

# Updated Progress Report and Request for Additional Funding



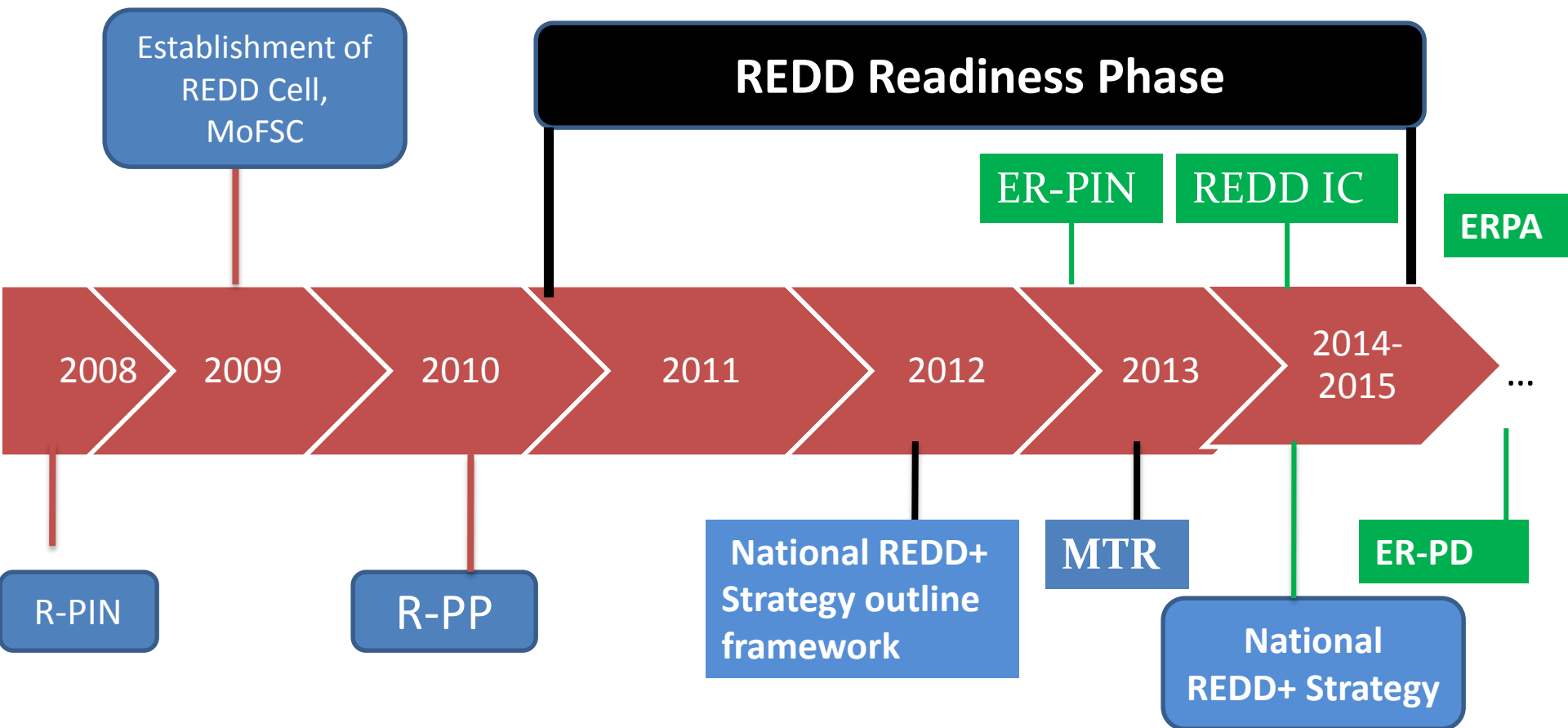
REDD Implementation Centre  
Ministry of Forest and Soil Conservation  
Nepal  
November 5, 2015




# Outline of the presentation

- An overview of National REDD readiness
- Progress under REDD Readiness and gaps
- Process of identifying the activities
- Proposed activities
- Capacity to Implement the proposed activities

# An overview of National REDD+ readiness Landscape



# Component 1: Organization and Consultation

- Organization 
- Regional and district level capacity building by FCPF ; NGOs involved
- NEFIN, RECOFTC, *Hariyo Ban*, MSFP program are conducting capacity building programs

## Gaps

- Still inadequate outreach and capacity building at local level;
- Studies recommend for expansion of outreach and awareness

# Consultation and Decision Making Process

- Issues are discussed in Multistakeholder Forum at different stages and levels- eg. REDD Strategy- 27 District, 5 regional and 2 National levels
- REDD IC make revisions based on the feedbacks
- Shared through different means of communications for further feedbacks
- Discussed in REDD WG decision are made
- Decision are endorsed at Ministry level if needed



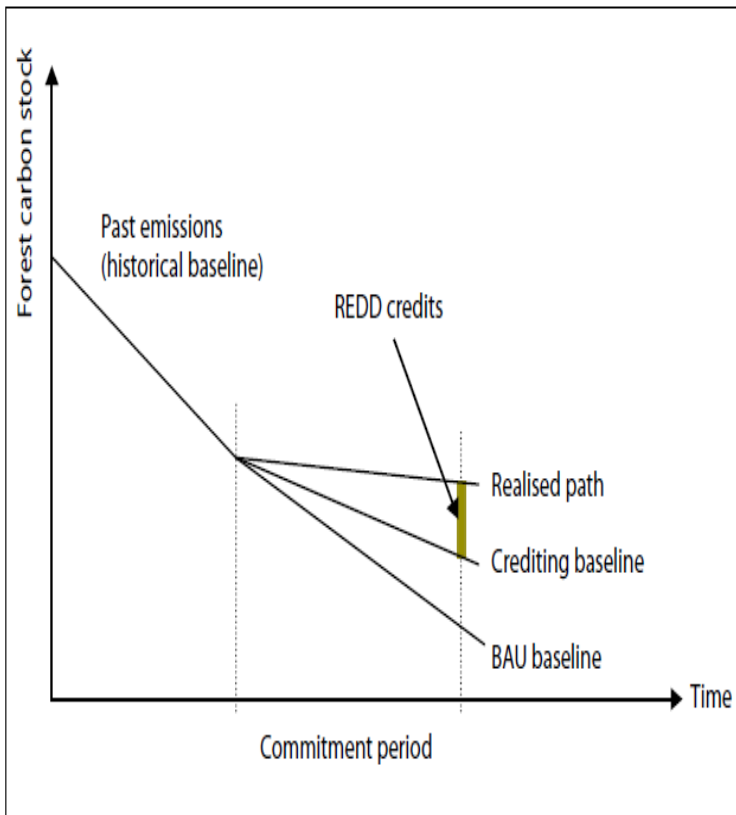
# Component 2: National REDD+ Strategy

- REDD Strategy is in place
- Many Analytical studies were carried out to complement National REDD Strategy preparation- CGE modeling, Political econ
- Social and Environmental Impacts
  - SESA and ESMF
  - REDD+SES
- Jurisdiction based sub-national REDD demonstration activities at landscape level

## Gaps

- Interpretation of Cancun safeguards and SIS
- National REDD+ registry and monitoring system

# Component 3: Reference Emission Level



- FREL developed at national level
- Planning to submit to the UNFCCC for assessment
- Formulation of sub-national RL for TAL–WWF, Nepal

## Gaps

- Updating according to new data available is essential

# Component 4: Monitoring and Measurement, Reporting and Verification (M&MRV) system

- MRV study completed
- The proposal estimates approx. 5 million US \$ for institutionalization of MRV
- DFRS is assigned for MRV
- New institutional set up in DFRS according to the study's recommendations

## Gaps

- The full cost proposal indicated capacity gaps
- Data at National level inadequate

## Development of a Measurement, Reporting and Verification (MRV) System for Emissions and Removals

Contract No.: FCPF/REDD/S/QCBS-7



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**MRV Full Cost Proposal**





# Progress on REDD Readiness

| Components  | Sub Components   | Progress Status                             |
|---|--|---|
| 1. Organization and Consultation                              | 1a. National Readiness Management Arrangement            | Significant progress                        |
|   | 1b. Stakeholder Consultation and Participation           | Progress well, further development required |
| 2. Prepare the REDD Strategy                                  | 2a. Assessment of Land Use, Forest Policy and Governance | Significant progress                        |
|   | 2b. REDD Strategy Options                                | Significant progress                        |
|   | 2c. REDD Implementation Framework                        | Significant progress                        |
|   | 2d. Social and Environmental Impacts                     | Significant progress                        |
| 3. Develop Reference Scenario                                 |  | Progress well, further development required |
| 4. Design Measurement, Monitoring, Reporting and Verification | 4a. Emissions and Removals                               | Progress well, further development required |
|   | 4b. Other Benefits and Impacts                           | Progress well, further development required |
| 5. Design a Program Monitoring and Evaluation Framework       |  | Significant progress                        |

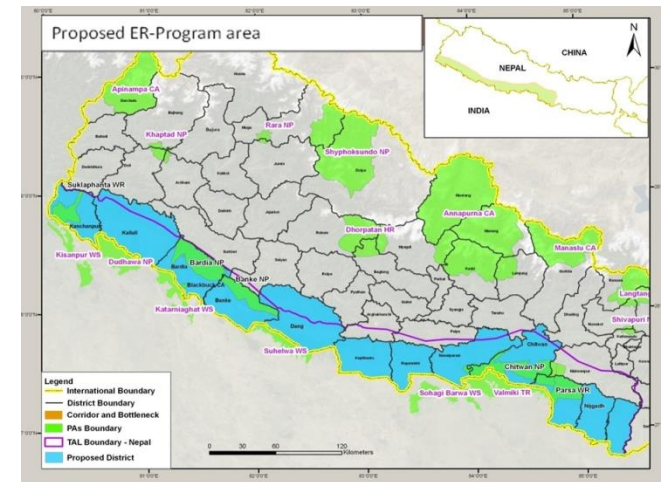
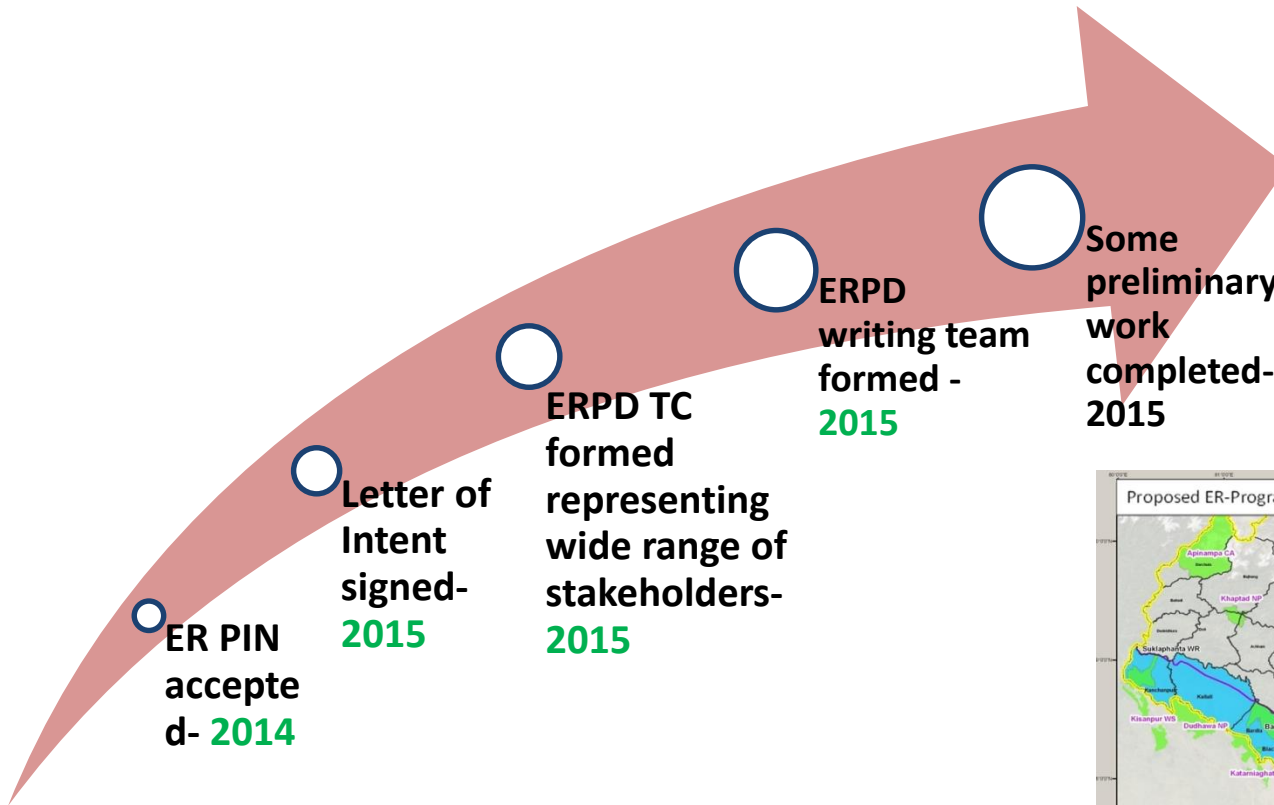
 Insignificant Progress

 Significant progress

 Progress well, further development required

 Not yet demonstrating

# Progress under Carbon Fund



# Status of Readiness Activities' financing

- Various donor agencies (USAID, DFID/SDC, Finland, and Japan) pledged to support Nepal's REDD readiness activities
- The MSFP's major portion allocated for capacity building
- Most of the donor partners used their funds as committed
- Donor coordination has not been always easy

# Basis and process for identifying activities

- Discussion with DoF, DFRS, and DNPWC
- Discussion with REDD+ Multi stakeholders including CSOs and IPs
- Support to design of Emission Reduction Program
- MRV full cost proposal document
- Other study reports of REDD IC
- PC16 recommendations
- The World Bank's guidance



# Proposed Work Plan for Additional Funding



photo courtesy: sunrider007

# Component 1: Organization and Consultation

| No | R-PP Component-wise activities  | Scope (national/districts) | Proposed Budget (US\$'000) | Responsible Agency | Duration (Jan 2016 – Dec 2018) |
|----|---|----------------------------|----------------------------|--------------------|--------------------------------|
|    | <b>Sub-component 1a. National REDD+ Management Arrangements</b>                       |                            |                            |                    |                                |
| 1  | Assimilate different institutional set up recommended in readiness studies            | National+ ERP Area         | 100                        | RIC+DF Os          | 2016 - 2018                    |
| 2  | Operationalize F & GRM in 12 districts of ER Program Area: F&GRM guidelines           | National+ ERP Area         | 20                         | RIC                | 2016                           |
| 3  | Additional Readiness Funding management   | National                   | 425                        | RIC                | 2016 – 2018                    |
| 4  | Conduct awareness raising and capacity building of stakeholders                       | National                   | 300                        | IPOs+C BOs         | 2016 - 2018                    |
| 5  | Conduct awareness raising and capacity building of district level MoFSC               | National                   | 300                        | RTC/DF Os/PAs      | 2016 - 2018                    |
| 6  | Publish readiness studies' finding in Nepali and English, and disseminate nationwide. | National                   | 20                         | RIC                | 2016 - 2018                    |

## Component 2: REDD+ Strategy Preparation

|           | <b>Sub-component 2a. Assessment of Land Use, Land-Use Change Drivers, Forest Law, Policy and Governance</b>                         | <b>Scope (national/districts)</b> | <b>Proposed Budget (US\$'000)</b> | <b>Responsible Agency</b> | <b>Duration (Jan 2016 – Dec 2018)</b> |
|-----------|---|-----------------------------------|-----------------------------------|---------------------------|---------------------------------------|
| <b>7</b>  | Analyze timber marketing and supply system, including revision of timber royalty based on local and international market conditions | National                          | 100                               | RIC                       | 2017-2018                             |
|           | <b>Subcomponent 2b. REDD+ Strategy Options</b>  |                                   |                                   |                           |                                       |
| <b>9</b>  | Conduct a study for the involvement of private sectors in REDD+ in general and ERP  | National+ ERP                     | 100                               | RIC                       | 2016–2017 (1 yr)                      |
| <b>10</b> | Revise and prepare district FMPs and OPs in 12 districts of ER Program area   | ERP Area                          | 450                               | DoF and DFOs              | 2016-2018                             |

## Component 2: REDD+ Strategy Preparation

|           | <b>Subcomponent 2b. REDD+ Strategy Options</b>  | <b>Scope (national/districts)</b> | <b>Proposed Budget (US\$'000)</b> | <b>Responsible Agency</b> | <b>Duration (Jan 2016 – Dec 2018)</b> |
|-----------|---|-----------------------------------|-----------------------------------|---------------------------|---------------------------------------|
| <b>11</b> | Assess forest based enterprises, prepare database, and prepare long term program for promoting forest based enterprises | National                          | 500                               | RIC                       | 2016 - 2017                           |
| <b>12</b> | Prepare operational guidelines for silvicultural practices for SFM  | National                          | 20                                | DOF+DFOs                  | 2017-2018                             |
| <b>13</b> | Prepare a program for enhancing nature based tourism and community resilience   | National                          | 150                               | DNPWC                     | 2016                                  |



## Component 2: REDD+ Strategy Preparation

|           | <b>Subcomponent 2c. Implementation Framework</b>  | <b>Scope (national/districts)</b> | <b>Proposed Budget (US\$'000)</b> | <b>Responsible Agency</b> | <b>Duration (Jan 2016 – Dec 2018)</b> |
|-----------|---|-----------------------------------|-----------------------------------|---------------------------|---------------------------------------|
| <b>13</b> | Design of ERP based on ER-PIN of 12 districts of Nepal Terai (including safeguards and consultations) | ER Program Area                   | 300                               | RIC                       | 2016-2017                             |
| <b>14</b> | Develop REDD fund flow mechanism  | National                          | 50                                | RIC                       | 2016 – 2017                           |
| <b>15</b> | Prepare cost and benefit sharing plan   | ERP area                          | 30                                | RIC                       | 2016-2017                             |
| <b>16</b> | Develop and institutionalize carbon registry mechanism  | National                          | 125                               | RIC                       | 2016-2017                             |
|           | <b>Subcomponent 2d. Social and Environmental Impacts</b>  |                                   |                                   |                           |                                       |
| <b>17</b> | Develop Safeguard Information System  | National                          | 50                                | RIC                       | 2016                                  |

## Component 3: Reference Emissions Level

|    | <b>Component 3: Reference Emissions Level/Reference Levels</b> | <b>Scope (national/districts)</b> | <b>Proposed Budget (US\$'000)</b> | <b>Responsible Agency</b> | <b>Duration (Jan 2016 – Dec 2018)</b> |
|----|--|-----------------------------------|-----------------------------------|---------------------------|---------------------------------------|
| 18 | Update national RL/REL with information from FRA result.       | National                          | 300                               | RIC                       | 2016                                  |

## Component 4: Monitoring System for Forests, and Safeguards

|    | <b>Subcomponent 4a: National Forest Monitoring System</b>                                 | <b>Scope (national/districts)</b> | <b>Proposed Budget (US\$'000)</b> | <b>Responsible Agency</b> | <b>Duration (Jan 2016 – Dec 2018)</b> |
|----|---|-----------------------------------|-----------------------------------|---------------------------|---------------------------------------|
| 19 | Allometric equations (volume/biomass equations) of 16 major species                       | National                          | 450                               | DFRS                      | 2016-2018                             |
| 20 | Capacity building of government staff on reference level, MRV, and other aspects of REDD+ | National                          | 150                               | RIC                       | 2016-2018                             |

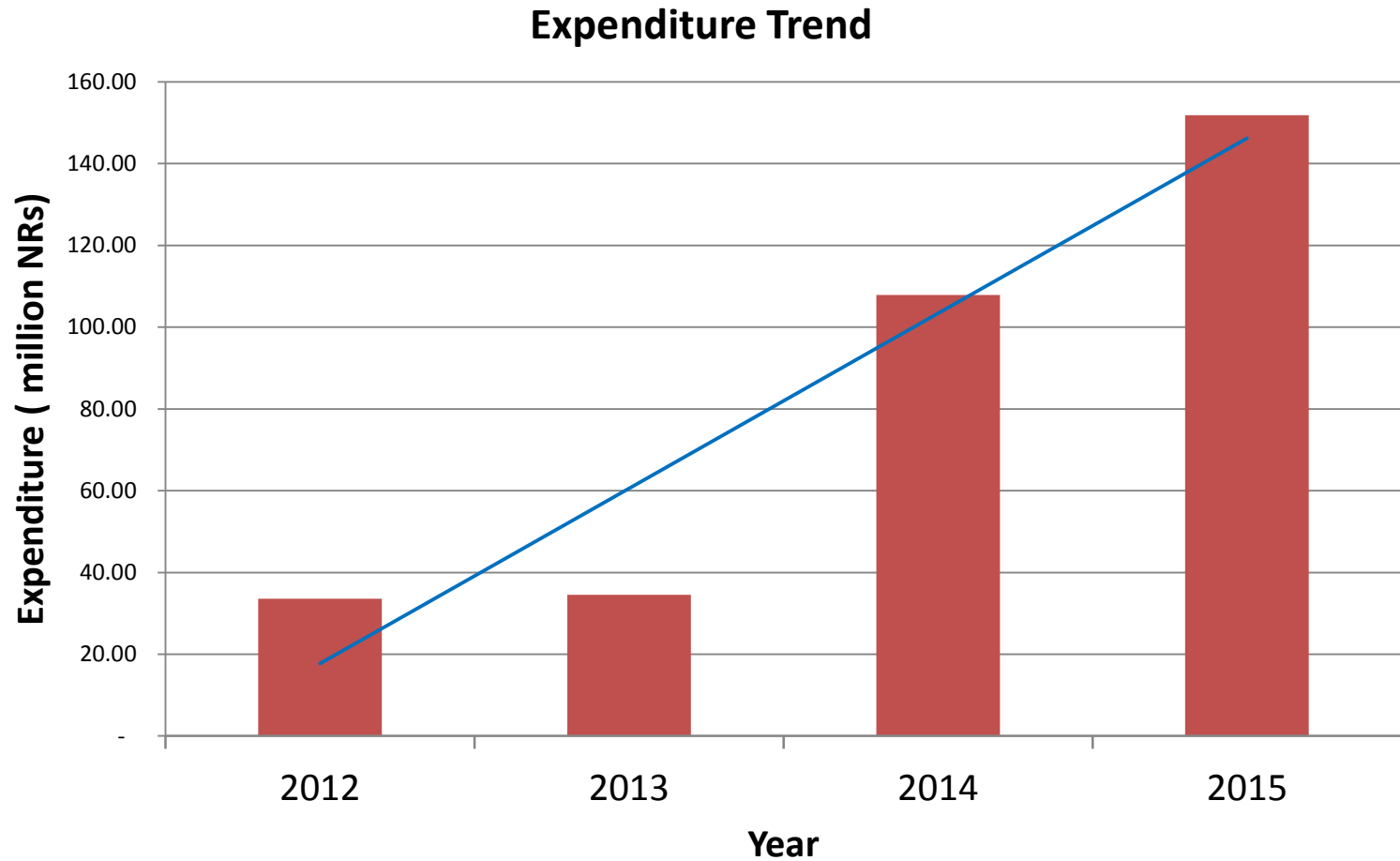
# Component 4: Monitoring System for Forests, and Safeguards

|    | <b>Activities</b>   | <b>Scope (national/districts)</b> | <b>Budget (US\$'000)</b> | <b>Responsible Agency</b> | <b>Duration (Jan 2016 – Dec 2018)</b> |
|----|---|-----------------------------------|--------------------------|---------------------------|---------------------------------------|
| 21 | Expand database and FMIS : District level infrastructure development computer software                      | National                          | 360                      | RIC+DFRS                  | 2016 – 2018                           |
| 22 | Re-measure permanent sample plots   | Terai                             | 571                      | DFRS                      | 2016 – 2018                           |
| 23 | DFRS Office support, equipment, IT and database experts   | National                          | 109                      | DFRS                      | 2016                                  |
| 24 | Revise and update participatory monitoring and reporting tools and formats                                  | National                          | 20                       | RIC+DoF                   | 2017                                  |
|    | <b>Subcomponent 4b: Information System for Multiple Benefits, Other Impacts, Governance, and Safeguards</b> | <b>Scope (national/districts)</b> | <b>Budget (US\$'000)</b> | <b>Responsible Agency</b> | <b>Duration (Jan 2016 – Dec 2018)</b> |
| 25 | Develop MRV system of major non-carbon benefits   | National                          | 0                        | RIC                       | 2016                                  |
|    | <b>Total</b>  |                                   | <b>5,000</b>             |                           |                                       |

# Government capacity to manage the additional funding

- REDD Cell has been upgraded to REDD Implementation Center
- REDD IC is permanent structure under the MoFSC
- Government officials have enhanced capacity, confidence and experience in managing REDD activities
- Government staff including REDD IC have gained experience on REDD implementation
- More clarity on REDD+ processes and methodological guidance at international level
- Developed local level REDD+ institutional structure

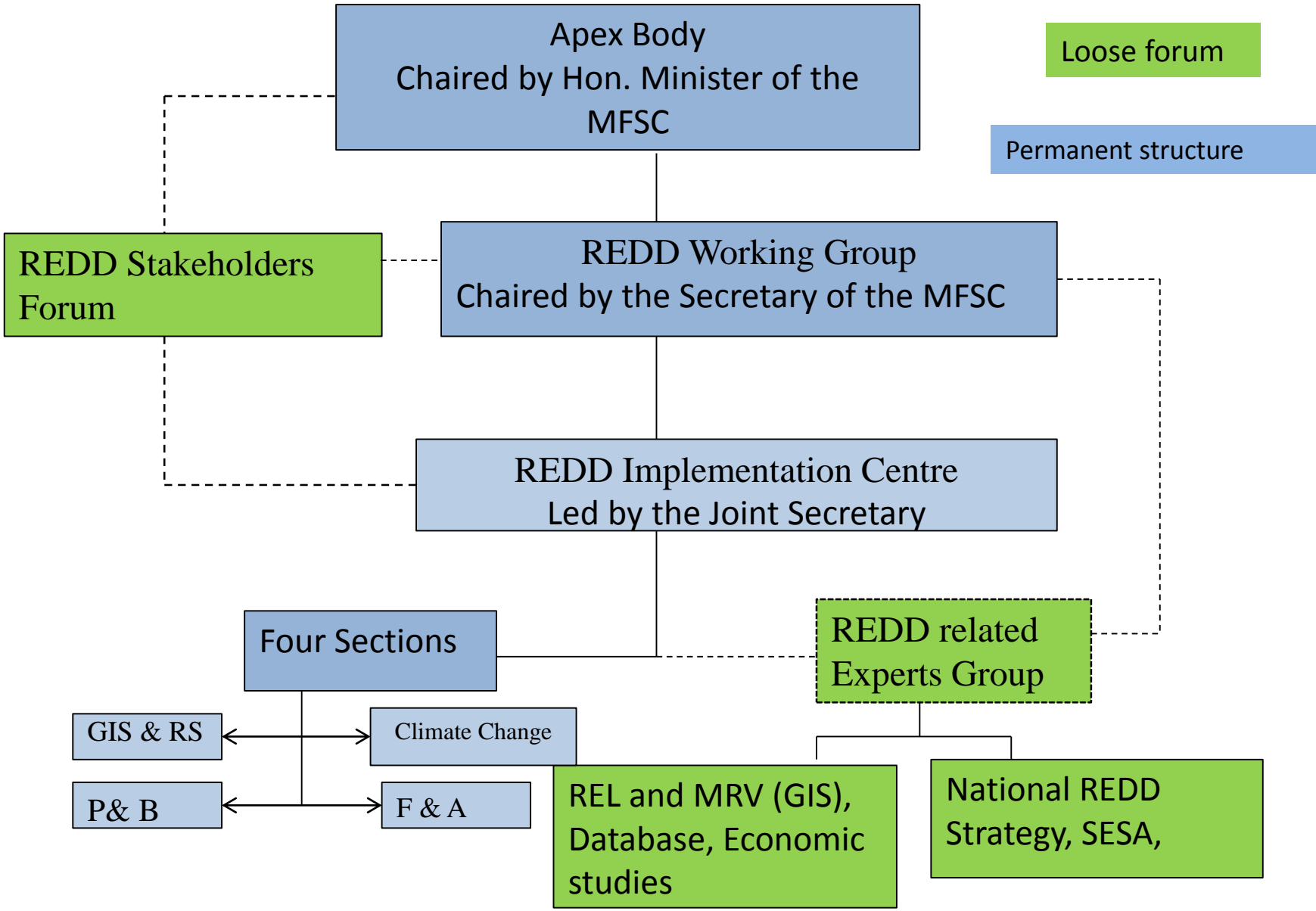
# Fund Management Capacity



Therefore, the Government of Nepal requests FCPF Participant Committee members for approval of an additional readiness fund of US\$ 5 million to implement proposed readiness activities

Thank You !!!!

# Institutional Structure of REDD Governance





# PC16 recommendations

| Recommendations  | How did we address?   |
|--|---|
| 1. Distinguish between IP and CSOs in the stakeholder engagement process;                                      | <ul style="list-style-type: none"> <li>• RWG meeting, multi-stakeholder forum,</li> <li>• REDD+SES, ERPD process</li> </ul>   |
| 2. Begin the development of M&E for non-carbon benefits;   | <ul style="list-style-type: none"> <li>• Development process is underway,</li> <li>• REDD+SES help developing the system</li> </ul>   |
| 3. Integration of the REDD+ strategy into the national low carbon development strategy;                        | <ul style="list-style-type: none"> <li>• Forestry as one of the six leading sectors for low carbon growth</li> </ul>  |
| 4. Maintain and enhance the openness and inclusiveness of the process in ERP                                   | <ul style="list-style-type: none"> <li>• Fifteen members committee formed</li> </ul>  |
| 5. Focus activities during the grant extension period more strategically on the development of the ER Program. | <ul style="list-style-type: none"> <li>• Awareness and capacity development process focused on ER</li> <li>• Study on Benefit sharing mechanism focused on ER area</li> </ul> |