

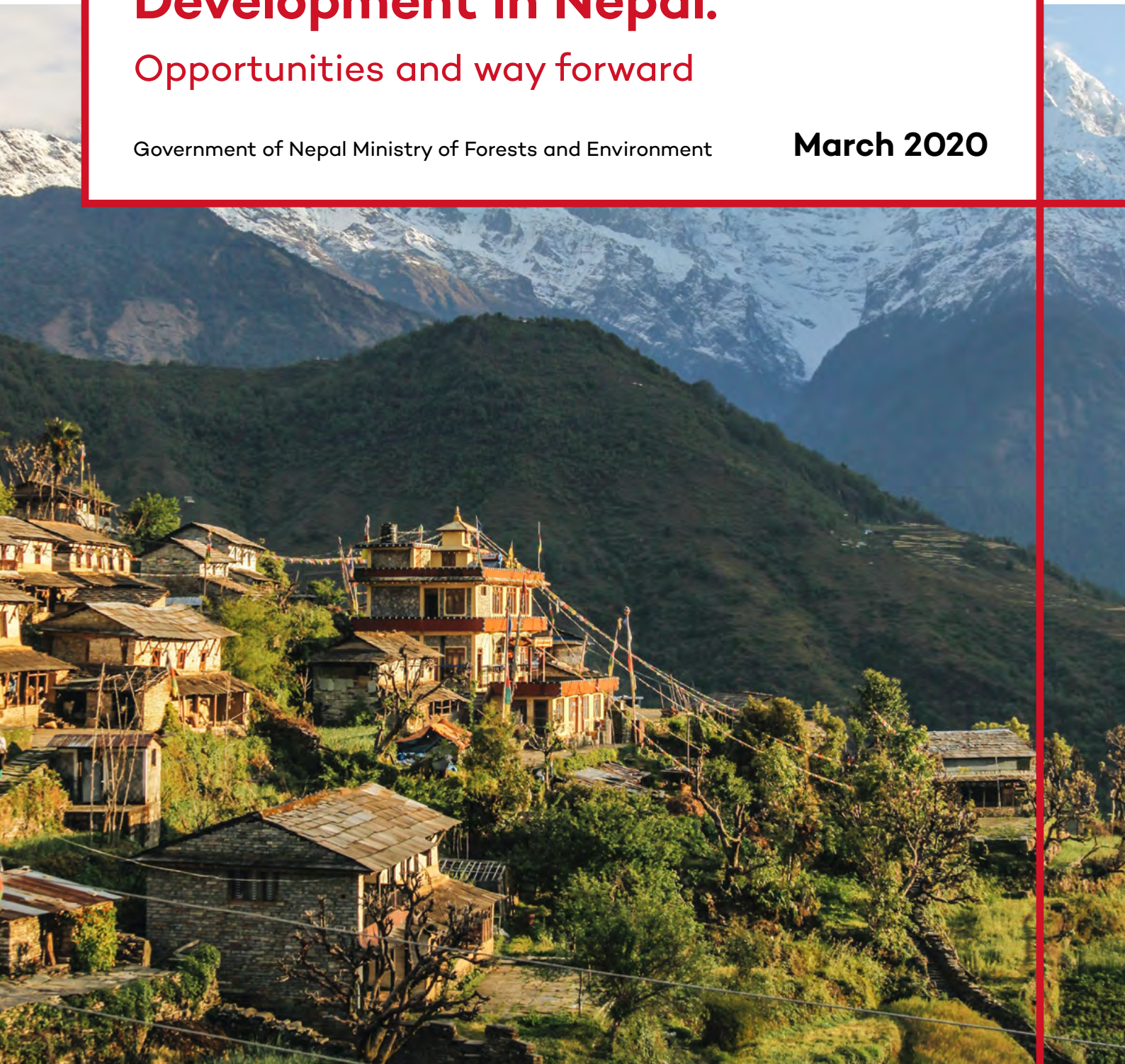


Policy Alignment to Advance Climate-Resilient Development in Nepal:

Opportunities and way forward

Government of Nepal Ministry of Forests and Environment

March 2020



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Table of Contents

1.0 Introduction	1
2.0 Context	2
2.1 Climate Change Risk and Vulnerability of Nepal	2
2.2 Climate Change Adaptation Governance in Nepal (2007–2018)	3
3.0 Nepal’s Policy Landscape in 2019: A vision of climate-resilient development	6
4.0 Institutional Arrangements Related to Climate-Resilient Development	12
5.0 Entry Points for the Alignment of Policy Processes in Nepal	15
Entry Point #1: Institutional Arrangements	16
Entry Point #2: Existing Synergies in Policy Documents	16
Entry Point #3: Capacity Building	16
Entry Point #4: Information-Sharing Mechanisms	17
Entry Point #5: Implementation and Financing Strategies	18
Entry Point #6: Monitoring, Evaluation and Review	18
6.0 Way Forward	19
References:	21

1.0 Introduction

Nepal's political and economic situation has been in a state of transition over the last few years due to major political change. This has led to changes in the entire policy outlook of the country. After promulgation of the country's new constitution in 2015 (Government of Nepal, 2015), different policies to address the pressing needs of the country are being reviewed, including those focused on the impacts of climate change and achieving sustainable development. Recently, the Government of Nepal endorsed the Climate Change Policy 2019 (MoFE, 2019a) and the Environment Protection Act (MoFE, 2019b) (with provisions related to climate change) considering the new governance structure of the country. Nepal's Nationally Determined Contribution (NDC) is currently being reviewed and updated. It is expected that the process will consider the new governance structure of the country and address the many climate risks the country is exposed to. Furthermore, the National Adaptation Plan (NAP) formulation process has been relaunched to identify and address the medium- and long-term adaptation needs of the country.

While the policy processes are rolled out, it is imperative to explore, build and enhance understanding of how they can be strategically aligned to increase the coherence, efficiency and effectiveness of climate action in Nepal. This discussion paper thus aims to explore potential entry points for increased alignment of policy processes related to the 2030 Agenda for Sustainable Development, the Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC) and the Sendai Framework for Disaster Risk Reduction (DRR). It assesses the existing and potential synergies among different policy processes in terms of their objectives and areas of focus, to guide policy-makers in advancing climate-resilient development in Nepal. Because the updating of the policy processes is ongoing, this paper has reviewed the latest draft of those policies to the extent possible.

2.0 Context

2.1 Climate Change Risk and Vulnerability of Nepal

Nepal, with its rich cultural and environmental resources, is highly vulnerable to climate change (ND-GAIN, 2016). A significant body of recent research has shown that the country is exposed to a multitude of climate risks. Extreme climatic events associated with erratic and increased intensity of rainfall and increases in temperature have affected Nepal's entire economy. Annually the maximum temperature has been increasing by 0.056°C, along with a decrease in precipitation by 1.3 mm/yr. However, the observed trend of decrease in precipitation is not significant in any season (DHM, 2017). A 2013 study that assessed the economic impact of climate change in key sectors (agriculture, hydropower and water-induced disasters) estimated that the direct cost of current climate variability and extreme events is equivalent to 1.5% to 2% of current GDP/year (approximately USD 270–360 million/year in 2013 prices) and much higher in extreme years (IDS-Nepal, 2014). A study by the Asian Development Bank (ADB) indicated three major risks for the country, namely i) threats to quantity and quality of water ii) impacts on agricultural yield and food security and iii) threats to biodiversity and natural resources (ADB, 2014).

Climate change-induced disaster events are on the rise in Nepal, accounting for 80% of loss of property caused by disaster attributable to climate hazards, particularly water-related events such as floods and landslides and glacial lake outburst floods (GLOFs) (MoFE, 2018). These climate change-induced events and extremes are expected to adversely affect the country's social, environmental and economic sectors. A study by German Watch in 2017 (Kreft et al., 2016) ranked Nepal as 24th on the climate risk index (CRI). The table below shows the climate change risk ranking of Nepal by different research institutes.



Table 1. Nepal’s climate change vulnerability rank by different research institutes in different years

Indices	Vulnerability rank	Year/period considered for ranking	Year of publication	Organization	Remarks
Climate Risk Index	4/187	2017	2019	German Watch	4th most affected country among 187 countries in the world
Climate Risk Index	11/187	1998-2017	2019	German Watch	11th most affected country among 187 countries in the world
ND-GAIN Index	47	2017	2019	Notre Dame Global Adaptation Initiative, University of Notre Dame	47th most vulnerable country

2.2 Climate Change Adaptation Governance in Nepal (2007–2018)

Nepal’s vulnerability to climate change impacts—combined with high levels of poverty and inequality—underscores the importance of prioritizing climate change in the country’s development agenda. This has led to the establishment of dedicated institutions as well as the introduction/implementation of policies and strategies that support climate change adaptation at national and sub-national levels.

Nepal’s engagement in climate change work started ramping up once it prepared the initial National Communication to the UNFCCC secretariat in 2004.¹ Later in 2007, when the country formally submitted the funding proposal to Least Development Countries Fund (LDCF) for the National Adaptation Programme of Action (NAPA) preparation, Nepal formally launched the process of planning for adaptation to climate change.

The year 2009 saw a major milestone in reinforcing and nationalizing the climate change agenda in Nepal. In the leadup to the Copenhagen climate change conference, major events were organized in the country, including the Nepal government cabinet meeting at the base of Mount Everest (also known as the Kalapathar Cabinet Meeting). These events showcased the impacts of climate change in the Himalayas and sought to garner support and raise awareness on their importance, as well as the general vulnerability of least developed countries like Nepal in a rapidly changing climate. In the same year, the Climate Change Council, headed by the prime minister, was established for high-level coordination and policy guidance, representing an important step in terms of institutionalizing climate change.

¹ [Nepal’s Initial National Communication](#)

In 2010, Nepal established the Climate Change Management Division within the Ministry of Science, Technology and Environment to coordinate climate change-related initiatives in Nepal. The Adaptation Section is one of five sections within this division that performs adaptation-related work. Also in 2010, the country endorsed the NAPA and started implementing adaptation actions at the local level. The Multi-Stakeholder Climate Change Initiative Coordination Committee was formed as a platform for involving multiple stakeholders in climate action.

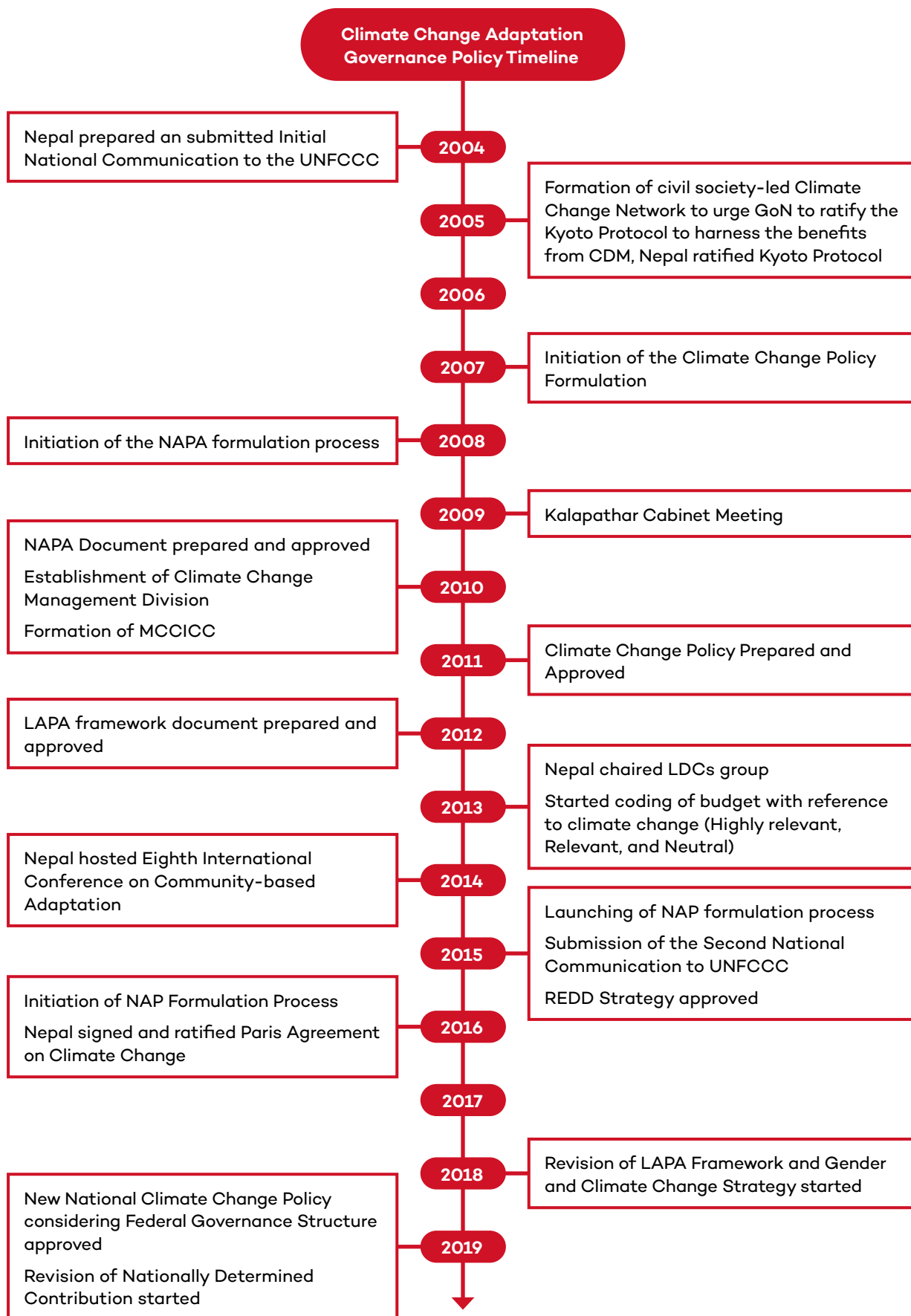


In 2011, Nepal formulated the Climate Change Policy (MoFE, 2019a), providing a framework for climate action in the country. A flagship element of this policy is the provision of 80% of total climate change funding to local action. Adaptation was an integral component of the policy and was thus framed as a priority for Nepal. The following year, Nepal introduced a novel initiative of localizing climate change adaptation through the Local Adaptation Plans for Action (LAPA) framework.

Nepal's readiness to address climate change was reiterated when the government introduced the climate change budget code in 2013. This initiative aimed to designate climate change-related financing based on a system using three indicators: "highly relevant," "relevant" and "neutral." Alongside these policy processes, Nepal started several adaptation projects in the country through funding support from bilateral and multilateral organizations.

In October 2016, Nepal submitted its NDC, which incorporated elements of adaptation and mitigation incorporated. The country also launched the NAP formulation process the same year to identify medium- and long-term adaptation needs. In doing so, it began to address the increasing climate risk through the integration of climate change considerations into development planning and implementation. In 2017, the Ministry of Forests and Environment (then Ministry of Forests and Soil Conservation) produced a [report](#) reflecting on the overall process and next steps in Nepal's NAP process (MoFE, 2018).

Figure 1. Chronology of climate change adaptation governance in Nepal



3.0 Nepal's Policy Landscape in 2019: A vision of climate-resilient development

The constitution of Nepal (Government of Nepal, 2015) envisioned an egalitarian society ensuring “economic equality, prosperity and social justice.” The concept paper on Nepal’s Long-term Vision, 2100 B.S. (2043 AD) has defined “Prosperous Nepal, Happy Nepali” as a national vision with a clear set of indicators. The national vision of **Prosperity** and **Happiness** is shaped by 10 national goals, four of which are categorized under “Prosperity,” and six are categorized under “Happiness.” *Healthy and Balanced Ecology* is one of the goals identified for achieving happiness. The goal has the following associated indicators: a pollution-free clean environment; balanced ecology and biodiversity conservation; and a climate change- and natural disaster-resilient society and economy.

Climate change and associated hazards threaten each of the economic as well as the non-economic and social sectors of Nepal (National Planning Commission, [NPC], 2019). Therefore, the aforementioned concept note on the National Long-Term Vision identified climate change- and natural disaster-resilient production and livelihood promotion as a long-term strategy. This is reiterated in the 15th Periodic Plan—a plan considered as a foundation plan to achieve the long-term vision. Specifically, the 15th Periodic Plan Approach Paper includes a section on climate change that outlines a vision to develop a climate-resilient society through increasing adaptation capacity and mitigating the negative impacts of climate change. The plan also put forward the following objectives:

1. Reduce the impacts of climate change as per the Paris Agreement and build adaptive capacity.
2. Implement environmentally friendly, clean energy and green development concept for climate change mitigation.
3. Access available international finance and technology through the mechanisms under the Paris Agreement for climate change mitigation and adaptation and distribute the funds equitably.

The Approach Paper also outlines implementation strategies for achieving these objectives. These include the following: mainstreaming of the climate change issues at all levels of the government, entities and sector; formulation of NAP and its implementation; development of a long-term strategic plan for the implementation of the Paris Agreement and the revision and implementation of the NDC on an as-needed basis.

As previously noted, Nepal’s newly endorsed climate change policy revised the earlier framework to make it compatible with the new governance structure of the country. The vision of the new Climate Change Policy (MoFE, 2019a) is stated as “Contributing to the socio-economic development of the country through developing climate-resilient societies.” This is in line with the National Long-Term Vision and the 15th Approach Paper. In order to achieve this vision, the policy seeks to build the resilience of social, economic and ecological systems through integrated planning of climate change adaptation and mitigation actions. The policy’s major thematic areas are identified as: Agriculture and Food Security; Forests, Biodiversity and

Watersheds; Water Resources and Energy; Rural and Urban Settlements; Industry, Transport and Physical Infrastructures; Tourism, Natural and Cultural Heritage; Water, Sanitation and Hygiene; and Disaster Risk Reduction and Management. Its cross-cutting themes are as follows: Climate Finance; Gender Equality and Social Inclusion; Awareness and Capacity Building; and Research, Technology Development and Promotion.

Nepal has approved the Environment Protection Act (MoFE, 2019b), with Climate Change Management as one chapter of the Act. Chapter 4 of the Act contains articles related to providing information on climate change impacts and risks to communities and ecosystems; development and implementation of adaptation plans by the federal, provincial and local governments; implementation of mitigation actions; climate change impact and risk management; and carbon trade.

The 2018 National Policy for Disaster Risk Reduction (NPDRR) (MoHA, 2018) has the vision to contribute to sustainable development by making the nation safer, climate-adaptive and resilient to risk. The policy also seeks to mainstream disaster risk reduction in all development processes by integrating it into climate change adaptation activities. Similarly, the 2018 National Strategy and Action Plan on Disaster Risk Reduction laid out DRR and climate change adaptation as priority areas of intervention over the medium and long terms. Provisions to align the strategy with existing standards such as the LAPA framework and Local Disaster Risk Management Planning guidelines—along with the promotion of climate-smart agriculture and development of climate-smart villages and cities—are incorporated within it.

In 2017, Nepal produced a report entitled “Sustainable Development Goals: Status and Roadmap for 2016 to 2030” that highlighted the major issues and challenges that the country must reckon with in pursuit of the SDGs. The report identified several indicators as part of achieving the targets under Goal 13 of the SDGs, which focuses on climate action. By 2030, the country seeks to have climate change adaptation plans developed and implemented in 120 rural municipalities, while also developing 170 climate-smart villages, 500 climate-smart agriculture systems and climate change curricula in all the schools of Nepal (NPC, 2017b).

Nepal’s NAP process, considering the national vision document and sectoral policies, strategies and programs, aims at identifying the medium- and long-term adaptation needs of the country and developing a framework to address those adaptation needs through concrete implementation and financing strategies. Currently, the NAP process is gaining momentum with support from the Green Climate Fund and is expected to deliver a NAP document for the country by later in 2020. For this to be achieved, it is imperative to consider the key priorities that emerged from the previous phase of the NAP process, including: evolving the working groups with the new federal governance structure; engaging provincial and local governments in the NAP process; developing a NAP framework; completing the vulnerability and risk analysis; compiling and sharing existing information on vulnerability and adaptation; expanding stakeholder engagement mechanisms’ developing a financing strategy; and creating an enabling environment for sub-national integration of adaptation (MoFE, 2018).

The NDC for Nepal is currently being reviewed and updated. Envisioning Nepal’s adaptation needs for the future through NAP and building low-carbon climate-resilient development through the implementation of the Low Carbon Economic Development Strategy (draft) are included among the 14 targets to implement climate change mitigation and adaptation in Nepal as set out in the NDC.

Table 2. Overview of the key policy processes for climate-resilient development in Nepal

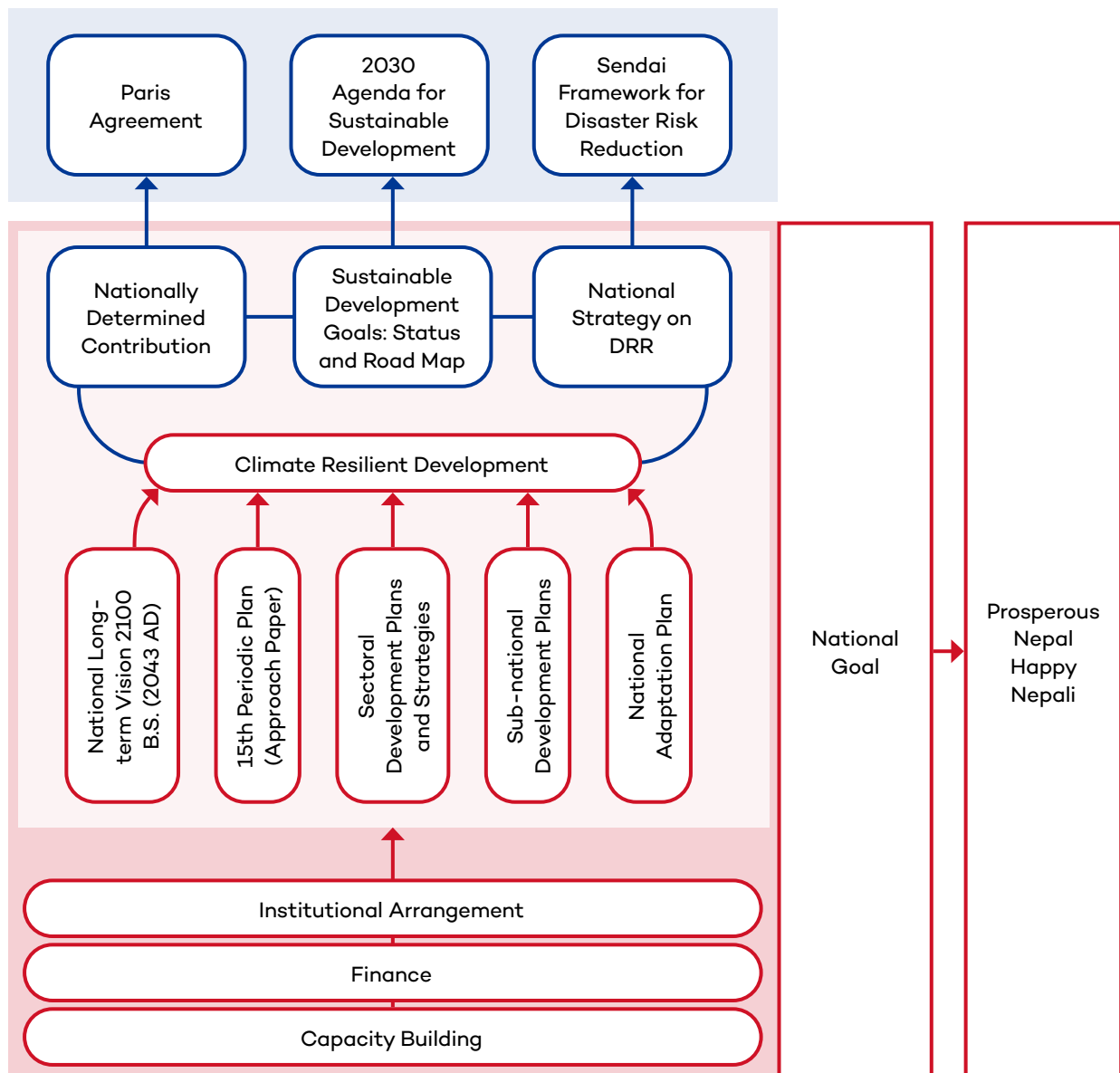
	15th Periodic Plan Approach Paper	Sustainable Development Goals Status and Roadmap: 2016-2030	National Climate Change Policy (2019)	Nationally Determined Contributions	National Adaptation Plan	National Policy for Disaster Risk Reduction
Status	Completed	Prepared in 2017	Approved	Completed in 2016, in the process of reviewing and updating	In process	Developed in 2018
Timeframe	2019/20–2023/24	2016–2030	New Policy	-	Medium-term 2018–2035 Long-term 2018–2050	New policy
Lead Institution	National Planning Commission	National Planning Commission	Ministry of Forests and Environment	Ministry of Forests and Environment	Ministry of Forests and Environment	Ministry of Home Affairs

	15th Periodic Plan Approach Paper	Sustainable Development Goals Status and Roadmap: 2016-2030	National Climate Change Policy (2019)	Nationally Determined Contributions	National Adaptation Plan	National Policy for Disaster Risk Reduction
Objectives related to climate-resilient development	Considered conservation and promotion of natural and resilient development as one national strategy; climate change considered as one of the cross-cutting sectors with a vision to develop a climate-resilient society through building climate change adaptive capacity and reducing the negative impacts of climate change.	Proposed key actions to strengthen resilience and adaptive capacity to climate-related hazards and natural disaster such as having a climate change adaptation plan in rural municipalities (<i>Gaunpalika</i>), put forward the idea of climate-smart villages and climate-smart farming as well as climate change education in schools.	Vision includes the development of climate-resilient society and contributes to the socioeconomic prosperity of the country; objectively it aims to integrate climate change considerations into all policies, strategies, plan and programs at levels and sectors of government, adopt low-carbon development and promote a green economy.	Adaptation needs for the future to be envisioned through National Adaptation Plan, development of adaptation strategies for climate change affected sectors, formulate Low-Carbon Economic Development Strategy.	Reduce vulnerability to the impacts of climate change by building adaptive capacity and resilience; facilitate the integration of climate change adaptation, in a coherent manner, into relevant new and existing policies, programs and activities, in particular development planning processes and strategies, within all relevant sectors and at different levels, as appropriate.	Vision is to contribute to sustainable development by making the nation safer, climate-adaptive and resilient to disaster risks. Means to do this include increased understanding of disaster risk, strengthening disaster risk governance, mainstreaming DRR into all development processes. The latter will be achieved by integrating DRR with climate change adaptation activities, improved disaster information management systems, and enhancing public-private investment in disaster risk reduction.

	15th Periodic Plan Approach Paper	Sustainable Development Goals Status and Roadmap: 2016-2030	National Climate Change Policy (2019)	Nationally Determined Contributions	National Adaptation Plan	National Policy for Disaster Risk Reduction
Priority Sectors	<ul style="list-style-type: none"> • Agriculture and Natural Resources (Agriculture, Food Security and Nutrition, Irrigation, Land Management, Water Resources, Forests, Biodiversity and Watershed) • Industry • Commerce, Import and Tourism • Social sectors (Population and Migration, Education, Health and Nutrition, Water and Sanitation, GESI, etc.) • Physical Infrastructure Sector (Energy, Transport, Communication, Urban Development, Rural Development, etc.) • Cross-cutting sectors (Climate Change, Environment, Disaster Risk Reduction and Management among others) 	<ul style="list-style-type: none"> • Agriculture • Food Security, Forests and Biodiversity • Nutrition, Water Resources, Water and Sanitation (Health) • Education, Gender and Social Inclusion • Physical Infrastructures and Settlements • Industries, Energy, Livelihood and Governance • Disaster Risk Management 	<ul style="list-style-type: none"> • Agriculture and Food Security • Forests, Biodiversity and Watershed • Water Resources and Energy • Rural and Urban Settlements • Industry, Transport and Physical Infrastructure • Tourism, Natural and Cultural Heritage • Health • Water and Sanitation • Disaster Risk Reduction and Management • Gender, Social Inclusion, Livelihoods and Governance 	Not specifically mentioned; however, Agriculture, Forests, Energy and Transport are considered key sectors in terms of NDC targets.	<ul style="list-style-type: none"> • Agriculture and Food Security (Nutrition) • Climate-Induced Disaster • Forests and Biodiversity • Public Health (WASH) • Tourism • Natural and Cultural Heritage • Urban Settlement and Infrastructures • Water Resources and Energy • Gender and Marginalized Groups (Social Inclusion) • Livelihood and Governance 	Not specified
Source(s)	NPC, 2019	NPC, 2017b	MoFE, 2019a	MoPE, 2016b	MoFE, 2019	MoHA, 2018

The national vision document provides opportunities toward climate-resilient development in Nepal along with the 15th Periodic Plan Approach Paper, as well as sectoral policies and strategies. However, their coherence within the main issues of the plan, policies and strategies, their continuity and synergy between priority sectors as in the past has hindered the achievement of the goals and objectives of the periodic plans (NPC, 2018b). Therefore, alignment within the national policy processes considering international commitments such as 2030 Agenda for Sustainable Development, the Paris Agreement and the Sendai Framework for Disaster Risk Reduction has become imperative (Dazé et al., 2018).

Figure 2. Mapping of Nepal policy process for climate-resilient development



4.0 Institutional Arrangements Related to Climate-Resilient Development

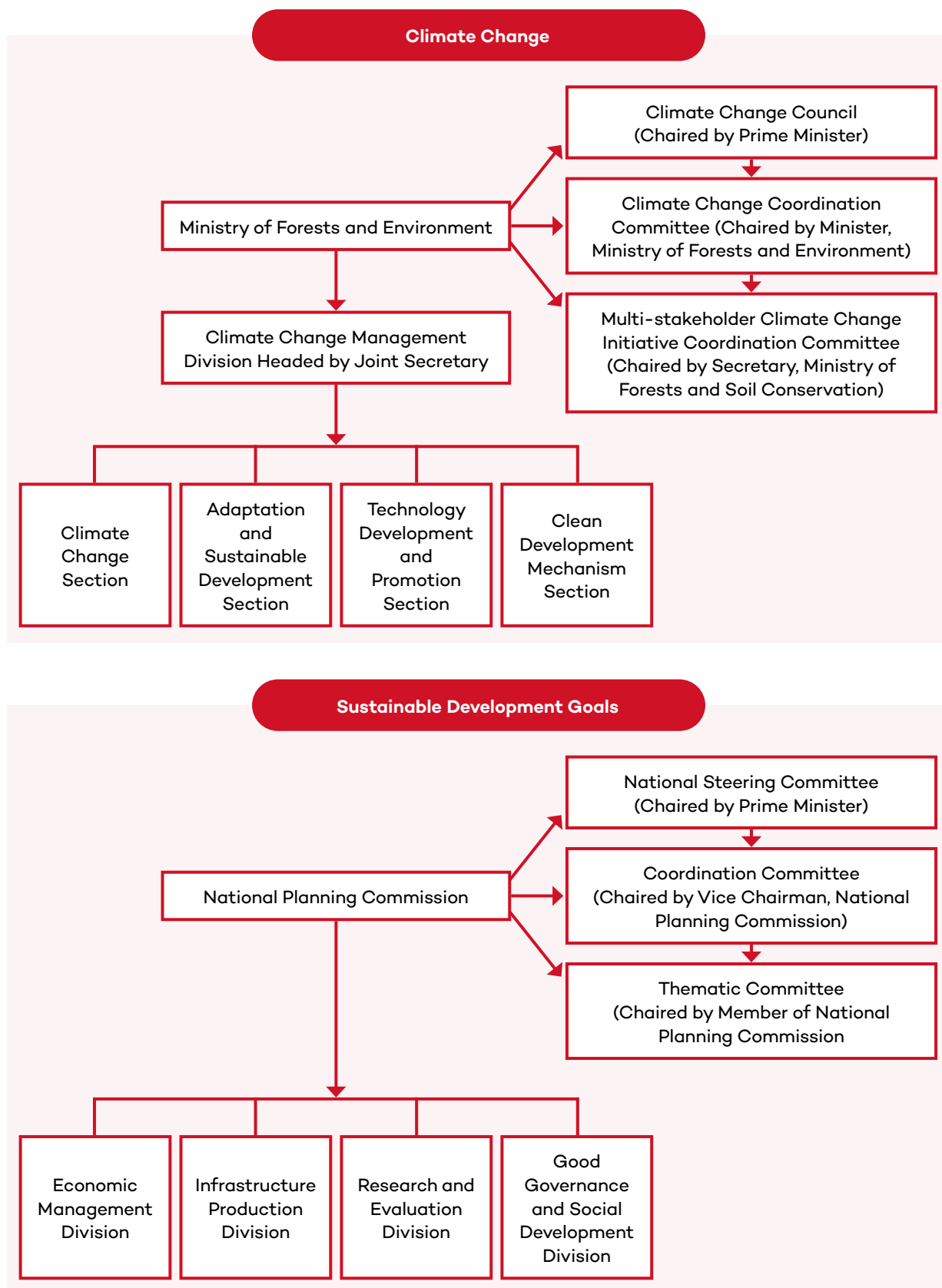
Sustainable Development Goals: Three high-level committees have been formed to help implement the SDGs: a steering committee chaired by the prime minister, a coordination committee chaired by the vice-chairman of the NPC and nine thematic committees headed by NPC members. These nine committees focus on Economic Development; Industrial Development; Urban Development; Social Development; Employment Management; Agriculture Climate and Environment; Physical Infrastructure; Energy Development; Peace, Justice and Inclusive Institutions. Membership of the coordination and working committees is broadly representative of the public and private sectors, as well as civil society and development partners (NPC, n.d.).

Disaster Risk Reduction and Management: At the national/federal level, the Disaster Risk Reduction and Management (DRRM) Act envisions a National Council for Disaster Risk Reduction and Management under the chairmanship of the prime minister. It also proposes an executive committee under the home minister to implement policies and plans formulated by the council. At the provincial level, the DRRM Act proposes a provincial disaster management committee chaired by the chief minister, with a District disaster management committee and a local-level disaster management committee.

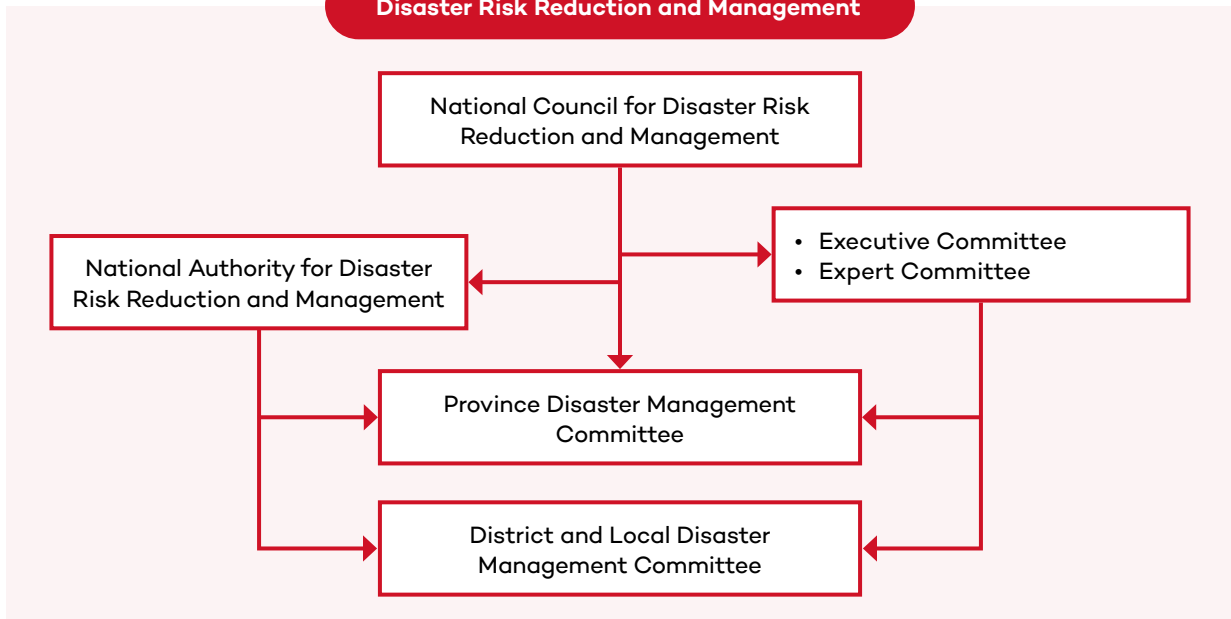
Climate Change: The climate change governance structure in Nepal has three tiers of coordination mechanisms whose scope is different. Two of them are at the political level: the Climate Change Council (CCC) established in 2009 and chaired by the Prime Minister of Nepal, and the Climate Change Coordination Committee (CCCC) chaired by the Minister for Forests and Environment. The Multi-Stakeholder Climate Change Initiative Coordination Committee (MCCICC) is composed of state and non-state actors and operates at the executive level. At present, the Ministry of Forests and Environment is working on establishing an inter-ministerial climate change coordination committee to facilitate and support the respective ministries to integrate climate change into their development planning and budgeting processes. Apart from this, the Government of Nepal is also working on establishing a “Think-Tank Group” on climate change.



Figure 3. Institutional Arrangement in Climate Change, Sustainable Development Goals and Disaster Risk Reduction and Management in Nepal



Disaster Risk Reduction and Management



5.0 Entry Points for the Alignment of Policy Processes in Nepal

A review of global agendas, including the Paris Agreement, SDGs and Sendai Disaster Risk Reduction Framework, reveals clear, objectively defined linkages in terms of climate-resilient development. Each of these agendas seeks to enhance resilience, build adaptive capacity and reduce vulnerability to climate change and disasters. The NAP process provides an important opportunity for their alignment within key areas of action for effective outcomes (Dazé et al., 2018). The opportunity is shaped by defining appropriate entry points within each of the policy process objectives, actions and outcomes. For this, understanding of the relationships between the different policy processes provides a basis for defining objectives and determining entry points for alignment (Dazé et al., 2019).

In the current context of Nepal—with all of the ongoing updating, revision and development of policies—there are clear opportunities to increase alignment, bring synergy and harmonize activities across sectors. This section discusses the entry points for alignment as these policy processes advance.

What Is Alignment?

Dazé et al., (2018, p. 3) define alignment as

... a process of identifying synergies among policy processes with common objectives to increase coherence, efficiency and effectiveness for improved outcomes.

Alignment can increase:

- Coherence, by facilitating analysis of shared objectives, co-benefits and tradeoffs between differing objectives, leading to more strategic investments and ensuring that efforts in one area do not undermine progress in another.
- Efficiency, by avoiding duplication of efforts and enabling smart use of resources, including finance and human resources.
- Effectiveness, by approaching climate-resilient development in an integrated way, leading to improved quality of planning, implementation, and measurement and evaluation processes for better results.

Entry Point #1: Institutional Arrangements

Nepal has already set up institutional arrangements for the coordination of climate change, disaster risk reduction and the SDGs. These three themes have been led by three different institutions, namely the Ministry of Forests and Environment, Ministry of Home Affairs and National Planning Commission. It is, therefore, important to have a systematic dialogue for the alignment of these processes. For this, reforming and or updating the terms of reference (ToR) of one of the committees (such as the Multi-Stakeholder Climate Change Initiative Coordination Committee [MCCICC]) or establishing a separate joint coordination mechanism becomes important to enhancing information sharing, reviewing the process and better coordinating achievement of the targets of the policy processes. The National Strategy and Action Plan on Disaster Risk Reduction (2017) has a provision for establishing a coordination mechanism comprising the Ministry of Home Affairs and Ministry of Forests and Environment to implement DRR, climate change adaptation and environmental conservation activities. This provides an opportunity to develop a coordination mechanism that fits all the stakeholders.

Entry Point #2: Existing Synergies in Policy Documents

Policy coherence should be assessed from national to sub-national to local levels (vertically) and across line ministries and sectors (horizontally). This can help identify the common areas of focus or cross-cutting themes (and approaches adopted) while also improving tracking of the results and/or progress, identification of potential implementation partners, the actors involved and maximizing local resources (UNDP, 2018). Nepal's NDC (2016b) clearly mentions the NAP as an operational vehicle for adaptation targets, which is being formulated with a "leave-no-one-behind" approach, engaging multiple stakeholders in seven thematic and two cross-cutting areas (MoPE, 2016a). Similarly, the 15th Periodic Plan Approach paper also mentions the NAP for adaptation goals for the next five-year development plan, which creates a clear opening for synergy and coherence among the development plan and the adaptation planning process. Furthermore, the National Disaster Risk Reduction Policy, 2017 mentions a provision of building coherence of DRR, with SDGs, food security, health, climate change adaptation and environmental management. In addition, the objectives of the other policy processes (as shown in Table 1) converge at climate-resilient development, thus providing opportunities for systematic alignment and supporting the effective mobilization of resources, governance, monitoring and review of progress and results.

Entry Point #3: Capacity Building

Capacity building is important to identify and address policy linkages. More importantly, it supports efficient and effective processes toward climate-resilient development (Dazé et al., 2018). In general, the formulation of national development plans, policies and strategies engages a wide range of actors: state actors involving governmental, parliamentarians (lawmakers) and non-state actors involving civil society organizations, development partners and others. For them to develop concrete plans, policies and strategies, it is pivotal to understand the different international policy processes and commitments that can facilitate alignment within the policy process. In the case of Nepal, the Ministry of Forests and Environment is the focal ministry for the UNFCCC: most government officials from the ministry

are knowledgeable about climate change. However, as they are not the focal ministry for DRR and the SDGs, they might not be at the level of similar staff from respective institutions and vice versa. Thus, systematic capacity building of the key policy-makers across diverse sectors involved in climate action, SDGs and DRR is imperative to pursue alignment and effectively implement different policies and plans. To accomplish this, it would be beneficial to assess the capacity needs for alignment and implementation of the different policies (NDC, NAP, DRR policy, etc.) and national development plans in order to identify synergies and trade-offs between different policy processes. Apart from building capacity for alignment, the process of alignment can itself lead to harmonized efforts to build capacities of different actors, including local governments, to fulfill their roles and responsibilities in relation to climate-resilient development (Dazé et al., 2018).

Entry Point #4: Information-Sharing Mechanisms

As a party to a variety of national and international policy processes and commitments, Nepal is required to devise, review and update on the progress made in implementing the different elements of the policy processes, including targets outlined for the SDGs, the NDC and DRR. Accomplishing this requires a collection of data that would also serve as a critical element for understanding alignment. Information from the datasets is required both across (and within) institutions and across different levels of government as well as with non-governmental stakeholders (Dazé et al., 2018). To enhance the alignment of different policy processes, a national platform that serves as an online data repository could be established. This could help national-level policy-makers to access required information on implementation status, available resource and gaps, as well as progress and lessons learned to inform future decision making. The constitution of Nepal (Government of Nepal, 2015) envisages a three-tiered, devolved and decentralized governance, consisting of the federal, provincial and local governments—a mechanism or platform that facilitates information sharing among all three tiers of government is thus important. This will help capitalize on opportunities for an integrated approach to the alignment of different policy processes for effective delivery.

In the case of Nepal's SDGs, the National Planning Commission has built the National SDG platform, intended to enable tracking of Nepal's progress toward achieving the SDGs by 2030 along with other national development plans. The platform provides information about the Government of Nepal's efforts in terms of planning, implementation and monitoring of the SDGs. Furthermore, the platform serves as an online repository to support timely data collection and monitor the implementation of the SDGs. Similarly, Nepal has a portal on DRR that serves as an online repository of data. Nepal has also established the Nepal Climate Change Knowledge Management Center as a portal of climate change data and related work in Nepal; however, it is not currently functional. Thus, an opportunity exists to create a common platform that provides information on each of the issues.



Entry Point #5: Implementation and Financing Strategies

Aligned implementation of climate, DRR and sustainable development actions at the local and provincial levels needs to be institutionalized within the power-sharing mechanism across the three tiers of the government (NPC, 2018a). The role of the provincial and local governments in implementing different policies should be defined, with a clear mechanism for reporting. NDC implementation in Nepal is expected to be shaped by the NDC implementation strategy, whereas the SDGs is shaped by the Needs Assessment, Costing and Financing Strategy. DRR implementation in Nepal is supported by the National Disaster Risk Reduction Strategic Action Plan (2018–2030). Considering the synergy among different policy processes, it is important to have an implementation strategy that encompasses their common objectives as well as a financing strategy to jointly implement those actions and commitments.

Entry Point #6: Monitoring, Evaluation and Review

The National Planning Commission of Nepal has specific SDG codes assigned for all national programs in the national budget as part of aligning with the periodic plan, sectoral plans, policies and targets. Apart from this, NPC has started working to align its national monitoring and evaluation framework, including its periodic plans with the SDGs and its targets (NPC, n.d.). Within the Paris Agreement architecture, Nepal is required to develop a measurement, reporting and verification (MRV) system to effectively implement the NDC goals and targets. The national MRV system can include adaptation, mitigation and finance targets and goals. In the case of disaster risk reduction, the National Council for Disaster Risk Reduction and Management (DRRM) is responsible for monitoring and evaluation of the DRRM strategy and action plan through annual reporting and monitoring system. Consolidating all these experiences, a common MRV framework could be established that tracks implementation of climate action, DRR and the SDGs in Nepal.

6.0 Way Forward

This discussion paper has provided an overview of policy processes for climate-resilient development in Nepal, taking note of the potential for alignment of different processes to enhance both effectiveness and efficiency in their implementation. Furthermore, the discussion paper identifies the entry points for alignment, exploring the status of different national and international policy processes.

The alignment process is purported to build the political will and prevent loss of investment and missed opportunities. It is expected that alignment will help avoid duplication, leverage experience, expertise and investments and increase public buy-in while helping ensure the long-term success of strategies (Terton, 2018). Thus, going forward, Nepal should strategically align these processes building on existing synergies for effective implementation—along with achieving national goals and international commitments concerning climate-resilient development. The entry points discussed above provide a strong basis for fostering these synergies and promoting strategic alignment for effective implementation. Now, in order to have these entry points actually work, seven immediate action points need to be considered to move forward on alignment:

a) **Form a team within the ministry to start up the alignment process.**

The Climate Change Management Division (CCMD) of the Ministry of Forests and Environment has sections on Climate Change and Climate Change Adaptation, among others. As climate change cross-cuts other sectors and has thus been reflected in national policy processes such as those related to the SDGs and DRR as discussed above, it will be helpful to have a team within the CCMD division of the ministry to look into alignment with other policy processes. This team could consist of the technical undersecretaries responsible for different sections within the division to also look into SDGs and DRR. This can facilitate the alignment process and may greatly support the advancement of climate-resilient development in Nepal.

b) **Communicate and hold a series of meetings with sectoral ministries, in particular the Ministry of Home Affairs and National Planning Commission.**

The technical team formed at the CCMD of the ministry could help operationalize the entry points identified above by organizing meetings with key institutions, including the Ministry of Home Affairs and the National Planning Commission. This will support the exchange of ideas on improving alignment and also build capacity to mainstream climate change within the DRR and SDG portfolios, thereby enhancing synergetic efforts for effective implementation, monitoring, review and reporting.

c) **Review and finalize the NDC in line with other policy processes.**

Nepal's government is currently reviewing and updating the NDC. This provides an important opportunity to build on the existing synergies and enhance the alignment with other policy processes. The updated NDC should be informed by ongoing policy processes such as the updating of the climate change policy, restarting of the NAP process and strategy for SDG implementation. By aligning the objectives, actions and targets for adaptation across these different documents, a basis can be created for ensuring achievement of adaptation commitments in the NDC, including through implementation

of the NAP and the SDGs. This will also support in adaptation communication to the UNFCCC under the Paris Agreement through the NAP process.

d) **Formulate the NAP along with the implementation strategy.**

The GCF-supported phase of the NAP process has started, building on progress in the earlier phase. The findings from the review of and reflection on the NAP process (MoFE, 2018) provide a strong basis for moving forward during this new phase. Along with the NAP document, the development of its implementation strategy with identification of the roles and responsibilities of all three tiers of

government institutions will provide opportunities to strategically integrate climate change adaptation, DRR and the SDGs in national as well as sub-national planning processes.

e) **Establish and operationalize integrated coordination mechanisms at the provincial level.**

At the national level (federal), several coordination mechanisms are in place and are operationalized; however, at the provincial level, it has been deemed necessary to establish a mechanism to facilitate different planning and implementation processes considering climate change and disaster risks. This is imperative because the NAP implementation, SDG localization and DRR actions take place at the local level, which provides an opportunity for systematic alignment for effective implementation, monitoring, review and reporting. Similar to the MCCICC, a coordination mechanism could be established at the provincial level with linkages to the federal level coordination mechanism.

f) **Foster partnerships for the aligned implementation of the policy processes for climate-resilient development.**

In addition to public institutions, private sectors, academia, civil society organizations and development partners will need to come together to achieve climate-resilient development. Thus effective partnership and collaboration with public and private actors will go hand-in-hand with the overarching goal of climate-resilient development in Nepal. Alignment of different policy processes can help promote collaboration among these different actors, reduce duplication of efforts and consolidate capacity-building efforts.

g) **Promote multistakeholder engagement in different policy processes.**

Nepal has a great amount of experience involving multiple stakeholders in the NAP formulation processes through its working group approach. While advancing the GCF-supported NAP, it would be good to revive and further the existing NAP working group that also considers NDC preparation, SDG localization and DRR implementation. Furthermore, it is imperative to have local and provincial government participation in the planning processes. Engagement of local stakeholders in a gender-inclusive way that also involves marginalized groups will enhance ownership and thus provide greater opportunity for effective implementation.



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