

Approved at PPCR SC meeting June 28-29, 2011

Endorsement of Strategic Program for Climate Resilience for Nepal and approval of PPCR funding for preparation and supervision of activities (ADB, IFC and World Bank)

The PPCR Sub-Committee, having reviewed the *Strategic Program for Climate Resilience for Nepal* (document PPCR/SC.8/7), agrees to the following:

a) The Sub-Committee endorses the SPCR as a basis for the further development of the projects foreseen in the strategic plan and takes note of the requested funding of USD 50 million in grant funding and USD 60 million in other concessional resources. The Sub-Committee reconfirms its decisions on the allocation of resources, adopted at its meetings in June 2010 and 2011, that a range of funding for the country should be used as a planning tool in the further development of project and program proposals to be submitted to the Sub-Committee for approval of PPCR funding, recognizing that the minimum amount of the range is more likely and that the upper limit of the range will depend on availability of funding.

b) The range of funding agreed for a single country pilot program is USD 40-50 million in grant resources and USD 36 million in other concessional resources. The Sub-Committee also recognizes that the quality of the proposed activities will be a significant factor in the funding to be approved by the Sub-Committee when project and program proposals are submitted for approval of PPCR funding. The Sub-Committee reconfirms its call for contributors and other countries, MDBs and other development partners to seek to mobilize additional resources to allow the full funding of the SPCR.

c) The Sub-Committee requests the Government of Nepal and the MDBs to make strong efforts to enhance capacity building for local consultants with a view to strengthen national human capacity to address the impacts of climate change.

d) The Sub-Committee approves a total of USD 1.7 million in PPCR funding as a preparation grant for the following projects to be developed under the SPCR,

i. USD 900,000 for the project, *Building Climate Resilience of Watersheds in Mountain Eco-Regions* (ADB)

ii. USD 500,000 for the project, *Building Resilience to Climate Related Hazards* (World Bank)

iii. USD 300,000 for the project *Building Climate Resilient Communities through Private Sector Participation* (IFC)

e) The Sub-Committee takes note of the estimated budget for project preparation and supervision services for the projects proposed in the strategic plan and approves a first tranche of funding for MDB preparation and supervision services as follows¹:

i. USD 487,825 for the project, *Building Climate Resilience of Watersheds in Mountain Eco-Regions* (ADB)

ii. USD 475,000 for the project, *Building Resilience to Climate Related Hazards* (World Bank)

iii. USD 251,500 for the project, *Mainstreaming Climate Risk Management in Development* (ADB)

iv. USD 250,000 for the project, *Enhancing Climate Resilience of Endangered Species* (World Bank)

f) The Sub-Committee requests the Government of Nepal and the MDBs to take into account written comments submitted by Sub-Committee members by July 15, 2011, in the further development of the projects.