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Title RTA
Date submitted: 30 March 2015

1. Practice area : PBPS SDC	
2. Mission period (incl. of travel days) From : 26 March to : 28 March	
3. Type of mission : Technical backstopping	4. Clients: UNDP CO, REDD Implementation Centre (RIC), and Ministry of Forest and Soil Conservation (MoFSC)
5. Purpose of mission: Targeted Support start up trouble shooting	6. Documents, materials, resources Chronology of events (Annexed)
7. Mission members: Aki Kono, RTA –REDD+	8. Costs: UN-REDD Global Programme Budget

9. Brief summary of the mission

The current UN-REDD Targeted Support (TS) under UNDP has experienced some delays in the start-up process due to issues related to both UNDP CO's and Government of Nepal's administrative and procedural requirements.

The UNDP CO has recently resolved the impeding issues and decided to set up the TS as an initiation plan/project through DIM in anticipation for larger funding from the UN-REDD Programme to support the country's REDD+ readiness process (e.g., through EoI, see Annex One). In light of this, the UNDP CO hosted a LPAC meeting two weeks ago to approve this initiation plan/project together with the government counterparts; however, due to the recent staff turnover at MoFSC, RIC and UNDP CO, the LPAC meeting concluded that a lack of background knowledge among all three parties regarding the initiation plan/project could pose a risk to successful implementation. This concern was raised by MoFSC, and MoFSC therefore recommended that the implementation of the TS would only begin on a clear understanding of its purpose and objectives in relation to other on-going activities, and until such an understand was confirmed, MoFSC would not approve the initiation plan/project.

Given this extraordinary circumstances, the UNDP CO requested for my short visit to Kathmandu to help fill any existing knowledge gaps among new MoFSC, RIC and UNDP CO staff members dealing with the TS and REDD+ readiness in Nepal. And, the UNDP CO also requested my support in completing the handover process with the interim support staff to make sure all start up administrative procedures will be dealt with within a shortest timeframe possible.

9.a Findings

- Mr. Kafle is now appointed as both the UN-REDD technical focal point as well as UNFCCC REDD+ focal point (limited to technical matters) for Nepal.
- MoFSC and RIC expressed their concern regarding the way TS activities have been managed by the three UN agencies. They claimed that they had not been fully informed and involved in the activities managed by FAO and UNEP.
- MoFSC will internally extend the TS implementation timeframe to accommodate the current delays in the TS implementation.
- MoFSC will now nominate its Secretary as the political focal point to the UN-REDD Programme for increased ownership, closer oversight, and more effective management of institutional knowledge in addition to the existing channel established by RIC.
- Secretary of MoFSC may write directly to the UN-REDD Secretariat to request a harmonised process and procedures for future TS design and implementation by all three UN agencies.
- Capacity transfer and knowledge and information management within and by RIC and MoFS had been poorly done, and this became clear as a result of the current staff turnover.
- There is a prevailing notion that REDD+ activities in Nepal could have been managed in a much more coordinated and structured manner.
- MoFSC therefore will develop a project bank/databased to coordinate and promote effective coordination and use of donor support to advance the country's REDD+ readiness efforts in a much more strategic way.
- Recruitment process for TS consultants will start as soon as the fund transfer is complete, but recruiting international consultants will require extensive support including expert referral from the regional and global advisors.
- Printing of the D&D study report was still pending as a recommendation was made by an UN-REDD global colleague that FSC certified paper or recycled paper was required. But, there was no supplier in Nepal; and therefore, printing on normal paper will be done to disseminate the D&D report at the start of the work on PAMs to set the necessary stage.

- The data discrepancy between FRA and current FRELs/FRLs suggesting opposing forest trends pose a serious risk for REDD+ in determining the scope of REDD+ hence PAMs.
- Letter of Intent and ER PD for the Carbon Fun are currently being prepared – there are 6 operating entities being considered, and RIC might not be one of them. Churia Terai Dev. Committee is currently strongly considered by the FCPF.
- New forest sector policy has now been out, and needs to be reflected in the national REDD+ strategy.
- Draft national REDD+ strategy lacks a clear vision, PAMs and adequate stakeholder consultation, and issues covered such as carbon rights are not in line with the national policy framework. It needs more work.

9.b Results achieved (key outputs)

- Both RIC and MoFSC now have the necessary information at least on the UNDP-led TS activities, and the works on PAMs and REDD+ finance will proceed to go into implementation shortly. The expected outputs have now been agreed to be delivered by August 2015, and capacity support will continue till the end of 2015.

9.c Expected outcomes and impacts

MoFSC will review the current draft National REDD+ Strategy and carefully make an assessment of whether the strategy should be endorsed in June or more work would be required. MoFSC however is of opinion already that the current draft does not sufficiently address key issues technically (PAMs, national-subnational linkage, NFMS, etc.) and non-state stakeholder concerns, and will therefore require further work and an extended consultation process. Meanwhile, as a result, this will likely keep the window open for the TS outputs to inform the strategy.

10. Key counterparts

<p><u>UNDP Team</u> Vijaya Singh, ACD Vijay Prasad Kesari, Environmental Programme Analyst Pratima Shrestha; UNDAF Outcome 7 Coordinator Leela Sthapit, Programme Associate.</p> <p><u>Forest Action Team</u> who worked on D&D study.</p>	<p><u>Ministry of Forest and Soil Conservation</u> Bishwa Nath Oli, Joint Secretary for Aid Coordination Resham Dangi, Joint Secretary (former head of REDD Cell)</p> <p><u>REDD Implementation Centre</u> Rajendra Kafle, Head</p>
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11. Follow up action matrix

Action to be taken	By whom	Expected completion date
A table summarising progress under each UN-REDD supported activities to be submitted to Mr. Oli	Mr. Kafle	29 March
Approve the document describing the TS led by UNDP and sign off on the LPAC minutes to allow for the transfer of funds to be completed.	Mr. Oli	Week of 30 March
Nominate the Secretary as the political focal point to the UN-REDD with a memo to UN-REDD Sec to request increased harmonization of TS development and implementation modalities among the three UN Agencies.	Mr. Oli & Mr. Kafle	Week of 30 March
ToRs for international and national experts are now ready, and the CO team will process them as soon as the fund transfer is complete, and keep the regional and global advisors in the loop.	Vijaya & his team	Week of 30 March
D&D study report to be printed for distribution at the inception meeting for the work on PAMs.	Vijay & Pratima	Week of 30 March

12. Distribution list

Annex One: Chronology of UN-REDD engagement in Nepal

2009

- In October, Nepal became a UN-REDD partner country.
- Since then, Nepal has enjoyed various regional and global knowledge exchange opportunities.

2011

- In October, the UN-REDD Programme and UNDP's DGG organised a regional workshop on anticorruption to raise awareness, to identify specific corruption risks and to identify effective risk mitigation measures through REDD+.

2012

- Frist Targeted Support (TS) (through UNDP) on drivers of deforestation and forest degradation (D&D) and preliminary analysis of options for REDD+ fund management was requested by REDD Cell (total value of TS: US \$85,000)
- The request was granted by the UN-REDD Secretariat, and TS design mission took place in August

2013

- Forest Action was contracted in January by UNOPS for the two requested areas of work.
- D&D study was successfully concluded with a national validation meeting in November.
- Finance study was also concluded, but there was a unanimous agreement among stakeholders that further assessments were needed – the study only provided a partial view and set of options. Nonetheless, the study was able to bring the issue to the attention of the Ministry of Finance, and the Ministry suggested UN-REDD at the validation meeting to carry out further analysis to suggest concrete structural and procedural arrangements at the national level– leading to the second TS in 2014)
- Mr. Dangi (former head of REDD Cell) was invited to the UN-REDD Policy Board meeting in Geneva in December to present lessons and findings from the D&D study as a best practice that looks at drivers of D&D from a political economic perspective.

2014

- D&D report was finalised and published online (printed publication is will be done at the outset of the TS on PAMs to establish a base on which to build the work on PAMs).
- It was decided that the fund management options report was to remain a resource material for further analysis requested by the Ministry of Finance.
- Second TS was requested by REDD Cell and approved by the UN-REDD Secreratriat for:
 1. Development of REDD+ policies and measures building on the D&D study UNDP US\$325,000
 2. Design of REDD+ national fund management architecture building on the previous study on fund management options UNDP
 3. Assessment of REDD+ relevant policies, laws and regulations for REDD+ institutional arrangements FAO US\$236,700
 4. Proxy monitoring of REDD+ policies and measures FAO
 5. National forest valuation UNEP US\$200,700
 6. Capacity transfer and coordination – TS coordinator to sit in REDD Cell UNDP US\$20,000

Total

US\$782,400

- Nepal was invited to the UN-REDD Policy Board meeting in Lima as a regional observer.
- Coordination arrangements were agreed with a team of consultants recruited by the World Bank (FCPF) to prepare the National REDD+ Strategy to ensure there was a clear mechanism to incorporate TS outputs into the strategy development process.
- FAO and UNEP both initiated their requested activities in Q4.

2015

- National REDD+ Strategy is scheduled to complete in June.
- Above requested activities 1, 2 and 6 have not been initiated, and for which a LPAC was held in early March, and MoFSC raised a concern regarding TS coordination and alignment.
- Expression of interest (EoI) was submitted to the UN-REDD Programme to request a full-scale support (US\$ 4 million) in the implementation of the National REDD+ Strategy for 2016 onwards.