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## ***Reducing Deforestation and Forest Degradation in Nepal:*** *An Environmental and Social Management Framework*

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**Strategic Environmental and Social Assessment (SESA)  
and Development of an Environmental and Social Management Framework (ESMF)**

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## ABBREVIATIONS

AMU	Assessment and Monitoring Unit
CAS	Country Assistance Strategy
CCBA	Climate, Community & Biodiversity Alliance
CSO	Civil Society Organization
DFCC	District Forest Coordination Committee
DFO	District Forest Office (Officers)
DiRWoG	District REDD Working Group
DOF	Department of Forests
DNPWC	Department of National Parks and Wildlife Conservation
DRPMU	District REDD+ Programme Management Unit
EIA	Environmental Impact Assessment
EMAP	Environmental Management Action Plan
EPA 1996	Environmental Protection Act 1996
EPR 1997	Environmental Protection Rules 1997
ESIA	Environmental & Social Impact Assessment
ESMF	Environmental and Social Management Framework
ER-PIN	Emission Reductions Program Idea Note
GAP	Gender Action Plan
IAIA	International Association of Impact Assessment
FCPF	Forest Carbon Partnership Facility
GAP	Gender Action Plan
GIS	Geographic Information System
GON	Government of Nepal
GRP	Grievance Redressal Panel
ICEM	International Centre for Environmental Management
ICOMOS	International Council on Monuments and Sites
IEE	Initial Environmental Examination
IESE	Initial Environmental & Social Examination
IIED	International Institute for Environment and Development

ILO	International Labour Organization
IP	Indigenous People
IPO	Indigenous People Organization
IPP	Indigenous People Plan
IPPF	Indigenous People Plan Framework
MOFSC	Ministry of Forests and Soil Conservation
MOSTE	Ministry of Science, Technology and Environment
NAPA	National Adaptation Programmes of Action for Climate Change
NGO	Non-Government Organization
OP	Operational Procedure
LAPA	Local Adaptation Programmes of Action for Climate Change
NGO	Non-Government Organization
OECD/DAC	Organisation for Economic Co-operation and Development/ Development Assistance Committee
OP	Operational Policy
PES	Payments for Ecosystem Services
RAP	Resettlement Action Plan
RDO	Regional Directorate Office
REDD	Reduce Emission from Deforestation and Degradation
RFO	REDD+ Focal Office
RMSF	REDD+ Multi-stakeholder's Forum
R&R	Resettlement and Rehabilitation
SchEMS	School of Environmental Science and Management
SEA	Strategic Environmental Assessment
SES	Social and Environmental Safeguard
SESA	Strategic Environmental and Social Assessment
TOR	Terms of Reference
UN	United Nations
UNESCO	United Nations Organization for Education, Science and Culture
UNFCCC	United Nations Framework Convention on Climate Change
VCDP	Vulnerable Communities Development Plan
VDC	Village Development Committee
WB	World Bank

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## EXECUTIVE SUMMARY

In September 2013, the REDD Forestry and Climate Change Cell (REDD Cell) of the Government of Nepal's Ministry of Forest and Soil Conservation (MFSC) commissioned a Strategic Environmental and Social Assessment (SESA) of the REDD+ Strategy (available as a separate report) together with an accompanying Environmental and Social Management Framework (ESMF) (this report).

### 1 Limitation of the ESMF

This document presents an Environmental and Social Management Framework (ESMF) for the implementation of Nepal's REDD+ Strategy. At the time of writing this draft ESMF, the REDD+ Strategy has yet to be developed. This sets a challenge for undertaking the SESA as well as preparing an ESMF in that there is nothing concrete in place to provide a clear focus for assessment, nor are there any agreed institutional structures and mechanisms for implementing the REDD+ strategy - against which an ESMF could be structured or framed. However, various institutional structures are discussed in an ER-PIN developed by the REDD Cell (draft dated 24 January 2014) which, it might be assumed, will be carried forward for implementing the REDD+ strategy. But this is not yet clear. The latter situation presents two key implications.

Firstly, the institutional structures and mechanisms for managing and implementing the ESMF will need to be embedded in those for managing and implementing the overall REDD+ strategy. We envisage that some initiatives under REDD+ will be national in orientation (eg harmonisation of legislation and policies, or provision of financial incentives); others may be undertaken at regional or landscape level, and yet others at district or local level. It is not clear what mechanisms will be established for such interventions. For the first two categories, we assume that interventions will be proposed and managed at national level. For district and local-level interventions, we assume that proposals will be solicited and developed at this level, screened, and then passed to the national level for consideration and approval. But given the uncertainties, those mechanisms that we suggest for the ESMF and for screening are tentative only.

Secondly, given that the content of the REDD+ Strategy is still to be determined, it is not possible to be certain about the types and location of projects likely to be proposed or initiated by government or other stakeholders to implement the strategy's objectives.

In this vacuum, following agreement with the REDD Cell, the Team prepared a **REDD+ Strategies Options Paper** which is discussed in detail in SESA report. It provides the basis for the assessment of impacts in SESA report. In the absence of any other alternative, we have used these strategic options in developing this ESMF to predict the types of interventions, activities or projects that might arise or be proposed if these options were included in the agreed REDD+ strategy.

In these circumstances, this ESMF should be regarded as indicative and it will need to be reviewed and revised once the REDD+ Strategy is finalised, when its areas of focus are known and, thus, it becomes feasible to gauge the range of actions that are likely to follow to implement the strategy's objectives.

### 2 Overview of the ESMF

The objective of this ESMF is to provide a framework for effective management of environmental and social issues in implementing the REDD+ Strategy. It seeks to both enhance environmental and

social development benefits of REDD+ actions and projects and mitigate any adverse impacts, in line with both GON laws, policies, regulations and safeguards for managing environmental and social issues related to development activities and World Bank and other relevant safeguard policies. Moreover, since the precise locations and potential impacts of future REDD+ related actions and projects are not yet known, and will not be identified prior to the appraisal of individual proposals, the ESMF provides the basis for the preparation of necessary environmental and social work, as needed at national level and for regional and district/local project activities and investments likely to be supported under the REDD+ Strategy.

The ESMF discusses institutional arrangements for its implementation, procedures and methodologies including a recommended screening process for interventions/projects to be implemented under the REDD+ Strategy. It also provides guidance on conducting environmental and social initial examinations (IESE) and environmental and social impact assessments (ESIA), conducting scoping for ESIA and identifying mitigation measures to prevent or minimise negative impacts.

The report sets out a mechanism for monitoring the environmental and social outcomes of implementing the REDD+ strategy and arrangements for relevant stakeholder participation in this process – which specifies appropriate roles and responsibilities; and provides an outline of the necessary reporting procedures for managing and monitoring environmental and social concerns related to project implementation;

Also included are summaries of key GON laws, policies and regulations and safeguards for managing environmental and social issues related to development activities and other safeguards (eg UNFCCC Cancun safeguards and World Bank safeguard policies); SES principles, standards and indicators.

Given the indicative nature of this ESMF and its limitations, *it is not at this stage possible to test the ESMF against World Bank safeguards, and only limited recommendations are made as regards technical assistance, training and a capacity-building strategy that will be required to successfully implement the provisions of the ESMF.* For the same reasons, it is not possible at this stage to determine a budget for implementing the ESMF.

Overall, the ESMF sets out the structures and procedures for undertaking environmental and social due diligence for REDD+ implementation.

Finally, an ESMF is a framework and can only address management issues at a broad scale. It cannot be more specific at this stage as the location and extent of projects to be implemented under REDD+ are not yet known. More detailed and focused management requirements to address environmental and social issues arising from specific and individual actions and projects to implement REDD+ will need to be dealt with under Environmental and Social Management Plans (ESMPs). The latter would be prepared through Environmental and Social Impact Assessments (ESIAs) of those activities/projects, where triggered by screening.

### 3 Institutional arrangement to implement the ESMF

Implementation of the REDD+ Strategy will require that appropriate and effective institutional structures and management mechanisms are in place at national, regional, district and local levels. It is assumed that, wherever possible, ***existing structures and mechanisms will be harnessed***, and strengthened where necessary. But ***some new ones may also be necessary***. There may also be a need to amend, harmonise, or even introduce new legislation, policies, rules and regulations to

enable effective implementation of the strategy. None of this is yet known given that the REDD+ strategy is yet to be developed. As an interim measure, we have linked our recommendations to the institutional structures indicated in the Emission Reductions Program Idea Note (ER-PIN) prepared for the proposed Emission Reduction Programme in Terai Arc Landscape Area.

It can be expected that **overall coordination** for REDD+ implementation will rest with the proposed new REDD Coordination Division within the Ministry of Forests and Soil Conservation (MoFSC) indicated in the ER-PIN. The institutional structures and mechanisms to implement the ESMF will need to be accommodated as an integrated part of these arrangements. They will also be required at national, regional, district and local levels. The ESMF describes key institutional, requirements, structures and responsibilities.

**At national level**, the key recommended is that an **Assessment and Monitoring Unit** (AMU) be established within the proposed REDD Coordinating Division of MoFSC, and recommendations for its role and responsibilities are made – including screening of proposals, liaison with MOSTE, other ministries/agencies and stakeholders (enabled by a coordination mechanism), monitoring and redressing grievances. There may be merit in establishing an **Assessment and Monitoring Advisory Group** to provide advice/guidance to the AMU, and help with training.

It is assumed that the **district level** structures proposed in the ER-PIN will also be proposed for REDD+ management and coordination: District REDD+ Programme Management Unit (DRPMU) – this will need strengthening to undertake environmental and social screening of proposals; REDD+ Focal Office (RFO) under the Regional Directorate Office (RDO); REDD+ Focal Office at the Department of Forest and Department of National Parks and Wildlife Conservation; REDD+ Multi-stakeholder's Forum (RMSF); and District Alliance of REDD+ CSO and IPO.

At the **local level**, Village Development Committees (VDCs) and Ilakas can play an important role in monitoring the implementation and outcomes of individual REDD+ projects, but working in an integrated manner.

#### 4 Screening of proposed REDD+ activities

It can be assumed that the REDD+ Coordinating Division will establish formal procedures for initiating proposals for REDD+ activities, and these will include proposal forms to be completed and submitted by proponents (whether on paper or electronically). It is suggested that such procedures/forms should include a suite of questions that **require proponents to provide advanced information concerning environmental and social issues** to facilitate formal screening. The ESMF proposes a list of such questions.

Screening of proposed projects/activities will need to be undertaken at several levels: national, regional and district. Recommendations are made for where **primary responsibility for screening** should lie at different levels.

#### 5 Strategic options and likely implementing activities projects

The SESA developed 14 strategic options as a basis for assessing potential environmental and social impacts. They are summarised in the ESMF to provide a framework for identifying possible projects that may be likely to be proposed to implement the REDD+ Strategy when developed and approved. Only options 1-10 are likely to result in activities or projects that might generate significant

environment and social impacts (positive or negative). Amongst these, the main ones that may cause **negative environmental impacts** (and thus may require an ESIA) are:

- Forest plantations in private forestry, in particular, where they are likely to be on a large scale.
- The establishment of industries for processing into timber, pulp and paper
- New industries and infrastructure for processing forest and non-forest products
- Projects to improve agricultural productivity.
- Biogas and other 'clean' energy

The main activities and projects that may cause **negative social impacts** (and thus may require an ESIA) are as follows:

- Land delimitation/demarcation and formalization of rights to land, forests and carbon
- Ecotourism for recreation and research – construction of buildings, access roads; settlement
- Expansion of protected areas to conserve endangered species on the IUCN Red List
- Projects to improve agricultural productivity
- Biogas and other 'clean' energy projects

## 6. Criteria for screening

Proposals to implement REDD+ (whether national-level interventions by government, regional programmes, district or local-level projects) will need to be screened against the following – and whichever contains the more stringent requirements should take precedence:

- Existing legal or policy requirements (eg Environmental Protection Act and Rules)
- Nepal's safeguard policies
- Relevant commitments under international agreements
- Other safeguards including UNFCCC Cancun safeguards and World Bank safeguard policies.

This initial screening step should be undertaken by the Assessment and Monitoring Unit (AMU) for national or regional level proposals (for the latter in collaboration with the Regional/Provincial REDD+ Focal Desks), and by the DRPMU for district- and local-level proposals.

**Questions** are provided:

- To use in determining whether a proponent will be required to undertake an IESE or ESIA for a proposal (as a formal requirement of Nepal's Environmental Protection Rules) or whether no further action is required other than perhaps developing an Environmental and Social Management Plan (ESMP) to cover some minor issues.
- to help determine whether a Resettlement Action Plan (RAP), Vulnerable Community Development Plan (VCDP), or Gender Action Plan (GAP) is required to be prepared by a proponent.
- for other non-project proposed interventions or actions that are broader in scope – likely to be proposed by government at national or perhaps regional level, - and to be addressed by the AMU in consultation with the Regional REDD+ Focal Desk.

An **environmental screening format** is suggested for organising the information required in addressing these questions

## 7 Conducting IESEs and ESIA for REDD+ proposed projects

Screening will identify those proposals which require **an Initial Environmental and Social Examination** (IESE) and those which require **an Environmental and Social Impact Assessment** (ESIA). Such screening will need to accord with the requirements of the Nepal's Environmental Protection Act (EPA) (1996) and Environment Protection Rules (EPR) (1997). These make Initial Environmental Examination (IEE) and Environmental Impact Assessment (EIA) mandatory for both government and private sector prescribed projects

The environmental assessment requirements of various Acts are described together with various existing **guidelines prepared for impact assessment** in Nepal.

## 8 Scoping and mitigation

Scoping is undertaken prior to setting the terms of reference for ESIA. A set of questions is provided that can be addressed to help determine what may need to be addressed by proponents in an ESIA and when preparing a Resettlement Action Plan (RAP), Vulnerable Community Development Plan (VCDP), or Gender Action Plan (GAP) that has been signalled as necessary.

IESEs and ESIA should identify and provide recommendations regarding mitigation measures to prevent, minimise or offset negative environmental or social impacts that are assessed to be likely as a consequence of implementing particular projects or activities. Tables are included that list indicative mitigation measures for the main impacts that the SESA has identified to be possible when implementing the strategic options.

## 9 Monitoring environmental and social aspects of implementing the REDD+ strategy

**Internal monitoring** (conducted as part of REDD+ implementation) should be applied to various aspects of the ESMF including:

- the project screening process (to ensure it is working effectively and efficiently),
- environmental and social monitoring of REDD+ project/activity implementation in terms of
  - changes to baseline conditions,
  - compliance with required protection and compensatory measures, and with recommendations made by environmental and social studies carried out for the project such as IESE, ESIA, RAP, GAP, VCDP etc,
  - environmental or social impacts, particularly to ensure that they do not exceed expected limits,
- ensuring that necessary safeguard measures have been duly implemented and the efficacy of mitigation measures, and suggesting further mitigation measure to control impacts, where needed;
- implementation of training and capacity building.

**External monitoring** would also be helpful, undertaken as an independent process on a periodic basis (say every 5 years) as part of a periodic review of progress of the overall REDD+ process in Nepal.

Monitoring is also required to enable Nepal to meet its international commitments.

The Assessment and Monitoring Unit (AMU) and REDD+ Coordination Division will need to develop a detailed set of **monitoring and reporting guidelines**.

The environmental and social performance of the REDD+ strategy and activities/ projects arising from its implementation have to be monitored. The monitoring is proposed to be carried out at (a) National Level by AMU and (b) at district level by DRPMU. Detailed recommendations on responsibilities and modalities are made. Monitoring should cover

- **Baseline monitoring** - needed to collect data on environmental resources and social setting of the project area prior to the implementation of the project;
- **Compliance Monitoring** - to ensure that environment and social protection and compensatory measures are complied with;
- **Impact Monitoring** - focusing on each predicted impact and the effectiveness of proposed mitigation measures which may include slope stability, watershed condition, spoil disposal area, forest condition and compensatory plantation etc.

In the absence of the actual REDD+ strategy, and thus clarity on its elements and likely activities to implement it, it is premature to consider in any detail possible **indicators** to be tracked during monitoring. Suggested draft indicators have already been made under independent work to propose REDD+ Social and environmental standards (SES) for Nepal as part of an information system to show that Cancun (and other[]) standards have been addressed as per UNFCCC decisions to which the government of Nepal is committed (discussed in section 6.4 of the ESMF). Only some of these proposed indicators will be relevant to REDD+ strategy implementation. Once the content of REDD+ strategy becomes clear, these indicators should be taken into account along with other possible indicators relevant to likely implementation activities as a basis for monitoring. In developing indicators it will also be necessary to ensure that they are realistic (ie that the necessary information is likely to be available or capable of being gathered) and to identify roles and responsibilities in this regard. Table 5.2.1 in the ESMF provides a few examples of possible indicators to illustrate (only) the kind of indicators that might be appropriate and how they can be measured.

**Free prior and informed consent** (FPIC) need to be included in the design and implementation of REDD+ projects. Detailed information about the project and potential impacts should be provided to potentially affected communities. The information should be in a language that is accessible to the different target groups to allow informed discussions and decisions thereafter. Ample time (possibly three months) should be allocated to ensure that affected groups can have internal consultations and seek advice to better understand what is at stake.

Upon consent for REDD+ projects to be implemented, there is also need to establish a timeline for monitoring the implementation of the agreement and to monitor the impacts that would have been jointly identified. So FPIC needs to be incorporated not as a one off event, but as a continuous process of engagement, negotiation and adaptation of the plans for mitigating negative impacts.

A **social accounting mechanism** should be promoted within the environmental and social monitoring framework of the REDD+ strategy. A key approach will be to enable **feedback from stakeholders**. The participatory processes are proposed to guide either one of (a) social audit, (b) citizen score card and (c) report card or combination of these (as needed). Feedback acquired from these processes should be used to evaluate performance of projects and activities under REDD+ and also record citizens' recommendations for improvement. The participatory process needs to be linked with the existing "Ward Citizens' Forum" within the local self-governance.

There should be a **joint monitoring framework** with specified criteria and indicators. Monitoring should aim to ensure equality and equity.

Currently there is limited experience and practice in environmental and social monitoring in Nepal. It will therefore be necessary to include a package of **appropriate awareness-raising and skills training** to enable an effective monitoring and evaluation system to be established to support ESMF implementation. Table 7.in the ESMF 1 provides an indication of which institutions will require such training, including with regard to monitoring, to fulfil their potential roles in ESMF implementation.

## 10 International conventions and safeguards

The ESMF describes a range of international conventions and safeguards to which Nepal subscribes that contain commitments relevant to REDD+ strategy implementation:

- The UNFCCC Cancun safeguards, 2010
- ILO Convention on Indigenous and Tribal Peoples, 1989
- Cultural Heritage Management Framework (various international conventions, charters, declarations and recommendations)
- Nepal's social safeguards:
  - Resettlement and Rehabilitation Policy Framework
  - Vulnerable Community Development Framework
  - Policy initiatives and Acts protecting indigenous people
  - Gender Action Plan
- World Bank safeguard policies
  - OP 4.01 – environmental assessment
  - OP 4.04 – natural habitats
  - OP 4.36 – forests
  - OP 4,10 – indigenous people
  - OP 4.12 – involuntary resettlement
  - OP 4.11 – physical cultural resources
- Nepal-specific environmental and social safeguards
  - Social and environmental standards (SES)

## 11 Institutional needs for implementing ESMF

Based on the institutional analysis presented in section 3.6 of the SESA report, the general capacity development and training needs of the key organisations likely to be involved in ESMF are listed in Table 7.1 of the ESMF. Some recommendations concern the need to establish new sections, or activate currently dormant sections, within institutions to address environment and/or social concerns in ESMF implementation, and to appoint new members of staff with appropriate qualifications or experience. This will need discussion between the proposed REDD+ Coordinating Division in MoFSC and those institutions to determine how such internal institutional arrangements can be manifested. Therefore, at this stage, it is not possible to estimate budget requirements for this.

Other recommendations concern the provision of training on how staff of various institutions at all levels can support ESMG implementation. Until the overall institutional architecture and modalities for REDD+ implementation is finalised, it is not possible to propose a strategy or learning plan on the detailed capacity-building that will be required for effective ESMF implementation, or the required format or content of training or to develop an appropriate budget, what technical assistance or capacity-building will be needed. However, any technical assistance to train the AMU, MoSTE and other line agencies, and District REDD+ Management Unit should mainly be provided by existing Nepali environmental and social impact assessment experts.

# 1 INTRODUCTION

## 1.1 BACKGROUND TO REDD+ AND NEPAL'S PROCESS TO DATE

Reducing Emissions from Deforestation and Forest Degradation (REDD) is evolving as a means to create a financial value for the carbon stored in forests, offering incentives for developing countries to reduce emissions from forested lands and invest in low-carbon paths to sustainable development. REDD+ goes beyond deforestation and forest degradation, and includes the role of conservation, sustainable management of forests and enhancement of forest carbon stocks. REDD is also seen as delivering 'co-benefits' such as biodiversity conservation and poverty alleviation. REDD is being promoted strongly by the World Bank and UN as a means to set up the bases for the carbon market and the legal and governance frameworks of countries receiving REDD payments. Activities can be undertaken by national or local governments, NGOs, the private sector, or any combination of these.

The World Bank's Forest Carbon Partnership Facility (FCPF) is assisting Nepal with financial and technical support to develop and apply strategies to address the drivers of deforestation and forest degradation.

Nepal is one of the countries participating in the FCPF REDD+ Readiness Fund and is currently implementing the REDD+ Readiness Programme. As a part of this process, in September 2013, the REDD Forestry and Climate Change Cell (REDD Cell) of the Government of Nepal's Ministry of Forest and Soil Conservation (MOFSC) engaged a consultancy consortium to undertake a Strategic Environmental and Social Assessment (SESA) of the REDD+ Strategy and develop an Environmental and Social Management Framework (ESMF). The consortium members are the International Centre for Environmental Management (ICEM), the International Institute for Environment and Development (IIED), the School of Environmental Science and Management (SchEMS), affiliated to Pokhara University.

## 1.2 LIMITATIONS, AIMS, SCOPE AND STRUCTURE OF ESMF

This document presents an Environmental and Social Management Framework (ESMF) for the implementation of Nepal's REDD+ Strategy. At the time of writing this draft ESMF, the REDD+ Strategy has yet to be developed. This sets a challenge for undertaking the SESA as well as preparing an ESMF in that there is nothing concrete in place to provide a clear focus for assessment, nor are there any agreed institutional structures and mechanisms for implementing the REDD+ strategy - against which an ESMF could be structured or framed. However, various institutional structures are discussed in an ER-PIN developed by the REDD Cell (draft dated 24 January 2014) which, it might be assumed, will be carried forward for implementing the REDD+ strategy. But this is not yet clear. The latter situation presents two key implications.

Firstly, the institutional structures and mechanisms for managing and implementing the ESMF will need to be embedded in those for managing and implementing the overall REDD+ strategy. We envisage that some initiatives under REDD+ will be national in orientation (eg harmonisation of legislation and policies, or provision of financial incentives); others may be undertaken at regional or landscape level, and yet others at district or local level. It is not clear what mechanisms will be established for such interventions. For the first two categories, we assume that interventions will be proposed and managed at national level. For district and local-level interventions, we assume that proposals will be solicited and developed at this level, screened, and then passed to the national level for consideration and approval. But given the uncertainties, those mechanisms that we suggest for the ESMF and for screening are tentative only.

Secondly, given that the content of the REDD+ Strategy is still to be determined, it is not possible to be certain about the types and location of projects likely to be proposed or initiated by government or other stakeholders to implement the strategy's objectives.

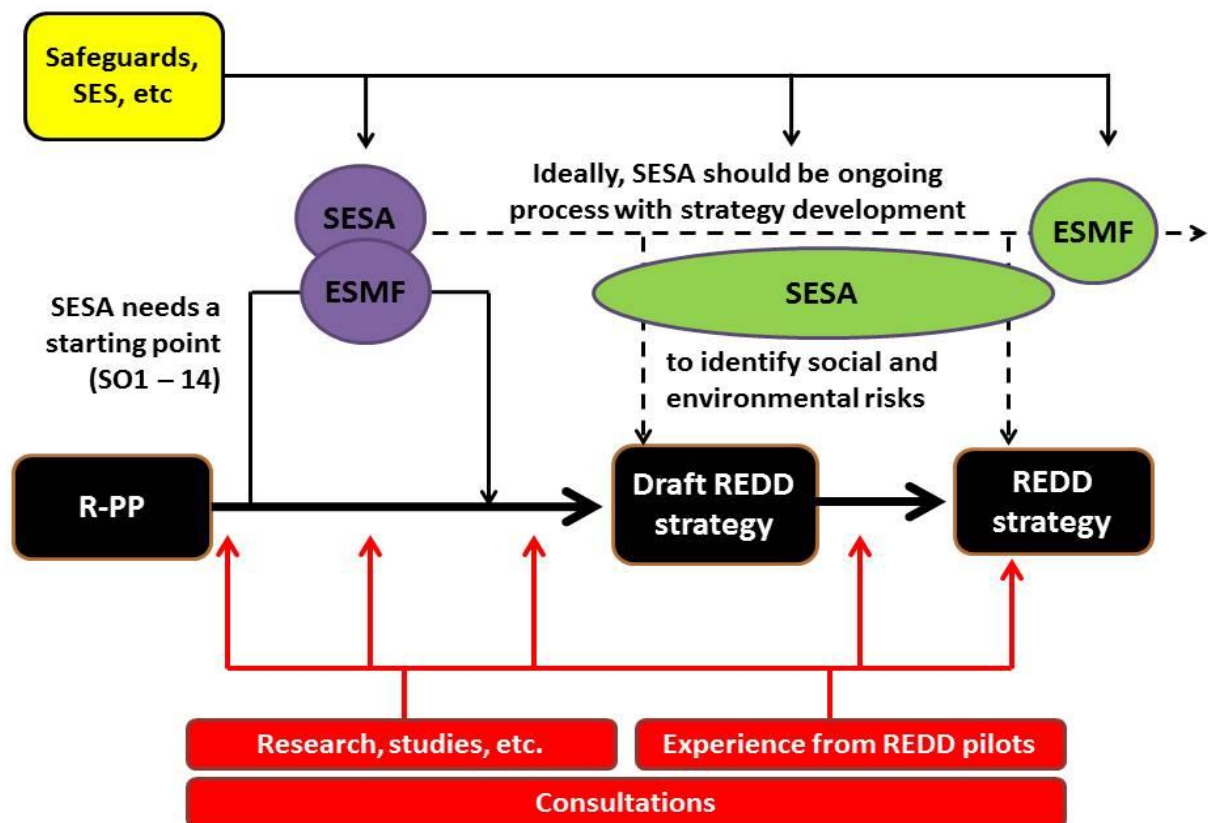


In this vacuum, following agreement with the REDD Cell, the Team prepared a **REDD+ Strategies Options Paper** during the inception phase of the SEA (Phase 1) (see section 1.3 for details). These options are discussed in detail in Chapter 4 of the draft SESA report and provide the basis for the assessment of impacts (in Chapter 5 of the draft SESA report. In the absence of any other alternative, we have used these strategic options in developing this ESMF to predict the types of interventions, activities or projects that might arise or be proposed if these options were included in the agreed REDD+ strategy.

In these circumstances, this ESMF should be regarded as indicative and it will need to be reviewed and revised once the REDD+ Strategy is finalised, when its areas of focus are known and, thus, it becomes feasible to gauge the range of actions that are likely to follow to implement the strategy's objectives.

Figure 1.1 illustrates the process of developing both the SESA and the ESMF, and the inputs to both in relation to the process of developing the REDD+ strategy itself.

**Figure 1.1: SESA and ESMF development in relation to the REDD+ strategy**



The objective of this draft ESMF is to provide a framework for effective management of environmental and social issues in implementing the REDD+ Strategy. It seeks to both enhance environmental and social development benefits of REDD+ actions and projects and mitigate any adverse impacts, in line with both GON laws, policies, regulations and safeguards for managing environmental and social issues related to development activities and World Bank and other relevant safeguard policies. Moreover, since the precise locations and potential impacts of future REDD+ related actions and projects are not yet known, and will not be identified prior to the appraisal of individual proposals, the ESMF provides the basis for the preparation of necessary

environmental and social work, as needed at national level and for regional and district/local project activities and investments likely to be supported under the REDD+ Strategy.

The draft ESMF discusses several elements that were outlined in the Terms of Reference (Tasks 8-11 in Appendix 1):

**Institutional arrangements** for implementing the ESMF;

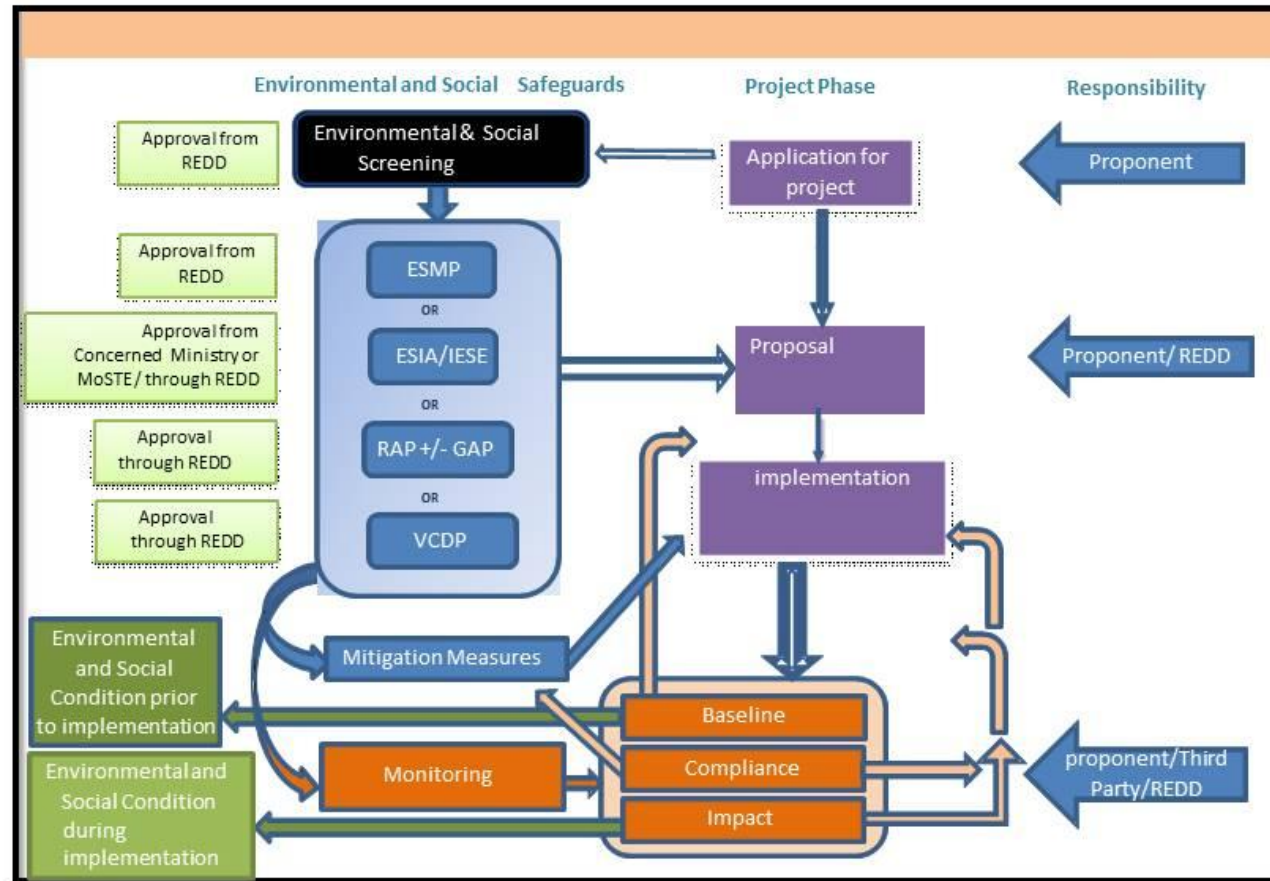
- **Procedures and methodologies** for the environmental and social assessment, review, approval and implementation of interventions, activities/projects to be implemented under the REDD+ Strategy: These include:
  - A **screening process** to determine: (a) which interventions/projects will likely have moderate or significant environmental and social impacts and which will therefore require environmental and social assessment (either initial or full), or will likely require other responses such as the preparation of resettlement action plans (RAPs), Vulnerable Community Development Plan (VCDP) or Gender Action Plan (GAP); and (b) those interventions/projects which are more environmentally and socially benign and can proceed to further consideration without such assessment or response. Such screening will signal where potential environmental and social risks may arise and, through the assessment and response steps, trigger consideration of measures to avoid, minimise or mitigate them, as well as indicating where monitoring procedures of outcomes should particularly focus.
  - Guidance on conducting environmental and social initial examinations (IESE) and **environmental and social impact assessments** (ESIA), conducting **scoping** for ESIA and identifying **mitigation measures** to prevent or minimise negative impacts.
- A mechanism for **monitoring the environmental and social outcomes** of implementing the REDD+ strategy and arrangements for relevant **stakeholder participation** in this process – which specifies appropriate **roles and responsibilities**; and an outline of the necessary **reporting procedures** for managing and monitoring environmental and social concerns related to project implementation;
- Summaries of key GON **laws, policies and regulations** and **safeguards** for managing environmental and social issues related to development activities and other safeguards (eg UNFCCC Cancun safeguards and World Bank safeguard policies); SES principles, standards and indicators.

Given the indicative nature of this draft ESMF and its limitations due to the actual REDD+ strategy not yet being developed, it is not at this stage possible to test the ESMF against World Bank safeguards, and only limited recommendations are made as regards **technical assistance, training and a capacity-building strategy** that will be required to successfully implement the provisions of the ESMF. For the same reasons, it is not possible at this stage to determine a **budget** for implementing the ESMF.

Overall, the ESMF aims to set out the structures and procedures for undertaking environmental and social due diligence for REDD+ implementation. Figure 1.2 provides an overview of how the interlocking elements relate to each other. They are described in the subsequent sections of this ESMF.

Finally, an ESMF is a framework and can only address management issues at a broad scale. It cannot be more specific at this stage as the location and extent of projects to be implemented under REDD+ are not yet known. More detailed and focused management requirements to address environmental and social issues arising from specific and individual actions and projects to implement REDD+ will need to be dealt with under Environmental and Social Management Plans (ESMPs). The latter would be prepared through Environmental and Social Impact Assessments (ESIAs) of those activities/projects, where triggered by screening.

Figure 1.2: Environmental and social due diligence for REDD+ implementation



ESMP : Environmental & Social Management Plan  
 ESIA : Environmental & Social Impact Assessment, IESE : Initial Environmental & Social Examination,  
 RAP : Resettlement Action Plan, GAP: Gender Action Plan; VCDP : Vulnerable Community Development Plan

## 2 SUMMARY OF RECOMMENDED INSTITUTIONAL ARRANGEMENTS TO IMPLEMENT THE EMSF

Implementation of the REDD+ Strategy will require that appropriate and effective institutional structures and management mechanisms are in place at national, regional, district and local levels. It is assumed that, wherever possible, existing structures and mechanisms will be harnessed, and strengthened where necessary. But some new ones may also be necessary. There may also be a need to amend, harmonise, or even introduce new legislation, policies, rules and regulations to enable effective implementation of the strategy. None of this is yet known given that the REDD+ strategy is yet to be developed. As an interim measure, we have linked our recommendations to the institutional structures indicated in the Emission Reductions Program Idea Note (ER-PIN) prepared for the proposed Emission Reduction Programme in Terai Arc Landscape Area, and submitted by the REDD Cell to the Forest Carbon Partnership Facility (FCPF) Carbon Fund (draft dated 24 January 2014) (see Figure 2.1). It is assumed that whilst these structures are yet proposals, they indicate the thinking of the REDD Cell.

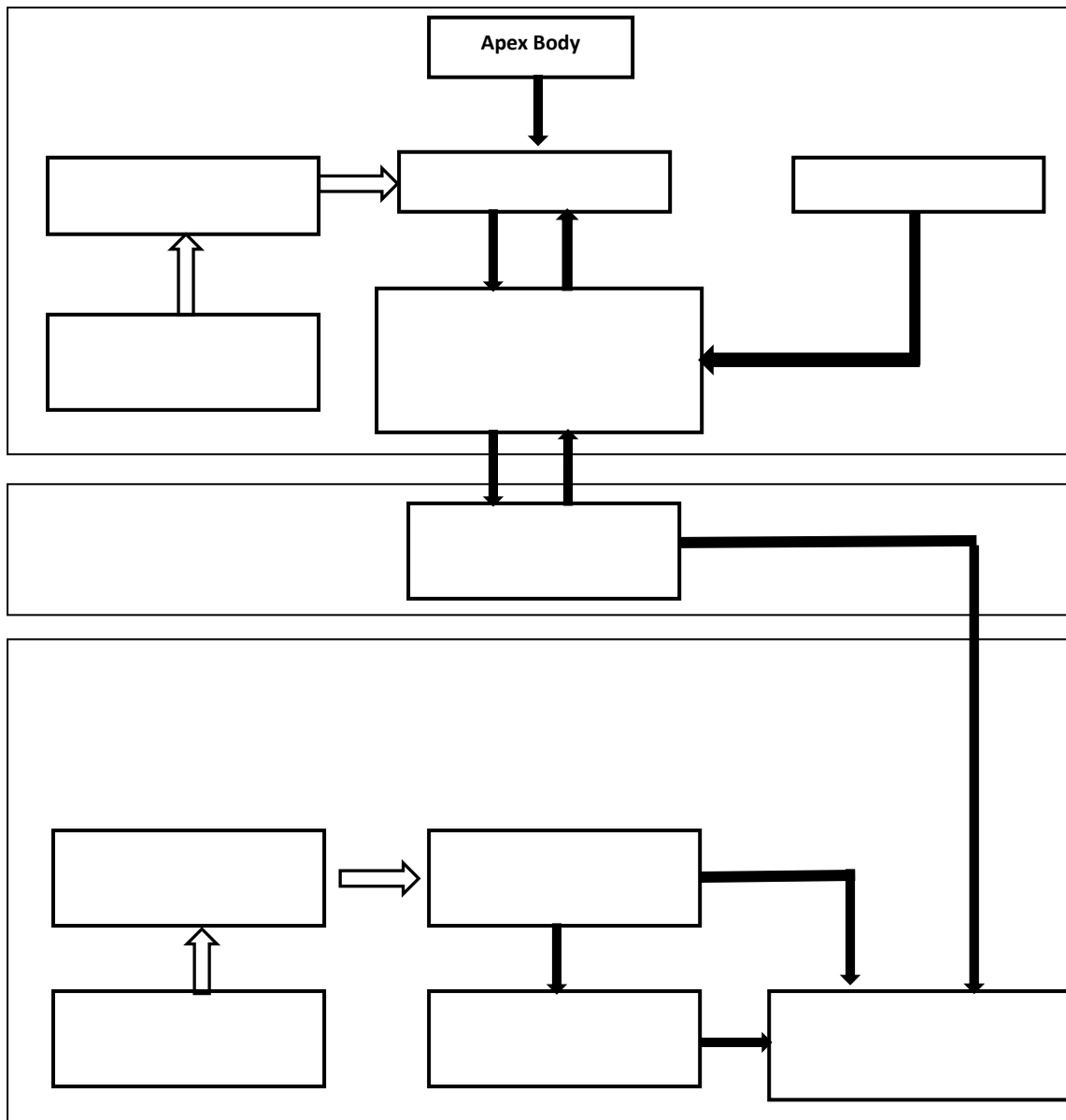
It can be expected that overall coordination for REDD+ implementation will rest with the proposed new REDD Coordination Division within the Ministry of Forests and Soil Conservation (MoFSC) indicated in the ER-PIN. The institutional structures and mechanisms to implement the EMSF will need to be accommodated as an integrated part of these arrangements. They will also be required at national, regional, district and local levels. The key structures and their responsibilities are listed in Table 2.1.

### 2.1 NATIONAL LEVEL

It is recommended that an **Assessment and Monitoring Unit** (AMU) be established within the proposed REDD Coordinating Division of MoFSC. Its main roles would be to:

- Establish and manage a process and mechanisms for the **environmental and social screening** of REDD+ activities and projects proposed to be included in annual work plans/programmes – at national, regional and district levels (see section 3 for recommendations on screening).
- Establish close **liaison with the Ministry of Science, Technology and Environment** (MoSTE) with regard to setting TOR and providing guidance for Environmental and Social Impact Assessments (ESIAs) required for particular REDD+ projects (see Chapter 4 for our recommendations regarding ESIAs for proposed REDD+ projects); and **liaison with other ministries/line agencies** relevant to REDD+ implementation that have formal responsibilities for particular actions (eg Resettlement Action Plans, Vulnerable Community Development Plan, Gender Action Plan) or that are likely to provide technical or other inputs.
- Establish and manage a process and mechanisms for **monitoring the environmental and social outcomes of agreed and implemented REDD+ interventions, activities and projects** – at national, regional, district and local levels (see Chapter 5 for our recommendations regarding monitoring);
- Establish and manage a mechanism for **grievance redressal** for the implementation of the REDD+. Our recommendations in this regard are set out in Box 2.1.

**Figure 2.1: National, regional and institutional arrangements for the ER-PIN**  
 (Source: REDD Cell 2014)



**Table 2.1: Possible institutional arrangements and responsibilities for ESMF implementation**

	Institution	Responsibilities
<b>National level</b>	Assessment and Monitoring Unit (AMU) – within REDD+ Coordinating Division of MoFSC	<ul style="list-style-type: none"> <li>• Screening of REDD+ activities at national level</li> <li>• Liaison with MOSTE for ESIA procedure</li> <li>• Liaison with other relevant ministry and institutions for RAP, VCDP, GAP.</li> <li>• Monitoring and evaluation</li> <li>• Act as Member Secretary to a Grievance Redressal Mechanism for national/regional REDD+ projects/activities, and facilitate the tabling of grievances by affected parties.</li> <li>• Information management system</li> <li>• Capacity building</li> <li>• Coordinating mechanism – to align work on environmental</li> </ul>

	Institution	Responsibilities
		and social issues related to REDD+ implementation. <ul style="list-style-type: none"> <li>• Assessment &amp; Monitoring Advisory Group</li> <li>• Coordination with REDD+ Working Group (through REDD+ Coord, Div)</li> </ul>
<b>District level</b>	Environmental and social section within District REDD+ Program Management Unit (DRPMU)	<ul style="list-style-type: none"> <li>• Screening of sub-projects at district and local level</li> <li>• Capacity building of local stakeholders</li> <li>• Support/facilitate stakeholders</li> <li>• Monitoring and evaluation</li> <li>• Act as Member Secretary to a Grievance Redressal Mechanism for district and local REDD+ projects/activities, and facilitate the tabling of grievances by affected parties.</li> <li>• Reporting to AMU</li> <li>• Liaison with District REDD+ Working Group</li> </ul>
<b>Local level</b>	VDC and Ilaka (environmental and social capacity building)	<ul style="list-style-type: none"> <li>• Informing people of REDD+ programmes</li> <li>• Motivating local communities to develop projects</li> <li>• Helping in proposal writing, including completing required environment and social screening information</li> <li>• Assisting and facilitating on environmental and social assessment, when required;</li> <li>• Monitoring of REDD+ projects</li> <li>• Facilitate tabling grievances to the district-level grievance redressal mechanism</li> </ul>

### Box 2.1: Grievance redressal

Social accountability will need to be strengthened through an effective Grievance Redressal Mechanism. It is proposed that a Grievance Redressal Panel (GRP) be set up at the central and district levels. Its functions should include:

- redressing grievances of project affected persons (PAPs) in all respects;
- rehabilitation and resettlement (R&R) assistance and related activities;
- dealing with or hearing issues related to R&R and individual grievances;
- giving its decision/verdict within 15 days after hearing the aggrieved PAPs;
- the final verdict of the GRP will be given by the Chairperson/Head of GRP in consultation with other members of the GRP and will be binding on all other members.
- A grievance record file will be maintained in the GRP where all written and oral grievances will be filed and recorded.
- The GRP will need its own by-laws.

The Ilaka and VDC should facilitate communities/individuals to identify and articulate grievances at the local level and the tabling of issues with the district-level GRP, chaired by the Chief District Officer. Its Member Secretary should be from the District REDD+ Programme Management Unit (DRPMU). Other members of the GRP should include district-level representatives from government line agencies, the CSO/IPO Alliance and others as appropriate.

At the central level, a senior member of the REDD Coordination Division with the authority to make decisions should head the GRP. The social development specialist of the Assessment and Monitoring Unit (AMU) should act as member secretary of the GRP. Other panel members should include representatives of government line agencies and CSO/IPO Alliance who are members of the REDD Working Group.

- It is assumed that overall REDD+ Strategy implementation will include the establishing of an overall **Information Management System**. It is further assumed that this system will also incorporate a 'Safeguards Information System (SIS) requested under UNFCCC agreements.

Recommendations for REDD SES (see section 7.4) will also contribute to such a system. As part of this overall system, we recommend that the AMU establish a mechanism to gather, store (in a database) and manipulate relevant information – particularly on environmental and social outcomes - to support analysis and the preparation of monitoring reports and reviews, etc.

- Provide directly, and/or supervise the provision by others (eg. professionals with expertise in environmental and social assessment in Nepal), of **training for the operation of the system** at national, regional, district and local levels (VDC and Ilaka) (see Chapter 7 for our recommendations regarding training).

Liaison should be reinforced by establishing a **coordinating mechanism** (with representatives from MoFSC (particularly the proposed AMU), MoSTE, other relevant line agencies and experts. This national level mechanism would be tasked to align work on environmental and social issues related to REDD+ implementation.

Liaison will also be necessary with all relevant **stakeholders** (through the REDD+ Coordinating Division of MoFSC). The ER-PIN structure (Figure 2.1) suggests that such liaison should be arranged with the REDD+ National Working Group. Consideration will need to be given to the membership of this body to ensure that it adequately reflects all relevant stakeholders – from government, private sector and civil society (CSOs, IPs, etc).

There may be merit in establishing an **Assessment and Monitoring Advisory Group** to provide advice/guidance to the AMU, and help with training – particularly in the first 2-3 years of its operation. Such a Group would include professional experts with experience of environmental and social assessment and monitoring in Nepal.

## 2.2 DISTRICT LEVEL

It is assumed that the district level structures proposed in the ER-PIN will also be proposed for REDD+ management and coordination. These are described in Box 2.2.

### Box 2.2: Likely regional and district-level structures for REDD+ management

In each district, a **District Forest Coordination Committee** (DFCC) will play similar role to the REDD Apex Body at national level. Its membership will have 30% representation from government line agencies including District Forest Office (DFO), 22% from local government (DDC, Municipality and VDC associations), 29% from civil society (NGOs, CSOs and User Groups), 15% from political parties (nationally recognized political parties functioning at district level), and 4% from the private sector (business federations and forest based industries).

Reporting to the DFCC (and acting as a subset) will be a **District REDD Working Group** (DiRWoG) that will proactively provide innovative ideas, assist in implementation of REDD+ activities, and monitor program activities. Disclosure of its activities and achievements will be made through publications on a web site, production and distribution of extension materials and discussions in the REDD Multi-stakeholder forum at district level and other consultative workshops. The draft ER-PIN proposes that the DiRWoG will have 14 members, representing district level government agencies, community based organizations, IPs, women, and dalits [comment: the private sector will also need to be represented]. The DiRWoG will be chaired by the coordinator of the Forestry Committee under the District Development Committee.

A **District REDD+ Programme Management Unit** (DRPMU) will be established under the District Forest Office (DFO). It will play the similar role to the current REDD Cell at national level. The DRPMU will have lead responsibility for coordinating REDD+ activities at district level among diverse stakeholders. It will convene periodic DiRWoG meetings (the ER-PIN suggests every two months). The DRPMU will be staffed by a forest officer, two rangers, and one account keeper [Note: this ESMF proposes that the DRPMU should also have an Environment Officer and a Social Officer]. The DFO will provide guidance and supervision to the Unit.

To coordinate REDD+ among districts, a **REDD+ Focal Office** (RFO) will be created **under the Regional Directorate Office** (RDO). The RFO will have three staff: one Under Secretary, one forest officer, and one ranger. The RFO will have several functions:

- Ensure coordination among districts of REDD+ implementation;
- Provide advice and guidance to DRPMUs;
- Liaise with the REDD Coordination Division of MoFSC, Department of Forests (DOF) and Department of National Parks and Wildlife Conservation (DNPWC) regarding technical guidance and advice.
- Monitor REDD+ implementation in the districts
- Report to REDD Coordination Division and DOF/DNPWC on REDD+ implementation management in the districts.

To complement the role played by the RFO, there will also be a **REDD+ Focal Office at the Department of Forest and Department of National Parks and Wildlife Conservation**. This will liaise with REDD Coordination Division and RFOs, and communicate directly with the DRPMUs as needed, playing several roles:

- Ensure coordination among districts on REDD+ activities;
- Provide advice and guidance to DRPMUs;
- Liaise with the REDD Coordination Division and RFO at DOF and DNPWC, as needed, regarding technical guidance and advice.
- Monitor the implementation of REDD+ activities in the districts;
- Report to the REDD Coordination Division and DOF/DNPWC on the management of implementing REDD+ activities in the districts.

In addition to the above formal institutional arrangements, a **REDD+ Multi-stakeholder's Forum (RMSF)** will be created which will function as the principal outreach and communication platform in each district. DRPMU will coordinate and provide secretariat services for the RMSF's activities. The Forum will include representatives primarily from district chapters of the National REDD+ Multi-stakeholder Forum involving the private sector, civil society, media, government organizations, community-based organizations, local and international NGOs, donors, academia, research organizations, and all stakeholders interested in the Climate Change and REDD+ process. The Forum will increase stakeholder access to information and enhance their role in decision-making. The involvement of different stakeholders will aim to ensure transparency and accountability in REDD+ management. The Forum will also provide feedback to the DRPMU regarding REDD+ management.

Similarly, the REDD Coordination Division will facilitate the creation of a **District Alliance of REDD+ CSO and IPO** in each district, which will perform similar function as that of National REDD+ CSO & IPO Alliance. This will serve as a platform for CSO and IPOs interested in REDD+ to:

- discuss and develop a common understanding on REDD+ on behalf of CSOs and IPOs in the district;
- empower and build capacity of CSOs and IPOs in contemporary issues related to REDD+ in the district;
- provide support and advice to the DRPMU on REDD+ activity management;
- provide suggestions/feedback on REDD+ policy processes through DRPMU and national REDD+ CSO and IPO Alliance.

*Source: REDD Cell (2014)*

The proposed District REDD+ Programme Management Units (DRPMU) will need strengthening to handle environmental and social concerns.

It is assumed the majority of proposals for project-level activities to implement REDD+ will be solicited at district level. These will need to be screened: for their suitability to receive REDD+ financial support; for their compliance with REDD+ strategy objectives and focus areas; and particularly for their likely environmental and social impacts (both positive and negative). Given the complexity and diversity of environmental and socio-cultural conditions in Nepal, and the likely high volume of proposals that may be forthcoming, it would make sense for such screening (at least preliminary screening) be carried out at district level, even if final approval is given at national level.

During the team's consultations with district authorities and stakeholders, it was recommended that, in each District, an independent, inclusive Joint REDD+ Consultative Body needs to be established - consisting of experts, officials and others from (a) district level related government line agencies, (b) FECOFUN, ACOFUN, CFUGs, Leasehold Forestry etc., and (c) civil society, media, and CBOs, mothers/women' groups. Such a group could meet regularly (say quarterly) to discuss REDD+



progress, proposals in the pipeline, progress and outcomes. These bodies could be linked as a national network to facilitate communication and learning and build on the experience of the existing REDD+ network of REDD pilots. The district REDD+ Multi-stakeholder's Forum proposed in the ER-PIN would seem to satisfy this need.

In this draft ESMF, it is recommended that, in order to carry out **environmental and social screening** of proposed REDD+ activities, each District REDD+ Programme Management Unit will need strengthening with two staff: one with environmental and another with social technical expertise. Recommendations for their training are discussed in Chapter 7.

**District Management Plans** should be prepared so that they support REDD+ and incorporate planned REDD+ projects

**A grievance redressal mechanism** will need to be operated at district level (see Box 2.1).

### 2.3 LOCAL LEVEL

At the local level, Village Development Committees (VDCs) and Ilakas can play an important role in monitoring the implementation and outcomes of individual REDD+ projects, but working in an integrated manner. Their roles would be:

- Informing people of REDD+ programmes and motivating local communities to develop projects – helping in proposal writing, including completing required environment and social screening information;
- Assisting and facilitating the subsequent process of environmental and social assessment, when required;
- Undertaking environmental and social monitoring of REDD+ projects and verifying self-monitoring undertaken by project implementers.

In addition, the VDC can facilitate tabling grievances to the District-level grievance redressal mechanism.

## 3 SCREENING OF PROPOSED REDD+ ACTIVITIES

### 3.1 INTRODUCTION

As already noted, the REDD+ Strategy has not yet been developed. But it is clear that a screening process will need to be established to examine all projects and activities proposed to be included in annual workplans/programmes to ensure they comply with the REDD+ strategy objectives and any other requirements. Such a process will need to include provisions to screen such proposals from an environmental and social perspective in order to remove or reduce risks and negative impacts, and, as far as possible, enhance positive ones.

It can be assumed that the REDD+ Coordinating Division will establish formal procedures for initiating proposals for REDD+ activities, and these will include proposal forms to be completed and submitted by proponents (whether on paper or electronically). It is suggested that such procedures/forms should include a suite of questions that require proponents to provide advanced information concerning environmental and social issues to facilitate formal screening. Box 3.3.1 lists proposed questions).

Screening of proposed projects/activities will need to be undertaken at several levels: national, regional and district. Table 3.1.1 summarises recommendations for where primary responsibility for screening should lie at different levels.

**Table 3.1.1: Proposed screening responsibilities for REDD+ interventions, activities and projects**

Level	Type of initiative	Implementation by	Overall responsibility for screening	Possible assessment action required
<b>National</b>	National-level initiatives of government	REDD+ Coordination Division, line agencies	Assessment and Monitoring Unit (AMU) (in REDD Coordinating Division of MoSFC)	IEE or ESIA, RAP, VCDP or GAP
<b>Regional</b>	Landscape and protected area initiatives/projects	International and national NGOs, CSOs/IPOs	AMU (in REDD Coordinating Division of MoSFC) in coordination with Regional/Provincial REDD+ Focal Desk	
<b>District</b>	District-level activities	DDC, I/NGOs, CSO/IPOs	District REDD+ Programme Management Unit (DRPMU)	
<b>Local</b>	Small-scale local and sub-projects	Local organisations (eg CFUGs), investors etc,	DRPMU	

#### 3.1.1 Screening responsibility at national level

To assume overall responsibility for assessment and monitoring of activities/projects at all levels, it is proposed that a REDD+ **Assessment and Monitoring Unit (AMU)** be established within the REDD Coordination Division envisaged in the ER-PIN (REDD Cell 2014). Its key responsibilities in this regard would include:

- Coordinating and managing the overall screening process - at national, regional and district levels;
- Screening all projects or implementation actions (including those that would lead to policy or legal/regulatory change) being proposed at a national level (by government or others);
- Screening all projects or implementation actions proposed to be implemented at the regional level (in coordination with Regional/Provincial REDD+ Focal Desks), eg those pertaining to landscapes or protected areas which tend to cross district boundaries;
- Providing advice to District REDD+ Programme Management Unit on screening and reviewing their recommendations regarding project proposals that require IESEs or ESIA or other responses such as Resettlement Action Plans (RAPs) (see section 6.2.1), Vulnerable Community Development Plans (see section 6.2.2.1), or Gender Action Plans (see section 6.2.3).

Recommendations for the structure and staffing of an AMU are discussed in Table 7.1. To ensure transparency this could be supported by an **independent review committee** that could be formed by individuals from academia and other institutions – all invited based on personal merit.

### 3.1.2 Screening responsibility at district level

At district level, responsibility for screening project proposals will lie with the District REDD+ Programme Management Unit (DRPMU) within the DFO. The DRPMU will need to maintain close liaison with the other district-level structures for REDD+ shown in Figure 2.1. It will also be responsible to help proponents of local proposals in preparing the necessary documentation for screening.

## 3.2 SUMMARY OF STRATEGIC OPTIONS AND LIKELY IMPLEMENTING ACTIVITIES/PROJECTS

In the absence of a developed and agreed REDD+ Strategy, the SESA developed 14 strategic options as a basis for assessing potential environmental and social impacts. These options are described in Chapter 4 of the SESA. They were compiled following a review of (a) the RPP (which lists 165 strategic options grouped by nine direct and indirect drivers (and underlying causes) of carbon emissions from deforestation and the degradation of forests (Annex 2b-1 of the R-PP)<sup>1</sup>, (b) a report on drivers and (c) other available documents. They are summarised in Table 3.2.1 where they provide a framework for identifying possible projects that may be likely to be proposed to implement the REDD+ Strategy when developed and approved.

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<sup>1</sup>Including: 1) high dependency on forests and forest products (timber, firewood, and other non-timber forest products (NTFPs), 2) illegal harvest of forest products, 3) unsustainable harvesting practices, 4) forest fire, 5) encroachment, 6) overgrazing, 7) infrastructure development, 8) resettlement, and 9) expansion of invasive species.

**Table 3.2.1: Strategic options for REDD+ and likely implementing actions and projects**

Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
<p><b>1. Land tenure, carbon rights and benefit-sharing</b></p> <p>Led by Government at central and local level</p>	<p><b>Land rights mapping &amp; carbon rights legislation</b></p> <p>Rationale:</p> <ul style="list-style-type: none"> <li>• Need to understand 'who owns land &amp; forests in Nepal'; map contested or overlapping rights; establish a land information management system from local to national level.</li> <li>• Clarify carbon rights &amp; tenure regimes for REDD+.</li> <li>• Establish information management system to monitor land use, land allocation &amp; impact on rights of local people &amp; their livelihoods.</li> </ul>	<p>1a Define, clarify &amp; accommodate carbon rights in relation to land &amp; forests within existing policies or legislation.</p> <p>1b Increase &amp; ensure access to forests by women, Indigenous Peoples, vulnerable groups, forest dependent people, &amp; other marginalised people, including reform at national &amp; local levels to address (fragmentation) &amp; inequity.</p> <p>1c Establish clear &amp; legally defined benefit-sharing mechanisms that can deliver to grassroots levels.</p> <p>1d Establish &amp; strengthen (gender-sensitive) grievance-addressing mechanisms.</p> <p>1e Enhance local (forest related) voices to influence decision making at all levels.</p>	<ul style="list-style-type: none"> <li>• Land rights mapping and delimitation of community controlled land and forests in critical landscapes and ecological regions.</li> <li>• Review policy and relevant legislation to determine who will own carbon rights (amend the legislation to make explicit reference of carbon rights and other ecosystems services in forests under different management regimes).</li> <li>• Establish an information management system at local and central levels</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Community land delimitation/demarcation and formalization of rights to land, forests and carbon</b></li> </ul> <p>[Comment: delimitation has been done in the pilot project Kayarkhola of Chitwan district, Charnawati of Dolakha district and Ludhikhola of Gorkha district, to enable the assessment of carbon stocks and determine the beneficiaries of REDD+ benefit-sharing being tested</p>
<b>2. Community-based</b>	<b>Reducing emissions from</b>	2a Implement sustainable	• Assess carbon stocks and	• <b>Development of forest management plans</b>

Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
<p><b>forest management (formal and customary)</b></p> <p>Led by NGOs and local communities</p>	<p><b>land use and land cover change in community forestry management areas</b></p> <p>Rationale:</p> <ul style="list-style-type: none"> <li>• Make use of current legislation and existing community based forest management to gauge effectiveness in maintaining/enhancing carbon stocks and biodiversity.</li> <li>• Monitor impact of interventions in reducing deforestation and forest degradation.</li> <li>• Determine economic benefits accrued to land users and impact on poverty and emissions reduction.</li> </ul>	<p>management of forests (practices, technical skills and technologies including forest fire management) that enhances forest productivity under community based forest management).</p> <p>2b Build public (local communities, wider civil society, government and private sector) awareness (sense of responsibility), and promote attitude change towards understanding the real value of forest products and services in the context of climate change and REDD+.</p>	<p>establish the total value of forests</p> <ul style="list-style-type: none"> <li>• Participatory monitoring of carbon stocks and biodiversity as well as social and economic impacts.</li> </ul>	<p>including protection of natural forest regeneration and fire management</p> <ul style="list-style-type: none"> <li>• <b>Processing industries to enable value addition of forest products.</b></li> <li>• <b>Timber harvesting and processing</b></li> <li>• <b>Production of seedlings for enrichment planting in native forests, community woodlots and agroforestry systems (including tree fodder species)</b></li> </ul> <p><i>[Comment: REDD+ in Nepal is building on from CF and CFUGs. Already about 105 are participating in REDD+ initiatives in Nepal]</i></p>
<p><b>3. Promotion of private forestry</b></p> <p>Led by Private companies and associations</p>	<p><b>Restoration and rehabilitation of degraded areas for enhanced carbon stocks and biodiversity</b></p> <p>Rationale:</p> <ul style="list-style-type: none"> <li>• There are areas that have been subject to</li> </ul>	<p>3a Promote private plantations to rehabilitate and restore degraded lands and meet domestic and cross-border demands for timber and biomass energy</p>	<ul style="list-style-type: none"> <li>• Conduct zoning of degraded areas that can be restored through tree plantation</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Forest plantations</b> (nurseries, seedling production, tree planting, silviculture treatments, thinning, pruning &amp; harvesting)</li> <li>• <b>Industries</b> (sawmills, veneer sheets, plywood; pulp and paper)</li> </ul>

Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
	degradation due to unsustainable practices. Tree planting provides an opportunity to restore these areas and bring additionality that is central to REDD+. Rather than promoting monoculture that reduce biodiversity, mosaic landscapes including native species should be promoted.			
<p><b>4. Government managed forests for conservation of biodiversity and maintenance of fragile ecosystems and land</b></p> <p>Led by Government, national and international conservation organisations</p>	<p><b>Mapping and assessing representativeness and effectiveness of protected areas</b></p> <p>Rationale:</p> <ul style="list-style-type: none"> <li>To examine the extent to which the current set of protected and conservation areas include a range of fragile ecosystems, biodiversity hotspots and possibly carbon stocks</li> </ul>	<p>4a Establish and strengthen protected areas and Integrated Conservation and Development Projects, and promote participatory models for protected area management and ecotourism.</p> <p>4b Prepare national forestry strategy through multi-stakeholder process, incorporating specific strategies for the Mountains, Terai and Middle Hills regions.</p> <p>4c Improve and execute existing district forest</p>	<ul style="list-style-type: none"> <li>Assess effectiveness of current protected area representation of ecosystems and species</li> <li>Assess effectiveness of management regimes and identify potential partnerships</li> <li>Establish capacities for effective implementation of management plans and the monitoring of impacts on species and stocks of carbon</li> <li>Evaluate possible complement of funding</li> </ul>	<ul style="list-style-type: none"> <li><b>Ecotourism for recreation and research – construction of buildings, access roads; settlements.</b></li> <li><b>Beekeeping</b></li> <li><b>Infrastructure for processing</b> high value products</li> <li><b>Fire management</b></li> </ul>

Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
		management plans and fire management plans.	through CBD and BD offsets market	
<b>5. Conservation of biodiversity and ecosystem services outside protected areas</b>	<p><b>Protecting biodiversity, endemic and endangered species outside protected areas</b></p> <p>Rationale:</p> <ul style="list-style-type: none"> <li>• Species diversity is not necessarily captured within the frontiers of existing protected and conservation areas in Nepal.</li> <li>• Cultural beliefs contribute to protection of several forests worshiped by communities.</li> <li>• It is necessary to capitalise on local knowledge to conserve characteristic species (including endemic and endangered).</li> <li>• The IUCN Red List for Nepal can be used as a tool to monitor changes in biodiversity.</li> </ul>	5a Biodiversity conservation in managed ecosystems for sustaining livelihoods (including through local land use planning; and complementary implementation of CBD and UNFCCC (REDD+ co-benefits).	<ul style="list-style-type: none"> <li>• Review the Red List and identify conservation needs in all REDD+ project areas.</li> <li>• Design management plans and monitoring systems that incorporate indigenous knowledge.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Expansion of protected areas to conserve species on the IUCN Red List.</b></li> <li>• <b>Economic valuation of biodiversity</b></li> </ul>
<b>6. Payment for ecosystem services</b>	<b>Compensating land users for their contribution to</b>	6a. Develop and promote Payment for		<i>[Comment: A pilot project operated by ICIMOD/ANSAB/FECOFUM has worked to</i>

Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
Led by Government (including Ministry of Finance) and NGOs	<p><b>reducing emissions</b></p> <p>Rationale:</p> <ul style="list-style-type: none"> <li>• Explore opportunities for applying PES for incentivising sustainable use and management of resources for ecosystems services (e.g. regulation of climate).e</li> <li>• Explore price structure of energy (e.g. tax on fuel) and other sources with view to establishing viability of raising national funds to compensate change in land use and land use practices.</li> </ul>	<p>Environmental Services (PES) for sustainable agriculture interventions.</p> <p>6b Develop and promote PES for reduced emissions, watershed management and biodiversity conservation).</p>		<p><i>demonstrate the feasibility of REDD payment mechanism in Community Forestry in 3 districts. Activities have involved local communities (including marginalized groups) in reducing deforestation and forest degradation through sustainable forest management practices with economic incentives. A Carbon Trust Fund has been established to manage the payments to rights holders.]</i></p>
<p><b>7.Agricultural productivity and food security for small and marginal farmers</b></p> <p>Led by NGOs and farmers</p>	<p><b>Climate smart agriculture : capitalizing on agro-ecological conditions to meet food security needs at local and national level</b></p> <p>Rationale:</p> <ul style="list-style-type: none"> <li>• Support farmers of all sizes in adopting more productive and sustainable practices to</li> </ul>	<p>7a Agro-ecological zoning (maximising production potentials for each land category) at national and local levels.</p> <p>7b Agricultural intensification (increasing productivity through climate smart agriculture, including agroforestry, and use of alternative sources of</p>		<ul style="list-style-type: none"> <li>• <b>Conservation agriculture</b> (crop rotation, mulching, fertiliser application, improved seeds, mechanisation)</li> <li>• <b>Agroforestry</b> (intercropping, alley cropping, hedgerows, including fodder species &amp; soil fertility enhancing species) – species selection is key</li> <li>• Sustainable pasture production</li> <li>• Livestock improvement, stall feeding and rotational grazing</li> </ul>



Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
	ensure REDD+ contributes to securing food access and affordability. • Interventions would need to identify opportunities for improvement of production of key products to meet local needs and markets.	fertiliser). 7c Promote the application of Sloping Land Agriculture Technologies [contours with fodder trees/grasses in bari lands] 7d Promote development of policies supportive of small-scale sustainable agriculture (e.g. relating to agricultural tariffs, subsidies). 7e Promote multi-purpose fodder management, stall feeding and scaling up of fodder reserve systems, especially silage and hay, for use during slack periods. 7f Promote access to crop & livestock breeding and husbandry improvement programs.		
<b>8. Energy access and efficiency</b>  Led by NGOs, private sector, local communities	<b>Sustainable energy production and consumption</b>	8a Sustainable management of natural wood fuel resources. 8b Active forest management including small-scale plantations and on-farm,		<ul style="list-style-type: none"> <li>• <b>Construction of efficient kilns</b> for transformation of wood into charcoal</li> <li>• <b>Construction of infrastructure for producing briquettes.</b></li> <li>• <b>Infrastructure for improved cooking stoves (ICS) and biogas.</b>  <i>[Comment: The scale of production of ICS and</i> </li> </ul>

Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
	<p>Rationale:</p> <ul style="list-style-type: none"> <li>Reducing unsustainable harvesting of fuelwood can only be effective if tackling both supply and demand. Intervention should include improvement of forest management; efficiency in transforming biomass energy; identification and production of alternative and affordable sources of energy; and introduction of energy saving practices in rural and urban households</li> </ul>	<p>multipurpose tree planting for fuel wood and timber.</p> <p>8c Increase investment and access to fuelwood-efficient and alternative energy technologies (including improved kilns and cooking stoves), for forest-dependent poor and marginalised people, and to reduce urban demand for fuelwood</p> <p>8d Promote sustainable, cost-effective (and increase availability and affordability of) renewable energy sources (e.g. support to biogas, increasing access to electricity primarily through small and micro hydro, solar power) linking the energy end-use to enterprise development/income generation.</p>		<p><i>biogas envisaged will need to be large to meet the growing demand in rural and urban markets. The choice between several small scale infrastructures, versus carefully and strategically located larger scale infrastructure needs to be considered. . This is important for both economic viability point of view and environmental sustainability]</i></p>
<p><b>9. Environmentally friendly infrastructure planning, construction</b></p>	<p><b>Planning for development of infrastructure in the medium and long term</b></p>	<p>9a Ensuring sustainability of rural road construction and maintenance by considering</p>	<ul style="list-style-type: none"> <li>Review development plans</li> </ul>	<ul style="list-style-type: none"> <li><b>Road construction</b> for improving access to market for products resulting from emission reducing activities</li> </ul>

Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
<b>and maintenance</b>	<p>Rationale:</p> <ul style="list-style-type: none"> <li>Based on long term development visions, strategies and plans, gauge likely infrastructure needs (roads, settlements and large scale investments). This will determine potential impacts on forest cover and land use.</li> </ul>	<p>environmental, social and economic aspects.</p> <p>9a(i) Ensure integrated local-level road route planning, implementing, monitoring and evaluation of road projects through democratic and inclusive decisions, decentralised and participatory planning.</p> <p>9a(ii) Provide for compulsory tree planting to substitute forest cleared for roads</p> <p>9a(iii) Use of sustainable technologies, and inbuilt maintenance and repair arrangements.</p> <p>9a(iv) Ensure effective IEE and EIA for all forest land use conversion for road construction.</p> <p>9b Ensure sustainability of rural infrastructure development and</p>		



Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
		<p>maintenance by considering environmental, social and economic aspects.</p> <p>9b(i) Ensure integrated local-level planning, monitoring and evaluation of infrastructure development projects (implementing, monitoring and evaluation of construction projects through democratic and inclusive decisions, decentralised and participatory planning).</p> <p>9b(ii) Provide for compulsory tree planting to substitute forest cleared for infrastructure development.</p> <p>9b(iii) Ensure effective IEE and EIA for all forest land use conversion for other infrastructure development (including tourism ventures,</p>		

Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
		expansion of settlements).		
<p><b>10. Forest and non-forest enterprises</b></p> <p>Led by community producer associations, small and medium enterprises, other private sector players that can enable access to markets, NGOs</p>	<p><b>Inclusive and sustainable forest and non-forest enterprises</b></p> <p>Rationale:</p> <ul style="list-style-type: none"> <li>The underlying causes of deforestation and forest degradation in Nepal include poverty, lack of alternative employment, inadequate incentives for communities to produce high value products that can sustain livelihoods. However, several associations (eg forest users groups and small-medium entrepreneurs) could benefit from targeted support to make their businesses viable and potentially contribute to reduction of emissions. Such support should include: legalising access to high value forest products; access to technologies,</li> </ul>	<p>10a Invest in sustainable forest-based enterprises to create more employment opportunities in the forestry sector (for both timber and NTFPs, including ecotourism). producing finished forest products for domestic and export markets</p> <p>10b Scale up investment in non-forestry sector employment programs and off-farm income generation activities targeting rural and urban (poor) areas to reduce forest dependency and demand for forest products.</p> <p>10c Promote vocational education and skill-based training opportunities for both forest and non-forest enterprise</p>	<ul style="list-style-type: none"> <li>Identify enterprises and groups that can be involved.</li> <li>Value chain analysis and study market opportunities (assess demand).</li> <li>Establish the rights to valuable resources – licensing, inventory and drawing up management plans.</li> <li>Training in organisation, financial management, access to credit, business leadership and others areas to ensure effective business operation.</li> </ul>	<ul style="list-style-type: none"> <li><b>Sawmills and other high value addition plants</b></li> <li><b>Food processing industries</b></li> <li><b>NTFP processing industries</b></li> <li><b>Sales depots</b></li> <li><b>Promotion of fishing &amp; agriculture</b></li> <li><b>Investment in sustainable fishing technologies</b></li> </ul>

Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
	finance and markets; and strengthening producer groups...	development for economically poor and marginalized.  10d Improve access by poor to alternative technologies (eg. small sawmills carpentry, food processing, efficient stoves, kilns, briquettes, power looms, etc.  10e Promote underdeveloped markets (e.g. NTFP, ecotourism) and pilot alternative and more efficient distribution and marketing mechanisms for forest- and non-forest based enterprises (e.g. community-based, private, local-government-based).  10f Strengthen the organisation of enterprises through the development of associations, cooperatives, federations, etc. as appropriate.  10g Develop financing		

Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
		<p>schemes accessible to poorer land users and women who lack collateral.</p> <p>10h Develop policies and capacity to encourage private investment in efficient and alternative timber technologies (e.g. bamboo housing, timber drying, timber treatment, timber processing).</p> <p>10i Establish a mechanism for periodic analysis of demand and supply of forest products by geographic region, and develop distribution programmed to address demand-supply gaps.</p> <p>10j Develop a mechanism to engage the private sector in forestry for the entire value chain of forest products, from planting to end-product development.</p>		
<b>Organisational framework, governance and accountability measures</b>				

Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
<p><b>11. Law enforcement</b></p> <p>Led by government at central and local level</p>	<p>Rationale: establish how the REDD+ process will be managed at national and local level including:</p> <ul style="list-style-type: none"> <li>• decision on key interventions and monitoring their effectiveness in reducing emissions and generating co-benefits;</li> <li>• management of financial resources, defining criteria for compensation and benefit distribution;</li> <li>• MRV systems that includes assessment of changes in emissions, co-benefits and safeguards;</li> <li>• improvement of law enforcement; strengthening coordination at all levels including in land use planning and policy harmonisation with other sectors;</li> <li>• ensure participatory decision-making, transparency, accountability and combating corruption</li> </ul>	<p>11a Undertake institutional reform to increase accountability and transparency of all concerned agencies at all levels.</p> <p>11b Strengthen the incentive (to address illegal harvesting activities) and punishment system for both government officials and community-based forest management groups.</p> <p>11c Restructure and reorient/sensitize Government staff and HRD systems to reduce corruption (including Department of Forests) to ensure offenders are sacked.</p> <p>11d Work with media to 'name and shame' individuals and organizations involved in illegal forest products trade.</p> <p>11e Create better awareness (of forest-related laws)</p>		





Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
		<p>and capacity (for enforcement) amongst all law enforcement agencies, eg police, armed police, army, and border police on forest law enforcement issues.</p> <p>11f Expand participatory forest management systems to forest areas where law enforcement is difficult.</p> <p>11g Introduce pilot participatory M&amp;E mechanisms of law enforcement at different levels.</p> <p>11h Sensitize border authorities and explore cross-border law enforcement collaboration with Indian and Chinese (Tibetan) authorities.</p>		
<p><b>12. Good governance and anti-corruption</b></p>		<p>12a Facilitate open and constructive debate on key forest governance issues, management modalities, ways to resolving existing</p>		



Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
		contestations and conflicts. 12b Support decentralized, participatory and community based governance models. 12c Adopt REDD+ international standards on participation, inclusion and informed decisions. 12d Support capacity-building of relatively weaker actors, local communities, IP organisations and women's organizations/ mothers' groups. 12e Sensitize various actors on issues of forest sector governance and politically-induced encroachment, including political parties through parliamentary committees.		
<b>13. Land use planning for each of the physiographic</b>		13a Establish spatially explicit information systems on land use potential,	<ul style="list-style-type: none"> <li>Monitoring, reporting and verification of implementation of land</li> </ul>	

Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
<i>regions</i>		allocations and potential conflicts/complementarity with REDD+ strategic options.  13b Conduct multi-stakeholder, integrated planning processes at regional/landscape and national levels, in order to seek consensus building, validation and clarify sector and extra-sector commitments to land use recommendations.  13c Establish mechanisms for monitoring, reporting and verification of land use changes (and their impacts on commitments to achieving emissions reduction and enhancement at sub-regional/jurisdictional and national level).	use plans	
<b>14. Institutional architecture</b>  <b>REDD+ management (coordination and decentralization of</b>		14a Ensure development of national REDD+ financing mechanism (including benefit sharing process), and MRV systems.  14b Ensure adequate		

Strategic option	Initiative and rationale	Likely key activities	Likely additional activities	Likely REDD+ projects/activities
<i>decision making</i>		<p>representation of women, poor and socially marginalized land users on key local decision-making bodies and processes.</p> <p>14c Promote and establish decentralized and accountable multi-stakeholder forest governance structures and support multi-stakeholder district forest sector planning.</p> <p>14d Strengthen coordination mechanisms for promoting policy and planning linkages among the MoFSC, National Planning Commission, Finance, Land Reform and Agriculture Ministries.</p> <p>14e Analyse fiscal policies and opportunities for raising national funds to support climate change mitigation including performance-based payment mechanisms.</p>		



In considering the kinds of activities and projects that may arise in implementing the REDD+ strategy, two key issues are important: geographical coverage, and types of projects:

- **Geographical coverage.** It is assumed that the REDD+ strategy will provide a definition of the scale of REDD+ implementation at sub-national and national levels. The area of REDD+ implementation will need be large enough to ensure that leakage (displacement of emitting activities elsewhere) can be contained. This means that the nature of drivers needs to be addressed, and thus the activities to mitigate against them (ie REDD+ projects) will be needed on a large landscape scale (eg watershed)<sup>2</sup>. In such landscapes there will be a diversity of natural resources as well as different actors, interests and rights.
- **The type of projects.**
  - The ESMF is geared to supporting REDD+ strategy implementation. But there will be a continuing need for activities/projects to raise awareness about engaging in REDD+ at national and subnational levels, eg capacity-building; generation/provision of information; measurement, report and verification (MRV); and understanding, developing and testing safeguards. These activities are likely to be implemented by I/NGOs and CSOs/IPOs at different levels, academia and research institutions as well as government. The overall objective is to establish a conducive environment for REDD+ implementation.
  - *Emission reducing activities* (see Table 3.2.1 for examples) – mostly technological interventions in activities such as conservation agriculture, efficiency in production of biomass energy, sustainable forest management - combined with the development of local level capacity (eg developing organizational skills, support to access inputs, adding value to products, helping access to credit, markets etc.).

As evident in Table 3.2.1, options 11 – 14 are really concerned with improving or establishing the organisational framework, governance and accountability measures necessary for the efficient and effective implementation of REDD+ at various levels. Only options 1-10 are likely to result in activities or projects that might generate significant environment and social impacts (positive or negative).

As previously noted, these options were developed as a construct to enable a SESA to be undertaken, given that the REDD+ strategy has yet to be developed. So the projects identified in Table 3.2.1 must be viewed as speculative. Amongst these, the main ones that may cause **negative environmental impacts** (and thus may require an ESIA) are as follows.

- **Forest plantations** in private forestry, in particular, where they are likely to be on a large scale. Even if a plantation aims to rehabilitate/restore degraded areas, the choice of species (exotic only, native only or a combination) and type of plantation (monoculture, enrichment planting or creating mosaic) will determine the extent to which such REDD+ interventions will enhance rather than erode biodiversity. The negative impact of agroforestry systems and village woodlots is unlikely to be significant.
- The establishment of **industries for processing into timber, pulp and paper** could result in environmental impacts in various ways. For example, extraction of forest products beyond the allowable cut will result in forest degradation. Also such industries will generate Carbon emissions from the technological processes, particularly in producing pulp and paper. They may also consume fossil fuels.

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<sup>2</sup> In Nepal, pilot projects have been implemented in various watersheds. For example, in 2009-2012, ICIMOD, ANSAB and FECOFUN implemented a pilot project entitled '*Design and setting up of a governance and payment system for Nepal's Community Forest Management under Reduced Emission from Deforestation and Degradation (REDD)*'. This covered 10,000 ha including Kayarkhola watershed in Chitwan district, Charnawati watershed in Dolakha district, and Ludhikhola watershed in Gorkha district (see section 3.6.1 in the SESA report).

- **New *industries and infrastructure for processing forest and non-forest products*** (adding value) will generate a demand for raw materials which are likely to come from Government Managed Forests and Community Forests. Intensified and more productive agriculture is likely to generate surplus products which can then be processed by (new) agro-industries. REDD+ will lead to an increase in the activities of community-based institutions that are working to improve forest management. Various institutions operate within and across adjacent landscapes, but coordination amongst them is very weak. If not addressed, this problem might result in the proposing and implementation of a number of small industrial activities in dispersed locations rather than a single larger activity at one rational location. Such multiple small industrial activities could be inefficient and limit returns on investment, and result in unsustainable supplies of raw materials and reduced product quality. In addition, the cumulative negative environmental and even social impacts of numerous such mini-industries could be significant compared to those of one or two larger-scale ones. On the other hand, the social downside of planning for a fewer number of bigger industrial developments is that might not allow poorer people to engage and benefit, unless provision is made for outgrower schemes, training or extension services to enable the engagement of local small enterprises in supplying raw materials to larger plants. Therefore, the scale and location of establishing such new industries needs to be scrutinised and coordinated so that their impacts on the environment are restricted and they are beneficial to people and local economies.
- ***Projects to improve agricultural productivity***. Increasing agricultural productivity is essential to the concept of producing more from less (i.e. Land). There is huge potential to reduce deforestation by the better use of already cleared land. Initiatives in this category will include implementation of agro-forestry systems which explore various tree and plant combinations to improve soil fertility and moisture content - hence increasing productivity. It is rare that such endeavours would generate negative environmental impacts. However, systematic use of single nitrogen-fixing species, for example, can generate productivity gains in the short run, but is likely to have negative environmental impacts in the long run (dominance of one tree species in the landscape, resulting in diminished resilience and potential propagation of pests and diseases). Conservation agriculture for example is also advocated in the form of crop rotation with leguminous species, and can improve soil fertility and mulching with minimum tillage contributing to the maintenance of soil humidity. However, some practices and crops may require the use of fertilizer to further increase productivity. Agricultural intensification is also based on use of agrochemicals and irrigation schemes. The processes of production and transport of chemicals is often associated with the use of fossil fuels which generate carbon emissions. Therefore, minimizing the use of agrochemicals is essential whenever possible. Instead, capitalizing on better soil and nutrient management through exploring the natural nutrient cycles of plants should be promoted. Ultimately, high levels of production will require good infrastructure for transporting surplus to industries and markets. This might indirectly lead to need for increasing the road network with negative environmental and social impacts.
- ***Biogas and other 'clean' energy*** have the potential to reduce dependence on biomass energy. However, the use of animal dung, for example, will require a significant increase in the numbers of livestock, with associated emissions of methane and health problems if density of stall feeding is high in already high density residential areas. However, the use of other types of waste (such as domestic waste) can mitigate the negative environmental impacts highlighted.

The main activities and projects that may cause **negative social impacts** (and thus may require an ESIA) are as follows:

- **Land delimitation/demarcation and formalization of rights to land, forests and carbon** to specific groups in communities could lead to social conflicts. When rights to land and forests are formalized by tying them to carbon rights and benefits, IPs, women, dalits and other forest-dependent people will lose their traditional usufruct rights to access and use forest resources. The increased value of forests due to carbon rights and performance-based payments may push poor local communities onto marginal lands and erode their user rights as local and outside elites capture the prime lands and forests. The tying of carbon rights and benefits to the land can lead to the exclusion from REDD+ benefit sharing of landless people and also women since very few women have land entitlement due to their lack of inheritance rights. Hence, it will be necessary to undertake deeper analyses, demarcate rights and establish benefit sharing mechanisms on a situation-specific basis, so that IPs, women, dalits, forest workers and other forest dependent poor and marginalized groups of people benefit from REDD+ initiatives. Additionally, good governance is the key to effective, efficient and equitable implementation of REDD+ programme; otherwise, the commoditisation of forests can lead to elite capture of both rights and benefits.
- **Ecotourism for recreation and research – construction of buildings, access roads; settlement** can lead to social and economic exclusion of the poor and marginalized groups. The benefits from tourism are generally captured by educated and rich elites (mainly from beyond communities). It is the latter who have access to information and the ability to invest in tourism infrastructure; but local communities bear the burden of negative consequences. The expansion of ecotourism can have negative impacts on the culture of communities due to the cultural insensitivity of tourists, eg provocative dressing, drug-use, culturally insensitive behaviour and inappropriate behaviour in temples and sacred places - particularly in conservative communities. There is the possibility of change in traditional cultures and values due to young people imitating the attitudes and behaviour of tourists, especially drug-use and wearing offensive clothing. In addition, Nepal is also suffering increasing sex-tourism which leads to violence against women. There are health risks from tourists bringing diseases, using unsanitary latrines or openly defecating (eg whilst trekking) and risks of HIV/AIDS or STDs due to unsafe engagement in prostitution. All these possible negative impacts call for careful planning, implementation and monitoring of proposed ecotourism projects within the REDD+ programme. Local communities need to be well informed, received adequate capacity development and be enabled to participate in and manage community-based ecotourism ventures so that the benefits from these accrued at the local level, are shared equitably within local communities and equally among women and men.
- **Expansion of protected areas to conserve endangered species on the IUCN Red List** can lead to both State-community and people-wildlife conflicts. Nepal has experience of participatory models of protected area management including the active engagement communities in buffer-zones. As regards the latter, in many instances, elites have captured access to resources and the benefits. IPs claim that the National Parks and Wildlife Conservation Act 1973 not only led to the loss of their traditional livelihood base, but also the strict conservation rules enforced on local communities led to de-linking the relationship between people and forests that had been in place since time immemorial (NEFIN 2010). For example, around Chitwan National Park, elites have captured benefits by running hotels/restaurants and extending other services to tourists, but Bote community people have lost their means of livelihood that used to be based on fishing. They are prohibited from using their traditional fishnets and the newly prescribed hand-nets do not catch adequate fish for household consumption, let alone a surplus for sale. There is need to supplement sustainability practices that affect livelihoods with alternative income generating activities. Furthermore, Bote communities are restricted from collecting NTFPs that used to be their

food supplements such as *ningro, curilo, etc.* This has resulted in their further impoverishment both in terms of income and nutrition.

Conservation of wildlife can lead to human-wildlife conflict. Communities in buffer-zones often lose crops due to wildlife eating harvest-ready crops. At times wildlife injures or kills people. Violence against women inflicted by Nepal Army personnel guarding protected areas has been a serious concern among people of buffer-zones in general and women's groups in particular. There are many cases of unclaimed pregnancies and illegitimate births especially around the buffer-zone areas, reported to be caused by Nepal Army personnel. Such negative consequences indicate the need to ensure the participation of both women and men in decision-making regarding expanding and monitoring protected areas.

- **Projects to improve agricultural productivity** although proposed to practice **conservation agriculture** (crop rotation, mulching, fertiliser application, improved seeds and mechanisation) can have limited potential gains if careful planning, implementation and monitoring are not ensured. The proposed fertilizer application, improved seeds and mechanisation to improve the agricultural productivity can lead to increased dependency on external inputs especially to the majority of Nepalese framers who are poor and small land holders. Only a few rich and large land holder farmers can benefit from improved climate smart agricultural productivity accessing productive land, scarce irrigation water and government incentives. In the current context of the "feminization of agriculture" and rural women lacking education, the use of chemical fertilizers without proper knowledge of appropriate use can result in health risks both during production and during consumption. Additionally, women lack control over family finance and they do not have decision making power; so women lack purchasing power for market fertilizer, improved seeds and agricultural mechanization. Dependence on external improved/hybrid seeds and/or the so-called climate smart agri-technology have greater risks of crop failure jeopardizing small farmers into food insecurity. Furthermore, if the intent of improving agricultural productivity is for cash crops, it can result in loss of nutrition in the family due to reduced food crops production and/or selling of food crops for cash income jeopardizing family nutrition. In these existing scenarios the projects to improve agricultural productivity with the good intention of conservation agriculture have to ensure equitable distribution of subsidies to poor and marginal farmers in general and to the women farmers in particular. Furthermore, agricultural extension/training and subsidies/credits have to be targeted to the real farmers rather than formal land owners. In the current situation of the "feminization of agriculture" real farmers are women although they do not own land. Hence, agricultural extension/training and subsidies/credit are to be targeted to women. Agricultural extension and training are to be designed by valuing and topping on women's existing indigenous knowledge for ensuring successful adoption and practice of the 'new knowledge'. Furthermore, in the context of women lacking land ownership as a means of collateral, subsidies are not to be tied to land ownership and collateral free loan/credit is to be provided to women farmers; so that women have control over agricultural financing and decision making power over the use of agricultural products especially for ensuring the household food security.
- **Biogas and other 'clean' energy** projects could directly improve the health of women (who cook food) and small children (who cling close to their mothers) as well as other family members. However, in rural households, cooking for family members consumes a smaller share of fuel energy than cooking for the livestock. Experiences shows that provision of biogas or other clean energy for cooking does not necessarily address the problems of women's health and workload. In fact, compared to grazing, stall feeding increases women's workload because of the need to collect and carry fodder. Additionally, water is needed for biogas plants and carrying this increases women's workload. The problem is increased in



areas of water scarcity where women travel longer distances and carry water up and down hills adding to the risk of suffering a prolapsed uterus. There is a need to improve biogas technology either by reducing the amount of water needed to run a plant or by enabling the recycling the water in plants. To be able to cook animal feed, biogas plants with increased production capacity are needed. Biogas and other 'clean' energy technologies are expensive and cannot be afforded by poor households. Subsidizing such technologies may not be a sustainable solution. Hence, their provision must be linked with enterprise development and/or income generation activities. Furthermore, decisions on investing in high cost infrastructure/equipment within households are generally taken by men. They are not inclined to invest in cooking equipment as cooking is not their role or responsibility. Hence, income generation for women is important to allow them to invest in biogas and other clean energy for cooking and food processing activities. Additionally, women need training to be able to repair and maintain these technologies; otherwise they are likely to be abandoned since women depend on male technicians and who are generally not supportive.

### 3.3 CRITERIA FOR SCREENING

The proposals to implement REDD+ (whether national-level interventions by government, regional programmes, district or local-level projects) will need to be screened against the following – and whichever contains the more stringent requirements should take precedence:

- Existing legal or policy requirements (eg Environmental Protection Act and Rules)
- Nepal's safeguard policies
- Relevant commitments under international agreements
- Other safeguards including UNFCCC Cancun safeguards and World Bank safeguard policies.

Initial screening should involve addressing the questions in Table 3.3.1 in the case of proposals initiated by:

- 1) Government or other actors that are national in scope and application (ie may be implemented in multiple locations across the country);
- 2) Government, international organisations or I/NGOs, CSOs/IPOs or others that are regional in scope (ie apply at landscape-level or involve protected areas that involve more than one district);
- 3) District authorities or others to be implemented across a district (perhaps with multiple sub-projects in particular locations).
- 4) Other proponents that are of local nature

This initial screening step should be undertaken by the Assessment and Monitoring Unit (AMU) for national or regional level proposals (for the latter in collaboration with the Regional/Provincial REDD+ Focal Desks), and by the DRPMU for district- and local-level proposals.

Questions A-C in Table 3.3.1 are necessary to determine whether a proponent will be required to undertake an IESE or ESIA for a proposal (as a formal requirement of Nepal's Environmental Protection Rules) or whether no further action is required other than perhaps developing an Environmental and Social Management Plan (ESMP) to cover some minor issues. Question D will determine whether a Resettlement Action Plan (RAP), Vulnerable Community Development Plan (VCDP), or Gender Action Plan (GAP) is required to be prepared by a proponent.

For other non-project proposed interventions or actions that are broader in scope – likely to be proposed by government at national or perhaps regional level, Question E should be addressed by the AMU in consultation with the Regional REDD+ Focal Desk.

**Table 3.3.1: Screening questions for national and regional proposals**

QUESTIONS	FORMAL REQUIREMENT (under Nepal's Environmental Protection Rules)	REDD+ ACTION
(A) Will the proposed intervention or activity or project fall into any of the categories list in Schedule -1 (Pertaining to Rule 3) Proposals Requiring Initial environmental examination of Nepal's Environment Protection Rules (EPR) (1997) (see Appendix 2) [equivalent to World Bank OP4.01 Category B]	(Initial Environmental Examination (IEE)	Initial Environmental and Social Examination (IESE)
(B) Will the proposed intervention, activity or project fall into any of the categories list in Schedule -2 (Pertaining to Rule 3) Proposals Requiring Environmental Impact Assessment of Nepal's Environment Protection Rules (EPR) (1997) (see Appendix 3) [equivalent to World Bank OP4.01 Category A]	Environmental Impact Assessment (EIA)	Environment and Social Impact Assessment (ESIA)
(C) Will the project likely have minimal or no adverse impacts (environmental or social)? [equivalent to World Bank OP40.1 Category C]	Beyond screening, no further action is required.	An ESMP may be required.
(D) Will the proposal lead to resettlement, or significantly affect vulnerable communities or women?	No legal requirement, but implied by several Acts; and some sectoral environmental policies require RAP, VCDP and AGP (eg roads and hydropower)	Resettlement Action Plan (RAP), Vulnerable Community Development Plan (VCDP), Gender Action Plan (GAP), as appropriate
(E) Will the proposed intervention or actions lead to new or modified policies, plans, programmes, regulations, incentives for investment and marketing, etc) – these may generate significant environmental and/or social risks. The potential risk can be judged by applying the questions in Box 3.1.1.	None at present	A mini SESA (particularly to address alternatives and cumulative impacts) – if screening indicates significant risks

It is assumed that the REDD+ Coordinating Division in MoSFC will issue guidance and/or procedures (steps and application/proposal forms) for proposing/applying to undertake REDD+ interventions, activities or projects. The guidance forms should include a set of basic questions that proponents

should answer to provide the information required for formal screening. Suggestions for these are provided in Box 3.3.1.

In providing information on the questions in Box 3.3.1, proponents should be informed that yes/no answers are not acceptable. Specific details should be provided on each question and, wherever, possible, an indication given of the nature, scale and magnitude/extent (quantitative when possible, or qualitative when not) of likely affects (impacts) of proposals, and how/why the proposal might lead to particular outcomes.

### Box 3.3.1 Environmental and social screening format

#### A. Project brief

1. Project title:
2. Objective(s) of the project:
3. Target(s) of the project:
4. Total estimated cost<sup>3</sup>:
5. Project components and activities:

#### B. Project location

6. Location of the proposed project:  
(Settlement, ward, VDC, District, Regional, National) (a map could be included)
7. Describe surroundings of the project area in terms of land use (a map could be included):
8. Project forest:
  - a) Name:
  - b) Management regime:
  - c) VDC and Ilaka office:
  - d) Area of direct intervention:
9. Does project extend to environmentally sensitive area like (a) national park (b) conservation area (c) hunting reserve (d) wildlife life reserve (e) Ramsar site? If yes please provide name of the protected area.
10. Does the project also extend to the buffer zone of the protected area, if yes provide;
  - a) Buffer zone settlement/ ward/ VDC
  - b) Buffer zone community forest

#### C. Project possible impacts

11. Does the proposed project have landslides and erosion risks?
  - Do the project activities have plans to undertake activities in steep and vulnerable slopes?
  - Are there weak geological areas in the project vicinity?
12. Does the project propose to undertake plantation? If yes.
  - Area for plantation
  - Species proposed for plantation

<sup>3</sup> EPR97 also proposes financial threshold if the projects are not listed in its schedules 1 and 2. The project costing NRs 10 million to 100 million require IEE, and the project costing more than NRs 100 million require EIA.

13. Does the project propose to hand over forest to the community? If yes
  - Area of forest proposed for plantation.
  - Type of community-based management.
  - Species composition and condition of the forest.
  
14. Does the project propose to clear fell forest? If yes:
  - Purpose of clear felling:
  - Area of forest for clear felling:
  - Number of trees proposed for clear felling:
  - Species of trees proposed for clear felling:
  
15. Does the project propose to establish forestry based enterprises? If yes:
  - Type of enterprise:
  - Location of the plant and distance from the forest boundary:
  - Capacity of enterprise:
  - Type of input forest product:
  - Quantity of forest input:
  - Type and quantity of waste generation:
  
16. Does the project propose to collect forest products? If yes:
  - Type of forest product:
  - Quantity of forest product:
  
17. Does the project propose to undertake hotels, resort, safaris, education institutions, hospital etc. inside forest area? If yes:
  - Name of the institution:
  - Area to be cover:
  - Capacity of the institution:
  - Name of the forest to be affected:
  - Number of trees to the clear felled:
  - Species of trees and vegetation to be clear felled:
  
18. What are the asset(s) that would be affected due to subproject interventions? Indicate yes or no
  - Land .....
  - Physical Structure (dwelling or commercial).....
  - Trees/crops .....
  - Natural Resources (Water bodies/ Forest/ Public Pond)....
  - Community Resource Property .....
  - Others (please specify) ....
  
19. Description of the affected land
  - Ownership of land: (a) Public (b) Private and (c) Other .....
  - Type of land:(a) Agricultural (b) Homestead (c) Low Land (d) Fallow (e)Pond (f) Others (please specify)
  - Does the project require to acquire these land permanently or on a temporarily?
  - Sometimes as part of road/canal/community resource property upgrading interventions, subprojects may require small parcels of land permanently to meet engineering design requirements. In such case what would be the land procurement policy?
 

Direct Purchase ...	Yes/no .....
Voluntary donation .....	Yes/no .....
Acquisition .....	Yes/no .....
  - To accept voluntarily donated land, what would be the legal procedure?
  - In case of land acquisition, will there be physical and/or economic displacement of people?
  - In case of land acquisition, will there be compensation? Cash or Kind? Whom will the compensation be handed over to: Male or Female?

20. Are squatters/ encroachers/ leaseholders residing on public lands? Yes/ No and specify type; If yes,
- What would be the total numbers of Affected Families?
  - How many male-headed households or female-headed households?
  - Is there any possibility of physical displacement?
  - How will their livelihoods be affected? (example: due to loss of shelter and housing structure, loss of income source, loss of grazing field/ social network/ family bondage etc.).
  - Do the affected families have school going children? Yes/no
    - If yes, how many such children are there?
  - Among the affected household, is there any person holding a long-term lease? Yes/no.....
    - if yes, Land uses for what purpose? ....., how many years remains of the total leasing period remain? .....
21. Impact on the structures (Housing/Commercial)
- Type and total number of housing structures that would be affected:
  - Is there any commercial/ business structure that would be affected?
  - Ownership types of the affected structures: private/leaseholder/squatter/encroacher, please specify
  - Is there any tenant identified using the affected structure? Yes/No
22. Impact to the agriculture productivity (trees and crops)
- Is there any social forestry /plantation project that would be affected? Yes/no .....
  - Is there any common fruit bearing tree that would be affected? Yes/no ....., Species
  - Any agricultural land included within the subproject footprint? Yes/no .....
  - If yes, please provide necessary information regarding productivity of land, type and quantity of crop that might be affected and market value
23. Is there any Community Resource Property that would be affected? Yes/No .....,  
Please Specify:
- Who are the beneficiaries of the affected Community Resource?
  - What is their reaction- Positive/negative? .....
  - Did they support the project? Yes/No.....
  - What are the reasons to support/ stand against the project?
24. Vulnerable Groups (Adhibasi/Janajati, Dalits, Women Headed Households)
- Are there any community of vulnerable groups residing within or adjacent the project site? Yes/No....., For how long ?
  - Any households of vulnerable groups that would be affected? Yes/No.....
    - a. If yes, how many families would be affected? .....
  - Is there any way that proposed project may pose any threat to cultural tradition and way of life of vulnerable groups? Yes/No .....
25. Beneficiaries
- Who are the Beneficiaries? How they would be benefited by the subproject?
    - Access to health facilities/services? Yes/No .....
    - Better access to schools, education and communication? Yes/No .....
    - Project activities would provide income generating source. Yes/No ..... Please describe
    - Subproject shall promote marketing opportunities of the local products? Yes/No ..... If yes, how would that happen? Please elaborate
    - Are people ready to co-operate with the project? Yes/No.
    - Please elaborate the reasons
  - How will the subproject create opportunities for Beneficiaries?

26. Gender Action Plan (GAP) information

How will the project address gender equity and create benefit to women through the following qualitative indicators and quantitative weightage?

Qualitative Indicators	Quantitative Weightage	
	(Max weight %)	(acquired weight%)
Increase in women's efficiency/capacity	20	
Women's participation in plan/programme formulation and implementation	20	
Women's share of the benefit	30	
Support for women's employment and income generation	20	
Qualitative improvement in women's time use and reduction of workload	10	
	100	

1. "Directly gender responsive" if the quantitative aggregate is 50% or >50% considering as having a direct benefit to women;
2. "Indirectly gender responsive" if the quantitative aggregate is 20-<50% considering as having an indirect benefit to women; and
3. "Gender neutral" if quantitative aggregate is <20% considering women accruing no (direct or indirect) benefit.

Reference source: visit < [www.mof.gov.np/en/gender-responsive-budget-76.html](http://www.mof.gov.np/en/gender-responsive-budget-76.html)> and download Gender Responsive Budget Formulation Guideline, 2069.

**D. Recommendations**

(Please recommend which further environmental or social assessments, studies or plans will be required (eg IESE / ESIA / GAP/ RAP/ VCDP or if no such studies are required).

## 4 CONDUCTING IESEs AND ESIAs FOR REDD+ PROPOSED PROJECTS

### 4.1 FORMAL REQUIREMENTS FOR IMPACT ASSESSMENT

Screening will identify those proposals which require an Initial Environmental and Social Examination (IESE) and those which require an Environmental and Social Impact Assessment (ESIA). Such screening will need to accord with the requirements of the Nepal's Environmental Protection Act (EPA) (1996) and Environment Protection Rules (EPR) (1997). These make Initial Environmental Examination (IEE) and Environmental Impact Assessment (EIA) mandatory for both government and private sector prescribed projects. Proposals requiring IEE and EIA study are included in Schedules 1 and 2 of the EPR, 1997 (amendment 1999) respectively, and are listed in Appendices 5 and 6, respectively).

*Whilst the Act and rules do not use the term social within the titles of IEE and EIA, they do indicate that social issues should be addressed as a component of the process. For REDD+, social issue are of equal importance, and the ESMF recommends that both environmental and social impacts should be assessed (thus, the ESMF uses the terms Initial Environmental and Social Examination (IESE) and Environmental and Social Impact Assessment (ESIA)).*

Under the law, implementation of prescribed projects can only proceed after the approval of an EIA by the concerned agency (sectoral ministry) and MoSTE. The approval process is illustrated in Appendix 4. The EPA outlines the process for the submission of a proposal by the proponent and approval of reports through the concerning authority. The EPR elaborate provisions to prepare and submit a scoping report, Terms of Reference (TOR), and IEE/EIA report for approval and includes public consultation processes. As per the EPR, the EA report, in general, should include detailed information on impacts and environmental protection measures, including an implementation plan, monitoring and evaluation and environmental auditing. Public consultation is a pre-requisite for all prescribed projects.

Some sectoral laws also provide opportunity to conduct environmental assessment studies (Box 4.1.1).

#### Box 4.1.1: Sectoral Environmental assessment requirements

**Forest Act, 1993**- requires EIA of development proposals if they are to be implemented in forest areas and/or pass through a forest area. Section (68) of the Act empowers government to give consent to use any part or the any category of forest areas, in case of absence of alternative, for the implementation of the national priority proposal with the assurance that it does not pose any significant adverse effect in the environment.

**National Parks and Wildlife Conservation Act, 1973** - prohibits activities that will have adverse impacts on the environment.

The **Forest Rules, National Parks Rules, and Conservation Area Management Rules** also contain a number of regulatory measures to minimize environmental impacts within the forests, national parks, wildlife reserves and conservation areas.

**Water Resources Act 1993** - contains provisions to minimize environmental impacts, including soil erosion, floods and landslides. It requires an EIA study prior to project implementation (Section 20), and empowers government to frame standards while utilizing water resources (Section 18) and to frame rules on environment related matters and controlling pollution (Section 24).

**Water Resources Rules, 1993** - oblige project proponents to analyse environmental impacts of a proposal and state that such studies should contain environmental control and safety measures and other necessary arrangements to resettle people during hydro-electricity development. Also, in

a process for resolving any conflict, the Water Resources Utilization Investigation Committee should consider environmental impacts likely to occur from a proposal [Rule 28 (3)]. The Irrigation Rules, 1989, prohibit activities which pollute canals or irrigation water (Rule 4.1).

**Electricity Act, 1993** - also contains provisions to minimize soil erosion, floods, air pollution and damage to the environment while producing and transmitting electricity (Section 24). The Electricity Rules, 1993 stress that environmental analysis should include environmental mitigation measures to minimize adverse impacts likely to occur while developing hydro-electricity (Rule 12 and 13).

**Tourism Act, 1978** - contains provisions to minimize waste and environmental pollution in trekking areas.

**Mines and Minerals Rules, 2000** - oblige project proponents to adopt environmental protection measures and ensure environmental conservation (Rule 19). Furthermore, Rules 32 and 33 elaborate provisions to minimize significant environmental impacts. These Rules provide an opportunity to identify potential environmental impacts and implement mitigation measures.

Similarly, Explosive Material Act, 2018, Public Road Act, 2031, Road Board Act 2002, Land Acquisition Act 2034 and Land Acquisition Regulations 2026, Local Self-Governance Act (1999) and Rules (2000), Buffer Zone Management Regulation 1996, Himalayan National Park Regulations, 1979 also emphasize EIA.

## 4.2 GUIDELINES FOR IMPACT ASSESSMENT

National EIA (procedural) Guidelines were gazetted in 1993 (GoN 1993). They cover objectives, methods of screening projects requiring either IEE or EIA, scoping, impact identification and prediction, report review, monitoring and evaluation and impact auditing. The guidelines also contain methods for ensuring public participation during the preparation of the EIA report, including the need of impact mitigation measures in the EIA report. The Guidelines discuss identifying physical-chemical, biological, socioeconomic and cultural impacts and proposing mitigation measures to avoid, eliminate and/or minimize or mitigate each adverse impact and to augment of beneficial impacts resulting from the project. The guidelines also stress the inclusion of monitoring and evaluation and a framework for environmental auditing in the EIA report.

Within the broad framework of the National EIA guidelines, two separate EIA guidelines for the Forestry and Industry Sectors were endorsed by the government in 1995. These guidelines differ from the National Guidelines primarily with regard to regulatory schedules which specify projects and programmes requiring either IEE or EIA.

A number of draft EIA guidelines for various sectors were prepared by IUCN prior to the enactment of the EPA and issuing of the EPR: water resources (1996), roads (1996), mining (1995), urban development (1995), tourism (1996) and landfill sites (1995). These guidelines contain the following components:

- Methods for screening of the projects requiring an application of environmental assessment: scoping, impact identification and prediction, report review, monitoring and evaluation and impact auditing;
- Methods for ensuring public participation during the preparation of the EIA report, including the need for clear documentation of the impact mitigation measures in the EIA report;
- Provisions for identifying socio-economic- cultural, biological and physical impacts and prescription of mitigation measures to avoid, eliminate and/or minimize adverse effects and to augment beneficial impacts resulting from the project implementation; and
- Emphasis on the adoption of monitoring, evaluation and environmental auditing frameworks in the EIA report.



The Water and Energy Commission Secretariat (WECS) has prepared three separate guidelines on:

- Initial Environmental Assessment;
- Environmental Monitoring; and
- Environmental Auditing of Water and Energy projects.

Similarly, the Department of Electricity Development in collaboration with United States Agency for International Development and International Resources Group has prepared manuals to facilitate the preparation of EIA reports of hydropower projects. They are:

- Manual for Preparing Scoping Document for Environmental Impact Assessment (EIA) of Hydropower Projects;
- Manual for Preparing Terms of Reference (TOR) for EIA of Hydropower Projects, with notes on EIA Report Preparation;
- Manual for Public Involvement in the EIA Process of Hydropower Projects;
- Manual for preparing Environmental Management Plan (EMP) for Hydropower Projects; and
- Manual Developing and Reviewing Water Quality Monitoring Plans for Hydropower Projects.

The AMU should liaise closely with MoSTE – which has formal responsibility for Nepal's EIA system.

The AMU should:

- Provide technical guidance (including check lists) to those preparing ESIA, RAPS, VCDPs, GAPs, etc. on key environmental and social questions that should be addressed for particular of REDD+ projects.
- Review scoping and TOR documents for ESIA, and TOR for IESE conducted specifically for proposed REDD+ projects, prior to passing them to MoSTE for approval.

### 4.3 SCOPING

Scoping is undertaken prior to setting the terms of reference for ESIA. Scoping should address the questions listed in Box 4.3.1. These questions will help to determine what may need to be addressed by proponents in an ESIA and when preparing a Resettlement Action Plan (RAP), Vulnerable Community Development Plan (VCDP), or Gender Action Plan (GAP) that has been signalled as necessary.

#### Box 4.3.1: Scoping questions to assess risk for national, regional and district proposals

*Notes: 1: The square brackets indicate when a RAP, VCDP or GAP may be triggered]; 2: Where questions ask what 'affect' a project may have, this relates to both within the project boundaries and near/around the location of the project.*

To what extent (quantify where possible, or provide a qualitative measure) will the proposal:

##### **Environmental**

- Lead to deforestation or forest degradation?
- Promote encroachment into forest areas?
- Stimulate over-harvesting or illegal off-take of forest products or other natural resources, or unsustainable use of forests?
- Increase methane release?
- Change the management regime of, or affect, protected areas and their ecological, landscape, cultural or other values and functions?
- Threaten particular species of fauna or flora?
- Cause the loss or fragmentation of ecosystems, habitats, biodiversity or affect ecologically sensitive areas (eg wetlands, watercourses or other water bodies, mountains, forests, woodlands)
- Stimulate land use and land cover changes?
- Cause water scarcity?
- Stimulate increased use, storage, transport, handling or production of harmful substances (eg chemicals)?

- Involve signification construction of infrastructure?
- Use fertilizers or pesticides? Or generate or cause the release/disposal of hazardous, toxic or noxious substances that may cause pollution (of air, rivers, surface waters or groundwater)?
- Increase the risk of slope destabilization, subsidence, landslides, erosion, or flooding?
- Have agricultural impacts (eg reducing agricultural productivity, soil quality, potential for crops, or reduce crop diversity – such as by eliminating indigenous crop varieties)?

### **Social**

- Result in conflicts (elite capture, between people or ethnic groups, rich-poor, people-wildlife, etc)?
- Result in any risks of accidents?
- Pose risks to human health, or affect health services/facilities?
- Result in social changes, eg in demography, traditional lifestyles, employment/income generation? [VCDP]
- Lead to small farmers or local enterprises being out-competed or displaced, or their access (eg to forests resources) being limited?
- Increase dependence on external inputs that leads to further marginalization of poor people? [VCDP]
- Limit opportunities for the poor and marginalized?
- Affect any areas or features of historic, archaeological or cultural importance?
- Cause physical and/or economic displacement of people (eg eviction of squatters/ encroachers)? [VCDP]
- Impact on the poor, vulnerable (see Table \*\*) or disadvantaged people? [VCDP]
- Lead to loss of user/traditional rights, or access to forest products & resources? Or ignore/displace traditional knowledge or cultural/spiritual values? [VCDP]
- Exclusion/elimination of cultural / spiritual values & traditional practices?
- Result in inequity in benefit-sharing? [GAP, VCDP]
- Lead to significant land acquisition? [RAP]
- Cause social exclusion or exclusion of women/.children? (GAP, VCDP)
- Affect women (including violence against women) and/or children, or women-headed households?, and how will the proposed project address existing violence against women [GAP]
- Lead to an increase in women's workload? If yes, how will the proposed project address the existing, and the potential increase in, women's workload? [GAP]
- Increased costs (in terms of labour or time)?
- Affect the livelihoods of communities (in general) or particular people or groups of people (eg due to loss of shelter and housing structure, loss of income source, loss of grazing field/ social network/ family bondage etc)? [VCDP]
- Promote a significant increase in investment, commercial activities and enterprises (eg plantations, value-adding micro industries, etc)?
- Reduce food production/security or affect market value of forest products or crops?
- Affect common property resources?
- Affect access to schools, education and communications?

### **Will the proposed project:**

- Be located within or adjacent to a protected area (eg national park, wildlife reserves, conservation area or hunting reserve)?
- Cause any physical changes, eg to topography, land use, changes in water bodies?
- Use natural resources such as land, water, forests, minerals or energy, especially any resources that are non-renewable?
- Involve the use, storage, transport, handling or production of substances or materials which could be harmful to human health or the environment (eg chemicals) or raise concerns about actual or perceived risks to human health?
- Produce solid wastes during any construction work, operating or decommissioning?
- Release pollutants or any hazardous, toxic or noxious substances to air?
- Lead to risks of contamination of land or water from releases of pollutants onto the ground or into rivers, surface waters or groundwater?
- Affect areas which are already subject to pollution or environmental damage (eg where existing legal

standards are exceeded)?

- Result in any risks of accidents during any construction or operation of the project which could affect human health or the environment?
- Affect any areas which are protected under international or national legislation for their ecological, landscape, cultural or other value?
- Affect any other areas which are ecologically important or sensitive, eg wetlands, watercourses or other water bodies, mountains, forests, woodlands, which could be affected by the project?
- Affect any areas which are used by protected, important or sensitive species of fauna or flora, eg for breeding, nesting, foraging, resting, overwintering, migration?
- Affect any underground water?
- Affect any areas or features of high landscape or scenic value?
- Be in a location where is likely to be highly visible to many people?
- Affect any routes which are used by the public or visitors/tourists for access to recreation or other facilities?
- Affect any transport routes which are susceptible to congestion or which cause environmental problems?
- Affect any areas or features of historic, archaeological, cultural or religious importance?
- Be located in a previously undeveloped area where there will be loss of natural habitats?
- Affect any existing land uses (eg, agriculture, forestry, tourism, mining or quarrying)?
- Affect private and public property (homes, gardens, other private property, industry, commerce, recreation, public open space, community facilities)?
- Affect any areas which are densely populated or built up?
- Affect any areas around the project location which are occupied by sensitive services (eg hospitals, schools, places of worship, community facilities) which could be affected by the project
- Affect any areas which contain important, high quality or scarce resources, eg groundwater, surface waters, forestry, agriculture, fisheries, tourism, minerals, which could be affected by the project
- Be located in an area susceptible to earthquakes, subsidence, landslides, erosion, flooding or extreme or adverse climatic conditions, eg temperature inversions, fogs, severe winds, which could undermine the feasibility of the project?
- Affect any plans for future land uses
- Involve or affect squatters/encroachers residing in the project area? How will they be affected? [VCDP, RAP]
- Affect poor, vulnerable or disadvantaged people, eg Adhibasi/Janajati, Dalits, IPs? (specify) [VCDP]
- Lead to land acquisition? [RAP]
- Cause the physical and/or economic displacement of people? [RAP, VCDP],
- Affect women and/or children, or women-headed households? (how?) [GAP]
- Affect the livelihoods of communities (in general) or particular people or groups of people (eg due to loss of shelter and housing structure, loss of income source, loss of grazing field/ social network/ family bondage etc)? [VCDP]
- Affect any social or commercial tree plantations or fruit trees,
- Affect land productivity, type and quantity of crops?
- Affect the market value of land?
- Affect common property resource?
- Affect access to health facilities/services?
- Affect access to schools, education and communications?
- Affect income generation opportunities?

#### 4.4 PROPOSING MITIGATION MEASURES

IESEs and ESIAAs should identify and provide recommendations regarding mitigation measures to prevent, minimise or offset negative environmental or social impacts that are assessed to be likely as a consequence of implementing particular projects or activities. Tables 4.4.1 and 4.4.2 list indicative mitigation measures for the main impacts that the SESA has identified to be possible when implementing the strategic options.

**Table 4.4.1 Negative environmental impacts and indicative mitigation measures**

Negative environmental impacts	Indicative mitigation measures
<b>Forest loss/degradation</b> from improved access to forest	<ul style="list-style-type: none"> <li>• Forest management plans that identify users/beneficiaries and prescribe sustainable offtake and equitable access</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Forest loss and degradation</b> from agricultural intensification, due to:                             <ul style="list-style-type: none"> <li>• Encroachment (intensification may lead to agricultural expansion)</li> <li>• Providing agricultural inputs (eg leaf litter, organic mulch, fodder)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Land use planning at village level</li> <li>• Demarcation of forest boundaries</li> <li>• Reduce demand to encroach by improving marginal cultivated lands - controlling erosion (eg levelling terraces, protecting their edges) improving soil fertility</li> <li>• Agroforestry &amp; conservation agriculture)</li> <li>• Provide technical advice on sustainable intensification (through agricultural service centres)</li> </ul>
<b>Loss of forest and deforestation by promotion of energy efficiency</b>	<ul style="list-style-type: none"> <li>• IESE and ESIA for hydropower</li> <li>• Compensatory plantation (addressing biodiversity concerns)</li> <li>• Supplement inputs to biogas with inputs other than animal dung (eg agric residues, human &amp; household organic waste)</li> </ul>
<b>Habitat loss and fragmentation/ biodiversity loss due to forest management practices</b>	Forest management plans that encompass ecological, social and economic objectives, emphasizing maintenance of indigenous species
<b>Decline of biodiversity in compensatory plantation</b>	<ul style="list-style-type: none"> <li>• Plantation should include mixed species with preference to indigenous species (will require amendment to regulations for compensatory plantation)</li> </ul>
<b>Habitat fragmentation by infrastructure development</b>	<ul style="list-style-type: none"> <li>• Spatial mapping of sensitive habitats and identification of migration routes, breeding areas (should be incorporated in revised National Biodiversity Strategy) to facilitate spatial planning to better locate new infrastructure.</li> <li>• Maintain important habitats &amp; forest corridors through forest conservation and restoration (in-filling)</li> </ul>
<b>Slope de-stabilization, soil erosion, landslides due to agricultural intensification and infrastructure development</b>	<ul style="list-style-type: none"> <li>• Levelling terraces, protecting their edges</li> <li>• Provide technical advice (through agricultural service centres) to support introduction of sloping land agriculture technologies</li> </ul>

Negative environmental impacts	Indicative mitigation measures
	<ul style="list-style-type: none"> <li>• Agroforestry &amp; conservation agriculture)</li> <li>• All infrastructure development should require technical &amp; economic feasibility studies, and IESE/ESIA – but particularly for small infrastructure supported by VDC and local funds – with more stringent regulation &amp; monitoring</li> <li>• Awareness-raising and training for environmentally-friendly infrastructure construction</li> </ul>
<i>Loss of ecosystem services</i>	<ul style="list-style-type: none"> <li>• Valuation of ecosystem services (eg national accounts, full environmental cost accounting in infrastructure projects)</li> <li>• Promote and formalize PES to incentivise conservation and sustainable management</li> </ul>
<i>Solid waste from tourism industries</i>	<ul style="list-style-type: none"> <li>• Waste management plans</li> <li>• Regulation/guidelines for waste disposal and enforcement of controls on carriage of non-degradable containers (in protected areas)</li> <li>• Promote <i>sulav sauchalai</i> (environmentally-friendly) toilets in remote tourist destinations</li> </ul>
<i>Chemical pollution from agricultural intensification</i>	<ul style="list-style-type: none"> <li>• Require chemical suppliers to clearly label proper use of chemicals, and provide advice and training on use</li> <li>• Regulate imports to ensure banned or expired chemicals do not enter the country</li> <li>• Provide technical advice on chemical use through agricultural service centres</li> <li>• Promote organic farming and compost</li> </ul>

**Table 4.4.2: Negative social impacts and indicative mitigation measures**

Negative impacts	Indicative mitigation measures
<i>Social Exclusion and Displacement</i>	
Exclusion of landless, poor & marginalised, eviction, loss of land/property	<ul style="list-style-type: none"> <li>• Social &amp; poverty mapping, with in-built gender analysis, leading to support development of RAPs. GAPs and VCDPs</li> <li>• Mandatory representation of landless, poor and marginalised in planning, decision-making, project implementation &amp; monitoring</li> <li>• Access to grievance redressal mechanisms for SEG</li> <li>• Prioritisation and incentives for socially inclusive projects</li> </ul>

Negative impacts	Indicative mitigation measures
Social exclusion	<ul style="list-style-type: none"> <li>• Mandatory representation of socially excluded groups (SEG)</li> <li>• Access to grievance redressal mechanisms for SEG</li> </ul>
Exclusion/devaluation of women	<ul style="list-style-type: none"> <li>• Effective implementation of Forestry Gender &amp; Social Inclusion (GSI) strategy and effective monitoring</li> <li>• Mandatory gender sensitisation at all levels</li> <li>• Project GAPs (where required)</li> </ul>
Exclusion/elimination of cultural / spiritual values & traditional practices	<ul style="list-style-type: none"> <li>• Prepare Cultural Heritage Management Plan (CHMP) – where required</li> </ul>
Ignoring/displacing traditional/ indigenous knowledge	<ul style="list-style-type: none"> <li>• Raise awareness of project proponents and others stakeholders about the value/importance of traditional/indigenous knowledge and incorporate this in project design and operation</li> </ul>
<ul style="list-style-type: none"> <li>• Small farmers &amp; local enterprises out-competed, displaced</li> </ul>	<ul style="list-style-type: none"> <li>• Support the development of development of cooperatives and associations of small farmers/enterprises to be financially and technically competitive; and support product promotion</li> </ul>
<b>Leading to Inequity</b>	
Inequity in benefit-sharing (loss of)	<ul style="list-style-type: none"> <li>• Development of legal provisions to ensure benefits are equitably available to landless and IPs, dalits and women</li> </ul>
Elite capture (of resources, benefits, access, etc)	<ul style="list-style-type: none"> <li>• Mandatory representation of landless, poor and marginalised in planning, decision-making, project implementation &amp; monitoring</li> </ul>
Inequitable/loss of access to forest resources/products	<ul style="list-style-type: none"> <li>• Marginalized people are represented in preparation, implementation and monitoring of forest management plans</li> <li>• Forest management plans that incorporate religious, cultural, and occupational needs of forest dependent communities</li> </ul>
<p>Increased costs (transaction, labour, time), eg</p> <ul style="list-style-type: none"> <li>• women who lack money and available time cannot pursue grievance mechanism</li> <li>• poor &amp; marginalized cannot afford technologies or to invest in intensive agriculture</li> </ul>	<ul style="list-style-type: none"> <li>• Procedures for grievance redressal that can be easily accessed by marginalized people without inhibition or fear</li> <li>• Provide subsidies to marginalised people to have access to alternative energy technologies &amp; agricultural inputs</li> </ul>

Negative impacts	Indicative mitigation measures
Land grabbing (of public land)	<ul style="list-style-type: none"> <li>VDCs/municipalities undertake inventories of public lands in their territories to enable monitoring of land grabbing and reclamation of such land.</li> </ul>
<b>Loss of Livelihood</b>	
Reduced food production due to conversion of agricultural lands to timber production	<ul style="list-style-type: none"> <li>Implement land use policy which aims to prevent such conversion</li> </ul>
Loss of/ limited access to, employment, due to <ul style="list-style-type: none"> <li>conversion of agricultural land to timber production</li> <li>marginalised people being uninformed of new employment opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Encourage private plantation owners to employ former agricultural labourers in plantation/nursery work</li> <li>Training of agricultural labourers in forestry plantation &amp; nursery work</li> <li>VDCs/Ilakas provide information on opportunities &amp; facilitate local communities to pursue them</li> </ul>
Loss of livelihoods, income, economic opportunities, due to: <ul style="list-style-type: none"> <li>Ineffective participatory models in protected area management &amp; ecotourism</li> <li>Communities being prevented from extracting forest resources in degraded areas</li> <li>Poor illegal traders being prevented from pursuing those activities</li> </ul>	<ul style="list-style-type: none"> <li>Protected area management plans that ensure marginalized people participation in PA management and ecotourism development</li> <li>Promoting alternative sources of forest resources, eg using napier grass as substitute fodder</li> <li>Agroforestry</li> <li>Promote alternative legal employment</li> </ul>
<b>Loss of authority/autonomy and induced risk and dependency</b>	
Loss of user/traditional rights, or access to forest products & resources	<ul style="list-style-type: none"> <li>Forest management plans that ensure traditional users rights of forest-dependent communities</li> </ul>
Health risks, due to: <ul style="list-style-type: none"> <li>Dietary change – due to loss of access to traditional food sources</li> <li>unsanitary latrines and open defecation by tourists</li> <li>chemical fertilizers</li> </ul> <ul style="list-style-type: none"> <li>indoor pollution (smoke)</li> </ul>	<ul style="list-style-type: none"> <li>Ensure traditional user rights</li> <li>Promote <i>sulav sauchalaya</i> toilets in remote tourist destinations</li> <li>Require chemical suppliers to clearly label proper use of chemicals, and provide advice and training on use</li> <li>Regulate imports to ensure banned or expired chemicals do not enter the country</li> <li>Provide technical advice on chemical use through agricultural service centres</li> <li>Promote organic farming and compost</li> <li>Promote improved cooking stoves, clean</li> </ul>

Negative impacts	Indicative mitigation measures
<ul style="list-style-type: none"> <li>increased consumption of processed food</li> </ul>	energy <ul style="list-style-type: none"> <li>Raise awareness of dangers of unhealthy junk food</li> </ul>
Lack of awareness / information amongst women and marginalized group about: <ul style="list-style-type: none"> <li>real value of forest products and services</li> <li>employment &amp; enterprise training opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Mandatory application of the Gender and Social Inclusion (GSI) strategy in REDD+ programmes.</li> <li>Mandatory GSI training for personnel at all levels - from policy-making, to programme formulation, implementation, monitoring and evaluation.</li> </ul>
Not accessible to poor, marginalised (can't afford), and dependence on external inputs needed for agricultural intensification	<ul style="list-style-type: none"> <li>Promotion of pro-poor financing (credit, subsidies, etc) coupled with on-going support (training, marketing skills, information, etc)</li> <li>Ensure protection of indigenous crop varieties (maintaining agro-biodiversity &amp; traditional form of multi-cropping)</li> <li>Encourage use of organic and compost fertilizers</li> </ul>
Monopolies setting prices (eg timber)	<ul style="list-style-type: none"> <li>The government should consider regulation of prices and market for timber</li> </ul>
Token participation	<ul style="list-style-type: none"> <li>Sensitise project implementers about gender discrimination &amp; social exclusion</li> <li>Prioritise projects which ensure gender sensitivity and social inclusion</li> </ul>
Politicisation of community decisions leading to elite capture of access to forests and their benefits	<ul style="list-style-type: none"> <li>Ensure effective local grievance redressal mechanisms</li> <li></li> <li>Mandatory representation of landless, poor and marginalised in planning, decision-making, project implementation &amp; monitoring</li> </ul>
<b>Social Conflict and Violence</b>	
Violence against women	<ul style="list-style-type: none"> <li>Prepare GAPs,</li> <li>Promote gender-responsive grievance redressal mechanism</li> <li>Ensure severe punishment of perpetrators</li> </ul>
Social conflict, due to: <ul style="list-style-type: none"> <li>tying of carbon rights to land and forest ownership</li> <li>increased access to forests by marginalized groups</li> </ul>	<ul style="list-style-type: none"> <li>Clearly define carbon rights and how benefits will be shared</li> <li>Forest management plans that incorporate religious, cultural, and occupational needs of forest dependent communities</li> <li>Open, transparent communication</li> </ul>



Negative impacts	Indicative mitigation measures
<ul style="list-style-type: none"> <li>• raised expectations of CFUGs</li> <li>• allocating subsidies only to small farmers</li> <li>• differential interest in and access to alternative energy technologies</li> </ul>	<p>Free prior &amp; informed consent</p> <ul style="list-style-type: none"> <li>• Conflict resolution mechanism</li> <li>• Conflict resolution mechanism</li> <li>• Promotion of alternative energy technologies must consider needs of different user groups</li> </ul>
<p>Human-wildlife conflict</p>	<ul style="list-style-type: none"> <li>• Create buffer zones where they don't exist around protected areas</li> <li>• Promote community-based wildlife management</li> <li>• Compensation for human life and crop lost</li> <li>• Problem animal control</li> <li>• Fencing</li> </ul>

## 5 MONITORING ENVIRONMENTAL AND SOCIAL ASPECTS OF IMPLEMENTING THE REDD+ STRATEGY

### 5.1 INTRODUCTION

Internal monitoring (conducted as part of REDD+ implementation) should be applied to various aspects of the ESMF including:

- the project screening process (to ensure it is working effectively and efficiently),
- environmental and social monitoring of REDD+ project/activity implementation in terms of
  - changes to baseline conditions,
  - compliance with required protection and compensatory measures, and with recommendations made by environmental and social studies carried out for the project such as IESE, ESIA, RAP, GAP, VCDP etc
  - environmental or social impacts, particularly to ensure that they do not exceed expected limits,
- ensuring that necessary safeguard measures have been duly implemented and the efficacy of mitigation measures, and suggesting further mitigation measure to control impacts, where needed;
- implementation of training and capacity building.

External monitoring undertaken would also be helpful, undertaken as an independent process on a periodic basis (say every 5 years) as part of a periodic review of progress of the overall REDD+ process in Nepal.

Monitoring is also required to enable Nepal to meet its international commitments. For example, the Warsaw REDD+ Framework, agreed in November 2011 at the UNFCCC COP, requires countries to report not only on emissions reduction but also on safeguards. The Nepal/REDD Cell could establish an independent expert committee to ensure compliance is verified even before such submissions are formally made to the COPs and its subsidiary bodies.

Countries are also to establish MRV to track effectiveness in reducing emissions and co-benefits. Other than creating multiple structures, the monitoring of environmental and social aspects of the REDD+ strategy should be linked and integrated, as appropriate, with the information management system for MRV; transparency is a key word repeated in the Warsaw decisions – public availability of information on impacts, etc. will enhance the capacity of the country to comply with that decision.

### 5.2 MONITORING REDD+ PROJECTS

Experience shows that the overall sustainability of a project depends on how well environmental and social issues are managed during its implementation, and this requires effective monitoring. In this regard the Assessment and Monitoring Unit (AMU) and REDD+ Coordination Division will need to develop a detailed set of monitoring and reporting guidelines.

The environmental and social performance of the REDD+ strategy and activities/ projects arising from its implementation have to be monitored. The monitoring is proposed to be carried out at (a) National Level by AMU and (b) at district level by DRPMU.

### 5.2.1 Responsibilities for monitoring, evaluation and reporting

The overall responsibility of environmental and social monitoring of the REDD+ activities should be with the proposed Assessment and Monitoring Unit (AMU). In order to keep track of the environmental and social performance of the REDD+ strategy, the AMU will have to:

- regularly monitor national and regional projects/ activities in coordination with the Regional REDD+ Focal Desk and project developers/implementing agencies,
- coordinate regularly with DRPMUs that are monitoring district and local level projects/activities,
- report the findings of monitoring to the REDD+ Working Group on behalf of the REDD+ Coordination Division, and
- recommend necessary actions to improve and/or enhance environmental and social performance of the REDD+ strategy.

The DRPMUs should be responsible for monitoring the environmental and social aspects of REDD+ projects/activities carried out in districts as well as at local levels, and coordinating with project developers/ implementing agencies. Each DRPMU will have to regularly coordinate with VDC and Ilaka officials to regularly monitor the projects/activities carried out at VDC and local levels. The DRPMU should be responsible to:

- prepare environmental and social monitoring reports on REDD+ activities/ projects carried out in their respective district,
- report the findings to the AMU and the REDD Working Group (if necessary), and
- suggest necessary actions to improve and/or enhance environmental and social performance of REDD+ at the district and local levels.

While most of the monitoring oversight will need to be conducted by the REDD+ officials, if necessary, the services of competent third party monitors can be engaged to provide periodic and objective assessments of progress, shortfalls and challenges in the implementation of specific project components/sub-components, especially those related to field projects.

For those projects subjected to an Environmental and Social Impact Assessment (ESIA) procedure, monitoring will need to be carried out in accordance with the Environmental Protection Rules 1997. Rule 12 requires the project developer to comply with the matters mentioned in the approved EIA (in this case ESIA) report, while the Concerned Agency is responsible for monitoring the impact on the environment resulting from the implementation of the project (Rule 13). Thus the AMU will have to coordinate with the Ministry of Science, Technology and Environmental (MOSTE) to carry out the monitoring. For projects for which ESIA's are undertaken and approved by MoSTE, the formal responsible for approving the ESIA report and monitoring compliance with ESIA recommendations lies with MoSTE's Environmental Evaluation Section in the Environment Division. But auditing is the responsibility of MOSTE's Department of Environment.

### 5.2.2 Types of monitoring

Three types of monitoring are proposed by the National EIA Guidelines of 1993, which are also necessary for monitoring the environmental and social performance of the REDD+ activities: baseline monitoring, compliance monitoring and impact monitoring.

**Baseline Monitoring** - needed to collect data on environmental resources and social setting of the project area prior to the implementation of the project. Such data are usually collected to provide the basis for undertaking environmental and social studies such as ESIA, IESE, RAP, and GAP. During baseline monitoring, these data are further verified and updated. Baseline monitoring will provide an overall description of the environmental and social setting of the project area. Some of the required monitoring activities include:

- *Physical aspect:* monitoring of river water quality, drinking water quality, air quality, water discharge of the rivers and streams, land stability and erosion, etc.
- *Biological aspect:* monitoring of forest composition, biomass, wildlife diversity and population, population status of threatened and rare species, etc.
- *Socio-economic aspect:* population size of settlements, ethnic composition, economic status of the communities and their living standards, status of social and economic services available to communities, land holdings and property, status of women, indigenous people, dalits, and other marginal groups, etc.

**Compliance Monitoring** - to ensure that environment and social protection and compensatory measures are complied with, focusing on:

- environmental protection measures to be incorporated into the project implementation framework and contract documents;
- allocation of funding for protection measures, compensation for land and property etc.;
- for infrastructure projects, the construction of works including excavation, transportation, dumping and stockpiling of construction materials, operation of quarry sites, storage of explosives and toxic materials; etc. shall be monitored and supervised;
- supervision of encroachment in forests and wildlife;
- provisions of health and sanitation facilities and control of communicable diseases;
- compensatory plantation, land acquisition and compensation;
- skill training and public awareness activities;

**Impact Monitoring** - focusing on each predicted impact and the effectiveness of proposed mitigation measures which may include slope stability, watershed condition, spoil disposal area, forest condition and compensatory plantation etc.

Impact monitoring will examine the effectiveness of the mitigation measures, identify emerging impacts due to project activities or natural processes, and assist the identification of necessary remedial actions. It should focus on key indicators (that should be proposed by ESIAs) to assess whether the impacts have been accurately predicted, and whether the mitigation measures are sufficient and effective.

Both compliance and impact monitoring must be carried out during project implementation

### 5.2.3 Indicators

In the absence of the actual REDD+ strategy, and thus clarity on its elements and likely activities to implement it, it is premature to consider in any detail possible indicators to be tracked during monitoring. Suggested draft indicators have already been made under independent work to propose REDD+ Social and environmental standards (SES) for Nepal as part of an information system to show that Cancun (and other[]) standards have been addressed as per UNFCCC decisions to which the government of Nepal is committed (discussed in section 6.4, see Table 6.4.1). The 65 proposed REDD+ SES indicators focus on monitoring the social, environmental, and governance performance of REDD+ in Nepal and aim to provide a basis for monitoring over time from readiness processes through to large scale implementation. Only some of the proposed indicators will be relevant to REDD+ strategy implementation (since the suite also addresses the REDD+ policy and programme development processes). Once the content of REDD+ strategy becomes clear, these indicators should be taken into account along with other possible indicators relevant to likely implementation activities as a basis for monitoring. In developing indicators it will also be necessary to ensure that they are realistic (ie that the necessary information is likely to be available or capable of being gathered) and to identify roles and responsibilities in this regard. Table 5.2.1 provides a few

examples of possible indicators to illustrate (only) the kind of indicators that might be appropriate and how they can be measured.

**Table 5.2.1: Example indicators for REDD+ implementation monitoring**

Environmental risk	Monitoring parameter	Monitoring indicator	Means
<b>Baseline monitoring</b>			
Forest area loss	Change in forest area and condition	<ul style="list-style-type: none"> <li>Normalized Differentiated Vegetation Index (NDVI)</li> </ul>	<ul style="list-style-type: none"> <li>Time series mapping and change analysis using satellite imageries</li> </ul>
		<ul style="list-style-type: none"> <li>Species composition of forest</li> <li>Forest canopy cover</li> <li>Biomass</li> <li>Density</li> </ul>	<ul style="list-style-type: none"> <li>Random measurement of the forest area</li> </ul>
Degradation of ecological services provided by the forest	Condition of spring sources, water bodies, and wetlands	<ul style="list-style-type: none"> <li>Number of water bodies, springs sources, wetlands in the forest area,</li> <li>Water discharge and availability</li> <li>Water quality</li> </ul>	<ul style="list-style-type: none"> <li>Time series monitoring of the water bodies, springs, wetlands etc.</li> <li>Regular water discharge measurement</li> <li>Sampling and laboratory analysis</li> </ul>
Soil erosion and slope stability	Condition of slopes and soil quality	<ul style="list-style-type: none"> <li>Number, size and nature of land slides</li> </ul>	<ul style="list-style-type: none"> <li>Regular monitoring of project areas for landslides</li> </ul>
		<ul style="list-style-type: none"> <li>Soil quality in forests and non-forest (mostly cultivated) areas</li> </ul>	<ul style="list-style-type: none"> <li>Random sampling and laboratory analysis of soil</li> </ul>
		<ul style="list-style-type: none"> <li>Turbidity of water courses</li> </ul>	<ul style="list-style-type: none"> <li>Water sampling and analysis of the river and rivulets</li> </ul>
<b>Impact monitoring</b>			
Loss of forest	Accessibility to forest resources (eg fuel wood, fodder)	<ul style="list-style-type: none"> <li>Forest management regime</li> <li>Implementation of forest management plan</li> </ul>	<ul style="list-style-type: none"> <li>Review of records of forest management users group</li> </ul>
		<ul style="list-style-type: none"> <li>Type and amount of forest products extracted</li> </ul>	<ul style="list-style-type: none"> <li>Verification of records in consultation with members of forest user groups</li> </ul>

Environmental risk	Monitoring parameter	Monitoring indicator	Means
		<ul style="list-style-type: none"> <li>Number and size of forest users in relation to forest productivity</li> </ul>	<ul style="list-style-type: none"> <li>Review of records/consultation with the forest users</li> </ul>
		<ul style="list-style-type: none"> <li>Amount of forest-based activities (eg grazing)</li> <li>Number of livestock</li> <li>Number of hotels and eateries using fuel wood,</li> <li>Amount of forest inputs to agriculture</li> </ul>	<ul style="list-style-type: none"> <li>Sampling and measurement regularly in the project area/forest dependent communities</li> </ul>
	Logging and clear felling of trees for infrastructure	<ul style="list-style-type: none"> <li>Number of trees removed</li> <li>Species of tree and vegetation removed</li> <li>Number of protected vegetation species removed</li> </ul>	<ul style="list-style-type: none"> <li>Verification of the records through field measurement</li> </ul>
	Encroachment	<ul style="list-style-type: none"> <li>Extent of cultivated land, built-up area, and settlements</li> </ul>	<ul style="list-style-type: none"> <li>Time series mapping of land use and land cover change</li> <li>Field observation on encroachment by squatters</li> <li>Government records on handing over of forest area to the squatters and for other purposes</li> </ul>
<b>Compliance monitoring</b>			
Forest conservation	Plantation	<ul style="list-style-type: none"> <li>Number of seedlings planted</li> <li>Species of seedlings planted</li> <li>Survival rate of the seedlings in the plantation area</li> <li>Biodiversity index of the forest and plantation area</li> </ul>	<ul style="list-style-type: none"> <li>Verification of plantation records through field measurements</li> </ul>
	Prevention of encroachment	<ul style="list-style-type: none"> <li>Forest condition (eg biomass, canopy, species composition and biodiversity)</li> </ul>	<ul style="list-style-type: none"> <li>Verification of plantation &amp; baseline records through field</li> </ul>

Environmental risk	Monitoring parameter	Monitoring indicator	Means
		index, forest architecture) in regeneration area	measurements
		<ul style="list-style-type: none"> <li>Condition of demarcated forest area</li> </ul>	<ul style="list-style-type: none"> <li>Evaluation of fencing, encroachment level</li> </ul>

**Note:** Responsibility for organising and coordinating monitoring of indicators, and for verifying this is done, should lie with the AMU, DRPMU and Ilaka at central, district and local levels, respectively. Project implementers themselves should be responsible to carry such regular field levels monitoring.

#### 5.2.4 Stakeholder engagement in monitoring and evaluation

Free prior and informed consent (FPIC) need to be included in the design and implementation of REDD+ projects. Detailed information about the project and potential impacts should be provided to potentially affected communities. The information should be in a language that is accessible to the different target groups to allow informed discussions and decisions thereafter. Ample time (possibly three months) should be allocated to ensure that affected groups can have internal consultations and seek advice to better understand what is at stake.

Upon consent for REDD+ projects to be implemented, there is also need to establish a timeline for monitoring the implementation of the agreement and to monitor the impacts that would have been jointly identified. So FPIC needs to be incorporated not as a one off event, but as a continuous process of engagement, negotiation and adaptation of the plans for mitigating negative impacts.

A social accounting mechanism should be promoted within the environmental and social monitoring framework of the REDD+ strategy. This system will benefit REDD+ implementation in two ways: it will engage stakeholders and the public in the REDD+ process improving participation, and enhance social acceptance of the REDD+ approach. However, REDD+ implementing agencies will need to consider the possible threats that might arise from inadequate transparency, over-expectation and misunderstanding of REDD+ programmes, as well as from poor integration of stakeholders in the process. Therefore, proper protocol and procedures will need to be defined for this process.

A key approach will be to enable feedback from stakeholders. The participatory processes are proposed to guide either one of (a) social audit, (b) citizen score card and (c) report card or combination of these (as needed). Feedback acquired from these processes should be used to evaluate performance of projects and activities under REDD+ and also record citizens' recommendations for improvement. The participatory process needs to be linked with the existing "Ward Citizens' Forum" within the local self-governance.

During consultations, there was a strong view amongst stakeholders that *"an independent, inclusive Joint monitoring body is required, acceptable at district level, and comprising experts and representatives of both government and civil society organizations, with equal representation of women. There should be a joint monitoring framework with specified criteria and indicators. Monitoring should aim to ensure equity."*

There should be a joint monitoring framework with specified criteria and indicators. Monitoring should aim to ensure equality and equity.

### 5.3 GENERIC SAFEGUARD MONITORING

In section 6.1.1 the agreements reached at the UNFCCC Cancun and Durban meetings are discussed, and the requested made to UNFCCC parties to provide information on how safeguards are being

addressed and respected throughout the implementation of the REDD+ activities (see Box 6.1.2). This will require Nepal to establish a Safeguard Information System (SIS) which will need to include identifying and continuously monitoring key indicators (eg on governance, benefit-sharing, participation of marginalised groups in decision-making). This can only be done when the content of REDD+ strategy is known. A set of such core ESMF indicators should be monitored independently of project monitoring and should be adaptable to enable unforeseen issues to be added. Experience from community forestry has been that some key problems were not anticipated in advance (eg exclusion of ultra poor).

#### 5.4 TRAINING FOR MONITORING

Currently there is limited experience and practice in environmental and social monitoring in Nepal. It will therefore be necessary to include a package of appropriate awareness-raising and skills training to enable an effective monitoring and evaluation system to be established to support ESMF implementation. This can only be elaborated once the shape and focus of the actual REDD+ strategy is established, and the likely project/activities to implement it can be determined.

Table 7.1 provides an indication of which institutions will require such training, including with regard to monitoring, to fulfil their potential roles in ESMF implementation.



## 6 REQUIREMENTS OF RELEVANT INTERNATIONAL CONVENTIONS, AND RELEVANT NEPALI AND WORLD BANK SAFEGUARD POLICIES

Section 3.5 of the draft SESA report describes Nepal's key legislation, regulations, policies and international commitments relevant to the forest sector as well as commitments under international agreements such as the ILO Convention on Indigenous and Tribal Peoples (ILO, (enacted in 1989 and ratified by Nepal in 2007: No.169) and the United Nations Declaration on the Rights of Indigenous Peoples (2007).

### 6.1 INTERNATIONAL CONVENTIONS

#### 6.1.1 The UNFCCC Cancun safeguards

On December 11 2010, a number of agreements were reached at the United National Framework Convention on Climate Change (UNFCCC) conference in Cancun, Mexico. They cover: mitigation, transparency of actions, technology, finance, capacity-building and forests. They provide important guidance for all actors – countries, NGOs, multilateral institutions – who are helping countries prepare for REDD+. The Cancun Agreements are a set of significant decisions by the international community to address the long-term challenge of climate change collectively and comprehensively over time and to take concrete action now to speed up the global response. They represent key steps forward in capturing plans to reduce greenhouse gas emissions and to help developing nations protect themselves from climate impacts and build their own sustainable futures (see: <http://cancun.unfccc.int/> and [https://unfccc.int/meetings/cancun\\_nov\\_2010/items/6005.php](https://unfccc.int/meetings/cancun_nov_2010/items/6005.php)).

An Agreement on REDD+ is contained in the Outcome of the work of the Ad Hoc Working Group on long-term Cooperative Action under the Convention ([http://unfccc.int/files/meetings/cop\\_16/application/pdf/cop16\\_lca.pdf](http://unfccc.int/files/meetings/cop_16/application/pdf/cop16_lca.pdf)). It states clearly that REDD+ is not only about reducing emissions but also about halting and reversing forest loss. It emphasizes that REDD+ actions must result in maintaining existing forests and carbon stocks. The agreement also encourages all countries to find effective ways to reduce the human pressures on forests that result in greenhouse gas emissions. This element puts part of the responsibility of slowing, stopping and reversing forest cover loss and associated emissions on those countries and actors (e.g., companies and consumers) that create the demands that drive deforestation (e.g. demands for timber, oil palm, soy, and cattle). The Parties at Cancun agreed on seven UNFCCC REDD+ safeguards, among them transparency, participation, protection of biodiversity, and protection of the rights of local people (Box 6.1.1). If implemented correctly, the UNFCCC REDD+ safeguards can help ensure that REDD+ does not inadvertently harm communities and ecosystems. Furthermore some of the safeguards – notably e) – aim to promote enhanced social and environmental benefits. These safeguards provide broad guiding principles. Those designing, funding, and implementing REDD+ initiatives need to determine how the principles should be put into practice.

#### **Box 6.1.1: REDD+ safeguards under the UNFCCC Cancun agreements**

When undertaking activities referred to in paragraph 70 of this decision, the following safeguards should be promoted and supported:

- a. Actions complement or are consistent with the objectives of national forest programmes and relevant international conventions and agreements;
- b. Transparent and effective national forest governance structures, taking into account national legislation and sovereignty;
- c. Respect for the knowledge and rights of indigenous peoples and members of local communities, by taking into account relevant international obligations, national circumstances and laws, and noting that the United Nations General Assembly has adopted the United Nations Declaration on the Rights of Indigenous

Peoples;

- d. The full and effective participation of relevant stakeholders, in particular, indigenous peoples and local communities, in actions referred to in paragraphs 70 and 72 of this decision;
- e. Actions are consistent with the conservation of natural forests and biological diversity, ensuring that actions referred to in paragraph 70 of this decision are not used for the conversion of natural forests, but are instead used to incentivize the protection and conservation of natural forests and their ecosystem services, and to enhance other social and environmental benefits;

The following two safeguards are more concerned with leakage and permanence

- g. Actions to address the risks of reversals;
- h. Actions to reduce displacement of emissions

Source: Annex 1 at [http://unfccc.int/files/meetings/cop\\_16/application/pdf/cop16\\_lca.pdf](http://unfccc.int/files/meetings/cop_16/application/pdf/cop16_lca.pdf)

**Note:** One of the decisions included in the Warsaw REDD+ Framework (adopted at UNFCCC COP 13 in November 2013) is requirement for countries to submit national communications on progress towards implementation of safeguards, acknowledges that, in the interim, a phased approach to national forest monitoring systems is necessary and that MRV need to contain transparent and verifiable data and information.

Primarily, the Cancun REDD+ text provides countries with guidance on REDD+ readiness. The REDD+ Framework subsequently agreed at the UNFCCC COP in Warsaw (2013) (see Box 6.1.1) recognizes that a phased approach will likely be necessary – from plans and implementation (phase 1 and 2) to results-based activities (phase 3) – and lists the systems and information that developing countries need to undertake REDD+ activities. These include a national plan, a national reference emission level, a robust and transparent national forest monitoring system, and a system for providing information for how safeguards – such as respecting indigenous peoples' rights – are being addressed and respected.

The Cancun Agreements, and the subsequent Durban Agreement, also requested parties implementing REDD+ to provide information on how safeguards are being addressed and respected throughout the implementation of the REDD+ activities (see Box 6.1.2). Both agreements are broad, and leave considerable flexibility for parties to interpret what they mean in practice.

### Box 6.1.2: : Safeguard information systems (SIS) under the UNFCCC Cancun

#### Agreements and Durban Outcomes

Decision 12/CP.17 of the UNFCCC Durban Outcome states that an SIS should provide information on how all Cancun safeguards are addressed and respected. SIS should be country-driven, implemented at a national level, and built on existing systems, as appropriate. It was also agreed that reporting of summary information on how safeguards are being addressed and respected would take place periodically in national communications to the UNFCCC. Parties to the UNFCCC further agreed that as SIS are developed, relevant international obligations and agreements should be recognized and gender considerations respected.

SIS provide a systematic approach for collecting and providing information on how REDD+ safeguards are being addressed and respected throughout REDD+ implementation. While the specific design of SIS and the level of detail of information reported will vary between countries, all SIS are likely to include the following components:

- Indicators: These help determine, in this case, whether a particular policy, law or regulation is being effectively implemented. In addition other indicators may be developed that define and encourage best practice without necessarily linking to policies, laws and regulations. The indicators provide the parameters to determine what information needs to be collected.
- Methodologies for collection of information: These outline the types of information to be collected for each indicator, and how the information collection should be carried out (e.g. sample size, frequency, etc.)
- Framework for provision of information: This defines how information is stored and shared. Summary information will need to be provided to the UNFCCC but is also likely to be used at the

country level for dissemination among key stakeholders. Domestic-level dissemination of information may need to exist in various formats and be communicated at varying frequencies, depending on national circumstances.

### 6.1.2 Other relevant conventions

Nepal is signatory of ILO Convention on Indigenous and Tribal Peoples, 1989 (No.169) which deals with the safeguards for indigenous people and their social interest. Similarly, the United Nations Declaration on the Rights of Indigenous Peoples was adopted by the United Nations General Assembly in 2007. This non-binding declaration outlines the individual and collective rights of indigenous peoples, as well as their rights to identity, culture, language, employment, health, education and other issues. The UN describes it as setting an important standard for the treatment of indigenous peoples that will undoubtedly be a significant tool towards eliminating human right violation against the indigenous people and assisting them in combating discrimination and marginalization. Table 6.1.1 lists their key relevant provisions.

**Table 6.1.1 Applicable International Norms**

Convention	Salient Feature/s	Applicability
ILO Convention on Indigenous and Tribal Peoples, 1989 (No.169)	<ul style="list-style-type: none"> <li>Article 1 defines tribal and indigenous peoples.</li> <li>Article 6 requires consultation with the peoples concerned through appropriate procedures and, in particular, through their representative institutions, whenever consideration is being given to legislative or administrative measures which may affect them directly.</li> <li>Article 15 states that indigenous and tribal peoples shall, wherever possible, participate in the benefits of natural resource utilization activities and shall receive fair compensation for any damages which they may sustain as a result of such activities.</li> <li>Article 16(2) clearly mentions that where the relocation of these peoples is considered necessary, such exceptional measures and such relocation shall take place only with their free and informed consent. Where their consent cannot be obtained, such relocation shall take place only following appropriate procedures established by national laws and regulations, including public inquiries where appropriate, which provide the opportunity for effective representation of the peoples concerned.</li> <li>Article 16(3) mentions that, whenever possible, these peoples shall have the right to return to their traditional land as soon as the grounds for relocation cease to exist.</li> <li>Article 16(5) specifies the persons thus relocated shall be fully compensated for any resulting loss or injury.</li> </ul>	Yes. If the indigenous people are present within and surrounding areas of proposed REDD+ project sites, the convention requirements are applicable.

Convention	Salient Feature/s	Applicability
United Nations Declaration on the Rights of Indigenous Peoples, 2007	<ul style="list-style-type: none"> <li>• Its goal is to encourage member countries to work alongside indigenous peoples to solve global issues, like development, multicultural democracy and decentralization.</li> <li>• The Declaration sets out the individual and collective rights of indigenous peoples, as well as their rights to culture, identity, language, employment, health, education and other issues (Article 1-4).</li> <li>• It also "emphasizes the rights of indigenous peoples to maintain and strengthen their own institutions, cultures and traditions (Article 5) and to pursue their development in keeping with their own needs and aspirations (Article 23)".</li> <li>• It "prohibits discrimination against indigenous peoples" (Article 21), and it "promotes their full and effective participation in all matters that concern them and their right to remain distinct and to pursue their own visions of economic and social development" (Articles 25-30).</li> <li>• Article 31 emphasises that indigenous peoples will be able to protect their cultural heritage and other aspects of their culture and tradition, which is extremely important in preserving their heritage</li> </ul>	Yes. If the indigenous people are present within and surrounding areas of the proposed project sites under WTEP, some of the provisions of the Declaration are applicable.

### 6.1.3 Cultural Heritage Management Framework

Various international conventions, charters, declarations and recommendations provide guidance and methodological frameworks for cultural resource management:

- Convention Concerning the Protection of the World Cultural and Natural Heritage(1972)
- Convention on the protection and promotion of the diversity of cultural expressions (2005) - affirming that cultural diversity is a defining characteristic of humanity,
- Convention on the Protection of the Intangible Cultural Heritage (2003)
- Convention on the Protection of the Underwater Cultural Heritage (2001)
- Recommendation Concerning the Protection, at National Level, of the Cultural and Natural Heritage (UNESCO 1972)
- Recommendation Concerning the Safeguarding of the Beauty and Character of Landscapes and Sites (UNESCO 1962)
- Resolutions and Declarations of ICOMOS Symposia: 1994 The Nara Document of Authenticity
- The Australia ICOMOS Charter for the Conservation of Places of Cultural Significance (1981)

The objectives of cultural resource management are the preservation, conservation and enhancement of cultural resources. To reach these objectives, site-specific management strategies must be implemented. To effectively manage heritage resources, a systematic approach is required. Thus, in screening and subsequently assessing (either through IESE or ESIA) proposals for REDD+ implementation, it will be important to ensure that such projects and activities do not harm physical

or moral cultural heritage, or traditional practices and customs. A methodological framework for the cultural resource management process is suggested by UNESCO<sup>4</sup>:

- surveying and creating an inventory to document cultural resources, their historical setting and physical environment
- assessing and evaluating cultural heritage resources, their setting and cultural values
- analysing and investigating material substance, structural systems and the historic and contemporary context to design suitable conservation policies
- developing strategies for short and long-term programmes for conservation management and anticipated future changes
- implementing, monitoring, reviewing and, where necessary, revising the programmes that were developed

In addition to documenting and understanding cultural heritage resources as they exist today, heritage managers must also investigate and anticipate current and future land use patterns and their relationship to the cultural heritage resources. GIS is a useful tool in assisting in the execution of all these procedures.

The definition of heritage has changed considerably from a narrow concern for individual buildings and sites to a broader consideration of groups of buildings, historical areas, towns, environments, social factors and, more lately, intangible heritage. The 2003 Convention for the Safeguarding of the Intangible Cultural Heritage defines intangible cultural heritage as the practices, representations, expressions, knowledge, skills – as well as the instruments, objects, artifacts and cultural spaces associated therewith – that communities, groups and, in some cases, individuals recognise as part of their cultural heritage. This intangible cultural heritage, transmitted from generation to generation, is constantly recreated by communities and groups in response to their environment, their interaction with nature and their history, and provides them with a sense of identity and continuity, thus promoting respect for cultural diversity and human creativity.

According to Pradhananga et al. (2010), approaches to heritage conservation can be broadly divided into two types: a) managerial (or top-down) approach, and b) indigenous approach. The 'top-down' managerial approach is focussed on a linear set of bureaucratic processes supported by a rigid legal institutional framework. This is reflected in the Convention Concerning the Protection of the World Cultural and Natural Heritage (the World Heritage Convention) and in various Nepalese legislative instruments<sup>5</sup>. This highly legalistic and structured approach is often unfavourable to community participation and the use of indigenous systems in site conservation and management.

Although the World Heritage Convention is considered a significant international heritage agreement, its linear Euro-centric focus has raised questions about the inherent challenge of using a rigid system to deal with the multifarious heritage sites and items worldwide. Issues include the narrow focus on the identification of sites at the expense of the integrated protection, conservation, presentation and transmission of heritage. There is also a need to establish a better link among international, national and regional conservation instruments. The effective integration of conservation policy objectives into statutory conservation instruments is of paramount importance for improving the development of criteria and systems for listing. A significant barrier to achieving these aims, however, is that no standard legislative or regulatory approach exists for use by nations to ensure their obligations to the Convention are met. In addition, there is no common approach to develop participatory structures in the nomination and management processes. In this sense, there are concerns that the heritage conservation and management process for world heritage sites has become techno-centric, complex and cumbersome.

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<sup>4</sup> see: <http://www.unescobkk.org/culture/diversity/culturalmapping/cultural-mapping-at-unesco-bangkok/cultural-mapping-workshop-lahore-pakistan/session-3-mapping-applications-for-cultural-resource-management/>

<sup>5</sup> Ancient Monument Preservation Act, 1956; Guthi Corporation Act, 1964

In response to the managerial approach, recent literature places a significant emphasis on indigenous approaches to heritage conservation. Underlying themes are evident in the Nara Document on Authenticity 1994, the Australia ICOMOS Charter for Places of Cultural Significance 1999 (The Burra Charter), the Principles for the Conservation of Sites in China 2002 and the INTACH Charter 2004. Recognition of intangible cultural heritage that began with the Nara Document was expanded in 1998 with UNESCO's Proclamation of Masterpieces of the Oral and Intangible Heritage of Humanity and the 2003 adoption of the UNESCO Convention for the Safeguarding of the Intangible Cultural Heritage

The recognition of indigenous systems for the conservation and management of heritage is also concurrent with developments in other fields. For example, many anthropologists, political scientists and geographers have highlighted the value of indigenous systems in poverty alleviation, environmental conservation and sustainable development by challenging misleading presumptions that indigenous knowledge is inefficient, inferior and an obstacle to development. Moreover, considerable evidence now exists in the literature showing that indigenous systems can actually facilitate development in cost-effective, participatory and sustainable ways. The failure to give due recognition to indigenous heritage has directed attention to the participatory and decentralised motif in development practices. And insofar as the populist rhetoric of indigenous systems has emphasised the capacities of underprivileged people, it has also recognised the need to secure the participation of indigenous and local groups. This clearly represents a shift away from the preoccupation with technically-oriented solutions that have failed to deliver sustainable heritage conservation and management practices.

The value of indigenous systems for the effective management of world heritage sites is now largely undisputed. Indigenous systems are locally bound to a specific area and culture. They use informal knowledge, which is orally transmitted and generally not documented. It is dynamic, adaptive and closely related to the survival for many people. This contrasts sharply with the formalistic and procedural scientific system employed by many government agencies, universities, research institutions and private firms in relation to heritage conservation and management.

## 6.2 NEPAL'S SOCIAL SAFEGUARDS

### 6.2.1 Resettlement and Rehabilitation Policy Framework (RRPF)

Land acquisition and large scale loss of livelihood are not envisaged under the 14 strategic options, except possibly the acquisition of land to establish infrastructure (eg roads), protected areas, plantations and hydropower schemes.

However, where this does occur then it will be necessary to address unavoidable impacts that may arise in the form of loss of: structure; source of livelihood; access to common resources and facilities; standing crops, trees and perennial trees; and public infrastructure and community resources. Compensation may be due for lost assets, livelihoods, community property, and resettlement and rehabilitation of project affected in accordance with the Land Acquisition Act, 2034 (1977) and other relevant acts and World Bank's Operational Policy 4.12 on Involuntary Resettlement and Indigenous Peoples (OP 4.10) as discussed in Chapter 3 of this report.

The aims of the *Resettlement & Rehabilitation Policy* are to:

- Minimize adverse impacts as much as possible, such as land taking and human displacement;
- Plan and implement necessary mitigation measures to address livelihood impacts as a result of land-taking and as a consequence of the implementation of other project activities;
- Ensure that compensation is paid at replacement cost and that lack of title does not bar affected households from resettlement and rehabilitation benefits;

- Mainstream consultations with and participation of affected people in the planning and implementation process of projects;
- Give special attention and adequate measures to assist the vulnerable households;
- Ensure that grievance and monitoring procedures are put in place.

REDD+ implementation will need to ensure that it is committed to ensuring that all compensation and resettlement activities associated with any REDD+ initiatives, activities or projects are undertaken in compliance with Nepal's relevant legislation and with World Bank's policies (see Chapter 5). Best practice involuntary resettlement guidelines, as embodied in the policies of the World Bank in its resettlement program, should be followed in REDD+ implementation to address any gaps/limitations in Nepal's legislation and ensure the proper restoration of affected livelihoods. Definitions of terms used in the policy are provided in Box 6.2.1.

#### **Box 6.2.1: Definitions of terms in the Resettlement and Rehabilitation Policy Framework (RRPF)**

**Cut-off date:** In the cases of land acquisition affecting legal titleholders, the cut-off date would be the date of issuing the preliminary notice under the Land Acquisition Act 2034. In cases where people lack title, the cut-off-date shall be the date of start of the Census survey undertaken by the project authority.

**Project Affected Person:** Affected persons are those who stand to lose all or part of their physical and non-physical assets including homes, productive land, community resources, commercial properties; livelihood; and socio-cultural network.

**Severely Affected Households:** These are households that will be affected by any one of the following: (i) significant loss of income (> 10 %) and (ii) loss of accesses to common property resources for those whose livelihoods depend on these.

**Project Displaced person:** A displaced person is a person who is compelled to change his/her place of residence and/or work place or place of business, due to the project.

**Affected family:** A family whose primary place of residence or other property or source of livelihood is adversely affected by the acquisition of land for a project or involuntary displacement for any other reason.

**Wage Earner:** A person who is working with a commercial establishment or working as a labour in an agriculture land, which is being affected by the project.

**Encroacher:** A person, who has trespassed Government land, adjacent to his/her own land or asset, to which he/she is not entitled, and deriving his/her livelihood prior to the cut-off date.

**Squatter:** Squatter is a person who is land less and has settled on publicly owned land without permission and has been occupying publicly owned building without authority prior to the cut-off date.

**Vulnerable Persons:** Vulnerable persons include both socially as well as economically disadvantaged persons such as janjatis, dalits, disabled/handicapped, woman headed households, destitute, orphans, widows, unmarried girls, abandoned women ,or persons above sixty years of age; who are not provided or cannot immediately be provided with alternative livelihood, small and marginal farmers, and landless wage earners.

**Entitled Person:** person adversely impacted by the project and is entitled to some kind of assistance as per the project entitlement framework.

**Titleholders (THs):** Persons who possess legal documents in support of claims made towards ownership of structure or land are titleholder.

During project screening, it will be important to get an overview of the nature, scale and magnitude of the issues in order to determine the need for conducting ESIA and preparing any necessary **Resettlement Action Plan** (RAP) to mitigate potential impacts related to the involuntary displacement of people. A RAP provides a link between the impacts identified and proposed mitigation measures to realize the objectives of involuntary resettlement, taking into account the magnitude of impacts. A full RAP will be when more than 200 people will be affected due to land acquisition and/or physical relocation. An abbreviated RAP is needed when those affected will be less than 200 people. Such plans should be prepared and approved (by the AMU) as soon as a

project is finalized and prior to approval of a corresponding civil works bid document. Projects that are not expected to have any land acquisition or any other significant adverse social impacts (or on the contrary, significant positive social impact and improved livelihoods) are exempted from such interventions. A draft Resettlement Action Plan (RAP) should contain the particulars listed in Box 6.2.2.

**Box 6.2.2: Requirements of a Resettlement Action Plan**

- The extent of the area to be acquired for the project, the name(s) of the corresponding VDC(s)/ Municipality (s) area and the method employed for acquiring land with the relevant documentation.
- A list of affected families and the likely number of displaced persons by impact category FOR THE VDC/Municipality or ward.
- The extent and nature of land and immovable property in the possession of each affected family.
- Socio-economic survey of affected people including income/asset survey of PAPs.
- A list of agricultural labourers in the project area and the names of such persons whose livelihood depends on agricultural activities.
- A list of persons who will lose or are likely to lose their employment or livelihood or who will be alienated wholly and substantially from their main sources of occupation or vocation as a result of the acquisition of land and / or structure of the project;
- Information on vulnerable groups or persons for whom special provisions may have to be made;
- A list of occupiers, if any
- A list of public utilities and government buildings which are likely to be affected
- A comprehensive list of benefits and packages which are to be provided to project affected families by impact category;
- Details of the extent of land available which may be acquired for resettling and allotting of land to affected families;
- Details of the basic amenities and infrastructure facilities which are to be provided for resettlement;
- Entitlement matrix
- Time schedule for shifting and resettling the displaced families in resettlement zones
- A grievance redressal mechanism
- An institutional mechanism for RAP implementation;
- Monitoring and evaluation indicators and mechanism; and
- A budget

Where a project involves land acquisition against compensation or loss of livelihood or shelter, it should not be approved until a satisfactory RAP has been prepared and shared with the affected persons and local community; and works should not start until the compensation and assistance has been made available in accordance with the framework.

The resettlement and rehabilitation (R&R) benefits should be extended to all the Project Affected Families (PAF). Compensation amounts should be based on the principle of replacement value. The exact value of compensation and replacement cost will be different for each activity at different project locations and should be based on an economic and social survey of the area of the activity and of affected persons. However, the entitlements and assistance amount proposed in an entitlement matrix (Table 6.2.1) should be based on levels agreed by both the government and parties funding REDD+.

**Table 6.2.1: Entitlement matrix**

Impact Category	Entitlement Unit	Entitlements
Loss of agriculture land	Registered owner	<ul style="list-style-type: none"> <li>• Cash compensation at replacement cost</li> <li>• Any transfer costs, registration fees or charges</li> <li>• Compensation for crops and trees if any</li> <li>• Subsistence allowance equivalent to one year of minimum agriculture wages</li> </ul>



Impact Category	Entitlement Unit	Entitlements
Loss of agriculture land	Non- titleholder	<ul style="list-style-type: none"> <li>• Compensation for crops and trees if any</li> <li>• Subsistence allowance equivalent to six months of minimum agriculture wages for loss of livelihood</li> </ul>
Loss of House or other property	Property owner (title holder)	<ul style="list-style-type: none"> <li>• Compensation at replacement cost or as settled by users' organization and PAP or committee under District Administration Office.</li> <li>• Shifting allowance of NPR 5000 as one time grant</li> <li>• Resettlement assistance of NPR 50000</li> </ul>
Loss of house or other property	Encroachers / squatters	<ul style="list-style-type: none"> <li>• Compensation for the structure build on government land at replacement value</li> <li>• One time grant of NPR 5000 as shifting allowance.</li> <li>• Resettlement assistance of NPR 50000</li> </ul>
Loss of Trees and Crop	Landowner	<ul style="list-style-type: none"> <li>• At least three months advance notice for crop harvest</li> <li>• In absence of advance notice, cash compensation based on annual value of the produce and calculated according to the Department of Agriculture norms (crop compensation)</li> <li>• Cash compensation based on annual value of the produce and calculated according to the Department of Forestry (for trees compensation)</li> </ul>
Loss of Income or source of income	Eligible households	<ul style="list-style-type: none"> <li>• Subsistence allowance equivalent to one year of minimum agriculture wages</li> </ul>
Loss of Common Property Resources	Community groups	<ul style="list-style-type: none"> <li>• Any CPR impacted will be replaced by the project</li> </ul>
Loss of government/ public properties	Relevant government and public authorities	<ul style="list-style-type: none"> <li>• Government infrastructure and facilities affected by the project will be repaired or replaced in consultation with the relevant departmental authorities.</li> <li>• Affected public structures will be relocated or reinstated with the consultation of local stakeholders.</li> <li>• The acquired government land and forest for the project will be acquired in line with the prevailing laws in coordination with the relevant government agencies.</li> </ul>
Impacts associated with construction works	All the directly or indirectly affected peoples and workers	<ul style="list-style-type: none"> <li>• Project contractors in the construction phase and project operator in the operation phase will be made responsible for the occupational health and safety of workers.</li> <li>• The contractor(s) will be made responsible to adopt Safe Construction Practices (SCP) in order to minimize construction related accidents</li> <li>• Trainings will be provided to all construction workers about SCP</li> </ul>
Loss of cultural property	Users of the cultural properties	<ul style="list-style-type: none"> <li>• All the affected cultural properties (shrines, other religious symbols or sites, places of worship (church, temple, stupas) will be repaired and restored consulting with the local users.</li> </ul>

### 6.2.2 Vulnerable Community Development Framework (VCDF)

In Nepal, several factors could determine a group's vulnerability. Even though gender, caste and ethnicity have been officially acknowledged as primary factors that impede the progress of groups of people; other factors such as region, economic status and patronage network play an equally important role. The Tenth National Plan (2002–2007) identified three major groups as more vulnerable than others: women, Dalits and Adivasi/Janajati. These three groups are disadvantaged in terms of (i) access to livelihood, assets and services; (ii) social inclusion and empowerment; (iii) legal inclusion and representation in government; and (iv) economic marginalization. A brief description of these vulnerable groups is provided in Box 3.4.1 in section 3.4 of the SESA report,

A number of constraining factors are likely to obstruct the ability of indigenous people to participate in REDD+ projects and to derive benefits. These include: (i) limited exposure to emerging markets; (ii) limited access to institutional credit, farm inputs and agricultural extension services; (iii) lack of or poor leadership qualities and lack of or inadequate representation/participation in decision-making; and (v) not being consulted on developmental issues. Poverty, illiteracy, landlessness/ low level of land holding, limited access to available agricultural extension services (such as the improved seeds, fertilizers and improved farm practices, etc) are also constraining factors to their participation in the overall development process.

However, it would be unrealistic to assume that all the issues mentioned above will be addressed effectively by all REDD+ options- at least fully or to the same extent. However, where relevant and possible, projects should focus on issues that are directly related to people's participation and accessing project benefits. The bottom-line is to ensure equitable opportunities for vulnerable people to get project benefits. Therefore, the main objective of a Vulnerable Community Development Strategy should be to ensure that vulnerable people are actively involved in project activities and that they have access to project benefits at par with the rest of the community. The strategy should also aim to minimise any negative impacts like creating further sources of social and economic imbalances between communities.

#### 6.2.2.1 Objectives and steps of a Vulnerable Communities Development Plan (VCDP)

The key objectives of a VCDP are to:

- ensure that a project engages in free, prior, and informed consent through consultation with the vulnerable community wherever they are affected;
- ensure that project benefits are accessible to the vulnerable community living in the project area;
- avoid any kind of adverse impact on the vulnerable community to the extent possible and, if unavoidable, ensure that adverse impacts are minimized and mitigated;
- ensure vulnerable people's participation in the entire process of preparation; implementation and monitoring of project activities;
- minimize further social and economic imbalances within communities; and
- develop appropriate training / income generation activities in accordance to their own defined needs and priorities.

Once screening has identified whether indigenous / vulnerable peoples are present in a project area, or have collective attachment to the project area, key steps in developing a **Vulnerable Communities Development Plan** (VCDP) are as follows:

- 1 Social assessment and analysis to address the social concerns of the project;
- 2 Identifying the views of the affected communities by following a process of free, prior, and informed consent through consultation at each stage of the project, and particularly during project preparation

- 3 Developing institutional arrangements (including capacity building wherever necessary) for screening project-supported activities, evaluating their effects on the vulnerable community, and addressing grievances
- 4 Developing monitoring and reporting arrangements including the establishment of mechanisms and benchmarks appropriate to the project and
- 5 Disclosure of the draft Plan

Project screening should include a survey based on group discussion with the communities in the project area to identify the presence of any vulnerable group or any such group that might have collective attachment to the project area. Apart from consultation with the community members, consultations and in-depth interviews should also be carried out with NGOs working in the area and representatives of local self-government. The screening should examine the details of IPs/vulnerable people households, assessing the number of such households along the zone of influence of the proposed. If the results show that there are IPs/vulnerable people households, the issues related to the community should be included in the ESIA

The ESIA should gather relevant information on demographic, social, cultural; economic and networking aspects of each household and the needs of the community as a whole. The information on individual household will be collected through household survey whereas community-based needs would be accessed through group discussions with the community as a whole as well as in discussion with the community leaders and other stakeholders. The discussion will focus on both positive and negative impacts of the project. The suggestions and feedback from the community on the design and planning of the project should be documented.

A suggested format for a VCDP is indicated in Box 6.2.3

#### **Box 6.2.3: Suggested format for VCDP**

1. Description of project and implications for the vulnerable community
2. Gender disaggregated data on number of vulnerable households by impact category
3. Social, cultural and economic profile of households
4. Land tenure information
5. Documentation on consultations with the community to ascertain their views about the project design and mitigation measures
6. Findings of needs assessment of the community
7. Modalities to ensure regular and meaningful consultation with the community
8. Institutional arrangement and linkage with other national or state level programmes
9. Institutional mechanism for monitoring and evaluation of VCDP implementation and grievance redress
10. Implementation schedule and cost estimate for implementation

#### **6.2.2.2. Indigenous people**

Nepal's Interim Constitution of 2007 recognizes the diversity of Nepal (art. 3) and defines the country as secular, inclusive and democratic State (art. 4). It further recognizes the status of different mother languages of various groups as national languages enabling their use in the state activities (art. 5). Each such community has the right to preserve and promote its own language and cultural heritage as well as to receive basic education in its mother tongue (art. 17). In addition, the Constitution recognizes the rights of Adivasi/Janajati to "participate in State structures on the basis of principles of proportional inclusion" (art. 21) and authorizes the State to implement special measures "for the protection, empowerment and advancement of indigenous nationalities" (art. 13).

The specific policy initiatives for the advancement of Adivasi/Janajati and other communities started in 1997. The National Foundation for Development of indigenous Nationalities (NFDIN) as set up to

ensure the welfare of Adivasi/Janajati. In 2002, the Parliament passed a bill enabling the establishment of NFDIN. The NFDIN Act 2002 established the first comprehensive policy and institutional framework pertaining to Adivasis/Janajatis. The NFDIN is a semi-autonomous body that acts as the State's focal point for indigenous policy, with a mandate to recommend measures to promote the welfare and development of IPs focusing to social, economic, and cultural rights and requirements.

The NFDIN Act 2002, National Human Rights Action Plan 2005, Environmental Act 1997, and Forest Act 1993 have also provided for the protection and promotion of Janajatis' traditional knowledge and cultural heritage. The Local Self-Governance Act (1999) gave more power to local political bodies to promote, preserve and protect Janajatis' language, religion, culture and welfare.

The Three Years Interim Plan (2007-2010) included following policies for inclusive development of Janajatis' and other disadvantaged groups: (i) creation of an environment for social inclusion; (ii) participation of disadvantaged groups in policy and decision making; (iii) development of special programs for disadvantaged groups; (iv) positive discrimination or reservation in education, employment; (v) protection of their culture, language and knowledge; and (vi) proportional representation in development.

The Three Years Interim Plan (2010-2013) focused on inclusive development of IPs and included following strategies for inclusive development of Janajatis' groups: (i) arrangement of required policy and structures for increasing access to resources and services through mainstreaming of endangered groups of IPs and other IPs groups in development process and outcomes, (ii) ensure rationale representation of excluded communities in states decision making process and exclude in structures, (iii) improvement in policy, legal and structural provisions for development of Adibasi/Janajati and endangered IPs groups and community and (iv) empowerment of Adibasi/Janajati, minorities and endangered IPs groups and community through affirmative action and inclusion by implementation of targeted programmes.

In Nepal, indigenous/tribal communities are popularly known as Adibasi/Janajati. There are 129 ethnic/caste groups listed by the Central Bureau of Statistics, Nepal (2011 Census). The population of IPs is 37.2% of total population (Three year interim plan, 2010-2013). According to the National Foundation for Development of Indigenous Nationalities (NFDIN), Act, 2000 there are 59 Janajati groups. In terms of ecological zones, 19 groups are in the Mountain region, 24 in the hilly region and 16 in the Terai region. Among the key characteristics of these tribal communities are: distinct collective identity, own language (other than Nepali), distinct traditions and cultures, traditional egalitarian social structure (which is distinct from mainstream varna or caste system), and their written or oral histories.

Based on the level of their socio-economic status, NFDIN has classified them into five broad categories: advanced, disadvantaged, marginalized, high Marginalized and endangered group (see Table 6.2.2).

**Table 6.2.2: IPs groups and their category in Nepal**

Socio-economic classification of IPs	Ecological belt			Total
	Mountain	Hill	Terai	
Advanced group	Thakali	Newar	-	2
Disdvantaged group	Bara Gaule, (Sauka), Chhairrotan, Marphali, Thakali,	Chhantyal, Gurung, (Tamu), Jirel, Limbu (Yakthung),	-	15

Socio-economic classification of IPs	Ecological belt			Total
	Mountain	Hill	Terai	
	Sherpa, Tingaule, Thakali, Tangbe	Magar, Rai, Yakkha, Hyolmo		
Marginalised group	Bhote, Dolpo, Larke, Lhopa, Mugali, Topkegola, Walung	Bhujel, Dura, Pahari, Phree, Sunuwar, Tamang	Darai, Kumal, Dhimal, Gangai, Rajbanshi (Koch), Tajpuriya, Tharu	20
Highly marginalized group	Shiyar, Shingsawa (Lhomi), Thudam	Baramu, Thami (Thangmi), Chepang	Dhanuk (Rajbansi), Jhangad, Santhal (Satar), Bote, Danuwar, Majhi	12
Endangered group		Bankariya, Hayu, Kusbadiya, Kusunda, Lepcha, Surel	Raji, Raute, Kisan, Meche (Bodo)	10
<b>Total</b>	<b>19</b>	<b>24</b>	<b>16</b>	<b>59</b>

Source: National Foundation for Development of Indigenous Nationalities Act, 2002.

### 6.2.3 Gender Action Plan (GAP)

Although women are identified as vulnerable groups and should be included amongst the potential beneficiaries under the VCDP, this alone will not be sufficient to address the deep rooted social, cultural and economic issues of women. Regardless of caste and ethnicities, women in general, suffer more than their male counterparts on various grounds warranting special treatment or mitigation measures in order to minimize the adverse impacts of projects and enhance positive impacts to sustain better livelihoods. Section 3.4 of the draft SESA discusses issues that relate to women, and Chapter 5 of the SESA identifies key impacts of implementing the 14 strategic options that are likely to affect women,

But field-based information will be required to prepare a **Gender Action Plan** (GAP) for any project which screening has identified as having potential impacts on women.

Focusing on gender will identify benefits that go beyond good project performance. Women have primary roles in the collection, transport, use, and management of fuel, fodder, water and other household activities, but are inadequately involved in decision-making in the forest sector. Gender should be addressed through an approach that is participatory and responsive to the needs of the poor and marginalized women of society. All REDD+ projects should address the constraints on women's participation in project design, implementation and monitoring and evaluation. The project must also focus on the linkage between gender and poverty, by identifying, for example, households headed by females and those households' special needs. An adaptive, learning, and process-oriented approach works better than a blue print approach. Project beneficiaries are likely to have a stronger sense of ownership when the project gives them enough time, design flexibility, and authority to take corrective action. In this way, they find it easier to incorporate their earlier learning and negotiate with project staff and service providers. Therefore, a mechanism must be built into the project to allow such two-way interactions between the beneficiaries and the service providers.

The major tools that could be used to identify and deal with gender issues in the project cycle are: gender analysis, project design, policy dialogue and gender sensitization.

Gender analysis should be an integral part of project screening. The issues identified can be scaled up during the conduct of an ESIA where identified as being a necessity.

The project design should be gender responsive based on the gender analysis. The findings and recommendations from the gender analysis during project planning and feedback from beneficiaries during implementation should be discussed thoroughly to determine the need for further action. The gender checklist below indicates key action points that will furnish required information and provide guidelines to design gender responsive project:

- Identify key gender and women's participation issues.
- Identify the role of gender in the project objectives.
- Prepare terms of reference (TOR) for a gender specialist or social development specialist to be engaged in the ESIA;
- Conduct gender analysis as part of project ESIA.
- Draw up a socio-economic profile of key stakeholder groups in the target population and disaggregate data by gender.
- Examine gender differences in knowledge, attitudes, practices, roles, status, wellbeing, constraints, needs, and priorities, and the factors that affect those differences.
- Assess men's and women's power relationships, capacity to participate and the factors affecting that capacity.
- Assess the potential gender-differentiated impact of the project and options to maximize benefits and minimize adverse effects.
- Identify government agencies and nongovernmental organizations (NGOs), community-based organizations (CBOs), and women's groups that can be used during project implementation. Assess their capacity.
- Review the gender related policies and laws, as necessary.
- Identify information gaps related to the above issues.
- Involve men and women in project design.
- Incorporate gender findings in the project design.
- Ensure that gender concerns are addressed in the relevant sections (including project objectives, scope, poverty and social measures, cost estimates, institutional arrangements, social appendix, and consultant's TOR for implementation and M & E support).
- List out major gender actions.
- Develop gender-disaggregated indicators and monitoring plan.

In developing a Gender Action Plan, it will be necessary to consider steps that promote female-focused and female-friendly activities through which their potentiality can be utilized. This will require targeting females to provide support that matches well with their needs, interest and abilities in a number of ways (see Box 7.2.4)

#### **Box 6.2.4: Issues for to consider in developing a Gender Action Plan (GAP)**

##### **Establishing Community Participation Mechanism**

- Develop a participation strategy for men and women during project implementation and M&E.
- Avoid overly high expectation of women's participation and develop a practical schedule, as women often have time and financial constraints. The strategy should incorporate the following:
  - Planning: Conduct women specific consultation to take their views and suggestions on the design. Any mechanism established during the project design such as grievance mechanisms should have adequate representation from women (minimum 35%, preferably 50%).
  - Implementation: Ensure work conditions that are conducive to women's participation

(e.g., gender-equal wage rates, agricultural season, toilet and child-care facilities, zero tolerance to violence against women, will not increase women's workload).

- Monitoring and evaluation (M & E): Develop a feedback mechanism in which both male and female have a voice. Identify organizations that could facilitate women's participation during implementation and M & E.

### **Providing Training Options**

- Identify ways to link up with income-generation, literacy, and other activities to support an integrated approach to poverty reduction and women empowerment
- Support a decentralized structure to allow linkages between the village and local government.
- Include financial and technical capacity building for relevant local government bodies to enable them to effectively support women groups.

### **Staffing, Scheduling, Procurement and Budgeting**

- Hire female project staff.
- Consider seasonal labour demand in scheduling civil works.
- If appropriate, set a minimum percentage (minimum 35%, preferably 50%) of female labourers and prohibit the use of child labourers.
- Ensure adequate and flexible budgeting to allow a "learning" approach (e.g., training budget, consulting service budget for women's organizations).

### **Monitoring and Evaluation**

- Develop M & E arrangements: (i) internal M & E by project staff; (ii) external M & E by NGOs or consultants, as necessary; and (iii) participatory monitoring by beneficiary men and women.
- Disaggregate all relevant indicators by gender such as number of women gaining access to credit, increase in women's income, career prospects for project trained women, and use of women's and men's incomes.

### **Documentation**

- Document the gender-responsive design features in the DPR and include covenants in the loan agreement to ensure gender-sensitive project design mechanisms to be complied by the executing agency.

## **6.3 WORLD BANK SAFEGUARDS**

### *6.3.1 Environmental safeguards*

#### **6.3.1.1 OP 4.01 - Environmental Assessment**

The Bank requires environmental assessment (EA) of projects proposed for Bank financing to help ensure that they are environmentally sound and sustainable, and thus to improve decision making. EA evaluates a project's potential environmental risks and impacts in its area of influence; examines project alternatives; identifies ways of improving project selection, siting, planning, design, and implementation by preventing, minimizing, mitigating, or compensating for adverse environmental impacts and enhancing positive impacts; and includes the process of mitigating and managing adverse environmental impacts throughout project implementation. The Bank favours preventive measures over mitigatory or compensatory measures, whenever feasible.

EA takes into account the natural environment (air, water, and land); human health and safety; social aspects (involuntary resettlement, indigenous peoples, and physical cultural resources); and transboundary and global environmental aspects. EA considers natural and social aspects in an

integrated way. It also takes into account the variations in project and country conditions; the findings of country environmental studies; national environmental action plans; the country's overall policy framework, national legislation, and institutional capabilities related to the environment and social aspects; and obligations of the country, pertaining to project activities, under relevant international environmental treaties and agreements.

The borrower is responsible for carrying out the EA. For Category A projects, the borrower retains independent EA experts not affiliated with the project to carry out the EA. For Category A projects that are highly risky or contentious or that involve serious and multidimensional environmental concerns, the borrower should normally also engage an advisory panel of independent, internationally recognized environmental specialists to advise on all aspects of the project relevant to the EA. The role of the advisory panel depends on the degree to which project preparation has progressed, and on the extent and quality of any EA work completed, at the time the Bank begins to consider the project.

Depending on the project, a range of instruments can be used to satisfy the Bank's EA requirement: environmental impact assessment (EIA), regional or sectoral EA, strategic environmental and social assessment (SESA), environmental audit, hazard or risk assessment, environmental management plan (EMP) and environmental and social management framework (ESMF). EA applies one or more of these instruments, or elements of them, as appropriate. When the project is likely to have sectoral or regional impacts, sectoral or regional EA is required.

#### 6.3.1.2 OP 4.04 Natural Habitats

This OP seeks to ensure that World Bank-supported infrastructure and other development projects take into account the conservation of biodiversity, as well as the numerous environmental services and products which natural habitats provide to human society. The policy strictly limits the circumstances under which any Bank-supported project can damage natural habitats (land and water areas where most of the native plant and animal species are still present).

Specifically, the policy prohibits Bank support for projects which would lead to the significant loss or degradation of any Critical Natural Habitats, whose definition includes those natural habitats which are either:

- legally protected,
- officially proposed for protection, or
- unprotected but of known high conservation value.

In other (non-critical) natural habitats, Bank supported projects can cause significant loss or degradation only when

- there are no feasible alternatives to achieve the project's substantial overall net benefits; and
- acceptable mitigation measures, such as compensatory protected areas, are included within the project.

#### 6.3.1.3 OP 4.36 Forests

This current policy aims to reduce deforestation, enhance the environmental contribution of forested areas, promote afforestation, reduce poverty, and encourage economic development. Combating deforestation and promoting sustainable forest conservation and management have been high on the international agenda for two decades. However, little has been achieved so far and the world's forests and forest dependent people continue to experience unacceptably high rates of forest loss and degradation. The Bank is therefore currently finalizing a revised approach to forestry issues, in recognition of the fact that forests play an increasingly important role in poverty alleviation, economic development, and for providing local as well as global environmental services.



Success in establishing sustainable forest conservation and management practices depends not only on changing the behaviour of all critical stakeholders, but also on a wide range of partnerships to accomplish what no country, government agency, donor, or interest group can do alone.

The Bank's Forests Strategy suggests three equally important and interdependent pillars to guide future Bank involvement with forests:

- Harnessing the potential of forests to reduce poverty,
- Integrating forests in sustainable economic development, and
- Protecting vital local and global environmental services and forest values.

The forests policy should be read in conjunction with the Natural Habitats OP/BP 4.04 (see section 6.2.1.2).

The objective of this OP4.36 is to assist borrowers to harness the potential of forests to reduce poverty in a sustainable manner, integrate forests effectively into sustainable economic development, and protect the vital local and global environmental services and values of forests. Where forest restoration and plantation development are necessary to meet these objectives, the Bank assists borrowers with forest restoration activities that maintain or enhance biodiversity and ecosystem functionality. The Bank also assists borrowers with the establishment and sustainable management of environmentally appropriate, socially beneficial, and economically viable forest plantations to help meet growing demands for forest goods and services.

The policy applies to the following types of Bank-financed investment projects:

- projects that have or may have impacts on the health and quality of forests;
- projects that affect the rights and welfare of people and their level of dependence upon or interaction with forests; and
- projects that aim to bring about changes in the management, protection, or utilization of natural forests or plantations, whether they are publicly, privately, or communally owned.

The Bank uses environmental assessments, poverty assessments, social analyses, Public Expenditure Reviews, and other economic and sector work to identify the economic, environmental, and social significance of forests in its borrowing countries. When the Bank identifies the potential for its Country Assistance Strategy (CAS) to have a significant impact on forests, it integrates strategies for addressing that impact into the CAS.

The Bank does not finance projects that, in its opinion, would involve significant conversion or degradation of critical forest areas or related critical natural habitats. If a project involves the significant conversion or degradation of natural forests or related natural habitats that the Bank determines are not critical, and the Bank determines that there are no feasible alternatives to the project and its siting, and comprehensive analysis demonstrates that overall benefits from the project substantially outweigh the environmental costs, the Bank may finance the project provided that it incorporates appropriate mitigation measures. Neither does the Bank finance projects that contravene applicable international environmental agreements.

### 6.3.2 Social safeguards

The World Bank's social safeguard policies are a cornerstone of its support to sustainable poverty reduction. The objective of these policies is to prevent and mitigate undue harm to the people in the development process. These policies provide guidelines for the identification, preparation, and implementation of programmes and projects. The main social safeguard policies that could be triggered when REDD+ activities are implemented will be OP 4.12 on Involuntary Resettlement and OP 4.10 on Indigenous Peoples. These policies would be triggered to ensure community assets and livelihoods are protected or compensated and indigenous people's requirements are taken into

consideration by a project wherever applicable. A brief description of each policy applicable in context of REDD+ from a social viewpoint is presented below:

#### 6.3.2.1 Indigenous Peoples (OP 4.10)

This policy states that any development process under World Bank finance should fully respect the dignity, human rights, economies, and cultures of Indigenous Peoples. The project should engage in a process of free, prior, and informed consultation with IPs that should result in broad community support to the project by the affected Indigenous Peoples.

Projects should include measures to avoid potentially adverse effects on the Indigenous Peoples' communities or when avoidance is not feasible, minimize, mitigate, or compensate for such effects. The project should ensure that the Indigenous Peoples receive social and economic benefits that are culturally appropriate and gender and inter-generationally inclusive.

Where the policy is triggered, a culturally appropriate vulnerable community development plan must be prepared following meaningful consultation with the affected Indigenous Peoples (IPs).

OP 4.10 stipulates that an Indigenous Peoples Plan (IPP) should be developed, whenever screening has determined that indigenous peoples are present in a given project area, and that an Indigenous Peoples Planning Framework (IPPF) should be developed whenever indigenous peoples will be affected by projects that involve annual investment programmes or multiple subprojects. IPP and IPPF processes involve similar procedural steps, including:

- Screening to determine whether indigenous peoples are present in, or have collective attachment to, the project area;
- Social assessment to evaluate the project's potential positive and adverse effects on the indigenous peoples;
- A process of free, prior, and informed consultation with the affected communities to fully identify their views and ascertain their broad community support for the project;
- The preparation of an IPP or IPPF that sets out the measures to ensure that (a) Indigenous Peoples affected by the project receive culturally appropriate social and economic benefits; and (b) when potential adverse effects on indigenous peoples are identified, those adverse effects are avoided, minimized, mitigated, or compensated for.

#### 6.3.2.2 Involuntary Resettlement (OP 4.12)

OP 4.12 recognizes that involuntary land-taking resulting in loss of shelter, assets or access and income or sources of income should be addressed by the project. Displaced persons should be meaningfully consulted, given opportunities to participate in planning and implementing resettlement programmes and assisted in their efforts to improve their livelihoods and standards of living. The absence of legal title to land should not be a bar for compensation, resettlement, and rehabilitation assistance. Vulnerable groups such as indigenous people, women-headed households, and senior citizens should be entitled to special benefit package in addition to compensation and resettlement.

OP 4.12 will be triggered in cases where there is involuntary land-taking resulting in displacement of people and / or loss of livelihood or source of livelihood. A Resettlement Policy Framework will be required to establish the process by which members of potentially affected communities will be consulted and engaged in the design of the project and mitigatory/compensation measures.

#### 6.3.2.3 OP 4.11 Physical Cultural Resources

Cultural resources are important as sources of valuable historical and scientific information, as assets for economic and social development, and as integral parts of a people's cultural identity and practices. The loss of such resources is irreversible, but fortunately, it is often avoidable. The objective of OP/BP 4.11 is to avoid, or mitigate, adverse impacts on cultural resources from development projects that the World Bank finances.

The policy addresses physical cultural resources, which are defined as movable or immovable objects, sites, structures, groups of structures, and natural features and landscapes that have archaeological, paleontological, historical, architectural, religious, aesthetic, or other cultural significance. Physical cultural resources may be located in urban or rural settings, and may be above or below ground, or under water. Their cultural interest may be at the local, provincial or national level, or within the international community. Physical cultural resources are important as sources of valuable scientific and historical information, as assets for economic and social development, and as integral parts of a people's cultural identity and practices.

The Bank assists countries to avoid or mitigate adverse impacts on physical cultural resources from development projects that it finances. The impacts on physical cultural resources resulting from project activities, including mitigating measures, may not contravene either the borrower's national legislation, or its obligations under relevant international environmental treaties and agreements.

The borrower addresses impacts on physical cultural resources in projects proposed for Bank financing, as an integral part of the environmental assessment (EA) process. The steps elaborated below follow the EA sequence of: screening; developing terms of reference (TORs); collecting baseline data; impact assessment; and formulating mitigating measures and a management plan.

The following projects are classified during the environmental screening process as Category A or B, and are subject to the provisions of this policy: (a) any project involving significant excavations, demolition, movement of earth, flooding, or other environmental changes; and (b) any project located in, or in the vicinity of, a physical cultural resources site recognized by the borrower. Projects specifically designed to support the management or conservation of physical cultural resources are individually reviewed, and are normally classified as Category A or B.

To develop the TORs for the EA, the borrower, in consultation with the Bank, relevant experts, and relevant project-affected groups, identifies the likely physical cultural resources issues, if any, to be taken into account by the EA. The TORs normally specify that physical cultural resources be included in the baseline data collection phase of the EA.

The borrower identifies physical cultural resources likely to be affected by the project and assesses the project's potential impacts on these resources as an integral part of the EA process, in accordance with the Bank's EA requirements.

When the project is likely to have adverse impacts on physical cultural resources, the borrower identifies appropriate measures for avoiding or mitigating these impacts as part of the EA process. These measures may range from full site protection to selective mitigation, including salvage and documentation, in cases where a portion or all of the physical cultural resources may be lost.

As an integral part of the EA process, the borrower develops a **physical cultural resources management plan** that includes measures for avoiding or mitigating any adverse impacts on physical cultural resources, provisions for managing chance finds, any necessary measures for strengthening institutional capacity, and a monitoring system to track the progress of these activities. The physical cultural resources management plan is consistent with the country's overall policy framework and national legislation and takes into account institutional capabilities with regard to physical cultural resources.

The Bank reviews, and discusses with the borrower, the findings and recommendations related to the physical cultural resources aspects of the EA, and determines whether they provide an adequate basis for processing the project for Bank financing.

#### 6.4 NEPAL SPECIFIC REDD+ SOCIAL AND ENVIRONMENTAL SAFEGUARDS (SES)

Under an initiative facilitated by the Climate, Community & Biodiversity Alliance (CCBA) and CARE International, support has been provided to governments to develop an information system to show

that Cancun (and other) standards have been addressed as per UNFCCC decisions to which the government of Nepal is committed. Draft indicators have been developed (December 2013, based on REDD+ SES Version 2, September 2012) to support the design and implementation of government-led REDD+ programmes that respect the rights of Indigenous Peoples, women, Dalit, marginalized and local communities and generate significant social and environmental benefits ([www.redd-standards.org](http://www.redd-standards.org)). The standards have been designed in the Nepalese context through an inclusive process.

While activities that reduce emissions from deforestation and forest degradation (REDD) and contribute to conservation, sustainable management of forests and enhancement of forest carbon stocks (REDD+) have the potential to deliver significant social and environmental co-benefits, many actors have also highlighted the serious risks notably for Indigenous Peoples, Women, Dalit, and local communities, and in particular for marginalized and/or vulnerable social groups within these forest-dependent communities. Recognizing growing awareness at both international and national levels of the need for effective social and environmental safeguards, the SES initiative aims to define and build support for a higher level of social and environmental performance from REDD+ programmes.

The initiative is developing social and environmental standards (SES) that can be used by governments, NGOs, financing agencies and other stakeholders to design and implement REDD+. They are designed to work for the new global REDD+ regime expected to emerge out of ongoing UNFCCC and related negotiations that is for government-led programmes implemented at national or state/provincial/regional level and for all forms of fund-based or market-based financing. By providing a comprehensive framework of key issues to address with respect to the social and environmental performance of a REDD+ programme, the standards provide guidance to assist with REDD+ design and also provide a mechanism for reporting on the social and environmental performance of REDD+ programs.

The standards consist of principles, criteria and indicators that define the issues of concern and the required levels of social and environmental performance:

- Principles are the 'intent' level of a standard which elaborate on the objectives of the standard and define the scope. They are fundamental statements about the desired outcome and are not designed to be verified.
- Criteria are the 'content' level of a standard which set out the conditions which need to be met in order to deliver a principle. It can be possible to verify criteria directly but they are usually further elaborated by indicators.
- Indicators are quantitative or qualitative parameters which can be achieved and verified in relation to a criterion to indicate, in practical terms, whether this criterion has been met.

At principle and criteria levels, the standards are generic (i.e. the same across all countries). At the indicator level, there is a process for country-specific interpretation to develop a set of indicators that are tailored to the context of a particular country. To guide this process of country-specific indicator development, a generic 'framework for indicators' has been developed. An international review process aims to ensure consistency across the country specific interpretations. Nepal specific indicators have been developed considering the frameworks for indicators and comments of stakeholders received during public consultations in 2009 and 2011

65 REDD+ SES indicators have been identified (Table 6.4.1) for monitoring the social, environmental, and governance performance of REDD+ in Nepal. These are intended to serve as the basis for monitoring over time from readiness processes through to large scale implementation. However, such a large numbers of indicators will make monitoring very difficult. For a particular assessment at a particular point in time (eg the assessment that is planned for later in 2014), only a subset of the

total indicator set will be relevant<sup>6</sup>. But even though REDD+ is at an early stage of development in Nepal many (but certainly not all) of these indicators will be relevant since they deal with REDD+ policy and programme development processes, e.g. awareness raising and capacity building, participation in decision making, understanding potential benefits and costs. Once the REDD+ strategy is developed and it is clear what initiatives and projects will be expected to arise, it will be important to review these indicators to determine which would be appropriate to incorporate in the ESMF. Experience from community forestry in Nepal should also be taken into account.

The principles set out in Table 6.4.1 were drawn upon when assessing the environmental and social impacts of the strategic options (see main SESA report).

**Table 6.4.1 Principles, criteria and indicators for social and environmental standards in Nepal**

<b>Principle 1: Rights to lands, territories and resources are recognized and respected by the REDD+ programme.</b>
<b><i>Criterion 1.1 The REDD+ program effectively identifies the different rights holders<sup>10</sup> (statutory and customary<sup>11</sup>) and their rights to lands, territories and resources relevant to the program.</i></b>
<p>1.1.1 An effective and transparent process is established to inventory and map rights to lands, territories and resources relevant to the REDD+ programme.</p> <ul style="list-style-type: none"> <li>• The process is gender sensitive, socially acceptable and participatory including representatives of women, poor and marginalized and/or vulnerable people.</li> <li>• Includes statutory and customary rights.</li> <li>• Includes individual and collective rights.</li> <li>• Includes tenure/use/access/management rights.</li> <li>• Includes rights of women, poor and marginalized and/or vulnerable people.</li> <li>• Includes overlapping or conflicting rights.</li> <li>• Includes the data and information on ownership.</li> </ul>
<b><i>Criterion 1.2 The REDD+ program recognizes and respects both statutory and customary rights to lands, territories and resources which Indigenous Peoples or local communities have traditionally owned, occupied or otherwise used or acquired.</i></b>
<p>1.2.1 The policies of the REDD+ program include recognition of and protection and respect for the customary rights as per prevailing laws</p> <ul style="list-style-type: none"> <li>• Applies to Indigenous Peoples and local communities.</li> </ul> <p>1.2.2 Land-use plans use by the REDD+ program recognize and respect rights of Indigenous Peoples and local communities</p> <ul style="list-style-type: none"> <li>• Includes customary and statutory rights.</li> </ul> <p>1.2.3 The REDD+ program promotes establishing and securing statutory rights to lands, territories and resources</p> <ul style="list-style-type: none"> <li>• Applies to lands, territories and resources which Indigenous Peoples and local communities have traditionally owned, occupied or otherwise used or acquired</li> <li>• Including securing existing statutory rights and conversion of customary rights to statutory rights.</li> </ul> <p>1.2.4 The REDD+ program gives priority to community-based forest management systems for the sustainable management of forest.</p> <ul style="list-style-type: none"> <li>• Includes governance, inclusion, gender balance and equity, equitable benefit sharing, regular monitoring and reporting in such systems.</li> </ul>
<b><i>Criterion 1.3 The REDD+ program requires the free, prior and informed consent of Indigenous Peoples and local communities for any activities affecting their rights to lands, territories and</i></b>

<sup>6</sup> How large or small this subset will be will depend on how tough stakeholders are willing to be in terms of prioritising by relevance and feasibility.

**resources.**

1.3.1 The policies of the REDD+ program promote and uphold the principle of free, prior and informed consent of Indigenous Peoples and local communities

- Applies to any activities affecting their rights to lands, territories and resources.

1.3.2 Collective rights holders define a process of obtaining their free prior and informed consent.

- Including definition of their own representative and traditional institutions that have authority to give consent on their behalf.
- The process is transparent.
- The process takes into account the views of all community members including those of women, *Dalit*, poor and of marginalized and/or vulnerable people.
- The process is gender sensitive<sup>7</sup> and socially appropriate.

1.3.3 Free, prior and informed consent is obtained from Indigenous Peoples.

- In accordance with their customs, norms and traditions.
- Applies to activities that may affect their rights, particularly their rights to own and control traditionally owned lands, territories and resources.
- Applies to each potential change to rights throughout design and implementation of the REDD+ program.

1.3.4 Free, prior and informed consent is obtained from local communities

- Applies to activities affecting their customary/other rights to lands, territories, resources.
- Uses mutually agreed procedures.
- Applies to each potential change to rights throughout design and implementation of the REDD+ program.

1.3.5 Where any relocation or displacement occurs, there is prior agreement on the provision of alternative lands and/or fair compensation.

- Any relocation or displacement is in accordance with free, prior and informed consent.
- Includes physical and/or economic relocation or displacement.
- The agreement includes adequate provision of financial and technical support for the displacement.
- The agreement includes the right to return once the reasons for the displacement have ceased.
- The agreement includes a procedure for relocation or displacement that is transparent, impartial, safe and accessible for all relevant stakeholders, with special attention to women, poor and marginalized and/or vulnerable people.

***Criterion 1.4 Where the REDD+ program enables private ownership of carbon rights, these rights are based on the statutory and customary rights to the lands, territories and resources that generated the greenhouse gas emissions reductions and removals***

1.4.1 Where the REDD+ program enables private ownership of carbon rights, a process for defining carbon rights is developed and implemented.

- The process is transparent.
- The allocation of rights is based on the statutory and customary rights to the lands, territories and resources that generated the greenhouse gas emissions reductions and removals.

<sup>7</sup> Gender sensitive is to understand and give consideration to socio-cultural norms and discriminations in order to acknowledge the different rights, roles & responsibilities of women and men in the community and the relationships between them. Gender sensitive policy, program, administrative and financial activities, and organizational procedures will: differentiate between the capacities, needs and priorities of women and men; ensure that the views and ideas of both women and men are taken seriously; consider the implications of decisions on the situation of women relative to men; and take actions to address inequalities or imbalance between women and men (definition provided by WEDO).

**Principle 2: The benefits of the REDD+ program are shared equitably among all relevant rights holders and stakeholders**

***Criterion 2.1 There is transparent<sup>8</sup> and participatory assessment of predicted and actual benefits, costs, and risks<sup>9</sup> of the REDD+ program for relevant rights holder and stakeholder groups<sup>10</sup> at all levels, with special attention to women and marginalized and/or vulnerable people.***

2.1.1 Benefits, costs and risks of the REDD+ program are assessed during program design and implementation.

- For each relevant rights holder and stakeholder group.
- Applies to local, national and other relevant levels.
- The assessment is timely and participatory in accordance with Principle 6.
- Includes direct and indirect benefits, costs and risks.
- Includes benefits, costs and risks related to social, cultural, economic and environmental aspects and to human rights and rights to lands, territories and resources.
- With special attention to the differentiation of benefits, costs and risks to women, poor and marginalized and/or vulnerable people.
- Assessment is repeated periodically as part of monitoring.
- Benefits, costs and risks are relative to the reference scenario which is the most likely land-use scenario in the absence of the REDD+ program

***Criterion 2.2: Transparent, participatory, effective<sup>11</sup> and efficient<sup>12</sup> mechanisms are established for equitable sharing of benefits of the REDD+ program among and within relevant rights holder and stakeholder groups taking into account socially differentiated<sup>13</sup> benefits, costs and risks.***

2.2.1 Relevant rights holders and stakeholders participate in defining the decision-making process and distribution mechanism for equitable benefit-sharing.

- Participation is full and effective in accordance with Principle 6.
- Including women, poor and marginalized and/or vulnerable people.
- Addresses benefit sharing between and within relevant rights holders and stakeholder groups.

2.2.2 Relevant rights holders and stakeholders determine the form that the benefits will take and how they are delivered.

- The process is inclusive and transparent.
- Including women, poor and marginalized and/or vulnerable people.

2.2.3 Clear policies and guidelines for equitable benefit-sharing are established.

- i. Ensuring that equitable sharing of benefits includes women, poor and marginalized and/or vulnerable people taking into account socially differentiated benefits, costs and risks

2.2.4 Administrative procedures for benefit sharing are timely, transparent, effective and efficient.

- Includes financial management.

<sup>8</sup> 'Transparent' means that decisions taken and their enforcement are done in a manner that follows rules and regulations. It also means that information is freely available and directly accessible to those who will be affected by such decisions and their enforcement. It also means that enough information is provided and that it is provided in easily understandable forms and media

<sup>9</sup> All assessment of benefits, costs, and risks should include those that are direct and indirect and include those related to social, cultural, environmental and economic aspects and to human rights and rights to lands territories and resources. Costs should include those related to responsibilities and also opportunity costs. All benefits, costs and risks should be relative to the reference scenario which is the most likely land-use scenario in the absence of the REDD+ program. Note that the term 'benefits' refers to positive impacts and the phrase 'costs and risks' equates with negative impacts.

<sup>10</sup> 'Relevant rights holder and stakeholder groups' are identified in accordance with criterion 6.1.

<sup>11</sup> 'Effective' is defined as the extent to which the emissions reductions and other goals of the program are achieved.

<sup>12</sup> 'Efficient' is defined as achieving the target with minimum cost, effort and time.

<sup>13</sup> 'Socially differentiated' includes differentiated by gender, marginalization and vulnerability.

**Criterion 2.3 There is transparent and participatory monitoring of the costs and benefits of the REDD+ program, including any revenues, and their distribution among relevant rights holders and stakeholders.**

2.3.1 Relevant rights holders and stakeholders, including representatives of the marginalized and/or vulnerable groups, participate effectively in monitoring of the implementation of the agreed benefit-sharing process at national and local levels.

2.3.2 Relevant rights holders and stakeholders, including representatives of the marginalized and/or vulnerable groups, participate effectively in the reporting and review of costs, revenues and other benefits and how they have been distributed, taking into account the initial analysis of projected costs, potential benefits and associated risks.

**Principle 3: The REDD+ program improves long-term livelihood security and wellbeing of Indigenous Peoples and local communities with special attention to women and the most marginalized and/or vulnerable people.**

**Criterion 3.1 The REDD+ program generates additional, positive impacts on the long-term livelihood security and wellbeing of Indigenous Peoples and local communities, with special attention to the most vulnerable people**

3.1.1 The objectives of the REDD+ program include improving long-term livelihood security and well-being of Indigenous Peoples and local communities

- With special attention to women, Dalits, poor and the most marginalized and/or vulnerable people

3.1.2 The REDD+ program generates additional positive impacts on the long-term livelihood security and well-being of Indigenous Peoples and local communities.

- Relative to the expected situation of Indigenous Peoples and local communities under the reference scenario based on records of clear socio-economic baseline information which is the most likely land-use scenario in the absence of the REDD+ program.
- With special attention to women, Dalits, poor and the most marginalized and/or vulnerable people.
- Conducts well-being ranking at local community level based on government guideline in forestry sector to maintain equitable benefit sharing

3.1.3 The REDD+ program generates additional resources to improve long-term livelihood security and well-being of Indigenous Peoples and local communities.

- Includes financial, human or other resources.
- Relative to the level of resources available under the reference scenario which is the most likely land-use scenario in the absence of the REDD+ program.

**Criterion 3.2: The REDD+ program is adapted based on assessment of predicted and actual impacts in order to mitigate negative, and enhance positive, impacts on Indigenous Peoples and local communities with special attention to women and the most marginalized and/or vulnerable people**

3.2.1 The REDD+ program is adapted in order to mitigate negative, and enhance and sustain positive, impacts on Indigenous Peoples and local communities.

- Based on assessment of impacts undertaken in accordance with criterion 5.4.
- Applies to REDD+ program design based on assessment of predicted impacts.
- Applies to REDD+ program implementation based on assessment of both predicted and actual impacts.
- With special attention to potential impacts on women, poor and the most marginalized and/or vulnerable people.
- Includes design and implantation to measures to address the risk of reversals and adverse impacts that might lead to a reduction in the benefits achieved by the REDD+ program.



**Principle 4: The REDD+ program contributes to good governance, to broader sustainable development and to social justice**

**Criterion 4.1: The governance structures of the REDD+ program are clearly defined, transparent, effective and accountable**

4.1.1 Information on the roles, responsibilities and decision-making processes, of REDD+ program governance structures is publicly accessible.

- Includes criteria and processes for participation of rights holders, duty bearers<sup>14</sup> and other stakeholders and other internal regulations and institutional structures for decision making.
- Includes information on decisions taken.

4.1.2 Decisions of the REDD+ program are made in accordance with defined roles, responsibilities, regulations and policies.

- Following internal regulations and decision-making processes defined by the governance structures.

4.1.3 There are effective mechanisms for oversight of the governance structures of the REDD+ program

**Criterion 4.2: The REDD+ program is coherent with relevant policies, strategies and plans at all relevant levels and there is effective coordination between agencies/organizations responsible for the design, implementation and evaluation of the REDD+ program and other relevant agencies/organizations.**

4.2.1 The REDD+ program is integrated into the broader policy framework of the forest sector and other relevant sectors.

- With special attention to the agriculture, roads, hydropower, energy mining and other sectors when these are drivers of deforestation.

4.2.2 Inconsistencies between the REDD+ program and other relevant policies, strategies and plans are identified and resolved.

- Including development, governance, human rights and land use policies, strategies and plans such as hydro-power/energy, mining, water resource, watershed, agriculture, infrastructures etc.
- With special attention to inconsistencies with respect to rights of women, poor and the most marginalized and/or vulnerable people using an agreed process and timeline.

4.2.3 There is effective and efficient coordination between the REDD+ program and all relevant agencies/organizations.

- Including relevant non-government and multilateral as well as government agencies/organizations and the structure for coordination between them.
- Applies to all relevant levels.
- With special attention to agencies/organizations that are involved in sectors that are related to drivers of deforestation.

**Criterion 4.3: Adequate information about the REDD+ program is publicly available**

4.3.1 Adequate information about the REDD+ program is publicly available.

- Includes information about:
  - REDD+ program design, implementation and evaluation;
  - socially differentiated assessment of predicted and actual impacts on rights holders and stakeholders related to social, cultural, environmental and economic aspects and to human rights and rights to lands, territories and resources;
  - assessment of predicted and actual impacts on biodiversity and ecosystem services;
  - benefit-sharing including procedures and guidelines;
  - the requirement for free, prior and informed consent.

<sup>14</sup> 'Duty bearers' have an obligation to ensure respect, protection and fulfilment of rights.

<ul style="list-style-type: none"> <li>• Information is accessible to potentially interested members of the public.</li> <li>• Access is free and timely.</li> </ul>
<p><b>Criterion 4.4: Finances of the REDD+ program are managed with integrity<sup>15</sup>, transparency and accountability.</b></p>
<p>4.4.1 Information about REDD+ program financial management is publicly accessible. Includes:</p> <ul style="list-style-type: none"> <li>• assignation of clear authority, roles and responsibilities for the collection, commitment and use of funds of the REDD+ program,</li> <li>• accounting systems,</li> <li>• procedures for internal controls and external audits, and</li> <li>• schedules for reporting.</li> </ul> <p>4.4.2 Audited financial reports for the REDD+ program are published regularly.</p> <ul style="list-style-type: none"> <li>• Audits are undertaken by independent accredited auditors in accordance with professional auditing standards of the country.</li> <li>• Applies to public and private finance.</li> </ul>
<p><b>Criterion 4.5: The REDD+ program leads to improvements in governance of the forest sector and other relevant sectors</b></p>
<p>4.5.1 The REDD+ program establishes and monitors performance targets for the governance issues that it can address in the forest sector and other relevant sectors.</p> <ul style="list-style-type: none"> <li>• Includes effective and transparent forest governance structures.</li> <li>• With special attention to targets related to the equity, effectiveness and efficiency of the REDD+ program.</li> <li>• With special attention to sectors that are related to drivers of deforestation.</li> </ul> <p>4.5.2 The activities of the REDD+ program include institutional capacity strengthening and other measures to improve governance.</p> <ul style="list-style-type: none"> <li>• Linked to the governance issues identified and monitored in 4.5.1.</li> </ul>
<p><b>Criterion 4.6: The REDD+ program contributes to achieving the objectives of sustainable development policies, strategies and plans<sup>16</sup> established at national and other relevant levels.</b></p>
<p>4.6.1 The REDD+ program elaborates how its policies and measures will contribute to the implementation of any existing sustainable development policies, strategies and plans.</p> <ul style="list-style-type: none"> <li>• Applies to policies, strategies and plans developed at national and other relevant levels.</li> <li>• Includes poverty reduction, biodiversity and other relevant policies, strategies and plans, including plans for public, private and indigenous/community protected and conserved areas.</li> </ul> <p>4.6.2 National poverty monitoring shows improvements in areas where the REDD+ program is implemented.</p> <ul style="list-style-type: none"> <li>• Includes livelihood and Millennium Development Goal monitoring where these are taking place.</li> </ul>
<p><b>Criterion 4.7: The REDD+ program contributes to respect, protection and fulfilment of human rights.</b></p>
<p>4.7.1 The REDD+ program identifies human rights issues that it can address and elaborates how its policies and measures will contribute to the improved respect, protection and fulfilment of human rights.</p> <ul style="list-style-type: none"> <li>• Applies to human rights defined by national and international law.</li> </ul>

<sup>15</sup> Integrity "includes, but is not limited to probity, impartiality, fairness, honesty and truthfulness", serving as an antithesis to "corruption" or "the abuse of office."

<sup>16</sup> Such as poverty reduction strategies/targets, national/government budgets, biodiversity strategies, conservation policies and regulations, climate change strategies, adaptation plans etc.

- With special attention to rights of women, *Dalit* and marginalized and/or vulnerable people.
- 4.7.2 The REDD+ program monitoring and evaluation plan includes key human rights indicators.
- Linked to the human rights issues identified in 4.7.1.

**Principle 5: The REDD+ programme maintains and enhances biodiversity and ecosystem services**

***Criterion 5.1 Biodiversity and ecosystem services potentially affected by the REDD+ program are identified, prioritized and mapped***

5.1.1 Biodiversity and ecosystem services potentially affected by the REDD+ program are identified, prioritized and mapped.

- Includes biodiversity and ecosystem service priorities identified in existing national biodiversity strategy and action plans (NBSAP), gap analyses supporting the Convention on Biological Diversity targets, key biodiversity areas, high conservation value areas, wetlands, grasslands, grazing lands and other relevant systematic conservation planning approaches.
- Includes areas of significance for threatened or endemic species, for significant concentrations of a species during any time in their lifecycle, and for ecosystem services of economic, climate change adaptation, cultural, religious importance, particularly to Indigenous Peoples and local communities including women, *Dalit* and marginalized and/or vulnerable groups.
- At a scale and level of detail appropriate to each element/activity within the program.
- With special attention to any plans for afforestation, reforestation and forest restoration and their potential impacts on biodiversity and ecosystem services.

***Criterion 5.2: The REDD+ program maintains and enhances the identified biodiversity and ecosystem service priorities.***

5.2.1 The objectives and policies of the REDD+ program include making a significant contribution to maintaining and enhancing biodiversity and ecosystem services.

5.2.2 The REDD+ program maintains and enhances the identified biodiversity and ecosystem service priorities.

- Relative to the situation of biodiversity and ecosystems service priorities under the reference scenario which is the most likely land-use scenario in the absence of the REDD+ program.

5.2.3 The REDD+ program generates additional resources to maintain and enhance biodiversity and ecosystem service priorities.

- Includes financial, human or other resources.
- Relative to the level of resources available under the reference scenario which is the most likely land-use scenario in the absence of the REDD+ program.
- Includes integration between conservation of ecosystem and adaptation activities.

***Criterion 5.3: The REDD+ program does not lead to the conversion<sup>17</sup> or degradation<sup>18</sup> of natural forests<sup>19</sup> or other areas that are important for maintaining and enhancing the identified biodiversity and ecosystem service priorities.***

5.3.1 Monitoring of the impacts of the REDD+ program on natural forests and other important areas demonstrates there is no conversion or degradation.

- Includes any areas identified in 5.1.1 as important for maintaining and enhancing the identified biodiversity and ecosystem service priorities.
- Relative to the expected conversion or degradation under the reference scenario which is

<sup>17</sup> 'Conversion' is defined as the replacement of an existing land cover type by another land cover type.

<sup>18</sup> 'Degradation' is defined as the reduction in the capacity of an ecosystem to provide goods and services.

<sup>19</sup> 'Natural forest' is defined as forest predominantly composed of trees established through natural regeneration. This can include primary forests (naturally regenerated forests where there are no clear indications of human induced activities and the ecological process is not significantly disturbed) and other naturally regenerated forests (where there are clear indications of human induced activities).

<p>the most likely land use scenario in the absence of the REDD+ program.</p> <ul style="list-style-type: none"> <li>• With special attention to any plans for afforestation, reforestation and forest restoration and their impacts on biodiversity and ecosystem service priorities.</li> </ul>
<p><b>Criterion 5.4: There is transparent assessment of predicted and actual, and positive and negative environmental impacts of the REDD+ program on biodiversity and ecosystem service priorities and any other negative environmental impacts</b></p>
<p>5.4.1 The predicted and actual environmental impacts of the REDD+ program are assessed.</p> <ul style="list-style-type: none"> <li>• Includes positive and negative impacts on the identified biodiversity and ecosystem service priorities and also any potential negative environmental impacts (e.g. pollution).</li> <li>• Includes direct and indirect impacts.</li> <li>• The assessment involves Indigenous Peoples and local communities and other stakeholders including women, Dalit as appropriate.</li> <li>• Using strategic environmental assessment, environmental impact assessment or other appropriate methods.</li> <li>• Assessment is repeated periodically as part of monitoring.</li> </ul>
<p><b>Criterion 5.5: The REDD+ program is adapted based on assessment of predicted and actual impacts, in order to mitigate negative, and enhance positive environmental impacts</b></p>
<p>5.5.1 The REDD+ program is adapted in order to mitigate negative, and to enhance and sustain positive, environmental impacts.</p> <ul style="list-style-type: none"> <li>• Based on assessment of impacts undertaken in accordance with criterion 5.4.</li> <li>• Applies to REDD+ program design based on assessment of predicted impacts.</li> <li>• Applies to REDD+ program implementation based on assessment of both predicted and actual impacts.</li> <li>• With special attention to any areas identified in 5.1.1 as important for maintaining and enhancing the identified biodiversity and ecosystem service priorities.</li> <li>• Includes measures to address the risk of reversals that might lead to a reduction in the benefits achieved by the REDD+ program.</li> </ul>
<p><b>Principle 6: All relevant rights holders and stakeholders participate fully and effectively in the REDD+ program</b></p>
<p><b>Criterion 6.1 The REDD+ program identifies all rights holder and stakeholder groups and characterizes their rights and interests and their relevance to the REDD+ program.</b></p>
<p>6.1.1 Rights holder and stakeholder groups are identified and their rights and interests and relevance to the REDD+ program are characterized.</p> <ul style="list-style-type: none"> <li>• Includes statutory and customary rights to lands, territories and resources and other rights as per prevailing laws.</li> <li>• Includes Indigenous Peoples and local communities.</li> <li>• Includes duty bearers.</li> <li>• With special attention to women, Dalit, poor, marginalized and/or vulnerable people.</li> <li>• Identifying potential barriers to participation for each rights holder and stakeholder group with special attention to women poor, and marginalized and/or vulnerable groups.</li> </ul> <p>6.1.2 There is a procedure to enable any interested party to apply to be considered a relevant rights holder or stakeholder.</p> <ul style="list-style-type: none"> <li>• Relevance is based on their rights and interests related to REDD+ program.</li> <li>• The procedure is transparent, impartial, safe and accessible for all relevant stakeholders, with special attention to women, poor and marginalized and/or vulnerable people.</li> </ul>
<p><b>Criterion 6.2 All relevant rights holder and stakeholder groups that want to be involved in REDD+ program design, implementation, monitoring and evaluation are fully involved through culturally appropriate, gender sensitive and effective participation.</b></p>
<p>6.2.1 A process and institutional structure for full and effective participation are established and</p>

functional.

- Applies to all relevant rights holder and stakeholder groups.
- Applies to REDD+ program design, implementation and evaluation.
- With special attention to women, Dalit, poor and marginalized and/or vulnerable people.
- Developed and agreed with the relevant rights holder and stakeholder groups.
- Taking account of statutory and customary institutions and practices.

6.2.2 Consultations use socially and culturally appropriate approaches.

- Approaches are tailored to the local context.
- Consultations are conducted at mutually agreed locations.
- Consultations are gender sensitive and socio-culturally appropriate

6.2.3 All relevant levels of government are involved in the REDD+ program.

- Roles and responsibilities are clearly defined.

6.2.4 The REDD+ program design and implementation is adapted in response to rights holder and stakeholder participation.

- Through full and effective participation in design, implementation and evaluation of the program

6.2.5 Rights holder and stakeholder groups select their own representatives.

- With special attention to the participation of women, poor and vulnerable and/or marginalized people in the selection of representatives.
- The selection procedure is transparent, impartial, safe and accessible for all relevant stakeholders.
- Selected representatives fulfil their role and responsibilities.

6.2.6 Rights holder and stakeholder group representatives involve and are accountable to the people and groups they represent.

- Representatives inform the people they represent about how the REDD+ program could potentially affect them, facilitating discussion and feedback.
- Stakeholder forum is established and functions for the discussion on impacts of REDD+ with the involvement of stakeholders.

***Criterion 6.3: The REDD+ program builds on, respects, supports and protects rights holders' and stakeholders' traditional and other knowledge, skills, institutions and management systems including those of Indigenous Peoples and local communities***

6.3.1 The REDD+ program builds on, respects, supports and protects the decision-making structures and processes of Indigenous Peoples and local communities.

- Ensuring that customary institutions and practices are not undermined.
- Ensuring that institutions and practices of women, *Dalit*, poor and marginalized and/or vulnerable groups are not undermined.

6.3.2 The REDD+ program identifies, builds on, respects and supports relevant traditional and other knowledge, skills and management systems.

- Applies to design, implementation, monitoring and evaluation of the REDD+ program.

6.3.3 Free, prior and informed consent is obtained for any use of traditional knowledge, innovations and practices of Indigenous Peoples and local communities.

- In accordance with relevant international standards including the Akwé: Kon guidelines of the Convention on Biological Diversity.
- The process for obtaining free, prior and informed consents is:
- transparent.
- takes into account the views of all community members including those of women, *Dalit*, poor and of marginalized and/or vulnerable people.

- is gender sensitive and socio-culturally appropriate.
- in accordance with relevant customs<sup>20</sup>, norms and traditions.
- applies to each potential use throughout design and implementation of the REDD+ program.

***Criterion 6.4: The REDD+ program identifies and uses processes for effective resolution of grievances and disputes relating to the design, implementation and evaluation of the REDD+ program, including disputes over rights to lands, territories and resources relating to the program.***

6.4.1 Processes are identified and used to resolve grievances and disputes related to the REDD+ program.

- Includes national, local, regional, international and customary processes.
- Includes grievances and disputes that arise during design, implementation and evaluation of the REDD+ program.
- Includes grievances and disputes over rights to lands, territories and resources and other rights relating to the REDD+ program.
- Includes grievances and disputes related to benefit sharing.
- Includes grievances and disputes related to participation.
- The processes are transparent, impartial, safe, timely and accessible, giving special attention to women, poor and marginalized and/or vulnerable groups.
- Grievances are heard, responded to and resolved within an agreed time period, leading to adequate redress and remedy.
- Includes grievances related to the operational procedures of relevant international agencies and/or international treaties, conventions or other instruments.

6.4.2 No activity is undertaken by the REDD+ program that could prejudice the outcome of an unresolved dispute related to the program.

- Includes disputes over rights to lands, territories and resources.
- Includes disputes related to benefit sharing.
- Applies to the specific area or activity affected by the dispute

***Criterion 6.5: The REDD+ program ensures that rights holders and stakeholders have the information that they need about the REDD+ program, provided in a culturally appropriate, gender sensitive and timely way, and the capacity to participate fully and effectively in program design, implementation and evaluation.***

6.5.1 Rights holders and stakeholders have access to relevant information about the REDD+ program.

- Includes information about:
  - a. REDD+ program design, implementation and evaluation;
  - b. REDD+ program governance structures and processes including opportunities to participate in decision-making, and in design, analysis, monitoring and evaluation processes;
  - c. socially differentiated assessment of predicted and actual impacts on rights holders and stakeholders related to social, cultural, environmental and economic aspects and to human rights and rights to lands territories and resources;
  - d. assessment of predicted and actual impacts on biodiversity and ecosystem services;
  - e. the requirement for free, prior and informed consent;
  - f. benefit-sharing including procedures and guidelines;
  - g. grievance mechanisms at local, national, international and other relevant levels;
  - h. relevant local and national laws and international treaties, conventions and other

<sup>20</sup> Priority is given to those customs which are documented or recorded by the indigenous Peoples, local communities, Dalits community, and other communities or peoples, if there is possibility.

instruments, legal processes and implications and associated rights with special attention to rights of Indigenous Peoples, women, *Dalit*, poor and marginalized and/or vulnerable people;

i. the global, national and local context for the REDD+ program.

- With special attention to women *Dalit*, poor and marginalized and/or vulnerable people.
- Ensuring adequate time between information dissemination and decision-making to enable rights holders and stakeholders to coordinate their response.
- Rights holders and stakeholders know what information is available about the REDD+ program and how to access it.

6.5.2 The most effective means of dissemination of information about the REDD+ program are identified and used for each rights-holder and stakeholder group.

- With special attention to Indigenous Peoples and local communities, including women, *Dalit*, poor and the vulnerable and/or marginalized people among them.
- Ensuring that information is provided in a form that they understand and as possible as in a national and local language.

6.5.3 Constraints to effective participation are addressed through capacity building.

- Applies to all relevant rights holder and stakeholder groups.
- With special attention to Indigenous Peoples and local communities.
- With special attention to women, *Dalit*, poor and marginalized and/or vulnerable groups.
- Capacity building is appropriate and effective for the needs of the groups concerned.
- Includes capacity to use relevant grievance mechanisms.
- Includes capacity to understand, implement and monitor the free, prior and informed consent and legal requirements related to the REDD+ program.

6.5.4 Rights holders and stakeholders can access relevant legal advice.

- Including advice related to their rights.
- Including advice on relevant legal processes of the REDD+ program, and legal implications of the program.

**Criterion 6.6: Rights holder and stakeholder representatives collect and disseminate all relevant information about the REDD+ program from and to the people they represent in an appropriate and timely way, respecting the time needed for inclusive decision making**

6.6.1 Rights holder and stakeholder representatives collect and disseminate all relevant information from and to the people they represent.

- With special attention to women, *Dalit*, poor and marginalized and/or vulnerable people.
- Ensuring adequate time to enable rights holders and stakeholders to coordinate their input.

**Principle 7: The REDD+ program complies with applicable local<sup>21</sup> and national laws and international treaties, conventions and other instruments**

**Criterion 7.1: The REDD+ program complies with applicable local law, national law and international treaties, conventions and other instruments ratified or adopted by the country.**

7.1.1 Local and national laws and international treaties, conventions and other instruments ratified or adopted by the country relevant to the REDD+ program are identified.

7.1.2 The REDD+ program recognizes and respects the human rights of Indigenous Peoples and local communities.

- With special attention to the rights of women, *Dalit*, poor and marginalized and/or

<sup>21</sup> Local laws include all legal norms given by organisms of government whose jurisdiction is less than the national level, such as departmental, local community, municipal and customary norms including those of Indigenous Peoples.

<p>vulnerable people.</p> <ul style="list-style-type: none"> <li>• Applies to human rights defined by national and international law.</li> <li>• Includes the right to self-determination for Indigenous Peoples according to prevailing laws, and the requirement for free, prior and informed consent in relation to the adoption of legislative or administrative measures as well as other relevant decision-making processes that may affect them.</li> </ul> <p>7.1.3 Appropriate measures are taken to ensure compliance of the REDD+ program with relevant legal instruments.</p> <ul style="list-style-type: none"> <li>• Applies to local and national laws and international treaties, conventions and other instruments identified in 7.1.1.</li> <li>• Areas of actual or potential non-compliance are identified using appropriate assessment methods, such as human rights impact assessment.</li> </ul>
<p><b><i>Criterion 7.2: Where local or national law is not consistent with the REDD+ SES or relevant international treaties, conventions or other instruments, a process is undertaken to reconcile the inconsistencies</i></b></p>
<p>7.2.1 Gaps and inconsistencies between local or national law and the REDD+ SES or relevant international treaties, conventions or other instruments are identified.</p> <p>7.2.2 A process is established to address any gaps and inconsistencies between the local or national law and the REDD+ SES or relevant international treaties, conventions or other instruments.</p> <ul style="list-style-type: none"> <li>• Applies to pre-existing laws and changes in the legal framework that may occur during implementation of the REDD+ program.</li> </ul>

Nepal's SES principles, criteria and indicators would benefit from being backed by policies/laws/regulations (PLR), although this is by no means essential. Where financing is performance-based (as it will be with REDD+) there are many examples of effective standards that are not PLR-backed – for example in fair trade standards, organic standards, and REDD+ project standards (such as the CCB standards that are related to REDD+ SES), and of countries supporting their use. The growing attention to “non-carbon benefits” in international REDD+ policy further strengthens this case, ie the importance of standards even where they are not PLR-based.



## 7 INSTITUTIONAL NEEDS FOR IMPLEMENTING ESMF

Based on the institutional analysis presented in section 3.6 of the SESA report, the general capacity development and training needs of the key organisations likely to be involved in ESMF are listed in Table 7.1.

Some recommendations concern the need to establish new sections, or activate currently dormant sections, within institutions to address environment and/or social concerns in ESMF implementation, and to appoint new members of staff with appropriate qualifications or experience. This will need discussion between the proposed REDD+ Coordinating Division in MoFSC and those institutions to determine how such internal institutional arrangements can be manifested. Therefore, at this stage, it is not possible to estimate budget requirements for this.

Other recommendations concern the provision of training on how staff of various institutions at all levels can support ESMF implementation. Until the overall institutional architecture and modalities for REDD+ implementation is finalised, it is not possible to propose a strategy or learning plan on the detailed capacity-building that will be required for effective ESMF implementation, or the required format or content of training or to develop an appropriate budget, what technical assistance or capacity-building will be needed. However, any technical assistance to train the AMU, MoSTE and other line agencies, and District REDD+ Management Unit should mainly be provided by existing Nepali environmental and social impact assessment experts.

**Table 7.1: Institutional capacity building and training needs for ESMF implementation**

Institution	Required capacity enhancement	Training needs
<b>Ministry of Science, Technology &amp; Environment (MoSTE)</b>		
<b>Environment Division</b>	<ul style="list-style-type: none"> <li>A section officer in the Environment Section should be appointed with an environmental qualification and background, and knowledge on emerging environmental issues such as REDD+, to handle both environment and forestry related activities.</li> <li>A section with responsibility for social concerns is needed within MoSTE to support implementation of ESMF, particularly to work on the issues related to gender, indigenous people, occupational castes, and poor, disadvantaged and marginalized groups and communities.</li> </ul>	<ul style="list-style-type: none"> <li>Training should be provided to officials on key environment and social themes concerned with REDD+ implementation – based on SESA and ESMF report</li> </ul>
<b>Department of Environment</b>	<ul style="list-style-type: none"> <li>Staff is qualified to support the implementation of the environmental aspects of ESMF at national, regional and district levels. But they will require a budget allocation for such, work and time to be made available in the work schedules, and will need.</li> <li>The Department currently lacks skills on social issues. The establishment of a section with such responsibilities would help</li> </ul>	<ul style="list-style-type: none"> <li>Training on the specifics and modalities of the ESMF</li> <li>At least one member of staff (preferably more) will need to be trained on emerging social and gender related issues linked to the environment, and to REDD+</li> </ul>
<b>Ministry of Forests &amp; Soil Conservation (MoFSC)</b>		
		<ul style="list-style-type: none"> <li>The Training Unit in MoFSC should lead the integration of all REDD+-related training activities (through training-of-trainers) – on proposal development under strategy options, impact assessment and how the ESMF system will work.</li> </ul>
<b>Climate Change Section</b>	<ul style="list-style-type: none"> <li>Currently dormant. Should be made active in order to contribute to climate change aspects of REDD implementation.</li> </ul>	
<b>Environment Division</b>	<ul style="list-style-type: none"> <li>The creation of a section within the Environment Division to address social issues is necessary,</li> </ul>	<ul style="list-style-type: none"> <li>Existing Division staff need technical training to play their role in implementing the ESMF.</li> </ul>

Institution	Required capacity enhancement	Training needs
<b>Department of Forests</b>	<ul style="list-style-type: none"> <li>Staff has a forestry background. Some have responsibility for environment-related work such as IEE and EIA, and they will need allocated budget and time to support implementation of the ESMF. The Department has many experts in community forestry. A social section could be established within the existing structure with</li> </ul>	<ul style="list-style-type: none"> <li>Technical training to support implementation of the ESMF.</li> <li>Training on emerging social and gender related issues.</li> </ul>
<b>Department of Soil Conservation and watershed management</b>	<ul style="list-style-type: none"> <li>A social Development Officer will need to be appointed to deal with social aspects of REDD+.</li> </ul>	<ul style="list-style-type: none"> <li>Some personnel should receive training so that they can contribute to implementing the environmental aspects of the ESMF.</li> </ul>
<b>Department of National Parks and Wildlife Conservation</b>	<ul style="list-style-type: none"> <li>A social Development Officer will need to be appointed to deal with social aspects of REDD+.</li> </ul>	<ul style="list-style-type: none"> <li>Officers working on environment and social issues should receive training on the implementation modalities of ESMF.</li> </ul>
<b>Proposed Assessment and Monitoring Unit</b>	<ul style="list-style-type: none"> <li>Establish a formal unit within the REDD+ Coordinating Division (proposed in ER-PIN) to coordinate all environmental and social assessment and monitoring process related to REDD+.</li> <li>The Head of the AMU should be appointed at Under Secretary level, and have a technical background (preferably either an environmental or social qualification)</li> <li>There should be 4 other positions covering: environment, social &amp; gender (both with an impact assessment background) and forestry</li> <li>Additional temporary positions can be filled when activities arising for particular sectors arise (eg agriculture, infrastructure, energy, etc) – so that the AMU is taken seriously when liaising with line agencies.</li> <li>An independent Review Committee could support the work of the AMU</li> </ul>	<ul style="list-style-type: none"> <li>AMU officers should receive training on: (a) International and national obligations of REDD+; (b) environmental and social benefits/risks of REDD+; (c) preparation and review of screening reports, and making recommendations for appropriate studies; (c) process and procedures of environmental and social assessments – ESIA, IESE, GAP, RAP, VCDP etc; (d) monitoring and evaluation of REDD+</li> <li>Liaison with MoSFC Training Unit to coordinate all ESMF-related training</li> <li>The AMU will need to prepare training manuals for particular procedures ESMF activities</li> </ul>

Institution	Required capacity enhancement	Training needs
<b>Ministry of Agricultural Development (MoAD)</b>		
<b>Gender, Equity &amp; Environment Division</b>	<ul style="list-style-type: none"> <li>The staff of this division has an agricultural background (eg agri-economist, livestock development officer, horticulture office). It is questionable that they have the competence to handle programmes related to the environment (eg IEEs and EIA reports – which are forwarded to MoSTE) and gender equity.</li> </ul>	They will need training on how to support implementation of the ESMF.
<b>Department of Agriculture</b>	<ul style="list-style-type: none"> <li>The DoA needs to establish an environment and social section with two officers with environmental and social backgrounds, respectively</li> </ul>	They will need training on how to support implementation of the ESMF.
<b>Ministry of Energy (MoE)</b>		
<b>Environment Section</b>	<ul style="list-style-type: none"> <li>An environment officer and a social development officer should be appointed in with responsibility to coordinate support and inputs to implementing the ESMF, and a budget allocation made.</li> <li>Consideration should be given to establishing a Social section.</li> </ul>	Technical training on ESMF implementation
<b>Ministry of Physical Infrastructure and Transport</b>		
<b>Environmental and Social Section</b>	<ul style="list-style-type: none"> <li>Staff will need sufficient budget and time resources allocated to support implementation of ESM. These functions should be separated from their regular environment and social duties.</li> </ul>	<ul style="list-style-type: none"> <li>Technical training for staff of the on how they can support and input to the ESMF</li> </ul>
<b>Ministry of Federal Affairs and Local Development (MoFALD)</b>		
<b>Environment &amp; Social Section</b>	<ul style="list-style-type: none"> <li>Well established section, but need for adequate time and budget resources.</li> </ul>	<ul style="list-style-type: none"> <li>Technical training to engage in and support ESMF implementation</li> </ul>
<b>District level</b>		
<b>District Development Committee</b>	<ul style="list-style-type: none"> <li>DDC Energy and Environment officers are focused mainly on promoting energy at the VDC level, as they are funded by Alternative Energy Promotion Center. Though there is provision to appoint an Environment Officer under the Environment Regulations, 1997, Environment Officers have not been appointed in all the DDC. In some districts, projects have supported the funding of an Environment Officer within the Energy and Environment Section (eg</li> </ul>	<ul style="list-style-type: none"> <li>Staff of both the Energy and Environment Section and the Social Development Section will need technical training on ESMF</li> </ul>

Institution	Required capacity enhancement	Training needs
	<p>the Strengthening of Environmental Administration and Management at the Local Level in Nepal (SEAM-N) project in Ilam District).</p> <ul style="list-style-type: none"> <li>• But all DDCs will need at least one Environment Officer to handle ESMF requirements.</li> <li>• Whilst Social Development Sections of DDCs are fully occupied in implementing their own internal programmes, they could handle the social issue related to REDD+. But staff of both sections will require budget allocations and time being dedicated for such activities, particularly the screening and monitoring ESMF- REDD+ projects/activities.</li> <li>• As part of the DDC (the apex body within the district), these Sections can provide coordination as regards REDD+ projects/activities with other government offices at district level</li> </ul>	
<b>District REDD+ Programme Management Unit (DRPMU)</b> (proposed in ER-PIN)	<ul style="list-style-type: none"> <li>• Each DRPMU needs 2 dedicated staff: one with an environmental background/qualification; one with a social background/qualification</li> </ul>	<ul style="list-style-type: none"> <li>• Technical training on SESA and ESMF</li> </ul>
<b>District Forest Office</b>	<ul style="list-style-type: none"> <li>• DFOs have a demanding workload but have limited staff, expertise and budgets and would find it difficult to engage in screening and monitoring REDD+ projects and plans. But it seems that they have been playing a positive role in implementing the REDD+ pilot studies - which have both environment and social related issues. [independent review committees could fill this gap and avoid a heavy structure].</li> <li>• In order for the DFO to contribute to and support ESMF implementation, an officer (with an appropriate environmental and social background/qualification) will need to be appointed for this purpose, and budget resources made available.</li> </ul>	<ul style="list-style-type: none"> <li>• Technical training on ESMF implementation</li> </ul>
<b>District Agriculture Development Office (DADO)</b>	<ul style="list-style-type: none"> <li>• The coverage by DADOSs and DLSOs is inadequate.</li> <li>• Each of the listed district organisations can contribute to the ESMF with minimal added skills. But they have heavy workloads and limited</li> </ul>	<ul style="list-style-type: none"> <li>• Technical training on ESMF</li> </ul>

Institution	Required capacity enhancement	Training needs
<b>District Livestock Offices (DLSOs), Education Office, Soil Conservation Office, Women's Development Office, Agriculture Service Centres (ASCs),</b>	available time to undertake ESMF activities. Hence there will be a need to provide the staff of these offices with the necessary budget and for their parent Ministries to ensure that they can dedicate time to ESMF activities; or hire separate staff (qualification could be +2 level) to work on ESMF activities.	implementation
<b>Local level</b>		
<b>Village Development Committee</b>	<ul style="list-style-type: none"> <li>Staff is overloaded, particularly whilst there are still no elected representatives. They have a heavy workload concerning Ward-level programmes and projects and interfacing with local people.</li> <li>There is provision for every VDC to hire a Technical Assistant through the Local Development Offices (DDC). But not every VDC has done this. So to implement the ESMF at VDC level, the remaining Technical Assistant Posts could be filled, But if there is no possibility for VDCs to hire such Technical Assistants, then budget resources will be required and time made available for VDC to engage in such monitoring.</li> </ul>	<ul style="list-style-type: none"> <li>All Technical Assistants need skills training to engage in ESMF – particularly monitoring REDD+ projects and programmes</li> <li>Build capacity of local communities to complete screening information and monitoring</li> </ul>
<b>Ilaka</b>		<ul style="list-style-type: none"> <li>Training in how the ESMF system works, how to support project proposal development, and for monitoring projects.</li> <li>Build capacity of local communities to complete screening information and monitoring</li> </ul>
<b>Voluntary Groups</b> (eg Community Forest User Groups, School Management Committees, Ward	<ul style="list-style-type: none"> <li>These groups actively participate and work in coordination with government and non government offices and officials for the welfare of society and villages. They undertake local level monitoring work from long time. With some added allowances, they can easily engage in monitoring REDD+ projects and activities</li> </ul>	<ul style="list-style-type: none"> <li>Some training and skills development,</li> </ul>

Institution	Required capacity enhancement	Training needs
Citizens Forums, Farmer's Groups, Mothers Groups, Saving and Credit Groups)		
<b>Others</b>		
<b>Consultants</b>		<ul style="list-style-type: none"> <li>Capacity-building to prepare RAPs, VCDPs and GAPs</li> </ul>
<b>Private sector</b>	<ul style="list-style-type: none"> <li>General awareness-raising on REDD+, and specifically on environmental and social issues related to REDD+ will be required for the following:</li> </ul>	<ul style="list-style-type: none"> <li>Need motivating to engage in REDD+ related activities, and sensitising to environmental and social dimensions</li> </ul>
<b>NGOs/CBOs</b>	<ul style="list-style-type: none"> <li>Engaged in social mobilisation</li> </ul>	<ul style="list-style-type: none"> <li>Training on how to engage in ESMF procedures – outreach work, and doing independent monitoring of projects, and to mobilise communities to undertake self-monitoring).</li> </ul>
<b>Other service providers</b> (eg education establishments (training environmental managers and teaching EIA and sociology, gender studies).		

## APPENDIX 1. TERMS OF REFERENCE

**Note:** that this is the original terms of reference. Due to restricted budget availability, during contract negotiations, it was agreed that the TOR would be revised, particularly in relation to deliverables. Revisions to the TOR are outlined in the Inception Report

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Government of Nepal  
Ministry of Forests and Soil Conservation  
**REDD-Forestry and Climate Change Cell**  
Babarmahal, Kathmandu, Nepal

**Terms of Reference (TORs)**  
for a  
**Strategic Environmental and Social Assessment (SESA)**  
and the formulation of an  
**Environmental and Social Management Framework (ESMF)**  
**(FCPF/REDD/S/QCBS-5)**

### Introduction

#### **General**

Reducing Emissions from Deforestation and Forest Degradation (REDD+) is evolving as a means to reduce forest sector carbon emissions through forest management and forest governance improvements in forestry and related sectors. The World Bank's Forest Carbon Partnership Facility (FCPF) assists Nepal with financial and technical support to develop and apply strategies to address the drivers of deforestation and forest degradation.

Nepal is one of the countries participating in the FCPF REDD+ Readiness Fund and is currently implementing the REDD+ Readiness Programme. Part of this process includes the solicitation of consultant services to conduct a series of activities which will inform the readiness process and increase the country's REDD+ readiness.

#### **Technical**

The Strategic Environmental and Social Assessment (SESA) is essential for both avoiding negative impacts and ensuring positive or additional REDD+ benefits, especially in terms of safeguarding livelihood improvements and the rights of forest-dependent communities (i.e. indigenous peoples, women, dalits); promoting the conservation of the environment and biodiversity; and maintaining cultural heritage, gender balance, capacity development and good governance. For this, it is essential to identify the likely outcomes, opportunities and adverse impacts associated with implementation of strategic options before implementing REDD+.

#### **Background Information**

REDD+ implementation will involve forest dependent communities, women and other affected marginalised groups to the best extent possible. Although REDD+ is expected to have significant climate change benefits, it risks causing negative impacts on the environment and local forest dependent communities. Therefore, the SESA will be conducted in order to assess these potential



positive and negative impacts. Furthermore, the participatory SESA process will aim to involve all relevant stakeholders while maintaining a focus on the most affected stakeholder groups.

Given the FCPF is the main source of funding for REDD+ readiness, the World Bank's Safeguard Policies have to be fulfilled. These include (i) OP 4.01 on 'Environmental Evaluation'; (ii) OP 4.04 on the Natural Habitats; (iii) OP 4.10 on Indigenous Populations; (iv) OP 4.11 relating to Physical Cultural Resources; (v) OP 4.12 on Involuntary Resettlement; and (vi) OP 4.36 on the Forests. Furthermore, the SESA must adhere to the following REDD+ objectives, which have emerged from numerous stakeholder consultations: (i) regulating forest sector activities and promoting the fight against deforestation and forest degradation, and (ii) protecting and promoting the rights, responsibilities and opportunities of forest dependent people from the start.

The SESA must not only comply with the World Bank's safeguard policies but also consider existing national legislation, international agreements ratified by the government and the principles of international practices and protocols protecting the rights of citizens, especially with regard to impacts on the environment, traditional rights and access to natural resources.

An initial stakeholder analysis was conducted during the preparation of the Readiness Preparation Proposal (R-PP), including specific consultations with forest dependent communities. Possible drivers of deforestation and degradation and feasible strategic options for addressing those drivers were also identified during the R-PP process.

### **Objectives**

The overall objective of the SESA is to identify opportunities to mitigate environmental and socioeconomic risks during under the implementation of a REDD+ mechanism in Nepal. The SESA may also identify where REDD+ can improve development activities and other environmental measures adopted to combat climate change.

The specific purpose of the SESA is to identify opportunities that:

- Enable an understanding of the operating environment for REDD+ programs, including stakeholder analysis and the socio-environmental dimensions of the forestry sector in Nepal;
- Screen and assess possible social impacts and issues related to REDD+ programs in Nepal;
- Develop a multi-stakeholder engagement approach to address these impacts;
- Propose methods and measures to mitigate environmental and socioeconomic risks during REDD+ strategy implementation; and
- Provide leads to improve development activities and the state of the environment through REDD+ as well as any associated measures adopted to counter climate change.

In order to develop an Environmental and Social Management Framework (ESMF), the consultant will present proposals that aim to strengthen the positive impacts of the REDD process on: the quality of the environment; the social, cultural and economic well-being of the population, particularly that of population groups most dependent on forest ecosystems and biodiversity; the respect for traditional modes of using natural resources; and the community consultation and participation process.

The ESMF will have to specify procedures for:

- Consultations with concerned stakeholder groups;
- Institutional capacity-building;
- Environmental and social impact screening, assessment, and monitoring; and
- Grievance redress.

The ESMF will also provide the inter-institutional arrangements for the preparation of time-bound action plans for managing and mitigating adverse impacts related to future projects, activities, or policies/regulations.

### **Scope of Work**

The Strategic Environmental and Social Assessment (SESA) will include a comprehensive stakeholder analysis, a description of the initial social and environmental situation of the forestry sector in Nepal, an analysis of the possible impacts of different REDD+ strategy option scenarios, an analysis of impacts of different REDD+ alternatives and the verification of compliance with World Bank policies.

SESA preparation will be the basis for the formulation of an ESMF:

- The SESA will ensure compliance with relevant safeguards during both preparation and implementation of the R-PP.
- The ESMF will be an output of SESA. It examines the risks and potential impacts associated with one or more projects, activities, or policies/regulations that may occur in the future as part of the implementation of the REDD+ strategy options designed during the readiness preparation phase.

Moreover, it is important that the SESA confirms the two major REDD objectives mentioned above.

The consultant should identify interfaces with the REDD+ SES process that has been initiated in Nepal and clearly spell out the scope for synergies with this process.

### **Major tasks**

#### **SESA**

##### ***Task 1: Review stakeholder analysis***

The consultant shall review and update the comprehensive list of stakeholders identified during R-PP development that are directly linked with the social and environmental impacts of the REDD readiness and implementation process. The consultant should prepare a map of the stakeholder landscape including the positions and views of various stakeholders in the forestry sector, with a particular focus on REDD+ programs. The consultant shall identify and focus on those stakeholders who have been most actively engaged in the process so far and critically assess if any group of stakeholders has been left out of the process due to lacking awareness and capacity to engage with REDD+ discussions.

The feedback solicited during past stakeholder consultations (as part of the R-PP preparation or the preparation of individual projects) should be reviewed during this analysis.

##### ***Task 2: Initial description of the social and environmental situation of the forestry sector in Nepal***

This task provides an update of the diagnostic already done for the R-PP and draws on the detailed studies of environmental and social issues regarding REDD+ that are already underway. The consultant will collect, analyse and present basic data relating to the current environmental and social situation of the forestry sector in Nepal, including:

- A map of the forest dependent communities and disadvantaged groups accessing forest resources (following the lines of the stakeholder analysis);
- A review of their relationship to the forests from an ethnic, historical, cultural and economic perspective as well as an analysis of their attachments, access to and use of forest resources, including the formal/ informal institutions and internal mechanisms regarding the use of forests and the sharing of benefits from this utilisation;
- A summary of their views, concerns and recommendations for REDD+ program.

### **Task 3: Outline the legislative, regulatory, and policy regime**

The outline of the legislative, regulatory, and policy regime (in relation to forest resources management, land use, forest-based enterprises, etc.) should draw from the assessment described in Section 2a of the R-PP template with a focus on any proposed reforms to this regime as part of the REDD+ strategy implementation. This part of the analysis must include:

- A review of relevant acts, regulations and government policies regarding forest resource use versus the traditional use and usufruct rights to forest resources;
- An analysis of constitutional provisions and ILO 169 on indigenous and tribal populations, relevant stakeholder understandings and its implications for REDD+ programs.

### **Task 4: Outline of REDD+ strategy option(s)**

The consultant will prepare a description of the indicative REDD+ strategy option(s), the main social and environmental considerations, and the various risks involved in implementation.

### **Task 5: Formulation of arrangements for implementation**

The consultant shall prepare a description of the required arrangements for implementation modalities with a focus on the procedures for (i) screening and assessment of site-specific environmental and social impacts; (ii) the preparation of time-bound action plans for reducing, mitigating, and/or offsetting any adverse impacts; (iii) monitoring the implementation of the action plans, including arrangements for the participation of relevant stakeholders in such monitoring.

### **Task 6: Analysis of the particular institutional needs within the REDD+ implementation framework**

The consultant will review the authority and capability of institutions at different administrative levels (e.g. local, district, provincial/regional, and national), also in view of their capacity to manage and monitor ESMF implementation. Capacity gaps need to be highlighted and be addressed in the 'Capacity Building' task below. The analysis should draw mainly from Section 2c. of the R-PP template but may propose new acts, rules and regulations, new agencies or agency functions, staffing needs, inter-sectoral arrangements, management procedures, operation monitoring and maintenance arrangements, budgeting and financial support.

### **Task 7: Analysis of the possible impacts of different REDD+ strategy option scenarios**

The consultants will analyse the social and environmental impacts of each strategic option. This will help the implementing agency to move the program in the right direction for poverty reduction, environmental protection, socioeconomic development and the protection of traditional rights and biodiversity.

### **ESMF formulation**

### **Task 8: Development of an Environmental and Social Management Framework (ESMF)**

The consultant will develop an ESMF that addresses the following issues:

- The consultant will recommend **strategies and procedures** to implement the framework throughout the REDD+ process in view of adopting measures that prevent adverse environmental and social impacts.
- The consultant will recommend a **simple screening methodology to monitor the activities** recommended each year in the annual work plans from a social and environmental perspective in order to remove or reduce risks and negative impacts. The proposal should take into account existing national legislation and provisions regarding EIA and IEE.
- The consultant will also recommend a **simple monitoring and evaluation system** for the social and environmental impacts of the REDD+ process, with monitoring indicators and a corresponding evaluation procedures and methodology. In order to avoid duplication of

efforts, the consultant will take into consideration the monitoring indicators developed as part of the REDD+ SES process.

- Based on the analyses and recommendations above, the consultant will do an initial screening to test the **compliance of the REDD+ process with the World Bank's Safeguard Policies** mentioned in the Background Section above.
- Finally, the consultant will recommend a **stakeholder consultation mechanism for the monitoring and evaluation of the REDD+ process**. Taking into account the public consultation mechanisms developed under various other REDD+ initiatives (e.g. REDD+ SES), the consultant will make concrete recommendations to increase the understanding of forest management and strengthen the involvement of forest dependent people, placing particular emphasis on indigenous groups, women, *dalits*, NGOs and other civil society institutions and the private sector during implementation and monitoring of the REDD+ process.

The draft ESMF will have to be publicly disclosed and disseminated through a major consultation event (or through multiple meetings at lower levels). Comments generated will be addressed when finalizing the ESMF.

Preparation of the **final ESMF** suitable for inclusion in the R-Package will have to contain specific sections addressing the requirements of Government of Nepal's applicable safeguard policies. These sections can take the form of free-standing chapters within the ESMF that would resemble the frameworks provided for in the policies themselves, including (as relevant):

- Environmental Management Framework (EMF) to address any potential environmental impacts, including cumulative and/or indirect impacts of multiple activities;
- Resettlement Policy Framework/Process Framework to address any potential land acquisition and/or physical relocation, loss of livelihoods or restriction of access to natural resources, including in legally designated parks and protected areas;
- Indigenous Peoples Planning Framework (IPPF) to address any effects on Indigenous Peoples; and
- Cultural Heritage Management Framework, which must be implemented to ensure that the programs and activities do not harm the physical or moral cultural heritage, or traditional practices and customs.

#### **Task 9: Required technical assistance**

The consultant will identify required technical assistance by public- and private-sector institutions, communities, and service providers to support implementation of the ESMF.

#### **Task 10: Capacity building**

The consultant will present a 'Learning Plan' that provides a detailed capacity-building strategy with measures to ensure that the ESMF can be effectively implemented. The consultant will recommend public and/or civil society institutions likely to conduct this capacity-building work and define the necessary budget. This capacity-building process could include institutional adjustments or procedures, recruitments or new assignments and training for national, local and regional institutional leaders and civil society organizations.

#### **Task 11: Outline of the budget for implementing the ESMF**

Estimated costs of the ESMF shall be evaluated for each measure recommended above. If there is no specific estimate, a methodology for estimating costs should be suggested. This estimate includes the needs for institutional improvement and training to apply the given safeguard measures. The consultant will present the ESMF in the form of measures incorporated directly into the REDD+ process activities (e.g., methodological improvements, supplements to recommended activities) so that it does not duplicate or overlap with the REDD+ process.

### **Schedule and Deliverables**

The consultant will prepare a detailed **workplan** within two weeks of taking up the assignment.

**Summaries of the outputs of the various SESA tasks** will be prepared to later be included in the SESA section of the R-Package.

**Initial drafts of the ESMF** will be submitted within four months after taking up the assignment.

**Final versions of the ESMF** (including the 'Learning Plan' for capacity building) are expected within six months from contract signature. The two documents will include the outcomes from all the steps listed above. The presentation of the SESA and the ESMF will be complemented by annexes containing all supporting data, supplementary analyses, consultation reports with summaries of key issues identified, suggested mitigation measures, as well as lists of participants in specific activities.

### **Consultant Qualifications and Expected Level of Effort**

#### ***Consultant qualifications***

The SESA/ESMF team will have to be capable of addressing all the safeguard policies triggered by the project(s), activity(-ies), or policy(-ies)/regulation(s) that may occur in the future from the implementation of the emerging REDD+ strategy option(s), as well as be capable of carrying out all the tasks outlined in the Scope of Work above. Expertise and experience in the application of safeguards policies are therefore mandatory for all members on the team.

As multiple safeguard policies need to be addressed, ideally a multi-disciplinary team with the necessary ecological, legal and socio-cultural expertise will prepare the ESMF.

The experts to be involved in this assignment should demonstrate the ability to analyse a range of sensitive issues in relation to REDD+ and to facilitate multi-stakeholder consultation processes surrounding these issues. The experts to lead the team should also demonstrate sufficient experience in leading multi-disciplinary teams.

#### ***Coordination with the REDD Cell***

The REDD+ Cell will provide a supervising officer to oversee the contract and to support implementation of the study by providing feedback and coordination with other government agencies as necessary.

A close coordination is desired between the SESA/ESMF team and the REDD+ Cell. The Team Leader will meet the REDD+ Cell once a month to discuss the progress of work, any outstanding issues and prepare an intended timeline for subsequent work.

## APPENDIX 2. SCHEDULE 1 (PERTAINING TO RULE 3) - PROPOSALS REQUIRING INITIAL ENVIRONMENTAL EXAMINATION

### A. Forest Sector

1. Plantation of indigenous plants of a single species in a single block of 50 to 100 hectares in the Terai and 25 to 50 hectares in the Hills.
2. Plantation of such imported species of plants as are deemed suit for the purpose, following their test in the concerned place, on a single block of 10 to 50 hectares in the Terai and 5 to 25 hectares in the Hills.
3. Handover of forests with an area ranging between 25 to 100 hectares in the Terai and 5 to 25 hectares in the Hills as leasehold forests.
4. **Clear feeling** or rehabilitation of national forests with an area of not more than 5 hectares.
5. Establishment of saw-mills which could process 5000 to 50,000 cubic feet of timber per year.
6. Collection of 5 to 50 tons of forest products other than timber per year.
7. Establishment or expansion of national parks, wildlife sanctuaries and conservation areas or environmental conservation Zones.
8. **.....of the feet of trees which have been failed** removal of leaves (in such a manner as to turn trees into stumps), extraction of seeds of lichens or orchids from trees and collection of Salk (shores robust) seeds.
9. Formulation of watershed management plans.
10. Construction of new botanical gardens or zoos outside the forest areas by the public or private Sector.
11. **Recruitment** of import who ..... of different species.
12. Preparation of management plans of national parks, wild life sanctuaries, conservation Areas and their buffer zones or launching of development and construction activities specified in such plans.
13. Establishment of medicinal herbs centres for the commercial production of medicinal herbs and aromatic plants in public scrublands.
14. Commercial collection or industrial processing of non-polluting medicinal herbs and aromatic plants.
15. Construction of forest paths up to Five Kilometre long and of fire protection lines up to Ten Kilometres long.
16. Collection of boulders, gravel and sand and extraction of coal and other minerals from forest areas.

### B. Industrial Sector:

1. Production of alcohol by the process of blending and establishment of distilleries equipped with boiling and fermentation facilities with a production capacity of 500,000 liters per day.
2. Establishment of acid, alkali and primary chemical industries with a production capacity of 5,00,000/- liters per day.
3. Establishment of acid, alkali and primary chemical industries with a production capacity of 100 metric ton per day.
4. Processing of leather not more than 5000 sq. ft. per day.
5. Establishment of electroplating and galvanizing industries.
6. Establishment of cooking natural gas refilling, filling, production and distribution industries.
7. Establishment of boulder crushing industries.
8. Establishment of paints industries.

9. Establishment of dairy processing industries.
10. Establishment of industries producing lubricant by the process of blending, reprocessing or reclamation.
11. Establishment of industries manufacturing foam.
12. Establishment of industries manufacturing dry or wet cell (battery).
13. Establishment of crude sugar or sugar industries with a production capacity of 3000 metric tons per day.
14. Establishment of thread and clothes dyeing, printing and laundry industries (including carpets) except traditional cottage industries.
15. Establishment of pulp and paper industries, except traditional cottage industries, with a production capacity of 100 metric tons per day.
16. Establishment of bricks and tiles industries with a production capacity of 10 million units per year.
17. Establishment of cement industries with a production capacity of 30 metric ton per hour based on lime-stone and with a production capacity of 50 metric tons per hour based on clinker.
18. Establishment of quick/slaked lime industry producing 50 metric tons per day.
19. Establishment of pharmaceutical industries.
20. Establishment of industries manufacturing chemical fertilizers (blending) and pesticides (blending).
21. Establishment of plastic industries (based on waste plastic as raw materials)
22. Establishment of matches industries.
23. Establishment of industries relating to auto workshop (except 2 Wheelers).
24. Establishment of industries producing and processing coke and briquette from coal."

Establishment of the following industries having investment of total fixed capital exceeding Rs. One million.

1. Plastic processing (except processing waste materials).
2. Processing and production of tires, tubes and rubber.
3. Soap (including detergents and cleaning shampoos).
4. Photo processing.
5. Foundry.
6. Production of cigarettes, bidi (tobacco rolled in leaf) tobacco , betel Rules.
7. Slaughter house.
8. Glass (plane glass)
9. Food processing.
10. Relating to metal (including **remelting**, re-enrolling and fabrication).
11. Bitumen and bitumen emulsion.
12. Cold storage.
13. Threading
14. Vegetable ghee, oil.
15. Herbal processing.
16. Productions of different items from bone, horn and foot root.
17. Rosin turpentine, veneer and catechu.
18. Fish and meat processing.
19. Production of packaging materials.
20. Plotter feeds.
21. Machine soap.

### C. Mining Sector<sup>22</sup>:

- (a) Excavation of mines through relocation and resettlement of permuted residence up to more than 100 people.
- (b) Relating to Open Mine and Under Ground Mined:
  - 1 Excavation of metallic minerals in small scale.
  - 2 Excavation of the other industrial minerals in small scale except precious stones semiprecious stones and abrasive minerals from among the classified industrial minerals for the industrial purpose.
  - 3 Excavation of non-moralistic metallic in small scale.
  - 4 Excavation of industrial precious and semiprecious stones and abrasive minerals with a production capacity of 50 to 100 grams per day.
  - 5 Establishment of coal mines in small scale.
  - 6 Excavation of construction oriented minerals in small scale,
  - 7 Excavation of highly precious valuable stone and semi-valuable stone minerals with a production capacity of 50 to 100 grams per day.
  - 8 Production of natural gases in very small and small scale.
- (c) Relating to other Mines
  - 1 Extraction of 10 to 50 cubic meters of sand, gravel and soil from river beds per day.
  - 2 Extraction of 50 to 100 grams of precious value and semi-value stone minerals per day through placer or dredging techniques.

### D. Road Sector:

- 1 Construction of the following roads:
  - (a) District roads
  - (b) Urban roads
  - (c) Rural roads
  - (d) Small feeder roads
- 2 Construction of One to Five Kilometre long ropeway.
- 3 Construction of One to Five kilometres long cable car routes
- 4 Construction of major bridges
- 5 Constructions of tunnels
- 6 Improvement, up grading and reconstruction of national highways and feeder roads.

### E. water resources and energy sector:

- 1 Supply of electricity through the constructions of transmission lines of from 33 to 66 KV capacity.
- 2 Operation of rural electrification projects of One to Six MW.
- 3 Operation of electricity generation projects from 5MW capacity.
- 4 Under the new systems of irrigation :
  1. Irrigating Twenty Five to Two Thousand hectares in the Terai,
  2. Irrigating Fifteen to Five Hundred hectares in the Hill Valley,
  3. Irrigating Ten to Two Hundred hectares in the Hilly and mountainous areas a steep gradient.
- 5 Under the rehabilitated systems of irrigation:
  - (a) Irrigating more than Five Hundred hectares in the Terai
  - (b) Irrigating more than Two Hundred hectares in the hill valleys.
  - (c) Irrigating more than Hundred hectares in the hilly a steep gradient and mountainous.
- 6 Any water resources development activity which displaces<sup>23</sup> from Twenty Five to Hundred persons from permanent residence.

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<sup>22</sup> .Amended by first amendment.



- 7 Control of floods through dams in the Terai.
- 8 Control of river of more than one Kilometre length.

**Note:** - Any rehabilitation project which includes additional irrigated areas, new sources of water, watershed management or changed channel lines shall be considered to be a new system.

**F. Tourism Sector:**

- 1 Establishment and operation of hotel with Fifty to Hundred beds.
- 2 Extension of the areas of the existing airports.
- 3 Opening of new areas for the promotion of tourism.
- 4 Operation of rafting activities on any river having fish or other aquatic life.
- 5 Operation of new golf courses and organized form of water sports.
- 6 Promotion of tourism in a number exceeding Ten Thousand per year at an altitude above Five Thousand meters.
- 7 Disposal and management of waste emitted from trekking points.

**G. Drinking Water:**

- 1 Collection of rain-water in an area of not more than 200 hectares, and use of water sources (spring and wet-lands) located within the same area.
- 2 Surface water source with not more than 4 cubic ft. safe yield and supply of not more than Fifty percent of the water during the dry season.
- 3 Processing of water at the rate of Ten to Twenty Five liters per second.
- 4 Recharging up to Fifty percent of the total **aquifer** for the development of underground water sources.
- 5 Construction of not more than one kilometre long tunnels for carrying water.
- 6 Displacement of not more than One Hundred persons for operating a water supply scheme.
- 7 Settlement of no more than Five Hundred persons on the upper reaches of water sources.
- 8 Supply of drinking water to a population ranging between Two Thousand to Twenty Thousand.
- 9 Supply of drinking water to a population ranging between Ten Thousand and Hundred Thousand upon connecting new sources.
- 10 Installation of more than 20 Km. long electricity transmission lines for pumping or processing water and consumption of more than one mw of electricity.
- 11 River training and diversion activities over an area of more than one Kilometre.

**H. Waste Management:**

- 1 Waste Management activities to be undertaken with the objective of providing services to a population ranging between Two Thousand and Ten Thousand.
- 2 Following activities relating to waste emitted from houses and residential areas:
  - (a) Filling of land with One Hundred to One Thousand tons of waste a year.
  - (b) Activities relating to transfer stations and resource recovery areas spread over up to Three hectares.
  - (c) Selecting, picking, disposing, and recycling waste through chemical, mechanical or biological techniques in an area up to Two hectares.
  - (d) Activities relating to compost plants in an area ranging between One to Five hectares.
  - (e) Operations of sewerage schemes.

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<sup>23</sup> inserted by First Amendment

**I. Agricultural Sector:**

- 1 Clearing of national forests covering up to One hectare in the Hills and Five hectares in the Terai, and using then for agricultural purposes.
- 2 Following Construction activities.
  - (a) <sup>24</sup> \* .....
  - (b) Construction of 1 to 5 Kilometres long agricultural road.
  - (c) Construction activities for farming Two Thousand to Five Thousand domestic fowls.
  - (d) Construction activities for farming big cattle numbering between One Hundred and Five Hundred.
  - (e) Construction activities for farming small cattle (sheep and goats) numbering between One Thousand and Five Thousand.
  - (f) Establishment of agricultural wholesale markets in urban areas.
- 3 Following activities relating to toxic Substances (only those which are listed):
  - (a) Import of One to Ten tons of toxic Substances.
  - (b) Sale, supply storage and disposal of 100 kg. to One ton of toxic Substances.
  - (c) Uses of One Hundred kg. to One ton of toxic Substances in a single area.
- 4 Establishment of the following agro based industries to dispose of polluted Substances mixed with dangerous toxins:
  - (a) Milk-processing industries with a capacity up to Twenty Six Thousand litters a day.
  - (b) Such, agro based industries as those producing jam, jelly, squash and juice.
  - (c) Cheese industries.
  - (d) Bady food industries.
  - (e) \* .....
  - (f) \* .....
5. \* .....
- 6 Commercial fish-farming in an area of more than One hectare.

**J. OPERATION OF ANY PLAN, PROJECT OR PROGRAMME OF ANY DEVELOPMENT WORK PHYSICAL ACTIVITY OR LAND USE<sup>25</sup>** \_ Except the proposals mentioned in Clause (A) to Clause (I) and those below the standard of such proposals as well as the proposals below the standards of those mentioned in Schedule -2 with a cost of Rs. Ten millions to hundred millions.<sup>26</sup>

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<sup>24</sup> \* ..... = Deleted by first Amendment

<sup>25</sup> Inserted by First Amendment

<sup>26</sup> Inserted by the notification published in Nepal Gazette on Aug .23 ,1999

## APPENDIX 3. SCHEDULE 2 (RELATING TO RULE 3) PROPOSALS REQUIRING ENVIRONMENTAL IMPACT ASSESSMENT

### A. Forest Sector:

- 1 Plantation of indigenous plants of a single species in a single block covering an Area of more than One Hundred hectares in the Terai and Fifty hectares in the Terai.
- 2 Plantation of such imported species of plants as are deemed suitable for the purposes, following their test, in the concerned place, in an area of more than Fifty hectares in the Terai and Twenty Five hectares in the Hills
- 3 Handover of forests with an area of more than One Hundred hectares in the Terai and Twenty Five hectares in the hill as leasehold forests.
- 4 **Clear felling or rehabilitation** of forests with an area of more than Five hectares.
- 5 Establishment of saw-mills processing more than Fifty cft. of timber per year.
- 6 Collection of forest related products except more than Fifty ton of woods.
- 7 Formulation and implementation of forest management plans.
- 8 Clearing of public's forests and establishment of new medical herbs centre for commercial production.
- 9 Rosin and turpentine, rubber, plywood and veneer, catechu, and timber-based matches, pulp and paper industries to be established within one Km. inside the forest area which depend on forests for their raw material and use processing techniques and cardamom and medium and large tea industries which use large quantities of firewood.
- 10 Commercial and industrial processing of medicinal herbs and aromatic plants which emit garbage and pollution.
- 11 Establishment of saw-mills, bricks and tiles factories and tobacco processing industries within Five Km. from the forest boundaries.
- 12 Establishment of hotels, resorts, safaris, educational institution, hospital and industries of other construction activities inside forest areas, national parks, sanctuaries, conservation areas, buffer zones and environment conservation Zones.

### B. Industrial Sector<sup>27</sup>:

- 1 Establishment of distilleries equipped with **boiling** and fermentation facilities with a production capacity of more than Fifty Hundred Thousand liters per day.
- 2 Establishment of breweries and wineries equipped with fermentation facilities with a production capacity of more than 50,000 litres per day.
- 3 Production of primary chemicals such as corrosive, acid and alkali etc. (except citric **Tartaric**, acetic, acid.) with a production capacity of more than One Hundred metric tons per day.
- 4 Processing of **hides** more than 500 sq. ft. Per day.
- 5 Production of chemical fertilizers and pesticides except produced through welding process.
- 6 Establishment of mineral based industries with an investment of more than Rs. Fifty millions fixed capital.
- 7 Production of petro chemical and processing (diesel, kerosene, lubricant plastics, **Synthetic** rubbers etc.)
- 8 Production of ferrous and non ferrous metals (except resoling, remelting and fabrication) by the process of primary smelting.
- 9 Establishment of industry producing more than Three Thousand metric ton of crude sugar and sugar per day

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<sup>27</sup> Amended by first Amendment

- 10 Establishment of cement industries with a production capacity of more than Thirty metric tons per hour based on line stone and with a production capacity of more than Fifty metric tons per hour based on clinker.
- 11 Establishment of lime industries having production capacity of more than Fifty metric tons per day.
- 12 Production of asbestos.
- 13 Establishment of radioactive emission (nuclear and automatic processing) industries.
- 14 Production of primary compound (Bulk drugs) for medicine.
- 15 Production of extremely hazardous Substances such as Isocyanine, mercury compound etc.
- 16<sup>28</sup> Production of ammunitions and explosives including gunpowder except than the production made by Nepal Army or Nepal police forever or to be established by them.
- 17 Establishment of industries of pulp or paper with a production capacity of more than One Hundred metric tons per day.
- 18 Establishment of brick and tiles industries with a production capacity of more than Ten million pieces per year.
- 19 Chemical processing of bones.

### C. Mining Sector<sup>29</sup>:

1. Relocation or resettlement of permanent residence of more than 100 people for the purpose of mine excavation.
2. Operation of all underground mining activities located at the main boundary thrust and central boundary thrust Zone.
3. In case of relating to Open Mines or Underground Mines:
  - Excavation of metallic mineral Substance in medium and large scale.
  - Excavation of non-metallic mineral Substances in medium and large scale.
  - Excavation of other medium and large scale industrial minerals except precious stone, semi-precious stone, abrasive minerals from among the industrial minerals classified for the purposes of industrial use.
  - Excavation of medium and large scale coal mines.
  - Excavation of construction-oriented minerals of medium and large scale.
  - Excavation of highly valuable semi-precious minerals with a production capacity of more than 100 grams per day.
  - Production of natural gas in medium and large scale.
  - Excavation of radioactive minerals in any scale.
  - Excavation of minerals in any scale.
  - Excavation of crude oil in any scale.
  - Excavation of industrial, precious, semi-precious stones and abrasive mineral with production capacity of more than One Hundred grams per day.
4. Relating to other Mines:
  - Extraction of sand, gravel and soil at the rate of more than Fifty cubic meters per day from the surface of river and revolute.
  - Extraction of highly precious and semi-precious minerals at the rate of more Than One Hundred gms. per day through player and dredging technique.

### D. Road Sector:

- 1 Construction of the following roads:

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<sup>28</sup> changed by a notification published in Nepal Gazette on Nov. 9,2001

<sup>29</sup> Amended by first Amendment

- National highways.
  - Main feeder roads.
- 2 Construction of more than Five Km. long ropeway.
  - 3 Construction of more than Five Km. long cable car routes.

#### **E. Water resources and Energy sector:**

- 1 Supply of electricity through installation of transmission lines of more than 66kv.capacity.
- 2 Operation of more than 6 mva. Rural Electrification Projects.
- 3 Operation of electricity generation projects with a capacity of more than 5mw.
- 4 Generation of more than 1mw. Diesel or the heat electricity.
- 5 Under the new systems of irrigation:
  - Irrigating more than 2000 hectares in the Terai.
  - Irrigating more than 500 hectares in the hill valleys.
  - Irrigating more than 200 hectares in the hill areas with a steep gradient and Mountain areas.
- 6 Any water resources development activity which displaces more than One Hundred people with permanent residence.
- 7 Construction of multipurpose reservoirs.
- 8 Inter-basin water transfer and use.

#### **F. Tourism Sector:**

- 1 Establishment and operation of hotels with more than One Hundred beds.
- 2 Establishment and development of new airports.
- 3 Rafting arrangement for more than Two Thousand persons per year on a single river.
- 4 Dispatch of more than Two Thousand tourists and their assistants per year for trekking in a single area.
- 5 Development and construction of any infrastructure for the promotion of adventure tourism in high mountainous areas.
- 6 Operation of house boats on lakes.

#### **G. Drinking water:**

- 1 Collection of rain-water in an area of more than Two Thousand hectares and use of water sources (springs/wetlands) located within the same area.
- 2 Surface water sources with more than 1 cft. safe yield, and the use of its entire part during the dry season.
- 3 Water processing at the rate of more than Twenty Five litres per second.
- 4 Recharging of more than Fifty percent of the total aquifer for the development of underground water sources.
- 5 Construction of more than 1 km. long water tunnels.
- 6 Displacement of more than One Hundred persons for the operation of water supply scheme.
- 7 Settlement of more than Fifty persons on the upper reaches of water sources.
- 8 Supply of drinking water to a population of more than Twenty Thousand.
- 9 Supply of drinking water to a population of more than One Hundred Thousand upon connecting of new sources.
- 10 Over mining of biologically or chemically polluted point and non-point sources or underground water sources that may be affected by them.
- 11 Operation of multi-purpose projects relating to sources of drinking water which consumes the sources at the rate of more than 25 litres per second.

## H. Waste Management:

- 1 Waste management activities to be undertaken with the objective of providing services to a population of more than Ten Thousand.
- 2 Following activities relating to waste emitted from houses and residential areas:
  - Filling of land with more than One Thousand tons of waste per year.
  - Activities relating to transfer station and resources recovery areas spread over an area of more than Three hectares.
  - Selecting, picking, disposing and recycling wastes through chemical, mechanical or biological techniques<sup>1</sup> in an area spread over more than Two hectares.
  - Activity relating to compost plans spread over an area of more than Five hectares.
  - Burying of waste emitted from an urban area with a population of at least Ten Thousand.
- 3 Following construction activities relating to hazardous waste of the following nature in any scale:
  - Construction of waste plant.
  - Construction of waste recovery plant.
  - Constructing of a site for filling accumulating or burying waste.
  - Construction of a site to store the waste.
  - Construction of a waste treatment facility.
- 4 Following activities relating to lethal waste:-
  - Emission and management of any radioactive Substance with a half life exceeding Twenty Five years.
  - Emission and management of any lethal chemical with Thirty lethal dose.
  - Final disposal management of biological lethal Substances emitted from Health Centre, Hospital, or Nursing Home with at least Twenty Five beds.
  - Any activities relating to One hectare or more of land and energy for the purpose of incinerating or recycling any lethal Substance

## I. Agriculture Sector:

- 1 Clearing of forest covering more than One hectare in the Hills and Five hectare in the Terai and using it for agricultural purposes.
- 2 Following activities relating to construction:
  - <sup>30</sup> .....
  - Construction of more than Five km. long agricultural roads.
  - Construction activities for farming more than Five Thousand domestic fowls.
  - Construction activity for farming more than Five Hundred big cattle.
  - Construction activity for farming more than Five Thousand small cattle (sheep and goats)
  - Urbanization plan in cultivable lands.
- 3 Following activities relating to toxic Substance (only those which are listed):
  - Import of more than Ten tons of a toxic Substance.
  - Sale, supply, storage and disposal of more than One ton of a toxic Substance.
  - Use of more than One ton of a toxic Substance in a single area.
  - Activities relating to insecticide plants or toxic Substances.

## J. Health:

- 1 Operation of hospitals or nursing homes with more than Twenty Five beds, or medical profession (study and teaching also).

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<sup>30</sup> Deleted by first Amendment

**K. If any proposal is to be implemented in the following Areas:**

- 1 Historical, cultural and archaeological sites.
- 2 Environmentally weak and wet Areas.
- 3 National parks, wild life sanctuaries and conservation areas.
- 4 Semi-arid, mountainous and Himalayan regions.
- 5 Flood prone and other dangerous areas.
- 6 Residential, school and hospital areas.
- 7 Areas with main sources of public water supply.
- 8<sup>31</sup> .....

**L. Operation of any plan, project or programme relating to any developmental work, physical activity or change in land use<sup>32</sup> except the proposals mentioned in Clause (a) to Clause (K) and those below the standards of such proposals as well as the proposals below the standards of those mentioned in schedule -1 with a cost of more than One Hundred millions.<sup>33</sup>**

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<sup>31</sup> Deleted by first Amendment

<sup>32</sup> Inserted by first Amendment

<sup>33</sup> Inserted by the notification in Nepal Gazette on aug.23.1999

## APPENDIX 4. APPROVAL PROCESS FOR AN ENVIRONMENTAL ASSESSMENT REPORT IN NEPAL

