

REDD Readiness Progress Fact Sheet

COUNTRY: Nepal

March 2012

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(s), Procurement Specialist, Financial Management Specialist hired in November 2011
- Terms of Reference for major components of the Procurement Plan developed and prepared for advertisement (Feb 2012); technical and analytical work includes (i) strategic analysis, (ii) carbon ownership, (iii) development of reference emissions levels, (iv) development of MRV system

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 in Ministry of Forestry and Soil Conservation operation
- 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.
- Changes in REDD Cell (Project Management Unit) affect pace of implementation and require more timely and detailed prior consultation with World Bank

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 the 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.

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- 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

- Contract for 'strategic analysis' to be advertised (Mar 2012), includes priority setting of key drivers of deforestation, analysis of political economy, valuation of forest. Results are to be used to revise a draft strategy produced in mid-2010;
- Key activities to be co-financed by donor partners are not yet initiated

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.

7. Development of a Reference Scenario

- Majority of FCPF grant is programmed for work on reference scenarios and MRV
- Terms for reference for work on reference scenario development have been prepared (Feb 2012) and work is expected to be performed in 2012-2013
- 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

8. MRV

- A Finnish-funded Forest Resource Assessment (FRA) is entering 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).

9. Other

See R-PP

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