

Date: August 17, 2009

Notification of Joint Multilateral Development Bank (MDB) Programming Mission to Support Nepal's Preparation Towards Developing the Pilot Program for Climate Resilience (PPCR) Strategic Program for Climate Resilience

September 3-9, 2009

I. Background

The Government of Nepal was nominated to participate in the Pilot Program for Climate Resilience (PPCR) and accepted the offer on May 13, 2009. As a pilot country, Nepal will receive incentives for scaled-up action and transformational change in integrating climate risk and resilience considerations into national development policies and planning while strengthening national capacity. It is envisaged that the PPCR process will provide a platform for identifying synergies in new and ongoing climate resilient initiatives and leverage funding while avoiding duplication. The PPCR process will identify and build on the comparative advantages of relevant stakeholders in the country including government, bilateral and multilateral donor agencies, civil society, private sector, academia and think tanks in creating a coherent and participatory response to climate change.

Being a pilot initiative, the PPCR process will learn-by-doing and share lessons within and across relevant sectors at the national level.

The PPCR will be carried out in two phases. Through the support for the first phase of the PPCR (maximum of 18 months), Nepal will receive technical assistance (TA) to facilitate cross-sectoral coordination towards integrating climate resilience into national development planning and financing processes. As part of the first phase, Nepal will develop a Strategic Program for Climate Resilience (SPCR) including a program of priority investments within the broader context of sustainable development and poverty reduction to help the country embark upon a climate resilient development path. By the end of phase one, the government should be ready to submit the SPCR together with the financing plan to the PPCR Sub-Committee to request funding. The two phases may overlap with TA continuing into subsequent years and early investments in capacity building occurring during phase 1. During phase two, Nepal will implement the program of priority investments over a period of 4-5 years.

The World Bank, the Asian Development Bank (ADB) and IFC will field a Joint Programming Mission to Nepal from September 3-9, 2009. The mission objective is to take stock of the extent, scope of current activities and develop a process required to prepare the SPCR. Following the initial programming mission, the Government will consider the activities that should be covered under the SPCR TA, and the TA outcome, outputs, activities and time-lines will be agreed to during a subsequent programming mission.

II. Pre-mission preparatory activities

Preparatory activities are being undertaken to ensure that the PPCR programming is anchored in an inclusive and participatory process. An ongoing dialogue has been established with key government agencies, civil society, donor agencies, think tanks and other relevant stakeholders. Synergies are also being developed between the activities envisaged under the PPCR and ongoing initiatives such as the National Adaptation Programme of Action (NAPAs), the SAR Climate Strategies of the Multilateral Development Banks (MDBs), water resources management initiatives of the MDBs, among others.

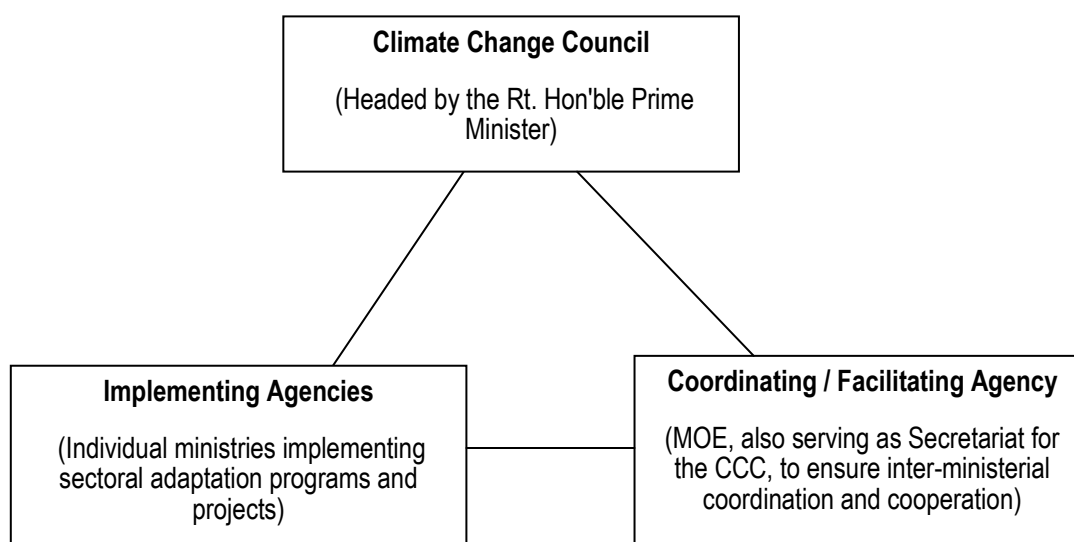
a. Briefings and Consultations

A number of preliminary activities have already occurred in preparation for the PPCR Joint Programming Mission. A mission¹ from March 4-6, 2009 held extensive discussions with Government of Nepal (GON) on the process and possible themes of the SPCR. An international institutional and policy specialist (hereafter, SPCR consultant) was subsequently fielded from 1-9 May 2009 to consult with core government stakeholders and development agencies on SPCR preparatory issues including institutional options for designing and implementing the SPCR.² This was followed by a joint preparatory mission 27-28 May 2009 where the World Bank, ADB, Department for International Development (DFID), and United Nations Development Programme (UNDP) continued bilateral consultations with key government agencies. The list of persons met during the preparatory missions is included in Annex 1. ADB presented an overview on the SPCR on 26 May 2009 during the NAPA Inception Workshop.

b. Institutional Arrangements for SPCR

The SPCR consultant was fielded again 20 June – 11 July 2009. On 10 July, MoE convened an inter-ministerial dialogue to reach agreement on an interim institutional arrangement for managing climate change in the context of the SPCR. Ten climate change-related ministries were invited, but the National Planning Commission, Ministry of Physical Planning and Works, and Ministry of Local Development sent regrets. The list of attendees is provided in Annex 2. The SPCR consultant made a presentation on international experiences in managing climate change and institutional options for managing climate change in Nepal. Government stakeholders confirmed the following tentative structure for the SPCR:

Figure 1: Tentative Structure for the SPCR



¹ The mission was comprised of representatives from ADB (Cindy Malvicini and Nogensra Sapkota), World Bank (Richard Damania and Claudia Sadoff), and DFID (Clare Shakya and Simon Lucas).

² The consultant, Zhizhong Si, is supported through ADB's Climate Change Fund to assist the MDBs in preparations for the Joint Programming Mission. Dr. Si is also engaged under the ADB-assisted TA entitled Strengthening Capacity for Managing Climate Change and the Environment.

Establishment and structure of the Climate Change Council has been endorsed by the Government of Nepal and will be set up soon. With the latest round of government restructuring that made MOE a stand-alone ministry, a Climate Change Section has been established under the MOE Environment Division.

c. Stocktaking Report

A stocktaking report is under preparation. The document will summarize the (i) institutional arrangements for managing climate change; (ii) policy and regulatory framework with implementation gaps and areas for climate mainstreaming; and (iii) information available for assessment of vulnerabilities and impacts. This stocktaking report is being drafted by the SPCR consultant and will be available for Government review and consideration in preparing for the Joint Programming Mission and will serve as a background paper for participants of the multi-stakeholder workshop (see below).

III. Mission objectives, outputs, and process

The first Joint Mission will be coordinated by MoE and will engage actively the National Planning Commission Secretariat and 11 key Government ministries.³ The primary objective of the mission is to take stock of the extent, scope of activities and the process required to prepare the SPCR. The key tasks to be performed by the Joint Mission will include (i) strengthening the process of building country ownership through wider participation, (ii) identifying priority government sectors and possible preliminary actions, (iii) identifying necessary public and private sector-specific analytic and capacity development activities with focus on project development and implementation, and (iv) reviewing key development strategies in the light of climate vulnerabilities. The key Government of Nepal contact for this activity is the Joint Secretary of the Ministry of Environment.⁴

Under the coordination and guidance of the MoE, the mission will organize a broad-based workshop over 2 days that will include Government agencies, CSOs, private sector and other development partners. The PPCR workshop will build on the outcomes and momentum of 2 key events in early September – a South Asia Regional Climate Conference with a focus on Himalayan countries and a Nepal Day Climate Conference. The expected outputs from the PPCR workshop are:

- (i) Orientation and sensitization of different development actors on climate change issues that are likely to influence and negatively affect the life and livelihoods of especially the poor and vulnerable groups of people in Nepalese society;
- (ii) Identification of the issues and gaps related to climate-induced risks and vulnerabilities that affect the sustainable development in priority sectors;

³ In addition to MOE, the following ministries have been identified as key: National Planning Commission, and Ministries of Agriculture and Cooperatives, Energy, Finance, Forests and Soil Conservation, Health and Population, Home Affairs, Industry, Irrigation, Local Development, and Physical Planning and Works.

⁴ The government contact for this activity is Purushottam Ghimire, Joint Secretary, Ministry of Environment, Kathmandu, Nepal Tel 00-977-1-4211586 Off, email: puru@most.gov.np and purughimire@yahoo.com

- (iii) A participatory analysis of the inter-relationships between different climate change initiatives and establishment of a coordinated approach to developing synergy among them; and
- (iv) A framework for SPCR planning and implementation including appropriate institutional set up and modalities to be followed by all stakeholders.

Five thematic working groups are being considered under the NAPA Project to support the NAPA preparation for information gathering, synthesis, and analysis, and prioritization of adaptation options. The SPCR stakeholder workshop will engage the thematic working groups in identifying the needs that may be addressed under the SPCR. The proposed working groups are:

- (i) Agriculture and food security – (Chair: Ministry of Agriculture and Cooperatives)
- (ii) Climate induced disasters – (Chair: Ministry of Home Affairs)
- (iii) Forests and biodiversity – (Chair: Ministry of Forests and Soil Conservation)
- (iv) Water resources and energy – (Chair: Ministry of Energy)
- (v) Public health and urban settlements – (Chair: Ministry of Health and Population; Co-chair, Department of Urban Development and Building Construction)

Joint Mission activities will benefit from the preliminary stakeholder scoping and the existing analytical work that is being undertaken, such as work in progress for the NAPA, REDD readiness plan, Second National Communication to the UNFCCC, technology needs assessment, assessment of investment and financial flows, preparation for the COP15/CMP5, the South Asia Regional Climate Conference, and the Disaster Risk Reduction Action Plan.

The key expected outputs from the 1st Joint Mission may be summarized as follows:

- (i) Multi-stakeholder consultation workshop;
- (ii) Summary document of the outcomes of the stakeholder consultations and GoN priorities;
- (iii) Drafting and agreement on the Aide Memoire that will contain a time line of key future activities.

Following the Joint Mission, the GoN will prioritize activities identified during the stakeholder workshop and prepare the funding proposal for the SPCR TA.⁵ The MDBs will field a subsequent mission to agree with GoN on the work program, timetable, roles and responsibilities and funding proposal for developing the SPCR.

IV. Lead contacts for joint mission:

Government: Purushottam Ghimire, Joint Secretary, Ministry of Environment, Kathmandu, Nepal Tel 00-977-1-4211586. Email: puru@most.gov.np and purughimire@yahoo.com

Asian Development Bank: Cindy Malvicini, Water Resources Management Specialist, Asian Development Bank - South Asia Department. Email: cmalvicini@adb.org

⁵ It is envisaged that additional international consulting support will need to be provided to the GoN to rationalize diverse stakeholder inputs, prioritize activities, and formulate the TA proposal for MDB consideration.

International Finance Corporation: Vladimir Stenek, Projects Officer, International Finance Corporation. Email: vstenek@ifc.org

World Bank: Richard Damania, Lead Environmental Economist, World Bank - South Asia Sustainable Development Department. Email: rdamania@worldbank.org

Annex 1: Key Persons Consulted during PPCR Preparatory Missions

Ministry of Environment, Science, and Technology (now named Ministry of Environment)	
Mr. Umesh Prasad Mainali	Secretary, MoEST
Mr. Purushottam Ghirmire	Joint Secretary, MoEST and NAPA Project Director
Ms. Meena Khanal	Joint Secretary, MoEST and ADB-assisted TA Director
Mr. Batu Uprety	Undersecretary (Tech.), MoEST and NAPA Project Manager
Mr. Chandeswara Archarya	Undersecretary, MoEST and ADB-assisted TA Manager
National Planning Commission	
Mr. Dinesh Devkota	Member, National Planning Commission
Mr. Gopi Mainali	Joint Secretary, National Planning Commission
Mr. Manohari Khadka	Project Director, National Planning Commission
Ministry of Physical Planning and Works	
Mr. Umakant Jha	Secretary, Ministry of Physical Planning and Works
Ministry of Finance	
Mr. Bhuban Karki	Undersecretary, Ministry of Finance
Ministry of Local Development	
Mr. Yagya Gautam	Officiating Secretary, Ministry of Local Development
Ministry of Forests & Soil Conservation	
Mr. Surya P. Joshi	Joint Secretary, Ministry of Forests & Soil Conservation
Mr. Resham Dangi	Member, REDD Cell, MFSC
Ministry of Agriculture	
Mr. Hari Dahal	Joint Secretary, Ministry of Agriculture
Mr. Deepale Mani Pokhrel	Under-Secretary (Tech.), Ministry of Agriculture
Mr. Bidya Pandey	Senior Horticulturist, Ministry of Agriculture
Other Development Partners	
Ms. Clare Shakya	Senior Regional Environment & Water Advisor, South Asia Policy Team, DfID
Mr. Vijaya P. Singh	Assistant Resident Representative, Environment, Energy & Disaster Reduction Unit, UNDP-Nepal
Ms. Anupa Rimal Lamichhane	Programme Officer, UNDP-Nepal
Mr. Han Heijnen	Environmental Health Advisor, World Health Org
Mr. Lakshman K. Gautam	Assistant FAO Representative (Programme), FAO
Mr. Kedar Babu Dhungana	Deputy Director, Disaster Management Department, Nepal Red Cross Society
NGOs	
Mr. Anil Pokhrel	Research Associate, Institute for Social and Environmental Transition – Nepal (ISET-N)
Ms. Moushimi Shrestha	Country Manager, Practical Action Consulting Asia
Mr. Prahlad K. Thapa	Project Team Leader, Centre for Informational Studies and Cooperation (CECI)

Annex 2: Inter-Ministerial Dialogue on PPCR Institutional Arrangements

List of Participants

Ministry of Environment	
Mr. Umesh Prasad Mainali	Secretary, MoE
Mr. Purushottam Ghimire	Joint Secretary, MoE and NAPA Project Director
Mr. Batu Uprety	Undersecretary (Tech.), MoE and NAPA Project Manager
Mr. Chandeswara Archarya	Undersecretary, MoE and ADB-assisted TA Manager
Ministry of Agriculture and Cooperatives	
Mr. Hari Dahal	Joint Secretary, Ministry of Agriculture and Cooperatives
Ministry of Energy	
Mr. Anup Kumar Upadhyay	Joint Secretary, Ministry of Energy
Ministry of Finance	
Mr. Kapil D. Ghimire	Joint Secretary, Ministry of Finance
Ministry of Forests & Soil Conservation	
Mr. Ramesh Shakya	Director General, REDD Cell, MFSC
Ministry of General Administration	
Mr. Chandra Ghimire	Joint Secretary, MoGA
Ministry of Health and Population	
Dr. P. B. Chand	Chief, M&E Division, Ministry of Health and Population
Ministry of Industry	
Mr. Binod Kumar Upadhyay	Joint Secretary, Ministry of Industry
Ministry of Irrigation	
Mr. Mathura Dangol	Supervising Engineer, MOI