

REDD Readiness Progress Fact Sheet

COUNTRY: Nepal

June 2013

1. R-PP Preparation and FCPF Readiness grant

- R-PP assessed by FCPF PC at PC6 (July, 2010)
- WB due diligence mission and preparation of Assessment Note (Sep/Oct, 2010)
- Revised R-PP (addressing issues from PC6 resolution) submitted (Oct 2010)
- Decision Meeting for Assessment Note, Cleared by WB management (Nov 29, 2010);
- \$200K FCPF Formulation Grant mostly disbursed ;
- WB provided no-objection letter for grant procurement plan prepared by REDD Cell (Jan 2011)
- Satisfactory Audit received from Nepal's Auditor General Office (early March 2011)
- Supplemental Grant Agreement for \$3.4m signed (March 29, 2011); includes Procurement Plan for grant-financed activities; initiation of REDD preparation phase
- Chief Technical Advisor (CTA), Procurement Specialist, and Financial Management Specialist were hired in November 2011, but CTA is not active since the beginning of 2013.
- Two separate contracts to carry out two major components of the R-PP (development of reference levels and forest monitoring systems) were awarded in May/June, 2013.
- The scope of work for other key components of the R-PP is going to be revised after a consultation with multi stakeholders in June 2013 to reflect relevant developments and insights since the finalization of the R-PP. Additional key components funded by the FCPF include (i) carbon ownership, (ii) SESA, (iii) strategic analysis.
- Nepal is approaching closure to Readiness Grant Agreement, and is considering to request the World Bank requesting extension for an additional year.

2. National REDD Readiness Management Arrangements

- REDD Multi-sectoral, Multi-stakeholder Coordinating and Monitoring Committee established as the apex body for REDD policy-- chaired by the Minister (Min. of Forests and Soil Conservation), also includes National Planning Commission, Ministry of Finance, Ministry of Environment, Ministry of Tourism and Civil Aviation, Ministry of Energy, Ministry of Agriculture and Cooperative, Ministry of Land Reform and Management, Ministry of Industries, Ministry of Local Development, the Ministry of Physical Planning and Works, and the Ministry of Science and Technology
- REDD Cell is operational in Ministry of Forestry and Soil Conservation
- A REDD Working Group (RWG), under Secretary, MoFSC, leadership, is functional. The Group's Members were nominated by the MoFSC. RWG is comprised of members representing government, indigenous peoples groups, community forest user groups, private sector, and development partners. Going forward, the RWG will expand to include one public-sector representative from each of the key REDD-related sectors, including environment, agriculture, energy, and local development; two representatives from the forestry sector; two representatives from civil society; and one representative from the donor community and an individual expert.
- A nine-member steering committee of government officials was formed in February, 2013 to guide various technical studies under the readiness grant. The committee is chaired by secretary of Ministry of Forest and Soil Conservation.

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3. Stakeholder Consultations and Communication

- The preparation of the R-PP has followed a rigorous process of consultation and participation. The stakeholders consulted included both public and private sectors, NGOs, indigenous communities and civil society organizations that are interested in the forest sector and representing various indigenous communities. The consultations are well documented, including locations, stakeholders, proceedings and feedback. These have contributed to the development of the R-PP. A Consultation and Participation Plan has been developed to continue the consultation effort in the execution of the studies.
- A REDD Stakeholders' Forum will serve as the principal outreach and communication platform and is already operational.
- The REDD Cell Communication and Outreach Section is responsible in designing and disseminating REDD information, including REDD-related pilot projects outcomes.

4. REDD Strategy Preparation

- The USAID-funded Hariyo Ban project is now effective and has commissioned work for the development of a national REDD+ strategy.
- Three analytical studies have been completed so far: 1) Study on The Demand and Supply of Wood Products in Different Regions of Nepal, 2) Study on Drivers of Deforestation and Degradation of Forests in High Mountain Regions of Nepal, and 3) Study on Invasive Alien Species (IAS) as Drivers to Deforestation and Degradation of Forests in Different Physiographic Regions of Nepal. The reports are available on REDD Cell's website.
- A request for proposal is out for a study on assessing the value of forests, political economy of land use and assessing carbon emissions originating from deforestation and forest degradation in Nepal.
- In February 2013, a technical committee for National REDD Strategy Framework was established. The committee consists of a REDD Cell member, and one representative from Department of Forest, SANDEE, Forest Action, and Civil Society. This committee is working on revising draft outline for the strategy.

5. Implementation Framework

- See R-PP for planned activities, implementation of activities not yet initiated, to be co-financed by donor partners

6. SESA

- Nepal participates as a pilot country in the development Social and Environmental Standards (SES) through the Climate, Community and Biodiversity Alliance (CCBA), a national coordinator for SES was appointed and the REDD working group held a first meeting to develop national indicators for SES (Nov 2010).
- A joint mission took place in August 2011 between the FCPF and CCBA to initiate the SESA process and identify synergies with the development of SES. In the context of the mission both the REDD Working Group and the REDD Stakeholder Forum were briefed and consulted on the SESA and SES process.
 - Contract negotiation has almost been completed to award a firm to carry out SESA in the country, and prepare an ESMF.

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7. Development of a Reference Scenario

- Majority of FCPF grant is programmed for work on reference scenarios and MRV
- Much of the work performed under the Finnish-funded Forest Resource Assessment has built some capacity that will be instrumental to develop reference emissions levels (see remarks on MRV); a historical analysis of emissions and removals for the period 1994-2012 is planned
- CAMCO, a consultancy firm based in Kenya was awarded in May, 2013 to help REDD Cell on “Development of Reference Scenario”. The objective of this assignment is to assist Nepal’s REDD Readiness Program to define REL/RL based on the construction of a scenario that considers both historic emissions and removals. To develop this scenario, the consultant must support by identifying and quantifying the decreases and increases in forest carbon stocks within the reference area (national or sub-national).
- Expressions of interest have been reviewed and a shortlist of companies has been invited to develop full proposals.

8. MRV

- A Finnish-funded Forest Resource Assessment (FRA) is in the third year of implementation (to be completed by 2014). The FRA performs many technical activities instrumental to the development of a national MRV system, including forest mapping and detailed carbon measurements for selected sites. Full synergies between FRA and REDD MRV systems development have been difficult to harness due to delay in the inception of the work under the FCPF grant (partly due changes in REDD management arrangements and limited procurement capacity).
- AGRICONSULTING, a consultancy firm based in Italy was awarded in May, 2013 to help REDD Cell “Design of a monitoring system for emissions and removal (MRV-Measurement, Reporting and Verification)”. The objective of the study is to assist the Nepal REDD Programme in the development of a comprehensive and detailed proposal for the continuous collection, analysis and verification of national data on forest-related carbon emissions and sequestration for the implementation as part of REDD+ in Nepal; and, also provide capacity building measures for key national experts to sustain MRV capacities within the country.
- Output from the FRA (country-wide forest maps and deforestation rates) is delayed and not expected until 2013, which has implications on how and when the technical work under FCPF can meaningfully proceed without duplicating already performed work and capacity building under the FRA.

9. Other

- Nepal submitted an idea note on co-benefits to UNFCCC prior to the 38th session of SBSTA. Nepal has identified six types of co-benefits from REDD (Enhancement of local livelihoods, increase in the value of biodiversity, better ecosystem services to people and environment, more resilient ecosystems for climate change adaptation, improved governance institutional setup and policies for natural resource management at local to national levels, and contributions to meeting the objectives and targets of many international Conventions), and has proposed indicators and means of verification for each of them.