

**Meeting of PPCR Pilot Countries and Regions  
May 1-3, 2013–Washington D.C., United States**

**Progress Updates from PPCR Pilots**

**Country/regional pilot: NEPAL**

In general, SPCR3 has been under implementation since July 2012, while the remaining 4 SPCR projects are near completion of the project design phase.

<i>Please describe any advances made in the following areas, arising from your SPCR programming or implementation process since the last meeting of PPCR pilots.</i>	
Institutional arrangements	<p><b>New leadership for SPCR in MOSTE:</b> Following some changes in staffing, a new MOSTE Secretary and NPD were appointed by the Government of Nepal in November 2012 and have taken over direction and oversight of the SPCR.</p> <p><b>Coordination committee established and TOR under review:</b> Draft TOR for the Climate Change Program Coordinating Committee (CCPCC) – the main body established by MOSTE for coordinating SPCR activities with three other major CC adaptation efforts under the ministry – has been circulated with comments received from each SPCR component. Draft is under review from MOSTE.</p> <p><b>MOSTE Core group established to improve integrated cross-sectoral CC mainstreaming:</b> MOSTE has established a ‘core group’ of technical specialists from nine government sector agencies<sup>1</sup> comprising senior divisional engineers to support sector agencies in: (i) building capacity to assess climate vulnerability of their planning and implementing activities, and (ii) coordinating efforts on CC mainstreaming across government departments. The core group will help MOSTE in mainstreaming climate resilience activities.</p> <p><b>MOSTE has established a working modality to integrate climate change into the national educational system.</b> MOSTE has identified Focal Persons and established committees to integrate</p>

<sup>1</sup>DWSS – Dept. Water Supply and Sewage, DoR – Dept. of Roads, DOLIDAR – Dept of Local Infrastructure and Agricultural Roads, DoI –Dept. of Irrigation, DUDBC – Dept. of Urban Development and Building Construction, DWIDP – Dept. of Water Induced Disaster Prevention, MoFALD – Ministry of Federal Affairs and Local Development, DHM – Dept. of Hydrology and Meteorology and MOSTE – Ministry of Science, Technology and Environment.

	<p>climate change learning into the education system at secondary and tertiary level.</p>
<p>Capacity building</p>	<p><b>Integrated Climate Change Vulnerability and adaptation Assessment training:</b> MOSTE facilitated a week long training workshop on vulnerability assessment and adaptation planning (CCVA) for 40 representatives including the MOSTE Core Group. The training was held in Chitwan District (7-12 Feb 2013) and combined - a series of presentations from technical specialists under PPCR 3 (on Climate change assessment methodologies, CC threat analysis for Nepal, International experience with CC for water induced disaster prevention, transport and irrigation sectors), together with group working sessions, site inspections, district stakeholder consultations and pilot CCVA for four infrastructure components (district level bridge, drinking water supply system, rural market place, and irrigation intake).</p> <p>The main outcome of the workshop was the critical review of international CCVA methodologies and the development of a Nepal-specific CCVA. The refined methodology will be further tested for sector vulnerability assessments under PPCR3. Once completed it will be distributed by MOSTE to all sectors in the form of a vulnerability assessment and adaptation planning guidance for infrastructure development planning and implementation.</p> <p><b>Training on Climate Change modelling and threat quantification:</b> Through the PPCR MOSTE has trained six hydrologist engineers from the Dept. Hydrology and Meteorology (Hydrology division) in the development and use of two catchment hydrological models. The training was conducted over two weeks in February and focussed on developing a lumped and a distributed hydrological model for the East Rapti River Basin for use in quantifying climate change threats (the first step in catchment-level CCVA) and assessing the suitability of the two modelling approaches to the Nepali context.</p> <p>The models will be used by DHM and MOSTE to quantify changes in climate threats in the eight case study districts, including custom-built modules developed for flash floods, landslides as well as flooding and changes in the catchment water balance.</p> <p>DHM with support from the SPCR is currently developing a further seven pilot catchment models and a second training focussing on verification, simulation and data processing is scheduled for mid-2013 upon their completion.</p>

Analytical work and technical studies	<p><b>Review of international sector experience with climate change:</b> Under the PPCR, a review and documentation of international experience with climate change has been made for three sectors: (i) irrigation, (ii) roads and bridges, and (iii) water-induced disaster management.</p> <p>The reviews identified the key climate threats and impacts facing the sector, historic trends in the development of the sector internationally and drew together key lessons for CC adaptation response in Nepal. Reviews for rural and urban WATSAN and urban planning are under going.</p> <p><b>Institutional analysis reports</b> have been prepared for each of nine sectors, including: water supply and sewage, irrigation, transport, local development, water induced disasters, urban development and building design, environmental risk management together with hydrology and meteorology.</p> <p><b>Baseline district profiles</b> have been prepared for eight case study districts selected for the CCVA under PPCR. The baseline profiles document experience with past climate variability, damages to infrastructure incurred and sector development trends. Complementary district Socio-economic and gender profiles have also been drafted for review.</p> <p><b>Climate Change and Vulnerability Mapping in Watersheds in the Middle and High Mountains of Nepal</b> was written by the International Water Management Institute (IWMI) as analytical work for SPCR 1 and is available at: <a href="http://www.adb.org/sites/default/files/projdocs/2012/44214-023-nep-tacr.pdf">http://www.adb.org/sites/default/files/projdocs/2012/44214-023-nep-tacr.pdf</a></p> <p><b>Assessment of climate change on the hydrology of the West Seti Sub-basin of Nepal</b> was also written by IWMI to analyze the downscaled climate projections for SPCR 1 and assess the impact of proposed watershed interventions on the hydrology in the project area. This will be posted on adb.org.</p> <p><b>Workshop on Integrating Climate Change into Grades 9 &amp; 10.</b> MoSTE collaborated with the Ministry of Education and the Curriculum Development Centre to hold a 2-day workshop on how to improve learning on climate change in environmental sciences education. The workshop brought together climate change experts and national curriculum officers and textbook writers for a series of presentations and small group work to launch the process of revising CC content for national curriculum.</p>
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	<p><b>Gender Equality and Social Inclusion (GESI) Strategy and Action Plans</b> has been drafted for SPCR 1 and 3 and are under review.</p>
<p>Stakeholder engagement</p>	<p><b>SPCR 1:</b> District and community-level consultations were held in the project area frequently from June 2012 to February 2013, and another round will be held in June-July 2013. ADB and DSCWM conducted a multi-stakeholder seminar in February 2013, presenting the draft project design.</p> <p><b>SPCR 2:</b> The first national preparatory workshop to create a National Framework for Climate Services (NFCS), a key activity under this project, was conducted in Kathmandu in July 2012. The workshop was attended by the range of stakeholders from national and local government, the private sector and community-based organizations. The stakeholders affirmed DHM as the authoritative source of climate information and how to use the NFCS as the means of sharing climate knowledge and know-how and identifying user requirements for climate information. A high priority for the NFCS is transformation of climate information into forms understandable by individual users and communities.</p> <p><b>SPCR 3:</b> Main stakeholder engagement has been through the MOSTE Core group. In addition the TA international and national consultants have carried out regular one-to-one meetings with government agencies and departments.</p> <p><b>SPCR 4:</b> Key private sector companies and financial institutions for partnership have been selected. Three lead firms for agri-business have been selected as the primary partners for implementation of Project 1<sup>2</sup>. Project 2<sup>3</sup> is focussed on improving efficiency of hydropower turbines under flow regimes with increasing sediment loads, with proposal for co-financing floated to three private sector firms.</p>
<p>Procurement and recruiting</p>	<p><b>SPCR 1:</b> The work of the main design consultant team has been completed, but new consultants are being fielded for May-July to prepare detailed designs for the first batch of subprojects. Requests for expressions of interest for the project implementation support teams are expected to be publicly released in September or October 2013.</p> <p><b>SPCR 2:</b> Project negotiations were successfully completed in</p>

<sup>2</sup>Project 1: Public and private sector collaboration to enhance food security through promoting climate resilient agriculture

<sup>3</sup>Project 2: Climate-proofing vulnerable infrastructure

	<p>November, 2012 and the WB’s Board of Directors approved the Project in January 2013. The project is expected to be signed on April, 30, 2013. Both implementing agencies (DHM and MoAD) have commenced key procurement activities as per the agreed procurement plans.</p> <p><b>SPCR 3:</b> EoI has been publicly announced for:</p> <ul style="list-style-type: none"> <li>• Climate Change and environment training package on Community based CCVA for 61 districts. 15 consortiums have expressed interest and 6 are short-listed.</li> <li>• Documenting traditional and indigenous adaptation practices in Nepal. 12 consortiums have expressed interest and 3 are short-listed.</li> <li>• RfP submission and evaluation is expected in May.</li> </ul> <p><b>SPCR 4:</b> Project 1 approved by IFC Management. Invitation for EoI was publicly announced with submissions collected by IFC in March 2013. Negotiation on business terms underway with the selected firm for project implementation.</p> <p><b>SPCR 5:</b> Project preparation is underway.</p>
<p>On-the ground activities (please specify)</p>	<p><b>SPCR 1:</b> District, community and national-level stakeholder consultations and field work (as above)</p> <p><b>SPCR 3:</b></p> <ul style="list-style-type: none"> <li>• Workshop on Integrating Climate Change into Grade 9 &amp; 10 Science was held from 8 – 9 Nov 2012.</li> <li>• Inception Workshop for SPCR 3 was held in December 2012 which provided government agencies an opportunity to review and comment on the draft inception report and help on scheduling of SPCR3 activities.</li> <li>• CCVA training workshop in Chitwan District (see above)</li> <li>• Climate Change hydrological modelling training</li> <li>• Baseline field investigations have begun in Chitwan and Banke districts</li> </ul> <p><b>SPCR 4:</b> National Level Stakeholders Workshop on findings of Diagnostic Report-“Scoping Study on Climate Resilient Agriculture and Food Security, Nepal” was held on on 3<sup>rd</sup> October, 2012.</p> <p>Signed Memorandum of Understanding with 4 private sector agribusiness lead firms to provide extension services to farmers.</p>

Please describe any challenges encountered in the following areas, arising from your SPCR programming or implementation process since the last meeting of SPCR pilots.	
Data availability	<p><b>Climate projections:</b> Nepal has been identified by the IPCC as a “white spot” in climate change modelling, where the availability of existing data presents a real challenge for the development of climate models. This is compounded by the complexity of the country’s terrain which makes interpolation between data stations difficult. In 2012 DHM together with ADPC down scaled five Global Circulation Models for Nepal using three different Regional Circulation Models. Reports have been posted on the DHM Web Portal.</p> <p><b>Cross-institutional data sharing:</b> Working with many government agencies represents a challenge in sharing and making available data between agencies and for use in integrated climate change assessments. Purchase of data will be required and should be done for the SPCR as a whole not for individual projects. Work under SPCR 3 to develop a Management Information System (MIS) has made clear the importance of this sharing.</p>
Coordination	<p><b>Coordination of different climate change related interventions is central to effective CC mainstreaming; however, balancing the need for inclusion of all stakeholders with the practicalities of establishing effective and meaningful coordination mechanisms is a challenge in the Nepali institutional context.</b> Consultations with government agencies on the formulation of TOR for a coordination committee (CCPCC) have resulted in a number of additional CC adaptation initiatives outside the SPCR requesting inclusion in the committee. This presents a challenge for MOSTE in trying to balance including all CC initiatives within various Government of Nepal programs, and limiting the scope of the committee to a manageable size. To date eight projects are included under the coordination committee. The implementation of the PPCR is the basis for piloting a coordination mechanism. The committee can later be expanded to include more CC projects in subsequent phases once the mechanism is found to be successful.</p>
Financing	<p>The Government of Nepal has decided not use loan financing for certain sectors – including climate change. PPCR 2 includes credit as part of its financing but the financing plan for SPCR 1 has been revised accordingly. The Government has also decided that the additional \$5 Million grant made available to Nepal shall be allocated to SPCR 1.</p>
Public awareness	<p><b>Communication of a coordinated, positive message to the public presents a challenge:</b> Climate change adaptation activities</p>

	<p>maintained a high profile in Nepali media during the last six months due to: (i) wide public understanding of Nepal’s high levels of vulnerability, (ii) public discussion on the high levels of adaptation investment by the Government of Nepal – including through the PPCR, and (iii) the two year anniversary of the NAPA presenting a milestone for review of progress to date. The SPCR comprises one of the major initiatives by the government to build on the NAPA and SPCR has supported MOSTE through: development of a communications plan, finalisation of an SPCR brochure, and dissemination of press releases marking project achievements and events. MoSTE has also updated the Nepal SPCR web site and is posting articles and publications from key milestone events.</p> <p><b>The role of the private sector in the SPCR is not well understood.</b> SPCR 4 involves working primarily through the private sector and represents a departure from conventional donor TA work. Loan financing to the private sector through the SPCR is not well understood within the government agencies implementing the SPCR and could present a point of confusion in the public discussion of the SPCR. In discussion with SPCR4 it was agreed that some communications effort is needed to explain clearly and simply the modality of how the project will be implemented and the benefits of the lead firm approach in improving rural economies and household livelihoods. These efforts are currently being designed further.</p>
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<p><i>Please provide any additional information you wish to share on impacts or lessons learned from the implementation of your SPCR.</i></p>	
	<ul style="list-style-type: none"> <li>• The Nepal SPCR was presented and discussed as a case study during the South Asian Evaluation Conclave meeting in Nepal (February 2013)</li> </ul>