REDD + ANNUAL COUNTRY PROGRESS REPORT

COUNTRY: NEPAL

PERIOD: September 1, 2012 – August 30, 2013

Submitted to:

Forest Carbon Partnership Facility Management Team Washington DC

Submitted by:

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1. GENERAL INTRODUCTION

Introduction to the report, its main purpose and sections. Short description of FCPF support in country.

This progress report been developed on the basis of Nepal's Monitoring and Evaluation Framework, which follows FCPF Monitoring and Evaluation Framework, its logical framework and PMF, so as to facilitate and systematize the data analysis. It provides progress details cumulatively since the R-PP implementation in 2010 and annually from September 2012 to August, 2013. It is believed that the reporting will provide the FMT with indications of REDD+ countries' progress towards the achievement of their readiness activities and the implementation of their ER programs overtime, in a way that data are easily consolidated and provide indications on the level of achievement of the FCPF output, outcome and impact indicators as defined in the FCPF M&E Framework.

This country report draws upon the Nepal M&E system for REDD + (component 6 of R-PP), and also builds on the structure and content of the R-PP template version 6 and its guidelines, and the R-Package Assessment Framework. A sample of assessed R-PPs and their Component 6 on M&E Framework and a sample of national Readiness Progress Fact Sheets have been reviewed as part of the development of this country reporting framework.

The report describes progresses in both FCPF supported and non-FCPF supported activities. Since FCPF grant was most secured and certain, it was planned to invest in most technical work that requires international consulting services such as for REL, MRV, SESA, and implementation framework. The funding from other bilateral partners was not secured formally, so their expected support was planned for consultation and outreach, which is very much related to other forest development projects under ODA funding. Therefore, it was expected from bilateral donors such as USAID, DFID/SDC, Finland, and Japanese government to support Nepal's REDD readiness activities other than planned for FCPF.

SUMMARY OF REPORT

Summary of progress, key achievements with a focus on higher level results and important issues/problems that arose during the reporting period. Highlights of next steps in following period (key bullets only)

Three big studies under the FCPF grant – REL, MRV and SESA – have been started, and are expected to be complete by the first quarter of 2014. Initially all the activities and analytical studies were planned to be accomplished by the end of 2013. However, mainly due to inadequate financial support for capacity building by bi-lateral donors (mainly from Multi Stakeholder Forestry Program), and understaffing and high turnover of REDD Cell staff including the chief, Nepal could not demonstrate full readiness for REDD+ within the original timeline. Also, out of the total FCPF grant for REDD+ readiness, about US\$1.7 million is remaining. It is expected that by the end of June 2015 all the activities which were envisioned in the R-PP will be accomplished and Nepal will be ready for REDD+ implementation.

Now, the REDD Cell has fully fledged of staffing, with enhanced capacity and confidence of the staff to take leadership in REDD+ readiness processes. Hence, Government of Nepal is requesting the World Bank to extend the FCPF Readiness Fund Grant Agreement for 18 months (from January 2014 to June 2015) primarily for two reasons. First, to complete already ongoing studies under REDD+ Readiness, and second, to develop performance based REDD+ program at jurisdiction based subnational level to access potential opportunity under FCPF Carbon Fund. During the extended period of REDD+ Readiness, REDD

Cell will conduct studies and activities towards achieving REDD+ readiness at national level and developing performance based piloting for the FCPF Carbon Fund in Terai Arc Landscape.

3. MAIN ACHIEVEMENTS AND RESULTS DURING THE PERIOD

The section below should provide qualitative and quantitative data on the progress towards expected results along the following subsections. Information is to be provided cumulatively. If the information requested is not available or not relevant at the time of the reporting, mention "does not apply – n/a".

- Procurement of services from three international companies to develop REL, MRV and SESA has been finalized, and the work has been commenced.
- Consultation and outreach to multi stakeholders have increased in the last few months
- Decision has been made to prepare ER-PIN from Terai Arc Landscape of Nepal and submit to the FCPF Carbon Fund in early 2014.
- Work plan and ToRs for the next 18 months of readiness preparation activities has been finalized.

3.1 PROGRESS AT THE IMPACT LEVEL (if any data available)

Please provide here any quantitative and qualitative information, if available on the following criteria/indicators.

Number of tons of CO2 emissions from deforestation and forest degradation reduced in the country during the reporting period as compared to the measured REL/RL, if any (FCPF M&E Framework Indicator I.2.B; Nepal PMF Indicators 3.a.2.i and I2):

National Forest Reference Emission Level (REL)/Reference Level (RL) defined:

Number of tons reduced during the reporting period as compared to REL/RL:

n/a

Amount of non-FCPF investments received under R-PP process (FCPF M&E Framework Indicator I.4.A;Nepal PMF indicator 5.a.1.ii):					
Source: USAID Amount provided: US\$965,000					
Source: DFID/SDC	Amount provided: US\$ 491,000				
Source: Finland Government	Amount provided: US\$ 360,000				
Source: Japan Government	Amount provided: US\$ 2,000				
Source:	Amount provided:				

Amount of non-FCPF investments received for implementation of ER Programs (e.g. FIP, bilateral						
donors, private sector), if relevant (FCPF M&E Framework Indicator I.4.A; Nepal PMF indicator I3.3):						
Source: n/a	Amount provided: n/a					
Source: Amount provided:						

Level of multi-stakeholder participation and engagement in decision making processes related to emission reductions and forest resource management (FCPF M&E Framework Indicator I.5.A; Nepal PMF indicator I1.1):

<u>Please describe the process of engagement and consultation implemented:</u>

Relevant stakeholders have been actively engaged through Apex Body, REDD Working Group, Multistakeholder Forum, and REDD+ CSO and IPO Alliance. All readiness studies are prepared in consultation with relevant stakeholders, including IPOs and CSOs. Consultations and outreach as envisioned in the R-PP is yet to take greater momentum, which is being accelerated during grant extension period (January 2014 – June 2015) by Conducting targeted consultations and capacity building of relevant stakeholders on FCPF supported activities through appropriate consortia or community based networks.

<u>Please describe the level of participation and engagement for the following stakeholder</u> categories:

- Government Agencies: engagement through Apex Body, RWG, Multistakeholder Forum, CSO/IPO's alliance for REDD+, various Technical committees, and steering committee.
- Indigenous Peoples: engagement through Apex Body, RWG, Multistakeholder Forum, and other committees
- Other forest-dependent communities, if any: Dalit engagement through Multistakeholder Forum
- Women: engagement through Apex Body, Multistakeholder Forum and the Alliance.
- Youth: No separate representation of youth but participating in CSO/IPO's alliance.
- CSOs: engagement through Apex Body, RWG, Multistakeholder Forum, various Technical committees,
- Private entities: engagement through Apex Body, multi-stakeholder forum and REDD+ alliance;
- Donors: engagement through Apex Body, RWG, Multistakeholder Forum and alliance:
- Others, please specify:

Note: Nepal's MTR provides detail on these structures

Nb. and type of policy reforms initiated, completed or underway complying to REDD+ standards, if any (FCPF M&E Framework Indicator I.5.B; Nepal PMF indicator I1.2):

Number of policy reforms during the reporting period that are:

- Underway: National Biodiversity Strategy Action Plan revision (2013), National Forestry Sector Strategy(2013), Agriculture Development Strategy (2013)
- Completed: Climate Change Policy (2011), Land Use Policy (2012)

Please describe these policy reforms:

These policy reforms have incorporated REDD+ directly or indirectly through their role in reducing deforestation and forest degradation and conservation of forests. For more information on these policies, please see the MTR submitted by Nepal to the FCPF.

Furthermore, Government of Nepal (GoN) has considered REDD+ as one of the highest priority programs (referred as P1), and it's progress are monitored by multiple agencies including sector Minister, National Planning Commission and the council of ministers office.

Furthermore, GoN has included in her current Three Years Plan's (2013-2015) working policy to take necessary action to develop institutional infrastructure to capture potential benefits of REDD+ implementation.

3.2 PROGRESS AT THE OUTCOME AND OUTPUT LEVEL

3.2.1. REDD Readiness Progress

Outcome level

As a synthesis of the following output level assessments, please briefly describe here the progress made during the reporting period in developing the country Readiness Package (FCPF M&E Framework Indicator 1.A; Nepal PMF indicator I1.3.2):

Progress made during the reporting period in developing the country Readiness Package:

Currently Nepal is conducting readiness activities, and it will start to develop R-Package from mid-2014.

Output level

Please indicate which of your country R-PP components and sub-components have received						
support from FCPF through the Readiness Preparation Grant (>3.2 million USD)						
Components	Sub-components	Planned Support from				
		FCPF (Yes/No)				
		Amount in thousand				
		US\$ and in % of total				
1. Readiness	1a. National REDD+ Management	Yes (245.4 = 54.4%)				
	Arrangements	1 es (243.4 = 34.4%)				
Organization and Consultation	1b. Consultation, Participation, and	No				
Consultation	Outreach	NO				
	2a. Assessment of Land Use, Land Use					
	Change Drivers, Forest Law, Policy and	Yes $(10 = 9.4\%)$				
2. REDD+ Strategy	Governance					
Preparation	2b. REDD+ Strategy Options	Yes $(125 = 90.6\%)$				
	2c. Implementation Framework	Yes $(189 = 72.4\%)$				
	2d. Social and Environmental Impacts	Yes (120 = 85.7%)				
3. Reference Emission	ns Level/Reference Levels	Yes (1,055 = 77.9%)				
1 Monitoring	4a. National Forest Monitoring System					
4. Monitoring Systems for Forests	4b. Information System for Multiple	V (1 (10 (2 (0))				
	Benefits, Other Impacts, Governance, and	Yes (1,610 = 63.6%)				
and Safeguards	Safeguards					
6. Design a Program I	Monitoring and Evaluation Framework	Yes (241 = 100%)				

Level of implementation of R-PP¹ as a whole: <u>Please describe the current R-PP implementation stage</u>: For details, please see the MTR. **Components Sub Components Progress Status** 1. Organization and Consultation 1a. National Readiness Management Arrangement 1b. Stakeholder Consultation and Participation 2. Prepare the REDD Strategy 2a. Assessment of Land Use, Forest Policy and Governance 2b. REDD Strategy Options 2c. REDD Implementation Framework 2d. Social and Environmental Impacts 3. Develop Reference Scenario 4. Design Measurement, Reporting and Verification 4a. Emissions and Removals 4b. Other Benefits and Impacts 5. Design a Program Monitoring and Evaluation Framework Significant progress Not yet demonstraing Insgnificant Progress Progress well further development required

¹Please note that you will be able to assess progress on the implementation of R-PP-P components and sub-components in table included in the following pages.

Level of achievement of planned milestones according to approved FCPF-financed Readiness Fund Grant (>3.2 million USD) (FCPF M&E Framework 1.3.b.)²:

Planned Milestones:

1.a.1 Multisectoral and cross-sectoral REDD+ Governance structure operational and maintained

1.a.2 National technical supervision and fund management capacity fully developed

1.a.3 Feedback and grievance redress mechanism operational

1.b.3 Consultation of all stakeholders including IP's, social minorities and local communities at national, regional and local levels ensured

2.a.3 Trends of drivers of deforestation and degradation of forest understood and taken into account in action plans

O.4.1 REDD Strategy finalized and approved by 6/2015

2.c.1 Institutional arrangements for REDD+ implementation established

2.d.1 SESA completed by 6/2012 and ESMF and findings integrated into REDD+ strategy by 3/2014

Level of Achievement³:

Apex Body, RWG, and Multi-stakeholder forum and CSO/IPO's alliance for REDD+ are operational, all of which are multi-sectoral

REDD Cell has nine full time and part time technical staff, and five non technical staff, including account officer, financial management, procurement management and two support staff.

ToR has been developed; a study will be launched in about a month

Consultation and outreach with all relevant stakeholders take place via multistakeholder forum and RWG. Consultation at district and national level yet to be expanded.

A few studies being undertaken to identify and prioritize DD

Outline framework of the strategy finalized, TOR developed to fill in the details

Established at national level, further work needed at subnational level

Work on progress

Tracking⁴:

Please select your light rating:

Significant progress



Progressing well, further development required



Further development required



Not yet demonstrating progress



Non Applicable

Please explain why:

Initially all the activities and analytical studies were planned to be accomplished by the end of year 2013. However, mainly due to inadequate financial support for capacity building by bi-lateral donors (mainly from Multi Stakeholder Forestry Program), and understaffing and high turnover of REDD Cell staff including the chief, Nepal could not demonstrate full readiness for REDD+ within the original timeline.

Now, the REDD Cell has fully fledged of staffing, with enhanced capacity and confidence in both technical supervision and procurement process management. Three important studies – REL, MRV and SESA – are underway, and are expected to be complete in the first quarter of 2014. ToRs for other studies are also finalized, and will be launched in a month or so, as mentioned in the relevant component of this report. For details, please also see the MTR (October, 2013) in the REDD Cell website or in the FCPF site.

²Please note that these milestones have been derived from the RPAN but neither the Readiness Fund Grant nor the RPAN have defined any milestones for the Readiness preparation process other than the indicators in the R-PP of April 2010

³Countries are expected to provide data on the overall level of achievement of planned milestones as defined in their Readiness Preparation Grant Agreement, and, if applicable, additional grant of up to \$5 million. For instance, under their Preparation Readiness Grant Agreement (>3.2 million USD), Countries should provide data on (i) the support to the Coordination of the REDD+ Readiness Process and Multi-Stakeholder Consultations; (ii) the contribution to the Design of a National REDD+ Strategy; and (iii) the preparation of a National Reference Scenario for REDD+

[&]quot;The level of achievement of planned milestonesaccording to approved RF grant will be summarized through progress scores related to the synthesis of an overall achievement, qualitatively expressed on a four-color 'traffic light' scale and then explained. In case the assessment is not applicable, a fifth color scale "Non Applicable" can be selected.

3.Reference level scenarios and emissions estimates developed and capacities for carbon monitoring submitted by 4/2014	Work on progress	
4. National Forest Information Monitoring system and Information system on multiple benefits, governance, and safeguards functional by 6/2014	Monitoring system on multiple benefits yet to be started	
6.a.1 Semiannual Progress reports submitted	MTR submitted in October, 2013	
6.a.2 Mid-term Progress Report by 9/2012	Work to be commenced in mid 2014.	
6.a.2 Final Readiness assessment submitted by 2015		

Degree of achievement of planned milestones per R-PP component and sub-component (FCPF M&E Framework 1.3.c.). Countries are expected to rate progress toward the implementation of R-PP sub-component only once a year, as part of the reporting submitted by August 30th each year

Sub-component	Overall progress			ainst annual gets	Tracking ⁵ (Please select your light rating)
	Planned Milestones	Cumulative Progress Towards Milestones	Expected Annual Target	Achievements of the Annual Target	
Component 1 – Readiness Organiza	tion and Consultation				
Sub-Component 1a – National REDD+ Management Arrangements <u>Purpose</u> : setting-up national readiness management	O1.1 Decreasing number of Complaints on REDD+ Governance recorded and increasing portion of complaints	n/a	Baseline to be established	Yet to be done	 ✓ ✓ Significant progress ⚠ Progressing well, further development required
arrangements to manage and coordinate the REDD-plus readiness	responded to O1.2 Inclusive Apex body and RWG fully functional	yes	yes	yes	Further development required
activities whilst mainstreaming REDD-plus into broader strategies <u>Assessment Criteria:</u> (i) accountability and transparency; (ii)	O1.3 MTR and R-Package widely discussed with all relevant Stakeholders including Indigenous Peoples and local communities	MTR widely discussed	MTR widely discussed	MTR widely discussed	Not yet demonstrating progress
operating mandate and budget; (iii) multi-sector coordination	1.a.1.i 8 Apex meetings in 2012-	0	2	0	Non Applicable
mechanisms and cross-sector collaboration; (iv) technical supervision capacity; (v) funds	2015 1.a.1.ii 24 meetings of RWG in 2011-20135	9	6	3	Please explain why: For the proper implementation of REDD+, Government of Nepal (GoN) has established
management capacity; (vi) feedback and grievance redress mechanism	1.a.1.iii 75% participation of Apex body and RWG members in meetings	90%	Baseline to be established	90% in RWG; n/a in Apex Body	three tiered multi-sectoral institutional mechanism consisting of an Apex Body, a REDD Working Group and a REDD
	1.a.1.iv Agendas are widely discussed and decisions made timely as needed	Constructive Discussion, timely decisions	Constructive Discussion, timely decisions	r	Forestry and Climate Change Cell. REDD Cell has fully fledged of staffing. there is a REDD multi-stakeholder's forum which

⁵The level of achievement of planned milestones per R-PP component should be self-assessed and reported, as well as summarized through progress scores related to the synthesis of this overall achievement, qualitatively expressed on a four-color 'traffic light' scale and then briefly explained. In case the assessment is not applicable, a fifth color scale 'Non Applicable' can be selected. This 'traffic light' scale is based on the system contained in the R-Package Assessment Framework. The R-Package assessment criteria are included to assist countries identify, plan and track their readiness preparations progress with the core aspects and desired outcomes of readiness preparation activities as contained in R-Package Assessment Framework.

Sub-component	Overall progress			ainst annual gets	Tracking ⁵ (Please select your light rating)
	Planned Milestones	Cumulative Progress Towards Milestones	Expected Annual Target	Achievements of the Annual Target	
	1.a.1.v Inclusiveness of RWG sustained with least 5 line ministries, CSO, IP, donors representatives 1.a.1.vi Inclusiveness of Apex body sustained with least 9 line ministries, CSO, IP, private sector representatives 1.a.2.i 100 % of REDD Cell staff positions occupied (100% = 7 technical, 5 non-technical staff) 1.a.2.ii REDD Cell staff trained according identified training needs 1.a.2.iii 24 internal audits, 4 external/final annual audits without major remarks submitted in due time 1.a.2.iv 24 reports to RWG, 6 reports to Apex body and 12 presentations to Multi-stakeholder Forum 1.a.3.i Guidelines for FGRM linked with existing grievance mechanisms at central, local and regional level approved by Apex body and available in Nepali and English on website 1.a.3.ii 5 trained and equipped regional focal points 1.a.3.iii 5 regional public grievance	Milestones 12 membered RWG (9 line ministries, 1 IP, 1 CSO, &1 donor). 11 ministries and their respective CSO, Private sectors, and National planning 9 technical, and 5 non-technical n/a 16 internal audits and 4 external audits ('10,'11,'12, '13) 9 to RWG, 2 to Apex, 12 to Multi- stakeholder forum ToR finalized to develop FGRM	At least 5 line ministries, CSO, IP, donors 9 line ministries, CSO, IP, private sector 100% of 7 technical, 5 non-technical staff n/a 6 internal audits, 1 external in due time 6 reports 2 reports 4 presentations n/a 0 0	Maintained Maintained Maintained Fully achieved 4 to RWG, 5 to Multistakeholder forum	functions as the principal outreach and communication platform. Similarly, CSOs and IPOs working in forestry and REDD+ have formed a platform – REDD+ CSOs & IPOs Alliance, Nepal – to discuss and develop a common understanding on REDD+ on behalf of Civil Society Organizations and Indigenous Peoples Organizations. All these institutional structures are operating as planned, except the Apex Body. Only two meetings of the Body have happened so far. The reason for this is that policy documents that require endorsement by Apex Body have not been prepared. Once REL, MRV, REDD Strategy, SESA and ER-PIN are finalized, then the Apex Body meetings will be organized regularly as planned in the R-PP.
	hearings	n/a			

Sub-component	Overall progress			gainst annual gets	Tracking ⁵ (Please select your light rating)
	Planned Milestones	Cumulative Progress Towards Milestones	Expected Annual Target	Achievements of the Annual Target	
		n/a			
Sub-Component 1b – Consultation, Participation, and Outreach Purpose: broad consultation with and participation of key stakeholders for future REDD+ programs, to ensure participation of different social groups	O2.1 At least 1 sub-national REDD pilot sites submitting proposal ER-PIN for REDD+ Funding O2.2 Increasing number of participation of different stakeholders in different events on REDD+ and of activities organized	n/a n/a	n/a baseline to be estab.	n/a 0	 Significant progress Progressing well, further development required Further development required
different social groups, transparency and accountability of decision-making <u>Assessment Criteria:</u> (i) participation and engagement of key stakeholders; (ii) consultation	by other stakeholders 1.b.1.i No of media by target group, language, region: - 2TV/video programs produced in Nepali and English with at least 24 broadcastings in total	n/a 20	n/a	n/a n/a	Not yet demonstrating progress Non Applicable
processes; (iii) information sharing and accessibility of information; (iv) implementation and public	 25 radio programs produced with in different languages and at least 325 broadcastings in total 	5890		n/a	Please explain why:
disclosure of consultation outcomes 1. recreate points in 1. 2:	 8 articles in newspaper articles published 2 Leaflets developed 3 Posters developed 1 REDD+ diaries produced 6 Brochures produced 	92 503 9 set		n/a	Nepal is yet to demonstrate substantial progress under this sub component. Progress shown in this report is mainly due to activities conducted by CSOs, IPOs, and INGOs (e.g. NEFIN, RECOFTC, ICIMOD, WWF). The main reason of lower than
	1.b.1.ii Website www.mofsc-redd.gov.np in Nepali and English regularly updated with download possibility of all relevant REDD+information and publications 1.b.1.iii 5 national, 5 regional and 25 local REDD+ orientation workshops/events with No of	3 Set up in English & regularly updated 415 individuals consulted during various studies conducted under	Regularly updated n/a	Regularly updated n/a	expected performance in consultation and outreach is due to delay in the implementation of DFID/SDC funded program, which has the highest commitment under this sub component. Although donor partners committed the fund for REDD, REDD related programs are not clearly recognized in the Multi Stakeholder Forestry Program project document. To remedy this,

Sub-component	Overall progress			gainst annual gets	Tracking ⁵ (Please select your light rating)
	Planned Milestones	Cumulative Progress Towards Milestones	Expected Annual Target	Achievements of the Annual Target	
	participants by gender and target group 1.b.2i 1 ToT and 3 training modules on REDD+ developed 1.b.2.ii 15 REDD+ lead trainers and 20 REDD+ technical trainers and 280 REDD+ district facilitators trained by gender 1.b.2.iii No of trainings and participants on REDD+ by gender, topic, and region under joint REDD+ training program of key stakeholders 1.b.2iv 75 journalists (m/f) trained 1.b.2.v 4000 training days in forest governance for Forest field staff (m/f) 1.b.2.vi No of lectures on REDD+ at academia 1.b.2.vii 1 Bachelor, 1 Master curricula revised with REDD+ themes and respective teaching material 1.b.2.viii 10 Master and 15 Bachelor theses on REDD+ supported 1.b.2.ix Increasing and "Gender balanced" number of Nepal experts who participated in at least 10 South-south learning activities	different components. 2 ToT, 2 training modules 3 Training in 2011-2012 (60 participants) to government forest officers (10 days, 7 days, and 5 days 1244 events (Source: MTR) 0 n/a 20 1 Bachelor 1 Master 0 n/a	n/a n/a n/a n/a	0 0 n/a 5 1 Bachelor 1 Master 0 n/a	REDD cell is now planning to use a part of remaining FCPF grant to those critical and important activities for REDD+ readiness identified under consultation and outreach component.

Sub-component	Overall progress			gainst annual gets	Tracking ⁵ (Please select your light rating)
	Planned Milestones	Cumulative Progress Towards Milestones	Expected Annual Target	Achievements of the Annual Target	
R-PP Component 2 – REDD+ Strate	egy Preparation				
Subcomponent 2a: Assessment of Land Use, Land Use Change Drivers, Forest Law, Policy and Governance	O3.1 Necessary No. and types of policy reforms initiated to comply to REDD+ standards according to plans/studies	Biodiversity action plan, agriculture strategy, Forest strategy	Forest strategy	All strategies are underway	Significant progress
<u>Purpose</u> : identification of key drivers of deforestation and/or forest degradation, as well as activities concerning conservation, sustainable management of forests,	2.a.1 Reports and maps of all 5 physiographic regions available on website 2.a.2.i Studies with meaningful	underway n/a	n/a	n/a	Further development required Not yet demonstrating progress
and enhancement of forest carbon stocks <u>Assessment Criteria:</u> (i) assessment	participation/consultation of stakeholders published and available on website on - Demand and supply of forest	completed,	n/a	completed,	Non Applicable And explain why:
and analysis; (ii) prioritization of direct and indirect drivers/barriers to forest enhancement; (iii) links between drivers/barriers and	products - Drivers of deforestation in Terai, Churia, mid-hills and high mountains	completed for High mountains	n/a	High mountains Not yet	Based on the preliminary assessment, five in depth studies were identified in the R-PP to develop strategic options for addressing the
REDD+ activities; (iv) actions plans to address natural resource right, land tenure, governance; (v) implications for forest law and	Value chain of forest products Factors of weak forest governance, policy implementation and law	Not yet started Not yet started	n/a n/a	started Not yet started	diverse DD and FD. Three of them have been completed, and the reports are published in the REDD Cell website. Other two studies will be carried out soon.
policy	enforcement - Coordination mechanisms among government departments and other stakeholders	Not yet started	n/a	Not yet started 2 published	
	2.a.2.ii Synthesis leaflets of studies available in English and Nepali	12 policy briefs	6 leaflets published	and 3 ready for printing	
	2.a.2.iii Priority list of deforestation and degradation drivers published, that has been	Forest Action, under UN-	List available	in progress	

Sub-component				gainst annual gets	Tracking ⁵ (Please select your light rating)
	Planned Milestones	Cumulative Progress Towards Milestones	Expected Annual Target	Achievements of the Annual Target	
	discussed among stakeholders 2.a.3.i Study to define statute of tenure rights on forest carbon published 2.a.3.ii Analytical study on natural resource rights and land tenure and implications for benefit sharing mechanism published 2.a.3.iii Action plan to address REDD+ in national regulations and forest sector policy reforms approved by RWG and Apex body	REDD's support, is finalizing. Work has been commenced EoI has been called for	n/a n/a	ToR developed n/a	
Subcomponent 2b: REDD+ Strategy Options Purpose: Develop a set of policies and programs for addressing the drivers of deforestation and/or forest degradation Assessment Criteria: (i) selection and prioritization of REDD+ strategy options; (ii) feasibility assessment; (iii) implications for	O4.1 Approved National REDD+ strategy report published O4.2 R-Package in line with PC adopted assessment framework submitted to the FCPF by 10/2014 2.b.1.i At least 3 reports based on meaningful dialogues and consultative evidence related to REDD+ issues at all levels (national, meso and community) 2.b.1.ii Assessment report of	ToR finalized n/a Not yet started		To be started shortly n/a n/a	Significant progress Progressing well, further development required Further development required Not yet demonstrating progress
strategy options on existing sectoral policies	spillover effects of other sectoral policies on strategic options published 2.b.1.iii Feasibility report of selected strategic options published 2.b.1.iv At least one national and 5	Study being conducted	n/a	n/a	Non Applicable And explain why: Through a series of consultations at national and regional level, REDD Cell has prepared

Sub-component	Overall progress			gainst annual gets	Tracking ⁵ (Please select your light rating)
	Planned Milestones	Cumulative Progress Towards	Expected Annual Target	Achievements of the Annual Target	
	regional consultative meetings for endorsement of priority of options 2.b.1.v FPIC process with high level of stakeholder consent implemented 2.b.2.i At least 4 reports of pilot sites including concerns and issues of key stakeholders consulted according to FPIC process at grass root level 2.b.2.ii At least 4 learning of ER pilot sites included into REDD+ Strategy 2.b.2.iii One ER-PIN submitted to PC by 2/2014	Milestones Not started RECOFTC & FECOFUN have developed FPIC guideline and provide trainings n/a Progressing well	n/a n/a	RECOFTC & FECOFUN have developed FPIC guideline and provide trainings n/a Progressing well	outline framework of the REDD+ strategy, which has already been endorsed by the RWG. A study is being commissioned in a month or two to develop the detail strategy, which will also incorporate synthesis of currently undergoing studies on REL, MRV, and SESA.

Sub-component	Overall progress			gainst annual gets	Tracking ⁵ (Please select your light rating)
	Planned Milestones	Cumulative Progress Towards Milestones	Expected Annual Target	Achievements of the Annual Target	
Subcomponent 2c: Implementation Framework <u>Purpose</u> : Set out credible and transparent institutional, economic, legal and governance arrangements necessary to implement REDD+ strategy options Assessment Criteria: (i) adoption	O5.1 All relevant institutional structures for REDD+ implementation according to architecture of institutional arrangement in place 2.c.1.i Necessary adaptations of legal and regulatory framework necessary for REDD+ implementation and carbon	REDD Apex body, RWG, REDD cell, Multi- stakeholder forum etc. Not yet started	REDD Apex body, RWG, REDD cell, Multi- stakeholder forum etc.	REDD Apex body, RWG, REDD cell, Multi- stakeholder forum etc. Not yet started	Significant progress Progressing well, further development required Further development required
and implementation of legislation/regulations; (ii) guidelines for implementation; (iii) benefit sharing mechanism; (iv) national REDD+ registry and	financing made or under way 2.c.1.ii Validated design note of architecture of REDD implementation in new federal system available	Not yet started	n/a	Not yet started	Not yet demonstrating progress Non Applicable And explain why:
system monitoring REDD+ activities	2.c.1.iii REDD+ implementation guidelines for different forest regimes published on website	Not yet started	n/a	Not yet started	REDD Cell has planned to conduct a study on REDD+ implementation framework that includes institutional arrangement, benefit
	2.c.2.i Concept, budget, legal provision and inclusive institutional arrangement for Carbon trust fund establishment available by 2015	Not yet started	n/a n/a	Not yet started	sharing, and registry, with financial support from FCPF. This study has been planned to commence in a few months.
	2.c.2.ii Less than 3 months needed to channel international REDD+ funds from arrival at national level to local beneficiaries	n/a	n/a	n/a	
	2.c.3.i Framework for Carbon benefit sharing arrangements validated by all Stakeholders	Not yet started	n/a	n/a	
	2.c.4.i Clearing house mechanism on REDD+ information functional 2.c.4.ii M&E Framework for	Not yet started n/a	n/a n/a	n/a	

Sub-component	Overall progress		gainst annual gets	Tracking ⁵ (Please select your light rating)	
	Planned Milestones	Cumulative Progress Towards Milestones	Expected Annual Target	Achievements of the Annual Target	
	REDD+ implementation available 2.c.4.iii Forest carbon registry is operational and receives first registrations	n/a			
Subcomponent 2d: Social and Environmental Impacts Purpose: Ensure compliance with the Common Approach and prepare a country specific Environmental and Social Management Framework (ESMF) Assessment Criteria: (i)) analysis of social and environmental safeguard issues; (ii) REDD+ strategy design with respect to impacts; (iii) Environmental and Social Management Framework	O6.1All necessary measures foreseen in ESMF implemented 2.d.1.i SESA completed and validated by all stakeholders 2.d.1.ii At least 600 participants at 2 national, 1 regional, 3 local level consultations, 6 learning groups with at least 20 men/20 women/20 youth from CSO and IP consulted and trained during SESA process 2.d.2.i ESMF developed and approved by Apex body by 3/2014 2.d.2.ii Indicators for enhancement of livelihoods of local communities and for biodiversity conservation included in ESMF and REDD+ strategy	n/a The work has been commenced n/a n/a	n/a contract finalized n/a n/a	n/a Contract concluded n/a n/a	Progressing well, further development required Further development required Not yet demonstrating progress Non Applicable And explain why: After substantial delay, the SESA process for REDD strategic options is progressing. Work of conducting SESA and formulating Environmental and Social Management Framework (ESMF) has been awarded to a consulting firm in September 2013 and draft SESA ToRs has been shared with the Multi Stakeholder Forum and comments were solicited.

Sub-component	Overall progress			gainst annual gets	Tracking ⁵ (Please select your light rating)
	Planned Milestones	Cumulative Progress Towards Milestones	Expected Annual Target	Achievements of the Annual Target	
R-PP Component 3 - Reference Em	issions Level/Reference Levels				
<u>Purpose</u> : Development of the general approach to establish a	O7.1 Data submitted to determine ER-payments by 12/2014	n/a	n/a	n/a	Significant progress
REL/RL Assessment Criteria: (i) demonstration of methodology; (ii)	O7.2 Reports on verification of carbon stocks available by 6/2015	n/a	n/a	n/a	Progressing well, further development required
use of historical data, and adjusted for national circumstances; (iii) technical feasibility of the	3.a.1.i Actual baseline data on deforestation and degradation of forests published by 3/2014	in progress	n/a	in progress	Further development required
methodological approach, and consistency with UNFCCC/IPCC guidance and guidelines	3.a.1.ii Baseline data on carbon stocks at national and at pilots on subnational level published by 3/2014	in progress	n/a	in progress	Not yet demonstrating progress
	3.a.2.i Reference scenarios and emissions modeling according to IPCC guidelines (using at least tier 1 level) published for national, regional, district and selected community levels by 4/2014	in progress	n/a	in progress	And explain why: CAMCO, a consultancy firm based in Kenya awarded to help REDD Cell on "Development of Reference Scenario", is
	3.a.3.i Degree of operationality of Carbon emission monitoring unit in DFRS and at sub national level	MRV unit operational	n/a	Division established recently led	expected to deliver the final report by December 2013. Work is progressing well, although with some challenges in terms of
	3.a.3.ii At National level 200 people, at regional 500 people District level 500 people and at Community level 1000 people trained in Forest Carbon monitoring at different layers by gender and category of stakeholder	Information to be compiled from other stakeholders	n/a	by Jt Secy Information to be compiled from other stakeholders	acquiring emission factor data from Finnish supported Forest Resource Assessment Project. Key decisions have been made in terms of scope, base year, reference period, carbon pools etc for

Sub-component	Overall progress			gainst annual rgets	Tracking ⁵ (Please select your light rating)
	Planned Milestones	Cumulative Progress Towards Milestones	Expected Annual Target	Achievements of the Annual Target	
R-PP Component 4 – Design a Mon	itoring System				
Subcomponent 4a: National Forest Monitoring System	O8.1 MRV System complies to international standards	In progress of development	n/a	In progress of development	Significant progress
Purpose: Design and develop an operational forest monitoring system	O8.2 Data verification reveals no major discrepancies	n/a 3 sites piloted	n/a	n/a 3 sites piloted	Progressing well, further development required
and describe the approach to enhance the system over time	O8.3 At least 5 pilot sites with functional MRV system linked to REDD+ inceptive payment	by ICIMOD, FECOFUN & ANSAB	n/a	by ICIMOD, FECOFUN & ANSAB	Further development required
Assessment Criteria: (i) documentation of monitoring approach; (ii) demonstration of early implementation; (iii) institutional arrangements and	4.a.1.i Forest monitoring manual that describes monitoring of all 5 types of REDD+ activities, leakage, and carbon pools published b 6/2014	0	n/a	0	Not yet demonstrating progress Non Applicable
capacities- Forests	4.a.4.ii At least 1200 men and women trained at different layers by gender and category of stakeholders	Not yet started	n/a	Not yet started	And explain why: AgriconsultingSPA, Italy is supporting REDD Cell to design MRV system for
	4.a.1.iii Data from all different forest regimes integrated into one central data base at DFRS by NAFIM	Not yet started	n/a	Not yet started	Nepal. The project has been planned for two phases. The phase-I (until October, 2013) will carry out the data collection and analysis while phase-II (until February, 2014) will design MRV System design,
	4.a.1.iv 2014 Baseline for periodic (5 yearly) forest cover monitoring reports published	n/a	n/a	n/a	implementation and capacity building.

Sub-component	Overall progress		gainst annual gets	Tracking ⁵ (Please select your light rating)	
	Planned Milestones	Cumulative Progress Towards Milestones	Expected Annual Target	Achievements of the Annual Target	
Subcomponent 4b: Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards <u>Purpose</u> : Specify the non-carbon	4.b.1.i Nepal comes up with its own REDD+ incremental benefit standards by end of 2013	Idea note on co-benefits submitted to UNFCCC	n/a	Idea note on co-benefits submitted to UNFCCC	Significant progress Progressing well, further development required
aspects prioritized for monitoring by the country <u>Assessment Criteria:</u> (i) identification of relevant non-carbon aspects, and social and environmental issues; (ii)	4.b.1.ii Nepal specific REDD+ social and environmental standards agreed by end of 2013 4.b.1.iii Template for Social, environmental and governance impact monitoring reports based on	Nepal specific indicators following CCBA standard developed	n/a	Nepal specific indicators following CCBA standard developed	Further development required Not yet demonstrating progress
monitoring, reporting and information sharing; (iii) Institutional arrangements and capacities – Safeguards	Nepal specific indicators agreed 4.b.1.iv Nepal specific REDD+ PFM and M&E manual for REDD implementation on public domain available	Not yet started	n/a	Not yet started	Non Applicable And explain why: Nepal is soon going to launch a study on
	4.b.1.v MoU on Multi-Stakeholder mechanism for collection and dissemination of information among stakeholders available 4.b.1.vi No of REDD+ M&E trained staff in all participating stakeholders by category and gender (f/m)	Not yet started	n/a	Not yet started	multiple benefits of REDD+, their monitoring system, and safeguards information system. It has finalized safeguards indicators following REDD+ Social & Environmental Standards. Similarly, Nepal submitted an idea note on co-benefits to UNFCCC prior to the 38 th session of SBSTA.

Sub-component	Overall progress		Progress ag	gainst annual	Tracking ⁵
				gets	(Please select your light rating)
	Planned Milestones	Cumulative	Expected	Achievements	
		Progress	Annual	of the Annual	
		Towards	Target	Target	
		Milestones			
R-PP Component 6 – Design a Prog	ram Monitoring and evaluation	framework			
	6.a.1.i PMF available 6/2013	By November 15			Ci. ICi.
	6.a.1.ii 12 Trimestral reports				Significant progress
	submitted on reporting deadlines	9	3	3	Progressing well, further
	6.a.1.iii 3 Annual reports (August	0.70			development required
	30) with biannual update (march 30)	8 Progress shee	1 (in new	1	
	submitted to FCPF on reporting	submitted prior to PC meeting	format)		Further development required
	deadlines	to PC meeting			Turdier development required
	6.a.1.iv 100% draft progress reports	Information in			
	reviewed and commented by	this is derived			Not yet demonstrating progress
	relevant stakeholder groups	from the MTR,			
		which has been			
		commented by			<mark>₩A</mark> Non Applicable
	6.a.1.v 100% achievement of	stakeholders			
	planned project milestones of	~60%	50%	70%	And explain why:
	approved Readiness Preparation				Nepal has developed the M&E framework,
	grant				which includes: 1) The Result Chain and
	· ·	G 1 11			Logical Framework, and 2) the Performance
	6.a.2.i Consulted Midterm progress review submitted by 6/2012	Submitted by		Submitted by	Measurement Framework (PMF). These
	•	10/2013		10/2013	documents were presented to multi-stakeholder
	6.a.2.ii Extension proposal for FCPF	Yes		Yes	forum involving CSOs and IPOs, and
	grant available by 10/2013	103		1 68	comments were solicited.
	6.a.2.iii Independent final review	To be started in			
	report of R-Package available	mid 2014			

Disbur	sement ra	ate of FCPF-	financed Readiness	Fun	d Grant (>3	.2 mi	llion USD), in percentage
(FCPF	(FCPF M&E Framework 1.3.d; Nepal PMF Indicator 5.a.1.iii):						
					Rate	Tra	acking
RF Gra	nt - disbu	ırsement rat	e vs. planned			Ple	ease select your light rating:
disbur	sements						Up to 10% variance with plans
Year	% planned	% Actual	Remark			<u> </u>	• Between 10 and 25% variance
2011	7	3	Actual expenses				
2012	33	10	Actual expenses				C Between 25 and 40 % variance
2013	41	41 (estimated)	Actual & planned commitment & expenses			8	More than 40 % variance
2014	20	46	Planned expenses			N/A	Non Applicable

Disbursement rate of Total R-PP Budget in percentage		
(FCPF M&E Framework 1.3.d; Nepal PMF Indicator 5.a.1.i	v):	
	Rat	Tracking
	e	
R-PP Budget - disbursement rate vs. planned disbursements		Please select your light rating:
Yearly disbursement of R-PP budget is not available. Figure below shows pledged and allocated amount by bilateral		Up to 10% variance with plans
donors other than the FCPF.		© Between 10 and 25% variance
3000 ■ Pledged amount ■ Allocated amount 2405.5 2000		© Between 25 and 40 % variance
1500 1000 500 92.665 341 227 300 92.665 96 227 50 30 20 120 0		More than 40 % variance
1.a 1.b 2.a 2.b 2.d 3 4		Non Applicable

Implementation rate of M&E activities (FCPF M&E Indicators 6.a.1.iii, 6.a.2.i, 6.a.2.iii	Framewo	rk 1.3.c, 1.3.a, 1.A.2; Nepal PMF
	Rate	Tracking
Semi-annual reporting: will be submitted timely		Please select your light rating: Up to 10% variance with plans
Mid-term progress report: submitted in October 2013 Final Assessment report: To be submitted in early 2015		Between 10 and 25% variance © Between 25 and 40 % variance

	8	More than 40 % variance
	N/A	○ Non Applicable

3.2.2. Key elements of performance-based payment systems for emission reductions generated from REDD+ activities

• Outcome level

As a synthesis of the following output level assessmen	nts, pl	lease briefly specify:
Are carbon accounting, programmatic elements and pricing operating as planned in your pilot, if relevant		C Yes
(FCPF M&E Framework Indicator 2.A.; Nepal PFM indicators 07.1, 2.c.2.i/ii)		Overall yes, but with some discrepancies
Please describe progress made:		Overall no, but with some positive signs
n/a	8	O No
	N/A	• Non Applicable
Is the benefit sharing scheme being implemented according to plans within your pilot, if relevant		C Yes
(FCPF M&E Framework Indicator 2.B., Nepal PFM indicator 2.c.3.i)	<u> </u>	Overall yes, but with some discrepancies
Please describe progress made:		Overall no, but with some positive signs
N/a	8	C No
	N/A	• Non Applicable
Percentage and/or amount of monetary benefits shared with beneficiaries in approved pilot, if		Percentage and/or amount targets to be defined
relevant (FCPF M&E Framework Indicator 2.C.; Nepal PFM indicator 14)	<u> </u>	0
Please describe progress made:		0
n/a		
	W	
	N/A	Non Applicable

• Output level

Has your cour	Has your country submitted early ideas or ER-Program to the CF and/or others				
(FCPF M&E Framework 2.3.a; Nepal PFM indicator 2.b.2.iii):					
Yes/No	Yes/No Please briefly describe the content of these early ideas or ER-Program:				
Not yet	yet				
	ER-PIN is being developed.				

Has your country signed an ERPA (FCPF M&E Framework 2.4.b; Nepal PFM indicator 3.2):					
Yes/No Please briefly describe the content of this ERPA:					
No	n/a				

Amount and date of disbursements for ER Program according to plans, if relevant (FCPF M&E Framework 2.4.a; Nepal PFM indicator 5.a.1.vi):			
<u>Date</u> :	Amount provided: n/a		
Date:	Amount provided: n/a		
Date:	Amount provided: n/a		

3.2.3. Engagement of stakeholders to sustain or enhance livelihoods of local communities and to conserve biodiversity within the approach to REDD \pm

Outcome level

As a synthesis of the following output level assessments, please describe indicators related to biodiversity conservation and forest community livelihood development included in the ER Program, if relevant (FCPF M&E Framework Indicator 3.A; Nepal PFM Indicators 4.b.1.ii and iii):			
Amount:	<u>Please describe how these funds target biodiversity and forest</u>		
	<u>community livelihood development</u> :		
n/a			
	n/a		

Please provide relevant examples on the inherent social and biodiversity benefits of REDD+, if relevant (FCPF M&E Framework Indicator 3.B; Nepal PFM Indicators 4.b.1.i and 2.d.2.ii):

Examples of inherent social and biodiversity benefits of REDD+:

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.

Output level

Number of examples of actions where IPs, CSOs, and local communities participate actively, if relevant (FCPF M&E Framework 3.1.a; Nepal indicator O2.2):

#:

Please describe these actions on enhanced livelihoods and BD conservation, and restoration where, IPs and CSOs and local communities participate actively:

Number of IP and REDD country CSO representatives (men/women) having been successfully trained by FCPF training programs (FCPF M&E Framework 3.1.b; Nepal PFM indicator 4.a.1.ii): Please list the training Duration # of participants targets in terms of number of # of men / # of conducted: (# of men and women to be trained women days) by country to be defined n/a n/a n/a Non Applicable

Frequency of meetings of stakeholder engagement platforms

(FCPF M&E Framework 3.2.a; Nepal indicator 1.b.3.i):

Frequency:
The meetings have been taking place as the needs arise. So far, 9 RWG, 2 Apex Body, and 12 Multistakeholder forum meetings have taken place.

C Non Applicable

Does your country R-Package (within the national REDD+ strategies and the monitoring systems) and/or ER Program include activities aiming at maintaining or enhancing livelihoods of local communities (FCPF M&E Framework 3.2.b.i):

Yes/No: Please describe these activities aiming at maintaining or enhancing

	<u>livelihoods of local communities</u> : n/a			
Does your country R-Package (within the national REDD+ strategies and the monitoring systems)				
and/or ER Program include activities aiming at conserving biodiversity (FCPF M&E Framework				
3.2.b.ii; Nepal PMF indicator 2.d.2.ii):				
Yes/No:	Please describe these activities aiming at conserving biodiversity:			
	n/a			

Does your country R-Package and/or ER Program include SESA, an operational Grievance
Mechanisms, and an ESMF that captures SESA results(FCPF M&E Framework 3.2.d; Nepal PMF indicators 2.d.1.i + 2.d.2.i)

Yes/No:

If yes, please select your light rating:

Degree of advancement or implementation targets to be defined

Degree of advancement or implementation targets to be defined

Non Applicable

Please describe the measures implemented:

3.2.4. Knowledge sharing

Has your country developed and published REDD+ knowledge products with FCPF support FCPF:			
(FCPF M&E Framework 4.1.b; Nepal PMF indicators 1.b.1.i)			
Yes/No:	Please provide the list of published REDD+ knowledge products, if any		
	during reporting period :		
No	Forest Carbon Measurement Guideline (2011)		
	Other extension material produced include		
	1. Leaf let in English: REDD+ in Nepal brief introduction		
	2. Leaf lets in Nepal:		
	a. REDD+ in Nepal: A brief introduction in Nepal (2011)		
	b. REDD- forestry and climate change cell: A brief introduction in Nepal (up dated 2012)		
	3. REDD Forest Dairy (2012)		
II			

4. REDD+ in Nepal Video (English) 5. REDD+ in Nepal Video (Nepali)

How many people have been reached by these knowledge products, if any (FCPF M&E Framework 4.1.c; Nepal PMF counts only participants in workshops/events):

Overall number by product: Forest Carbon Measurement Guideline (2011) – 2500 copies

distributed

of Men: about 1500

of Women: about 1000

Have some experts of your country participated in any South-south learning activities? If yes, how					
many (me	many (men and women)? (FCPF M&E Framework 4.2.a + b; Nepal PMF indicator 1.b.2.ix)				
Yes/No:	List the South-South learning activities:	# of men: 20			
	_				
	Workshop on SESA and Grievance Redress	# of women: 4			
	Mechanism				
	Field visit to Indonesia to learn on REDD+				
	activities				
	Capacity Building on Low Green Carbon				
	Development in China				
	Reflection workshop Training on Gender and				
	FPIC in Thailand				
		Note: This list includes			
	Note: This list includes only the events	participants both - governmental			
	attended by REDD Cell Staff. Information	and nongovernmental - in the			
	about other experts from Nepal will be	events listed in the left.			
	tracked and reported in the next reporting				
	period.				