of 2006 the country has successfully conducted the Constituent Assembly Election on April 10th, 2008. The new governance system is yet to be formalized but present scenario indicates that the country is going to turn towards the Federal republic.

2. Maps of Nepal

2.1 Administrative Division

Figure 1: Map showing administrative boundaries of Nepal
2.2 Forest classification 1992-93 and 1985-86

Figure 1: Map showing forest classification 1992-93

Figure 2: Map showing forest classification 1985-86
2.3 Forest cover change in Chitwan district in Terai during 1989 to 2000

Figure 1: Map showing forest cover 1989

Figure 2: Map showing forest cover 2000
Sources:

http://images.google.com.np/images?q=forest+classification+%22Nepal%22&gbv=2&hl=en&start=20&s a=N&ndsp=20
Annex 3: Forest Sector Policies and Processes

Key

- Policy Elements
- Legal Elements

**National Government**

- Nepal's International Commitments and Obligations
- International Conventions
- Millennium Development Goals etc.

Field Experience

Other Sector Policies eg. Local Self Governance Act 1999

Multi-stakeholder forum, task forces, advocacy, alliances etc

National Policies and Programs

Examples

- NCS
- APP
- PRSP
- Periodic Plan

Governed by

- Parliament
- NPC (Chaired by PM)

Forest Sector Policy and Plans

- MPFS (1988)
- Forest Policy (2000)
- NBS (2002)

Legislations

- Forest Act 1993
- Watershed Act
- Protected Area Related Laws

By-Laws (regulations)

- Forest Regulations and By-Laws
- Decisions, directives etc

Guidelines

- CF Guidelines
- Service Provider Guidelines
- DFCC guidelines
- Green Energy Strategy
- HRD Strategy

Norms and Procedures

- Scheduled rates
- Administrative procedures
- Forest Products Sales and Distribution Procedures

Manuals

- Training manuals
- Operational Manuals

Nepal's International Commitments and Obligations

Multi-stakeholder forum, task forces, advocacy, alliances etc

National Government

International Conventions

Millennium Development Goals etc.
Annex: 4

National Forest Carbon Action Group (NFCAG)

Objective

National Forest Carbon Action Group (NFCAG) is currently a non-formal multi-stakeholder forum chaired by MFSC and consisting of representatives from other ministries, departments and forest sector development programmes of Government of Nepal, and key international NGOs/donors (bilateral/multilateral). In addition, members are represented in NFCAG from national level NGOs and civil society members across wide spectrum of development fields.

NFCAG has been formed with the main objective of stimulating national discussion on REDD and creating awareness among policymakers, implementers and communities alike so that a broader conceptual framework for equitable and inclusive National REDD Strategy is built.

The Working Group (NFCAG) consists of members from:
- Ministry of Forests and Soil and Conservation
- Ministry of Environmental, Science and Technology
- Department of Forest
- Department of Forest Research and Survey
- Department of National Parks and Wildlife Management
- Biodiversity Sector Program for the Siwaliks and Terai (BISEP-ST)
- Western Terai Landscape Conservation Program (WTLCP)
- Nepal Swiss Community Forestry project (NSCFP)
- Livelihood and Forestry Project (LFP)
- SNV
- DFID
- SDC
- WINROCK
- World Wildlife Fund Nepal (WWF Nepal)
- International Centre for Integrated Mountain Development (ICIMOD)
- ANSAB
- Federation of Community Forestry Users Nepal (FECOFUN)
- CARE Nepal
- FECOFUN
## Annex 5: Key Policies, Plans and Programmes of Forestry Sector, Nepal

<table>
<thead>
<tr>
<th>Policies, Plans and Programmes</th>
<th>Year</th>
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<tbody>
<tr>
<td>Nationalization of Forests</td>
<td>1957</td>
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<tr>
<td>Master Plan for the Forestry sector</td>
<td>1988</td>
</tr>
<tr>
<td>National Environmental Policy Action Plan (NEPAP)</td>
<td>1993</td>
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<tr>
<td>Agricultural Perspective Plan</td>
<td>1995</td>
</tr>
<tr>
<td>Local self Governance Act</td>
<td>1999</td>
</tr>
<tr>
<td>Revised Forest Policy</td>
<td>2002</td>
</tr>
<tr>
<td>Nepal Biodiversity Strategy and Implementation Plan (Draft)</td>
<td>2004</td>
</tr>
<tr>
<td>Three Year Interim Plan (2007-10)</td>
<td>2007</td>
</tr>
<tr>
<td>National Biodiversity Strategy and Implementation Plan</td>
<td>2007</td>
</tr>
</tbody>
</table>
Annex 6: Community Forest Management

Figure: Vision of CF deemed by CFUG (Acharya 1990)

- Foundation of the house: Vision of CF
- Four compartments of the house: Four thematic areas of CF
- Four pillars of the house: Social justice, equity, gender balance and good governance
- Roof of the house: SFM for rural development
- The rooftop: Poverty alleviation
Annex 7: Proposed Readiness Plan Organizational Structure

Government of Nepal

Ministry of Forests and Soil Conservation

Ministry of Environment, Science & Technology

Ministry of Land Reforms

Ministry of Agriculture & Cooperative

Department of Forest Research and Survey

Department of Forests

Department of National Parks & Wildlife Management

National Forest Carbon Action Group, Nepal

INGOs/ NGOs

Donors/ Programmes/ Projects

Policy/Strategy Development

Stakeholders Consultation

Enhance Understanding Knowledge & Capacity

Demonstration/ Piloting

e.g. taxes, incentives

e.g. pre 2012 activities

e.g. stakeholder participation

e.g. human resource development
Annex 8: Readiness Plan Timeline

Proposed REDD Readiness Plan Timeline of Nepal

<table>
<thead>
<tr>
<th>Enabling Conditions</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>▪ Fund Availability</td>
<td>▪ Scoping study</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Policy Decisions</td>
<td>▪ Planning/Strategy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ Institutionalization of NFCAG</td>
<td>▪ Capacity development Package</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>▪ Methodology</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Readiness Plan funding Policy and international expertise procurement</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Stakeholders consultation</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>▪ Feasible R-PLAN</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ National Framework - REDD</td>
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</tbody>
</table>

Timeline Roadmap

- Policy/Strategy/Framework Development
- Readiness Plan Preparation and Funding Arrangement
- Stakeholders Consultation
- Enhance Capacity & Understanding
- R-Plan Implementation
- Demonstration, Modelling/Piloting
Annex: 9

Bibliography


Annex: 10

Abbreviations and ACRONYMS

ACA: Annapurna Conservation Area
ACOFUN: Association of Collaborative Forestry Users Nepal
ADB: Asian Development Bank
AEPC: Alternative Energy Promotion Centre
ANSAB: Asian Network for Sustainable Bio-resources
APP: Agricultural Perspective Plan
BCN: Bio-diversity Conservation Nepal
BISEP-ST: Bio-diversity Forestry Sector Programme for Siwaliks and Terai
BZCFUG: Buffer Zone Community Forest Users Group
CBD: Convention on biodiversity
CDM: Clean Development Mechanism
CF: Community Forest
CFM: Collaborative Forest management
CFUG: Community forest users Group
CH₄: Methane
CNP: Chitwan National Park
CO₂: Carbon dioxide
DDC: District Development Committee
DFCC: District Forest Coordination Committee
DFID: Development Fund for International Development
DFRS: Department of Forest Research and Survey
DNPWC: Department of National Parks and Wildlife Conservation
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
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</thead>
<tbody>
<tr>
<td>DNA:</td>
<td>Designated National Authority</td>
</tr>
<tr>
<td>DoF:</td>
<td>Department of Forests</td>
</tr>
<tr>
<td>FAO:</td>
<td>Food and Agriculture Organization of the United Nations</td>
</tr>
<tr>
<td>FCPF:</td>
<td>Forest Carbon Partnership Facility</td>
</tr>
<tr>
<td>FECOFUN:</td>
<td>Federation of Community Forest User Groups, Nepal</td>
</tr>
<tr>
<td>FINIDA:</td>
<td>Finnish International Development Agency</td>
</tr>
<tr>
<td>FNCCI:</td>
<td>Federation of Nepal Chamber of Commerce and Industries</td>
</tr>
<tr>
<td>FRISP:</td>
<td>Forest Resources Information System Project</td>
</tr>
<tr>
<td>FSCC:</td>
<td>Forestry Sector Coordination Committee</td>
</tr>
<tr>
<td>FSRO:</td>
<td>Forest Survey and Research Office</td>
</tr>
<tr>
<td>GDP:</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GEF:</td>
<td>Global Environmental Facility</td>
</tr>
<tr>
<td>GHG:</td>
<td>Green House Gases</td>
</tr>
<tr>
<td>GIS:</td>
<td>Geographical Information System</td>
</tr>
<tr>
<td>GLOF:</td>
<td>Glacial Lake Outburst Floods</td>
</tr>
<tr>
<td>GO:</td>
<td>Governmental Organization</td>
</tr>
<tr>
<td>GoN:</td>
<td>Government of Nepal</td>
</tr>
<tr>
<td>HMGN:</td>
<td>His Majesty's Government of Nepal</td>
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<tr>
<td>GTZ:</td>
<td>German Development Agency</td>
</tr>
<tr>
<td>ICIMOD:</td>
<td>International Centre for Integrated Mountain Development</td>
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<tr>
<td>I/NGO:</td>
<td>International/Non-Governmental Organization</td>
</tr>
<tr>
<td>IPCC:</td>
<td>International Panel for Climate Change</td>
</tr>
<tr>
<td>LCFUG:</td>
<td>Leasehold Community Forest Users Group</td>
</tr>
<tr>
<td>LFP:</td>
<td>Livelihoods and Forestry Programme</td>
</tr>
<tr>
<td>LI-BIRD:</td>
<td>Local Initiative for Biodiversity Research and Development</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Full Form</td>
</tr>
<tr>
<td>--------------</td>
<td>-----------</td>
</tr>
<tr>
<td>PRSP</td>
<td>Poverty Reduction Strategy Paper</td>
</tr>
<tr>
<td>RD</td>
<td>Regional Director/Directorate</td>
</tr>
<tr>
<td>RECOFTC</td>
<td>Regional Community Forest Training Centre</td>
</tr>
<tr>
<td>REDD</td>
<td>Reducing Emissions from Deforestation and Forest Degradation</td>
</tr>
<tr>
<td>RFSP</td>
<td>Revised Forest Sector Policy</td>
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<td>R-PIN</td>
<td>Readiness Plan Idea Note</td>
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<tr>
<td>SDAN</td>
<td>Sustainable Development Agenda for Nepal</td>
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<tr>
<td>SDC</td>
<td>Swiss Development Cooperation</td>
</tr>
<tr>
<td>SNP</td>
<td>Sagarmatha National Park</td>
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<tr>
<td>SNV</td>
<td>The Netherlands Development Organization</td>
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<tr>
<td>TM</td>
<td>Thematic Mapper</td>
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<td>TRPAP</td>
<td>Tourism for Rural Poverty alleviation Programme</td>
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<tr>
<td>UNFCCC</td>
<td>United Nations Framework Convention on Climate Change</td>
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<tr>
<td>USAID</td>
<td>United States Agency for International Development</td>
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<tr>
<td>VDC</td>
<td>Village Development Committee</td>
</tr>
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<td>WB</td>
<td>World Bank</td>
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<td>WECS</td>
<td>Water and Energy Commission, Secretariat</td>
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<td>WTLCP</td>
<td>Western Terai Landscape Complex Project</td>
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<td>World Wildlife Fund for Nature</td>
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