

Lowering Emissions by Accelerating Forest finance (LEAF) Coalition

1. Forest Emission Reduction Targets (500 words excluding links and appendices)

Please provide a narrative and applicable links, outlining Supplier's forest goals related to emission reductions from REDD+, for example, 2030 zero deforestation goals.

Nepal envisions achieving socio-economic prosperity by building a climate-resilient society. Nepal is formulating a long-term low greenhouse gas emission strategy by 2021. It aims to achieve net-zero greenhouse gas emission by 2050. Nepal aims to double the average improvement rate of energy efficiency in Nepal from 0.84% in of 2000 -2015 to 1.68% per year in 2030¹. National REDD+ Strategy 2018 aims to enhance carbon and non-carbon benefits of forest ecosystems to contribute to the prosperity of the people of Nepal.

Forestry sector has been taken as an important sector to emission reductions. It has been included as part of the Agriculture, Forestry and Other Land Use (AFLOU) sector. For example, Nepal recently submitted the Second NDC to UNFCCC in 2020². It aims to maintain 45% of the total area under forest cover by 2030. Similarly, it also aims to manage 50% of Terai³ and Inner Terai forests in lowland area and 25% of middle hills and mountain forests sustainably, including using funding from REDD+ initiatives for the next ten years.

Besides forest related targets, other targets in the NDC document also support emission reduction from forest sector. These include promoting clean energy (by 2030, expand clean energy generation from approximately 1,400 MW to 15,000 MW), and promotion of electric vehicles (by 2030, increase sales of e-vehicles to cover 90% of all private passenger vehicle sales), and install 500,000 improved cookstoves, and an additional 200,000 household biogas plants specifically in rural areas by 2025, among others. These will directly support reducing pressure on the forests thereby contributing to achieve the emission reduction target.

There are other policies and legislative measures supporting the forest emission reduction target. Community based forest management (CBFM) is the key feature of forest management in Nepal. It not only supports reducing emission from deforestation and forest degradation, but also helps sustainable management of forests (SFM) and enhance forest carbon stock. So far, some 40% of total forest area is being managed under various form of CBFM. Forestry Sector Strategy 2015 aims to bring at least 60% of Nepal's forest area to be managed as forests under community-based management by 2025. The strategy also aims to reduce the mean annual deforestation in the Terai and Chure⁴ region of Nepal from existing 0.44% and 0.18%, respectively to 0.05% mean annual deforestation by 2025 resulting in increase in carbon stock by 5%. The ongoing Emission reduction program in the Terai Arc Landscape (TAL) region of Nepal has the emission reduction target of 34.2 MtCO₂e from 2018 to 2028⁵.

¹ National-energy-efficiency-strategy-2019. Government of Nepal Ministry of Energy, Water Resources and Irrigation

² Second Nationally Determined Contribution (NDC). Government of Nepal, December 2020

³ The Terai is a lowland region in southern Nepal that lies south of the outer foothills of the Himalayas, the Sivalik Hills

⁴ The Chure region comprises the youngest mountains in Nepal and is located between the plain lowlands (Terai) in the south and the mid-hills (Mahabharat range) in the north.

⁵ <http://www.redd.gov.np/post/what-is-the-target-of-the-emission-reduction-program-of-nepal>

2. Progress towards, or readiness to meet (non-safeguards elements of) ART/TREES requirements (500 words excluding links and appendices)

Please provide a summary of the Supplier's progress towards preparing/submitting a concept note, and/or registration document for ART, including expected timelines for submission (e.g., estimated date by which a registration document might be submitted). Please include links to any relevant documentation that has already been submitted to the ART secretariat, if applicable.

Please provide an overview of the steps taken to align with non-safeguards requirements of ART/TREES, and Supplier's ability to meet such requirements. If this proposal is selected by the Coalition participants, this information will be accepted as indication of commitment towards meeting ART/TREES requirements.

Nepal has not yet applied to ART-TREES for registration *per se*. Nevertheless, government has already done several exercises in this line.

The country has been active in global climate change initiatives including promotion of low carbon economy⁶. Nepal has been implementing REDD+ readiness activities through the support from WB-Forest Carbon Partnership Facility (FCPF) since 2008, the Forest Investment Program (FIP) and the UN-REDD Program. Nepal has already approved National REDD+ Strategy, established Forest Reference Levels, National Forest Monitoring System, and is now developing Safeguards Information System.

After several years of stepwise progress in REDD+ readiness, the government has endorsed the National REDD+ Strategy in 2018. A Climate Change Policy (2019), the Forestry Sector Strategy 2015, Biomass-Energy Strategy 2017, and Second NDC (2020) are already in place. Nepal has endorsed and started implementing its Emission Reductions Program Document (ER-PD) in the Terai Arc Landscape (TAL). The document has clearly identified key drivers of deforestation and forest degradation and ways for expanding SFM. It has also developed mechanism for fair and equitable sharing of the carbon and non-carbon benefits from the programme. An ERPA has been executed between WB and Government of Nepal that aims to achieve payments for 9 million tons (CO₂eq) ERs from TAL within a period of 2018-2024.

Nepal has already established a REDD Implementation Centre headed by a Joint Secretary.

Government has already designated the Forest Research and Training Centre (FRTC) as a lead organization for MRV and mainstreamed it in the design and implementation of the National Forest Monitoring System for REDD+. A Biodiversity Monitoring Protocol for REDD+ was prepared and field-tested for monitoring environmental safeguards⁷.

From these relevant preparatory works, an ART TREES Concept will be prepared and submitted. Nepal will meet the ART/TREES Registration, Monitoring, Validation and Verification standards before receiving the credits in the ART Registry as follows.

1. Finalise a TREES Concept as per Annex A of the ART Programme and submit to ART-Secretariat by second quarter of 2022.

⁶ Nepal's Sustainable Development Goals. Baseline Report 2017. Government of Nepal, National Planning Commission, Kathmandu, Nepal

⁷ Forest Carbon Partnership Facility (FCPF) Carbon Fund: Emission Reductions Program Document (ER-PD) 2018. pp 26

2. Upon approval of the inclusion in the ART, a detail TREES Registration Document and the initial monitoring report will be prepared and submitted by third quarter of 2022 to the Secretariat for a completeness check.
3. Upon approval of the TREES Registration Document and TREES Monitoring Report for validation and verification, we will select a TREES Validation and Verification Body from the list of approved ART Validation and Verification Bodies maintained on the ART website, negotiate, and get the TREES Registration Document and TREES Monitoring Report validated by the fourth quarter of 2022.
4. Upon validation, the TREES Registration Document and TREES Monitoring Report will be submitted to ART Secretariat for approval of the ART Board by first quarter of 2023.
5. Following ART Board approval, we will apply to get ART credit issued by second quarter of 2023.

3. Capacity building/technical assistance needs (500 words excluding links and appendices)

If applicable, please summarize the capacity gaps and needs for support identified as necessary to meet ART/TREES requirements, and plans to address these gaps before submitting validation/verification documents to ART. This information will be critical for planning purposes.

Nepal has been implementing participatory forestry program since a long time. The programme has mobilised communities and entire frontline extension workers. A smooth relation between forestry workers and participating communities has been established. As a result, thousands of hectares of degraded forests have been restored. Though Nepal has already started implementation of REDD+ activities, there are still some capacity gaps to be filled to meet the ART/TREES requirements. Fifteenth Plan (2019/20 – 2023/24) has clearly identified that Nepal needs technological support including smart technology for low carbon emission engineering including enhancement of forest quality through the reduction of deforestation and forest degradation. Partnerships are being strengthened with the private sector, cooperatives, civil society, development partners and the international community to meet the large capacity building needs⁸.

To fill such gaps, technical assistance will be required in various forms. From the review of literatures and expert team consultations, five important gaps were identified that need to be bridged by this project in reducing carbon emission mission in Nepal.

1) Information gaps

- Information on national forest management is scattered and fragmented. There is no comprehensive, updated, and credible data on the use of forest resources, deforestation, and forest degradation available at all levels of the government⁹. Hence, there is a need to consolidate and unify all such information for reporting at provincial, national and international level.
- Since the rules on how countries can reduce their emissions using international carbon markets, covered under Article 6 of the Paris Agreement on climate change is yet to be resolved, there remains little or inadequate information on potential carbon markets, price, and trading mechanism.

⁸ National Review of Sustainable Development Goals 2017. Government of Nepal, National Planning Commission, Kathmandu, Nepal

⁹ Forest Action Nepal 2010. Capacity Building Needs Assessment and Training Strategies for Grassroots REDD Stakeholders in Nepal. pp 10

- 2) Policy gaps:
 - The regulatory and implementation instruments for promoting private sector have not been developed.
- 3) Regulatory and Institutional gaps
 - National law clearly mentioned about the involvement government itself or any organization or private sector can involve on carbon trading however the institutional and governance mechanism is yet to be spelt out.
 - Opt-in mechanism for private forest owners to include in the carbon trading system is not developed yet.
- 4) Technological/methodological gaps
 - Need to introduce science based appropriate and efficient technologies for harvesting and processing offorest products sustainably.
 - Need to introduce gender friendly technology to reduce the hardship of women and promotethem in forestry business
- 5) Technical capacity gaps
 - CFUGs, local communities and Indigenous Peoples and women across all categories should be capacitated to understand, monitor, and make necessary decisions about REDD+ supportive activities so that REDD+ concept and safeguard provisions can be properly translated to common people/forest custodians.
 - Field level extension workers need theoretical knowledge on REDD+, reference materials, exposure visit for exchange of experiences
 - Country specific data (for example allometric equations for tree species) for accurate tree carbon estimation can be developed.

4. High Forest Low/Deforestation (HFLD) (if applicable, 500 words excluding links and appendices) *Please indicate whether the Supplier expects to qualify as HFLD according to the criteria in the draft TREES 2.0 and whether the Supplier proposes to make available emission reductions under LEA according to a future, approved HFLD -methodology in TREES. Please note that expressing expectation to do so is not binding.*

Not applicable. Nepal does not expect to qualify as HFLD.

5. Estimate of ART/TREES crediting level (non-binding)

Please provide an estimate of the ART/TREES crediting level, including annual estimates used to develop the crediting level, and links to further methodological descriptions of these estimates. We understand that these estimates are based on assumptions and will not be final.

Please indicate a tentative selection of baseline years, consistent with the ART-TREES standard.

Please indicate the assumptions made in the emission reduction volume calculations.

Please provide a link to relevant public documentation or reporting (e.g. National Communications, REDD+ strategy/action plan).

Ans.

ART/TREES crediting level required five years of historical emissions data. All the Green House Gas (GHG) emissions will be measured on the basis of Methods of Guidance Documents (MGD 3.0 version) of Global Forest Observation Initiatives (GFOI) and Sourcebook for Land Use, Land-Use Change and Forestry Projects. GHG emissions only from anthropogenic causes will be calculated using IPCC approach 2 for representing

land use areas. There are measure two data source for carbon accounting for GHG emissions; A) Activity Data and B) Emission Data.

Activity Data

Recently, Nepal has developed National Land Cover Monitoring System (NLCMS) to produce a land cover map of Nepal from 2000 to 2019. The system was co-developed by the Forest Research and Training Centre in collaboration with ICIMOD and international experts through the SERVIR-HKH program. There are altogether 11 land cover classes. Those are easily customized into IPCC six land use land cover classes.

This system was built on Google Earth Engine cloud based platform. The overall methodology of the NLCMS includes eight major steps: 1) defining the land cover classification schemes and land cover typology (11 classes), 2) collecting land cover training samples (36k), 3) selection of Landsat imagery, image correction, preparation of annual composites, 4) selection of additional thematic data, creation of image indices and covariates to make input layers for machine learning, 5)utilization of supervised machine learning algorithms and creation of land cover primitives, primitives evaluation and smoothing, 6) input of annual tree canopy cover and height, 7) construction of customized land cover maps by modifying the assemblage logic using a decision tree, 8) validation of the land cover maps and assessment of accuracy.

Finally, Ministry of Forests and Environment choose the study area for LEAF program. The study area map is shown in Figure 1.

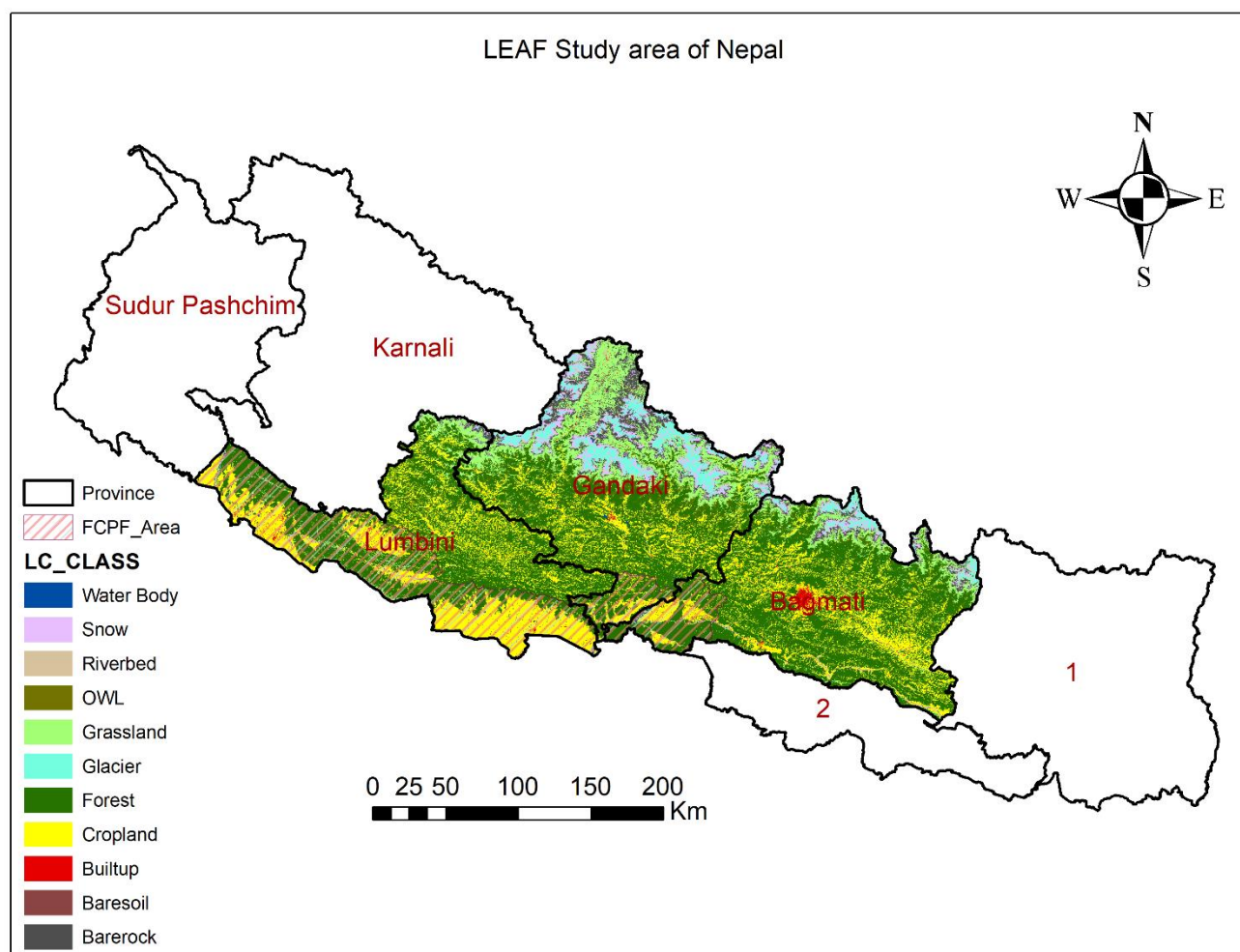


Figure 1: Study area of LEAF

The average land cover of the five year is presented in the table 1.

Table 1: Land Cover Area in hectare

Year	High Himal	High Mountain	Middle Mountain	Siwalik	Terai	Total
2015	82474.92	744494.85	1414622.43	782041.23	124100.55	3147733.98
2016	83410.56	745452.72	1423598.76	785683.98	125293.14	3163439.16
2017	83195.46	746003.43	1436850.54	787551.57	126254.88	3179855.88
2018	85044.78	749410.47	1442845.71	789734.16	126983.16	3194018.28
2019	82835.82	746432.10	1453672.89	790969.23	126700.74	3200610.78
2020	84099.11	748708.39	1463522.43	793767.89	127933.61	3133932.32
2021	84334.72	749491.61	1473257.21	795958.51	128622.65	3147329.99
	83901.98	748009.20	1454029.76	791596.27	127299.01	3204836.22
		Average area as physiographic Region (last Five Years i.e. 2017-2021)				3204836.22

Nepal has five physiographic regions. Forest area is calculated in the physiographic region wise because the carbon content was also generated physiographic region wise. The land cover area of 2020 and 2021 was derived from forecasting interpolation using the land cover of 2015 to 2019. So, the forest area used for crediting level is 3.2048 million hectare derived from averaging the forest cover area of past five year from 2017 to 2021.

The area gain and loss was calculated from the change matrix of land cover 2015 and 2019 derived from NLCMS as shown in table 2 below. Total gain was 12665 ha per year and deforestation 7707 ha per year.

Table 2: Land Cover Change Matrix

Land Cover Year 2019												
LC_Classes	Water body	Glacier	Snow	Forest	Riverbed	Built-up	Cropland	Bare soil	Bare rock	Grassland	Owl	
Water body	20940.84	0.27	13.77	129.87	4166.64	77.67	609.48	8.01	18.54	515.07	19.53	26499.69
Glacier	0.27	214922.70	96.39	0.00	0.00	0.99	0.00	0.09	40.50	47.61	0.00	215108.55
Snow	81.45	125.10	199915.92	36.27	32.31	290.88	0.00	27.63	83735.46	42794.64	146.34	327186.00
Forest	384.12	0.00	3.42	2833117.11	584.37	312.84	29805.48	17.91	15.21	10568.70	33430.50	2908239.66
Riverbed	4049.01	0.00	1.98	49.23	43682.76	690.57	1808.91	0.27	9.09	957.60	5.04	51254.46
Built-up	19.62	0.00	9.09	1.98	26.19	21807.09	124.02	1.53	14.58	81.09	0.09	22085.28
Crop land	1460.97	0.00	0.00	69833.79	11004.30	21680.64	1360907.73	7.29	15.75	8874.09	17621.73	1491406.29
Bare soil	37.26	0.00	0.36	0.18	0.36	3.06	0.09	1414.17	109.26	1286.55	6.57	2857.86
Bare rock	109.44	28.53	20444.76	15.75	185.22	50.13	2.07	352.62	128934.36	41320.08	217.44	191660.40
Grassland	2332.89	20.07	8623.71	10548.54	3300.57	1108.17	5898.33	1461.06	38728.08	596948.49	15850.80	684820.71
Owl	57.78	0.09	25.47	38945.61	337.77	15.93	6572.88	3.60	79.74	12809.52	181732.59	240580.98
	29473.65	215096.76	229134.87	2952678.33	63320.49	46037.97	1405728.99	3294.18	251700.57	716203.44	249030.63	6161699.88

Total above ground air dried biomass is 416.50 million tons (DFRS, 2015). The assumption on this biomass is that from the last Forest Resource Assessment above ground air dried biomass per hectare for each physiographic region was varied. Physiographic region wise forest area was multiplied with physiographic region wise biomass. Similarly, total carbon stock in those forest area will be 392.18 million tons. The assumption on this total carbon stock is that from the last Forest Resource Assessment total carbon stock per hectare for physiographic region wise used to calculate the overall carbon for LEAF area.

Emission factors for the proposed LEAF area was generated on the basis of emission factors used in the last Forest Reference Level as shown in table 3 and 4. Emission factors for deforestation was shown in table 3 and emission factors for afforestation was shown in Table 4.

Table 3: Emission factor calculation for deforestation

Sources	High Himal	High Mountain	Middle Mountain	Siwalik	Terai	Total
Area Proportion	0.0262	0.2349	0.4515	0.2478	0.0396	1.0000
Emission Factor FRL	584.77	584.77	308.61	370.97	409.33	
Emission Factor LEAF	15.35	137.37	139.32	91.92	16.22	400.17

Table 4: Emission factors calculation for sequestration

Sources	High Himal	High Mountain	Middle Mountain	Siwalik	Terai	Total
Area Proportion	0.0262	0.2349	0.4515	0.2478	0.0396	1.0000
Emission Factor FRL	73.10	73.10	38.58	46.37	51.17	
Emission Factor LEAF	1.92	17.17	17.42	11.49	2.03	50.02

Table 5: Emission factors calculation for forest degradation

Sources	High Himal	High Mountain	Middle Mountain	Siwalik	Terai	Total
Area Proportion	0.0262	0.2349	0.4515	0.2478	0.0396	1.0000
Emission Factor ERPD	123.05	123.05	64.94	78.06	86.13	
Emission Factor LEAF	3.23	28.91	29.32	19.34	3.41	84.20

For degradation analysis we make assumptions on the basis of recent study of Nepal from Terai region by Aryal et al. 2021. It was observed that between 2010 and 2020, the forest degradation area was 105,650 ha. On the basis of that forest degradation from 2017 to 2021 was generated. Those area was 18.73% of the starting area of forest cover in 2010. That was for 10 years' interval (2010-2020). So we assume that that will be half for five-year interval. We assumed that those ratios will be resemble in our study area. The base year forest area was 3179855.88 ha. From the above assumption it reflects that 234242 ha is considered as degraded forest area within a five year. Forest degradation was 46848 ha per year. Emission factor for forest degradation is assumed from the approved Emission Reduction Project Document (ERPD) of TAL area in Nepal.

Total emission calculation for crediting level is listed as follows.

Table 5: Emission of LEAF area

S.N.	Emission Agents	Area (ha/year)	Emission Factor ((tCO ₂ e/ha)	Average Emission (t CO ₂ e/yr)
1	Deforestation	15024.51	400.17	6012358.167
2	Degradation	27310.0223	84.20	2299597.29

Buffer, leakage and uncertainty deduction are calculated based on ART/TREES version 2. The crediting level for LEAF study area is 8,311,955.456 (t CO₂e/yr). All the calculation is attached in the separate spreadsheet. Monitoring the impact of the activities proposed in the Concept Note, especially of afforestation and regeneration of forests, will be a priority in the program, so that rewards from performance can be assigned to the most appropriate targets and to direct Community Based Forest Management to the most productive means of looking after the forests in their custody, also from the environmental and climate points-of-view. Because of this goal, modern remote sensing methods (e.g. LiDAR, drones wherever possible) will be employed also on the ground that will allow analyzing the impact of proposed and implemented activities in the project area. Separate Standard Operating Procedures (SOPs) for different tasks (e.g. sampling design, data collection, mapping, reporting) will be developed to create a quality management system for monitoring of project’s interventions.

6. Annual target ERs³ (non-binding)

Please provide an estimate of the ART /TREES expected volumes of ERs that may be delivered annually in the 2022-2026 period. We understand that these estimates are based on assumptions, and will not be final.

Ans.

Delivery by the end of (year)	Quantity (range, in metric tonnes CO ₂ equivalent)	Crediting year <i>(please specify in brackets if emissions from forests are accounted for according to timelines that deviate from calendar years (e.g. Aug 1st–J uly 3 1st)</i>
	6178229	2022
	6178229	2023
	6178229	2024
	6178229	2025
	6178229	2026
Total	30891149	

Note: Similar approach of ERPD is adopted for the calculation of ER. Seven intervention program will be applied for ER. In the proposed LEAF area, TAL area includes 0.72 million hectare forest which was already allocated for FCPF up to 2024. So, for the total ER calculation we divide total proposed LEAF area into two major groups one is TAL area and another is additional area. In the final calculation, TAL area ER is reduced till 2024 and add only after 2025 and 2026.

7. Policies and Measures (500 words excluding links and appendices)

Please provide a summary of existing policy measures, regulations, enforcement, and public finance instruments (taxes, transfers, subsidies) the Supplier determines are adequate to achieve the ERs, and a reference to where this information is publicly provided. If applicable, please describe other interventions (beyond policies and measures) Supplier has taken, or will take, to reduce deforestation and forest degradation, and enhance sequestration to provide ERs under LEAF (e.g., forest fire prevention). If the interventions are not yet operational, please provide a timeline with milestones.

There are different policies and regulatory measures including public finance instruments regarding carbon services and emission reductions program from the forestry sectors in

Nepal. First of all, constitution of Nepal has recognised the carbon services from the forest, and it has been put under the list of exclusive federal power of Schedule 5 of the constitution. Similarly, two guiding documents for forestry sectors in Nepal namely Forest Policy 2019 and Forestry Sector Strategy 2015 have also given more emphasis on sustainable management of forests which will ultimately contribute to emission reduction.

National Climate Change Policy 2019 aims to contribute to socio-economic prosperity of the nation by building a climate resilient society. The Policy states that at least 80 percent of the climate finance including REDD+ benefit is mobilized at the local level and distributed among the stakeholders in a just manner. The strategy under this policy includes increased forest carbon sequestration by adopting sustainable forest management. Similarly, National Environment Policy has also acknowledged REDD+ as a mechanism to generate carbon finance.

At the national level, REDD+ program is governed by the National REDD+ Strategy 2018. It has the broad vision of enhanced carbon and non-carbon benefits of forest ecosystems to contribute to the prosperity of the people.

Besides broad policy, and strategic measures, there are some legal and regulatory provision on carbon services and benefits from the emission reduction program in Nepal. Forest Act 2019 has recognised the carbon services as one of the primary environmental services. The Forest Act has also envisioned Forest Development Fund (FDF) to manage the funds that come from the REDD+ ER purchase among others. The Forest regulation and FDF are now at the advance draft stage and are yet to be approved by the government. Once the forest regulation and FDF will be in place, there will be clear provision for the sharing of benefits from the programme.

In line with the Forest Act 2019, Environment Protection Act 2019 and Environment Protection Regulation 2020 have also made the clear provision to engage in carbon trade with a caveat that biological diversity is not degraded.

To promote sustainable supply of biomass energy available from animal and human sources, fuelwood, agricultural residue, trees, forest residues including any biodegradable matters and to improve the efficient use of such biomass energy, the government has already developed and adopted the Biomass Energy Strategy 2017¹⁰. For the promotion of energy efficiency and demand side management of energy, government has implemented National Energy Efficiency Strategy 2018¹¹. Nepal has also implemented the Forest Fire Management Strategy 2010¹². The Fifteenth Plan (2019/20 – 2023/24) has also duly addressed carbon market¹³.

8. Use of Proceeds (1000 words excluding links and appendices)

Please acknowledge the eligible uses of proceeds as established in the CFP and provide initial thinking on the focus of a high-level investment framework describing the plans or arrangements in place for investing the proceeds of a transaction with LEAF Coalition contributors. This plan should be consistent with achieving the Supplier Country's NDC and sustainable economic development with a priority for forest protection and forest restoration, including its REDD+ strategy/action plan. The plan must also explain how benefits from such a transaction will be distributed to stakeholders. This plan should demonstrate equity, inclusivity, and transparency, and it should reach local communities and support wider climate goals. Suppliers may indicate whether future payments will be used to leverage up-front investments, if applicable. In other words, proceeds may be used to repay bonds or loans that were used specifically to finance activities that are consistent with the guidance on use of proceeds.

Nepal's NDC 2020 has clearly stated that government will ensure fair and equitable sharing of benefits (carbon and non-carbon) from sustainable forest management, watershed management, and biodiversity-conservation. As carbon trading is a federal affair, the Ministry of Finance will bear the major cost of REDD+ implementation: MRV, maintaining regulatory and other institutional functions of the forestry sector. Ministry of Finance will channel the payments through the Ministry of Forests and Environment to cover the partial cost of MRV, maintaining regulatory, institutional and policy measures. ER payment will be transferred to FDF which will be managed by a multi stakeholder and multidisciplinary independent governing body. FDF will distribute the payments directly to Division Forest Offices, National Park Offices, and participating communities in proportionate to the ER they

¹⁰ Biomass Energy Strategy 2017. Government of Nepal, Ministry of Population and Environment

¹¹ National Energy Efficiency Strategy 2018. Government of Nepal, Ministry of Energy, Water Resources and Irrigation

¹² Forest Fire Management Strategy 2010. Government of Nepal, Ministry of Forests and environment

¹³ The Fifteenth Plan (Fiscal Year 2019/20 – 2023/24). Government of Nepal, National Planning Commission, Kathmandu, Nepal

have generated. Thus, the majority of results-based payments will be transferred to the local communities, Division Forest and National Park offices to support the relevant forest management activities addressing the drivers of deforestation and forest degradation and SFM under different management regimes. The co-financing through the government programs also follows the same structure. Regarding the co-financing from other institutions like parastatals or donor funded programs, the funds will flow directly to the district/division forest offices or relevant forest management unit using their existing program structure as shown below.

Existing revenue- and benefit-sharing practices under various forest management regimes¹⁴

Forest management regime	Tax	Royalty	Income Distribution		
			Allocation for forest management	Allocation for poor people	Invest for community development
Community forestry (section 22 of Forest Act 2019)	VAT collection from buyer only on commercial transaction	-	At least 25% of total CF income should be allocated for forest management activities.	Minimum of 37.5% of the total income of CF for poverty reduction, enterprise development and women empowerment activities.	Minimum of 37.5% of total income for community development activities.
Collaborative forest (Section 24 of Forest Act 2019)	Collection of VAT through auction of forest products.	Forest Product distribution (Timber & fuel wood: 50% user group, 40% Central government and 10% Local government)	At least 25% of total CF income should be allocated for forest management activities.	Minimum of 37.5% of the total income of CF for poverty reduction, enterprise development and women empowerment activities.	Minimum of 37.5% of total income for community development activities.
Buffer zone CF (Rule 21 of BZ Regulation 1996)	Restriction on sale of timber outside of BZ group	Collection of revenue of the income from timbers	Income is mobilized by forest user group and buffer zone user committee.		
Leasehold forest (Rule 49 of Forest Rules, 1995)	-	NRs. 200-1,500 annual charge (Not applicable for poor groups)	Depends on groups' decision (for internal distribution)		

The community share of the ER payments will be used to implement the REDD+ activities as mentioned in their forest operation plans and regular benefits from SFM will be distributed as per the existing benefit sharing arrangements in place in Nepal for various forest management regimes¹⁵.

For the ER programme for 13 Terai Arc Landscape Districts, a detailed Benefit Sharing Plan (BSP) is under preparation by the REDD-IC. This plan identified beneficiary categories, fund flow mechanism, eligible fund for operational, transaction and result-based payments.

The BSP aims to incentivize local communities and government authorities to implement forest activities that address the drivers of deforestation and forest degradation and barriers to forest conservation, sustainable forest management, and enhancement of carbon stocks such that additional ER are achieved, and carbon stocks are enhanced. This BSP will be based on three principles: (i) let

¹⁴ Table 55, pp 185 - Nepal ERPD 24 May 2018 final.

¹⁵ Nepal ERPD 2018. Government of Nepal, Ministry of Forests and Environment.

funds follow functions; (ii) do no harm; and (ii) be fair, whereby the distribution of benefits is underpinned by the specific systems, roles and functions agreed by the stakeholders represented in the multi-level institutional arrangements.

As tentatively planned, of the total gross ER payments, 15% will be allocated to cover the operational costs (5%) and transaction costs (10%), 80% will be disbursed as a performance-based allocation to beneficiaries, and 5% will be transferred to forest-dependent households and communities not belonging to forest groups. The advanced draft of the BSP is available at <http://redd.gov.np/post/benefit-sharing-plan-of-emission-reduction-program-2019-draft>.

The Forest Act 2019 has stated that (1) The users' group shall spend at least twenty-five percent amount of the annual income earned derived as per the work plan in the development protection and management of the forest, and at least twenty-five percent in poverty alleviation, women empowerment, and entrepreneurship development activities, in coordination with the concerned Local Level. (2) The amount remaining after the expenditures made pursuant to subsection (1) shall be used in the interest of the users' group such as community development and capacity building activities.

9. *NDC Alignment (500 words excluding links and appendices)*

Please explain how payments received under LEAF would contribute to achieving the targets established in the Supplier Country's NDC.

NDC ambition over time. Please note that it is not expected that potential Supplier Countries will be able to commit to increasing ambitions by the July 30th deadline. Rather, a simple narrative about how this is envisioned is welcomed.

As stated earlier under Section 1, the supplier country's forest related NDC indicators are 45% under forest cover, sustainably managed 50% of Terai and Inner Terai forests and 25% of middle hills and mountain forests. The carbon payments will be directly contributing to achieve these targets as follows.

1. Forest and forest quality enhancement - This will be achieved as the community-based organisation like CFUGs are required to spend "at least twenty-five percent amount of the annual income earned derived as per the work plan in the development protection and management of the forest". This is linked to the NDC target of maintaining 45% area under forest cover, and a target of managing 50% of terai and Inner Terai forests and 25% of the middle hills and mountain forests sustainably.
2. Community capacity enhancement and entrepreneurship development - This is related to the provision of Forest Act 2019 which says, "at least twenty-five percent of the remaining amount in poverty alleviation, women empowerment and entrepreneurship development activities, in coordination with the concerned Local Level". With this support, communities will be capacitated technically and financially to afford for improved cookstoves and biogas establishment. This is linked to the NDC target of ensuring 25% of households use electric stoves as their primary mode of cooking, installing 500,000 improved cookstoves, and installing an additional 200,000 household biogas plants.

3. Input and technical support: As stated earlier five percent of the total performance-based allocation will be distributed to private forest owners in kind—in the form of goods (seedlings) and services (technical input) for the protection and growth of the forest on their (private) lands. This will directly contribute to enhance forest quality as envisaged by NDC.
4. In view of the potential carbon payments, the 15th Plan has also envisaged that by the end of the plan period (2024), the revenue from the carbon trade will be mobilized by developing two additional carbon projects. A total of 500 high-capacity biogas plants will have been installed, and 40,000 MT of L.P. Gas imports will have been substituted by the end of the 15th Plan¹⁶.

10. Nesting (500 words excluding links and appendices)

If applicable, please describe Supplier's initial approach for how double counting from relevant activities with overlapping geographical scope will be avoided. This should include Supplier's approach to accounting for incorporation of activities either crediting, or seeking results-based payments for emission reductions from forests in the same geographical area (e.g. emission reduction or sequestration projects).

Not applicable. In this project, we have proposed a jurisdictional approach.

11. Transfer of Title (500 words excluding links and appendices)

Some buyers will seek transfer of title of ERs on the ART registry, while others will allow the Supplier to retire ERs on the ART registry. Please indicate the Supplier's preference and expectations regarding transfer of title. Please refer to CFP document term "nature of transactions" for a detailed explanation of options under CFP related to transfer of title. Note that jurisdictions may choose to pursue multiple options.

As a supplier of Emission Reductions (ER) in ART Registry, our preference would be to sell the ER while transferring via ART Registry and then retire these emission reductions from the registry. That will allow us to show them as our contribution in the nationally determined contributions (NDCs). Yet, we would still be opened to sell and transfer a certain minimum portion of ER to be transferred to the buyer via the ART Registry as per the standard requirements.

Our national policies support both the options. Our policies and legal provisions allow us to transfer the title to ERs. For example, as part of Emission Reduction Payment Agreement with the Forest Carbon Partnership Facility of the World Bank in Emission Reduction program area in the Terai region of Nepal, we have practiced both the options. Therefore, we can assure you that our policy supports all the four options as outlined in the CFP.

12. Corresponding Adjustments (500 words excluding links and appendices)

Please indicate Supplier's willingness to consider ERs with corresponding adjustments, per pathway #4 outlined in the terms of the CFP.

If applicable, please indicate the portion of total ERs (if any) for which the Supplier proposes to make a corresponding adjustment to the national account.

Please refer to CFP document term "nature of transactions" for detailed explanation of options under CFP related to corresponding adjustments.

¹⁶ The Fifteenth Plan (Fiscal Year 2019/20 – 2023/24). Government of Nepal, National Planning Commission, Kathmandu, Nepal pp 301.

If we must follow the pathways no 4 outlined in the CFP, we would like to go for corresponding adjustment to the national account. The amount of ER under this pathway should be the minimum required amount of ER as per the standard set aside by ART/TREES standard guideline.

In line with this provision, in our NDCs submitted to UNFCCC we have fixed forestry target that includes REDD+ finance. Further, we have additional forest area (around 3.5 million hectares) in the country where we can focus our program to reduce emissions from deforestation and forest degradation and enhance removals.

*13. Environmental, Social and Governance Safeguards (1000 words excluding links and appendices)
Please provide a brief description of the steps taken to assess safeguards requirements of ART/ TREES and Supplier 's ability to meet such requirements. The Supplier should outline how all the TREES safeguards (Section 12 of the standard) will be addressed and respected, and how a national system for providing information on safeguards, or subnational equivalent, will inform TREES safeguards conformity.*

Your response should include an outline of key current gaps in TREES safeguards conformance and plans for gap-filling actions. Subnational Suppliers should outline how safeguards tracking and/or monitoring tools are consistent with national tracking or tools, with the national system for providing information on safeguards.

Please provide links to relevant publicly available information (e.g. summaries of information on safeguards as submitted to the UNFCCC and/or provide a link to, or describe, the either digital or analog system for providing information on safeguards).

Nepal will comply with the social and environmental safeguards principles as per the Cancun REDD+ safeguards. Nepal has domestic policies and legal measures on several areas such as environment protection, labour issues, biodiversity conservation, good governance, right to information, indigenous nationalities and controlling gender violence. Nepal has been implementing environmental and social management framework (ESMF) of the ER Program in TAL districts¹⁷.

Nepal also developed country specific I REED+ Social and Environmental Safeguards (SES) in 2014¹⁸. The ART TREES safeguard requirements were also built up on the Cancun safeguards and is very relevant and similar document to Nepal REDD+ SES. The REDD+ SES was developed through participatory and inclusive process, includes international standards committee representing a balance of interested parties including governments, indigenous people's organisations, community associations, social and environmental NGOs, and the private sector. It was developed through extensive consultations to define high social and environmental performance of government-led REDD+ programs and they provide a comprehensive framework of key issues and elements of quality that can be used consistently across countries while enabling tailoring to the country context. The ART TREES/ Safeguards are compared with the Nepal REDD+ SES and tally the environmental and social safeguards principles, criteria, theme, and indicators.

The national safeguard indicators (Nepal specific REDD+ SES) is characterized into three main categories:

¹⁷ (<http://redd.gov.np/post/env-social-management-framework>).

¹⁸ <https://www.redd-standards.org/images/2-REDDSES-Nepal-Version-2014-English-Feb.-2014.pdf>

- i. *Policy indicators* assess policies, strategies, legal frameworks, and institutions related to the REDD+ program.
- ii. *Process indicators* assess whether and how a particular process related to the REDD+ program has been planned, established, and implemented.
- iii. *Outcome indicators* assess the impacts of the REDD+ program.

The REDD+ SES framework encompasses seven principles and 28 criteria and 64 indicators.

Whereas the TREES safeguards indicators¹⁹ are also categorised into three types:

- i. *Structural Indicators*: demonstrate that relevant governance arrangements (e.g., policies, laws, and institutional arrangements) are in place in the country or applicable jurisdiction(s) to ensure that design and implementation of REDD+ actions are done in line with relevant safeguards theme.
- ii. *Process Indicators*: demonstrate that appropriate processes, procedures, or mechanisms are in place to enact and enforce the arrangements outlined in the Structural indicator.
- iii. *Outcome Indicators*: demonstrate implementation outcomes for each theme are being monitored.

The TREES safeguards have sub- categorised Seven Cancun Safeguards into 16 themes each with 3 indicators (structural; process; outcome)

Nepal has fulfilled the four pre-requisites under UNFCCC to be eligible for results based (RBF) finance for REDD+:

- i. A national REDD+ strategy²⁰ or action plan.
- ii. A national forest reference level²¹ as the basis for accounting the results of REDD+ activities
- iii. A national forest monitoring system for the monitoring and reporting of the REDD+ activities
- iv. A system for reporting²², and a recent summary of information, on how all the REDD+ social and environmental safeguards are being addressed and respected throughout the implementation of the activities

Besides, many policies and measures are already in place to address social and environmental risks of forest management and REDD+ related interventions. Such as Constitution of Nepal 2015, National Wetland Policy (2012), National Land Use Policy (2015), National Forest Policy (2019), National Climate Change Policy (2019), National Environment Policy (2019), Gender and Climate change strategy and Action Plan (2020), Gender and Social Inclusion Strategy (2008), Aquatic Animal Protection (1960), National Parks and Wildlife Conservation Act (1973), Soil and Watershed Conservation Act (1982), Water Resources Act (1992), Solid Waste Management Act (2011), Local Government Operation Act (2017). Forest Act (2019). Environment Protection Act (2019), Control of International Trade of Endangered Fauna and Flora Act (2019). Water Resource Strategy (2002), National Energy Strategy of Nepal (2013), National Agriculture Development Strategy (2014), Forestry Sector Strategy (2016)

¹⁹ <https://www.artredd.org/wp-content/uploads/2020/08/TREES-ESG-Safeguards-Guidance-Document.pdf>

²⁰ [REDD Strategy Nepal 2018.pdf](#)

²¹ [Nepal-Forest-RL-Report.pdf \(redd.gov.np\)](#)

²² [Nepal-RPP-Monitoring-Evaluation-Framework.pdf \(redd.gov.np\)](#)

Nature Conservation National Strategic Framework for Sustainable Development (2015), National Ramsar Strategy and Action Plan (2018-2024), REDD+ strategy 2018. In addition, the National Biodiversity Strategy and Action Plan 2014-20, Good Governance Act 2008, National Foundation for the Development of Indigenous Nationalities Act 2002, and Right to Information Act 2007 are also relevant for the ER program interventions. Relevant international policies include the World Bank's safeguard policies, Cancun Safeguard on REDD+, UNFCCC REDD+ safeguard principles, UN-REDD safeguard principles, ILO 169, United Nations Declaration on Rights of Indigenous Peoples (UNDRIP), UN Convention on Biodiversity, and RAMSAR convention.

REDD+ SES provides comprehensive support for the development of a country's safeguards information system, providing a mechanism for country-led, multi-stakeholder assessment of REDD+ program design, implementation, and outcomes to enable countries to show how internationally and nationally defined safeguards are being addressed and respected. Nepal is developing a Safeguards Information System (SIS) for REDD+ Program that ensures the social and environmental risks and opportunities of REDD+ are effectively addressed.

The country safeguards system²³ consists of:

- policies, laws, and regulations that set out the safeguards for REDD+.
- a safeguards information system for monitoring and reporting on safeguards implementation.
- a grievance and redress mechanism that enables stakeholders affected by REDD+ to receive feedback and appropriate responses related to the implementation of safeguards.

'Guidelines for the use of REDD+ SES at country level' are available at www.redd-standards.org

The ESMS is aligned with globally recognized standards on environmental and social matters. With IUCN being an accredited agency to the Global Environment Facility (GEF) and to the Green Climate Fund (GCF), the ESMS are rigorously examined by these two entities and found fully compliant with the entities' relevant policies – specifically with the GEF Policy for Agency Minimum Standards on Environmental and Social Safeguards and the Performance Standards of the International Finance Corporation (IFC) as relevant to the nature of projects implemented by IUCN.

The gap of the ART TREES ESGS standards are addressed by the IUCN ESMS standards²⁴. IUCN ESMS has four major standards:

1. Standard on Indigenous People²⁵
2. Standard on Biodiversity²⁶
3. Standard on Cultural Heritage²⁷
4. Standard on Involuntary Resettlement and Access Restrictions²⁸.

14. Financial Intermediary (FI)

Before an ERPA can be finalized, an accredited FI must be identified as a channel for disbursement of funds. FIs will ensure that robust monitoring and reporting procedures on the use of proceeds are in

²³ [2-REDDSES-Nepal-Version-2014-English-Feb.-2014.pdf](http://www.redd-standards.org) (redd-standards.org)

²⁴ [Environmental and Social Management System | IUCN](#)

²⁵ [iucn_esms_standard_indigenous_peoples-2.1.pdf](#)

²⁶ [iucn_esms_standard_biodiversity.pdf](#)

²⁷ [iucn_esms_standard_cultural_heritage-2.1.pdf](#)

²⁸ [iucn_esms_standard_inv_resettlement_access_restrictions.pdf](#)

*place*⁴. If available, please provide the name of the proposed institution(s). Please note there may be multiple candidate institutions.

MOFE, REDD IC has prepared this proposal with support from International Union for Conservation of Nature (IUCN). IUCN is accredited by both GEF²⁹ and GCF³⁰. IUCN is a membership Union uniquely composed of both government and civil society organisations. It provides public, private and non-governmental organisations with the knowledge and tools that enable human progress, economic development, and nature conservation to take place together.

Created in 1948, IUCN has evolved into the world's largest and most diverse environmental network. It harnesses the experience, resources and reach of its 1,400+ member organisations and the input of some 18,000 experts. IUCN is the global authority on the status of the natural world and the measures needed to safeguard it. IUCN experts are organised into six commissions dedicated to species survival, environmental law, protected areas, social and economic policy, ecosystem management, and education and communication.

The ability to convene diverse stakeholders and provide the latest science, objective recommendations, and on-the-ground expertise drives IUCN's mission of informing and empowering conservation efforts worldwide. IUCN provides a neutral forum in which governments, NGOs, scientists, businesses, local communities, indigenous peoples groups, faith-based organisations and others can work together to forge and implement solutions to environmental challenges.

By facilitating these solutions, IUCN provides governments and institutions at all levels with the impetus to achieve universal goals, including on biodiversity, climate change and sustainable development, which IUCN was instrumental in defining.

Combined, IUCN's knowledge base and diverse membership make it an incubator and trusted repository of best practices, conservation tools, and international guidelines and standards. As the only environmental organisation with official United Nations Observer Status, IUCN ensures that nature conservation has a voice at the highest level of international governance.

IUCN's expertise and extensive network provide a solid foundation for a large and diverse portfolio of conservation projects around the world. Combining the latest science with the traditional knowledge of local communities, these projects work to reverse habitat loss, restore ecosystems, and improve people's well-being. They also produce a wealth of data and information which feeds into IUCN's analytical capacity.

Through their affiliation with IUCN, member organisations are part of a democratic process, proposing and voting on resolutions which drive the global conservation agenda. They meet every four years at the IUCN World Conservation Congress to set priorities and agree on the Union's work programme. IUCN congresses have produced several key international environmental agreements including the Convention on Biological Diversity (CBD), the Convention on International Trade in Endangered Species (CITES), the World Heritage Convention, and the Ramsar Convention on Wetlands. IUCN continues to help these conventions strengthen and evolve so that they can respond to emerging challenges.

²⁹ <https://www.thegef.org/partners/gef-agencies>

³⁰ <https://www.greenclimate.fund/about/partners/ae>

In the recent past, IUCN has served as a grant making agency for several projects. Some examples are cited below.

BIOPAMA: The BIOPAMA Action Component is a 21 million Euro grant-making facility managed by IUCN (International Union for Conservation of Nature) in the frame of the BIOPAMA (Biodiversity and Protected Areas Management) Programme. BIOPAMA is an initiative of the African, Caribbean and Pacific (ACP) Group of States financed by the European Union's 11th European Development Fund.

Global EbA Fund: Supported by International Climate Initiative (IKI) of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU), the Global EbA Fund is a quickly deployable mechanism for supporting innovative approaches to EbA (Ecosystem-based Adaptation (EbA)).

Critical Ecosystem Partnership Fund (CEPF): Founded in 2000, CEPF enables civil society to protect the world's biodiversity hotspots. Since 2013, IUCN has served as the Regional Implementation Team for CEPF investments in the Indo-Burma hotspot. To date over USD 15.5 million in grants have been provided to civil society organisations across six countries in the hotspot. Phase III began in 2021, with a further USD 10 million to be invested over the next five years.

The SADC TFCA Financing Facility: The initial phase of the SADC TFCA Programme (2020-2026) was funded by the German Government through KfW. The Facility provided funding to support conservation, development, and management actions in Southern African Development Communities.

Mangroves for the Future (MFF): MFF is a partnership-led regional initiative chaired by the IUCN and UNDP to promote investment in coastal ecosystem conservation for sustainable development. MFF was funded by Danida, Norad, Sida and the Royal Norwegian Embassy in Thailand for Bangladesh, Cambodia, India, Indonesia, Maldives, Myanmar, Pakistan, Seychelles, Sri Lanka, Thailand, and Viet Nam.

GEF/GCF projects:

IUCN has been an Accredited Entity of the Green Climate Fund since March 2016. As an Accredited Entity, IUCN can submit medium-sized projects to the GCF to the fund (up to USD 250 million) with medium environmental and social risks. IUCN brings to the Green Climate Fund (GCF) its expertise gained over its seven decades of experience in promoting the benefits of sound and healthy ecosystems. IUCN adds significant value to the Fund by implementing its mandate on capacity development, especially of IUCN Government and NGO Members. As defined in the IUCN statutes, IUCN must: (a) Mobilize its members, components, and partners to build alliances for conservation; (b) Strengthen the institutional capacity of its members to conserve biological diversity and safeguard ecological life-support processes at global, regional, national, and local levels; and (c) Promote enhanced cooperation between its governmental and non-governmental Members to strengthen the capacity of its members and partners.

The projects approved by the GCF Board are as follows:

Kenya: Towards Ending Drought Emergencies: Ecosystem Based Adaptation in Kenya's Arid and Semi-Arid Rangelands (TWENDE) - USD 23.1 million

Nepal: *Improving Climate Resilience of Vulnerable Communities and Ecosystems in the Gandaki River Basin, Nepal* - USD 27.4 million

Sri Lanka: *Climate Resilience in Knuckles Mountain Range Catchment of Sri Lanka* - USD 39.7 million

Guatemala: *Building livelihood resilience to climate change in the upper basins of Guatemala's highlands* - USD 26.5 million

Since gaining accreditation as a Project Agency with the Global Environment Facility (GEF) in 2014, IUCN has laid important groundwork and is now set to scale up its work on biodiversity conservation, ecosystem restoration and sustainable development. IUCN, through its status as a Project Agency for the Global Environment Facility (GEF), has been entrusted to mobilise significant sources of funding and to use its global network of members and experts to put this funding to greatest effect.

The GEF portfolio of projects with IUCN in Implementing Agency/Project Agency role under implementation are as follows:

- The Global Environment Commons - Solutions for a crowded planet
- Strengthening Capacities for Implementation of the Nagoya Protocol in Nepal
- Land Degradation Neutrality Target Setting
- Mano River Ecosystem Conservation and International Water Resources Management
- Sustainable Management of Peatland Ecosystems in Mekong Countries
- Restoring ecological corridors in Western Chad for multiple land and forests benefits - RECONNECT
- CPIC Conservation Finance Initiative - scaling up and demonstrating the value of blended finance in conservation
- Continental wetlands adaptation and resilience to climate change (Mauritania)
- Fostering Partnerships to Build Coherence and Support for Forest Landscape Restoration
- The Restoration Initiative (TRI) – Global Learning, Finance and Partnerships project under TRI
- The Restoration Initiative (TRI) China
- The Restoration Initiative (TRI) Myanmar
- The Restoration Initiative (TRI) Guinea Bissau
- The Restoration Initiative (TRI) Cameroon

15. Contacts and Implementation Arrangements

Please describe the key jurisdictional contacts and government entities managing the jurisdictional program and indicate preferences for how subsequent correspondence with your jurisdictions should be handled.

The key jurisdictional contact entity for this project will be the REDD Implementation Centre (REDDIC) under the federal Ministry of Forests and environment of the Government of Nepal.

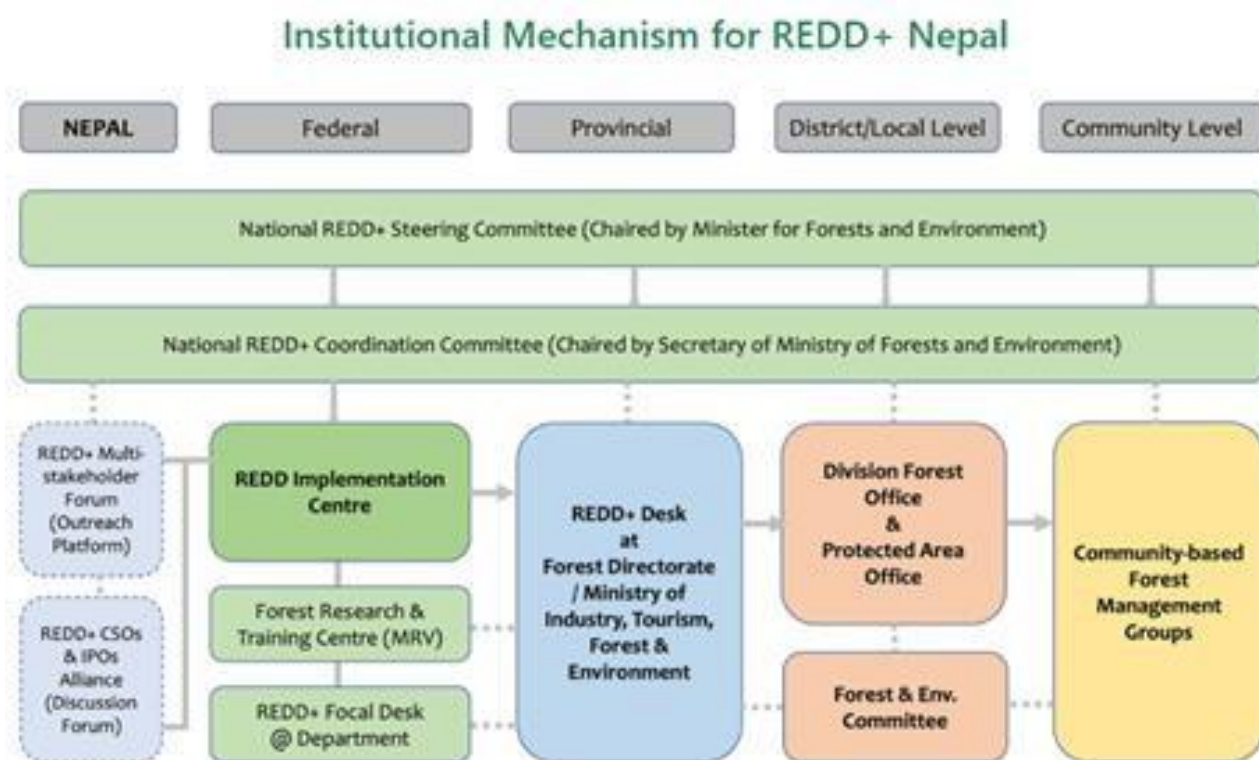
As shown in the organogram below, the first contact agency for REDD programme and for this project as well is the REDDIC at the national jurisdictional level. Further communication to the provincial level, will be carried-out by the REDDIC to relevant Provincial Ministry. and to the district level by the

provincial ministry, and to the community levels by the Division Forest Offices and Protected Area Offices.

REDDIC is a specialized body of MoFE dedicated to the implementation of the National REDD+ Strategy and associated implementation plans. Its main function is to coordinate with all stakeholders, including government agencies, civil society, academia and practitioners for the development and implementation of REDD+ in Nepal. It also serves as the operating entity for the Forest Carbon Partnership Facility (FCPF), the Forest Investment Program (FIP) and the UN-REDD Program.

REDDIC coordinates the ER Program implementation, and thus will also coordinate this proposed project under LEAF Coalition. However, ER program activities will be undertaken by many institutions including the Department of Forests and Soil Conservation (DoFSC), Department of National Parks and Wildlife Conservation (DNPWC) and Community Based Forest Management (CBFM) groups. Monitoring, Reporting and Verification (MRV) and the carbon registry will be implemented by the Forest Research and Training Centre (FRTC).

The REDD+ programme in Nepal is implemented through a well-defined institutional mechanism. At the highest level, there is a 24-member National REDD+ Steering Committee chaired by the Minister for Forest and Environment in which the Chief of the REDDIC is a member Secretary. At the second tier, there is a 22-member National REDD+ Coordination Committee chaired by the Secretary of the MOFE. At the third tier, there is REDDIC for the implementation of day-to-day activities. A brief of the REDD implementation institutional mechanism in Nepal is presented in the following organogram³¹.



Key institutions and individuals responsible for REDD+ program and forest management, their contact detail is listed below:

³¹ Source: <http://redd.gov.np/page/institutional-mechanism-for-redd-nepal>

Institution	Contact details	Role and responsibility	Remarks
Ministry of Forests and Environment	[REDACTED]	Policy formulation, Designing carbon trading projects, international coordination, and reporting	
Ministry of Finance	[REDACTED]	Overall Fund mobilization and Coordination with International Agencies.	
REDD Implementation Centre	[REDACTED]	Project Implementation, managing flow of information and incentive, Grievance redress, Coordination and Reporting	National Focal Point for REDD+ Program
DoFSC	[REDACTED]	Coordination in field implementation, Monitoring and Reporting	
DNPWC	[REDACTED]	Coordination in field implementation, Monitoring and Reporting	
FRTC	[REDACTED]	National level Monitoring and MRV function and Reporting	
Provincial Ministry of Industry, Tourism, Forest and Environment, of Sudurpaschim, Karnali, Lumbini, Gandaki, Bagmati and Province 2	[REDACTED]	Coordination with District/Divisional level for REDD+ Implementation, Monitoring of the program	
IUCN	[REDACTED]	Financial Intermediary and Technical Assistance	