Key attributes of proposed program

1. Program represents core "REDD+ values" by expanding and reinforcing community and collaborative forest models while also improving governance, capacity and stakeholder engagement. This can be a model for other regions and countries.
2. Program directly tackles drivers by improving supply of forest products (i.e., through improved forest management), reducing demand (e.g., expanded biogas and improved cook stoves) and dependency on forests (e.g. alternative livelihood).
3. Strong partnership with civil society and IP stakeholders including WWF, FECOFUN and NEFIN will ensure robust implementation focused on benefitting local and IP communities.
4. Program will deliver major biodiversity benefits, protecting and improving critical tiger habitat and investing in a resource that will continue to deliver tourist revenue.
5. By generating results-based payments, program will catalyze further development of REDD+ capacity and implementation, simultaneously advancing national readiness process.
6. State of the art reference level integrates Landsat and LiDAR data to achieve a historical average of annual emissions with 100% transparency in data, assumptions and methodologies.

Summary narrative

Nepal has been preparing for REDD+ Readiness since 2010 under FCPF Readiness Grant and proposes an emission reduction program in 12 jurisdictional districts of the Terai Arc Landscape. The government developed the ER-PIN through broad consultations, including three national and five subnational multi-stakeholder workshops, and additional outreach to representatives of civil society and indigenous peoples. The 15-year program (2015 – 2030) has been approved by the REDD Working Group and endorsed by the chairperson of the Apex Body and Honorable Minister for Forests and Soil Conservation.

The proposed program area is highly significant economically, ecologically, socially, and culturally. It encompasses 2.3 million ha (15% of Nepal's land area), out of which 1.2 million ha is under forest cover. Local livelihoods are inextricably linked to the forest. In addition to being home to 7.35 million people, including numerous ethnic and indigenous groups, and possessing high agriculture productivity, the Program Area also supports some of the highest densities of tigers in the world, the second largest population of Rhinos, and eco-regions of global significance. However, the Terai's forests are significantly threatened by unsustainable and illegal harvest of forest products; overgrazing; forest fires; and conversion of forests to other land uses (encroachment, resettlement, and infrastructure).The average emissions during the reference period (1999-2011) was 4.4 million tons per year (at 90% confidence), which accounts for all five REDD+ activities and two carbon pools (above ground and below ground). Nepal developed the reference level using LIDAR, Landsat, existing data sets and 784 field plot verification, in collaboration with FRA, WWF, and other partners.

The government proposes five strategic interventions to generate the emission reductions: 1) Increasing supply of forest products by implementing sustainable management of forest and carbon enhancement practices on about 280, 000 ha of existing Community Forests (CF) and Collaborative forest management (CoFM), and transferring about 300, 000 ha of government-managed forests to either CF or CoFM models, 2) Reducing demand of fuelwood by expanding existing initiatives of alternative energy and installing an additional 12,000 biogas plants per year, 3) Integrating land use planning to reduce forest conversion while advancing needed infrastructure, 4) Increasing supply by engaging the private sector to make about 12,000 ha of commercial private forests in five years, and 5) Enhancing alternative livelihood opportunities to address

underlying drivers. From these interventions, the government estimates to generate 14 million tons of CO_2e reductions in five years (by 2020).

Nepal also puts strong emphasis on generating non-carbon benefits, including enhancement of local livelihoods, increase in the value of biodiversity, better ecosystems 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.

On the social and environmental front, **Nepal has largely finalized social and environmental assessment and development of ESMF for REDD+.** Nepal has been an early pilot country for REDD+ Social and Environmental Standards, and has demonstrated consistent commitment to using these standards through a country-led, multi-stakeholder process. Nepal's proposed ER program will integrate the outputs and outcomes of the SESA process, will comply with applicable World Bank safeguard policies and procedures, and promote and support the safeguards included in the UNFCCC Cancun decisions.

On benefit sharing, Nepal possesses tremendous experience on equitable benefit sharing and positive discrimination to marginalized communities in community based forest management. Building on this, a study under readiness will recommend a detail mechanism for REDD+ benefit sharing. A study on fund mobilization under UN-REDD's targeted support already provides some insights on this. The benefit sharing arrangement will follow Climate Change Policy 2011 which envisions sharing 80% of climate change related fund with local communities.

The institutional arrangements to implement the ER program are directly linked to the national REDD+ implementation framework by centering strategic program planning on the anticipated REDD+ Entity, under oversight of the Apex Body and the national REDD Working Group. Links to programmatic implementation occur through the operating arms of the Ministries' departments in each of the districts, and in particular through the District Forest Coordination Committee and District REDD Working Group.

The MRV Section to be established in Department of Forest Research and Survey will be responsible for executing MRV and building capacity of the relevant stakeholders to perform the tasks. MRV will be done every five years, the next one being in 2020. REDD+ initiatives and regular carbon monitoring will be undertaken by respective local communities, with capacity and technical support from local/national forest authorities. The data collected will be transferred to the subnational MRV system in a transparent manner.

The risks of anthropogenic reversals within Nepal are significantly mitigated because the ER program is a result of a long-term commitment with a foundation in community-based management of forests and equitable sharing of benefits. Domestic displacement of emissions is minimized through improved supply of forest products, and ownership of the program by all stakeholders. Potential international displacement will be mitigated through improved FLEG and trans-boundary coordination. As part of ER implementation, the ministry will collaborate with the Government of India to develop a mutual understanding addressing any cross-border issue. Such mechanism already exists in biodiversity conservation.

There are several ways in which the proposed ER program will provide substantial learning value for the FCPF and REDD+ countries globally such as testing the community-based forest management model as a building block for scaled REDD+ programs.

The government is fully committed to turn these ideas into actions and make REDD+ successful in reducing emissions, improving forest governance, and enhancing livelihood of forest dependent communities.