

# NEPAL'S LEAF ER PROGRAMME

**Primary contact:** Nabaraj Pudasaini (Mr)

REDD Implementation Centre, Forestry Complex, Babarmahal, Kathmandu, Nepal

Email: [nabarajpudasaini7@gmail.com](mailto:nabarajpudasaini7@gmail.com); [info@redd.gov.np](mailto:info@redd.gov.np)

Phone number: +977 (0)15339126

**REPORTING PERIOD: 01/01/2022 - 12/31/2023**

Enter report date (February ..., 2026)

The TREES Monitoring Report and attachments outlines the ongoing performance of the ART Participant including a summary of activities conducted and the data collected and quantified for the emission reductions and removals (ERRs) over the reporting period.

Please complete this form and submit it through your ART Registry account. Attachments may also be uploaded through the ART Registry account. Instructions for completing the template are included in *italics* and may be deleted prior to submitting the completed document. Grey fields are included where Participants are required to complete information. The grey cells may also be deleted if needed to facilitate inclusion of information.

## 1. PARTICIPANT INFORMATION

ENTITY	
<b>COUNTRY</b>	<b>JURISDICTION</b> (if registering as a sub-national Participant)
Nepal	Three contiguous provinces: Bagmati, Gandaki and Lumbini

REPRESENTATIVE ORGANIZATION AND CONTACT INFORMATION	
<b>ORGANIZATION NAME</b>	<b>MAILING ADDRESS</b>
REDD Implementation Centre Ministry of Forests and Environment Government of Nepal	Forestry Complex, Babarmahal, Kathmandu Nepal
<b>FIRST NAME</b>	<b>LAST NAME</b>
Nabaraj	Pudasaini
<b>EMAIL ADDRESS</b>	<b>TELEPHONE</b>
<a href="mailto:nabarajpudasaini7@gmail.com">nabarajpudasaini7@gmail.com</a> <a href="mailto:info@redd.gov.np">info@redd.gov.np</a>	+977 9855071645 +977 (0)15339126

## REPRESENTATIVE ORGANIZATION AND CONTACT INFORMATION

### DESCRIPTION OF LEGAL AUTHORITY TO REPRESENT COUNTRY OR JURISDICTION

The Constitution of Nepal (2015) states that "carbon services shall be regulated by the Government of Nepal" (Schedule 5 (27)). Forest Act (2019) and Environment Protection Act (2019) authorize the Government of Nepal (GoN) to take part in carbon trading. Business Allocation Rules (2018) of the GoN provides authority to the Ministry of Forests and Environment (MoFE) for the management of forests, carbon service and climate change mitigation and adaptation (Schedule 2 (14)). Nepal's National REDD+ Strategy (NRS, 2018, updated 2025), authorizes the REDD Implementation Centre (REDD IC) to prepare, implement and coordinate REDD+ emission reduction program. The REDD IC under the MoFE as the federal government agency responsible for REDD+ in Nepal.

## 2. PROGRAM PARTNERS

*Provide a list of any other organizations and individuals who have assisted in preparing the TREES Monitoring Report, including additional government agencies, non-governmental organizations (NGOs), and/or additional technical consultants. Please include a brief description of their role.*

The TREES documentation is prepared with the direct and indirect engagement and support of the following agencies and organizations, who are the institutions leading/ facilitating/ supporting and implementing the Nepal LEAF ER Programme:

### (i) Federal government

#### • Ministry of Forests and Environment (MoFE)

MoFE is the federal institution in charge of REDD+ management in Nepal. In addition to providing overall policy direction for Nepal's REDD+, MoFE has overseen operating procedures and membership of related sectors and stakeholders. MoFE coordinates with the three provincial governments to ensure awareness, engagement and buy-in in the process. MoFE regularly monitors and supervises on the TREES documentation preparation process. Finally, MoFE will endorse the TREES documents for submission to the ART secretariat.

#### • REDD+ Implementation Center (REDD IC)

The REDD IC is the federal government agency under the MOFE, specifically mandated to manage and lead on REDD+, including ER Programme development and reporting. REDD IC acts as the focal point on behalf of MOFE to coordinate all processes for the Nepal LEAF

ER Programme, including the preparation of the TRD and TMR documents. REDD IC coordinates the support received from international technical assistance organizations listed under item (iv) of this section.

- **Forest Research and Training Centre (FRTC)**

FRTC, under MOFE, leads the Forest Resource Assessment process of Nepal and is most engaged in the carbon accounting sections (calculating crediting level and ER), but also involved in other areas of the Nepal ER Programme. FRTC ensures that Activity Data and Emissions/Removals Factors are calculated using reliable data sources, following standard operating methodological protocols and with required accuracy assessment.

- **Department of Forests and Soil Conservation (DoFSC)**

DoFSC, under MOFE, has provides relevant data related to forest management approaches, regulating mechanisms and information on forest areas being used for other purposes like mining, electric transmissions, roads etc. Deforestation, forest degradation, forest fire, planted forest and private forest-related information is provided by DoFSC.

- **Department of National Parks and Wildlife Conservation (DNPWC)**

DNPWC, under MOFE, provides data and information about the protected area systems operating within the project area. It coordinates with all field offices (national parks, wildlife reserves, conservation areas and buffer zone committees) in organizing field level activities for the Nepal LEAF ER Programme. It has also provides information related to protected area systems and provided necessary feedback.

- **The LEAF Technical Committee under MOFE**

The LEAF Technical Committee under the Ministry of Forest and Environment (MoFE), Nepal, was formulated on 7 January 2022 to oversee technical matters related to the LEAF Emission Reductions (ER) Programme in Nepal.

The six-member committee, chaired by the Chief of the REDD IC, comprises technical officials from MoFE, the FRTC, and REDD IC including forest officers, forest inventory officers, and remote sensing and GIS specialists. In addition, three senior-level forest officers participate as invited members.

The Committee supports REDD IC in the preparation of key technical documents, such as the TRD and TMR, and to review, provide feedback on, and forward these documents to MoFE for further processing.

- (ii) **Provincial governments**

- **Ministry of Industry, Tourism, Forest and Environment, Gandaki Province**

- **Ministry of Forests and Environment, Lumbini Province**

- **Ministry of Forests and Environment, Bagmati Province**

These provincial ministries have played coordinating roles among different agencies from federal government, provincial governments and local governments. In addition, these

provincial ministries coordinated district level forest authorities, related civil society organizations, stakeholders and rights holders for the Nepal LEAF ER Programme.

- **Forest Directorates under Bagmati, Gandaki and Lumbini Provinces**

Provincial Forest Directorates perform the coordinating roles. They coordinate Divisional Forest Offices (DFOs), private forest owners, entrepreneurs, local governments and other line agencies like electricity authority, road authority, mining companies. They also facilitate field consultations and verifications for the Nepal LEAF ER Programme.

- **Provincial FRTCs of Bagmati, Gandaki and Lumbini Provinces**

Provincial FRTCs also execute coordinating, capacity assessment and capacity building related activities required for field level data collection, verification, and consultation processes.

- **Divisional Forest Offices (DFOs) of 36 Districts of Bagmati, Gandaki and Lumbini Provinces**

DFOs were the key sources of data and information required for the registration development process. In addition, they play important roles by coordinating with local communities, Indigenous Peoples, marginalized communities and other important local stakeholders. They also facilitate meetings and workshops organized for the Nepal LEAF ER Programme.

**(iii) Other partners in Nepal**

Other organizations who have supported the Nepal LEAF ER Programme, include various civil society organizations, umbrella organizations of community-based forest management groups, Indigenous Peoples' organization, Dalit organization and women organizations.

- **Federation of Community Forest Users Nepal (FECOFUN)**

FECOFUN as the representative of community forest user groups assists the Nepal LEAF ER Programme process through coordination with their district chapters in consultation processes mobilizing its members for disseminating the information including on safeguards, Grievance Redress Mechanism (GRM), benefit sharing related concerns for local communities, among others.

- **Nepal Federation of Indigenous Nationalities (NEFIN)**

As the federal level Network organization of Indigenous Peoples, NEFIN supports the Nepal LEAF ER Programme by coordination and mobilizing its district chapters of the program area in disseminating information about the program and encouraging the Indigenous Peoples of area for active participation in the Free, Prior and Informed Consent (FPIC) process, and providing information on traditional and customary practices in the program area. NEFIN also provides inputs on the proposals on benefit sharing, safeguards, GRM and monitoring requirements.

- **Association of Collaborative Forest Users Nepal (ACOFUN)**

ACOFUN as the umbrella association of collaborative forest user groups and forest dependent households, assists the Nepal LEAF ER Programme process through

coordination with its members in the field in consultation process and mobilizing its members for disseminating the information on various aspects of the program including safeguards, GRM, and benefit sharing related concerns of local communities.

- **Other rights-based groups**

Federation of Leasehold Forestry Groups, Dalit Alliance for Natural Resources (DANAR) Nepal and The Himalayan Grassroots Women's Natural Resource Management Association (HIMAWANTI) are among other right based groups assisting the Nepal LEAF ER Programme process.

- (iv) **International partners supporting the Nepal LEAF ER Programme**

- **UN-REDD Programme**

The UN-REDD Programme's technical assistance to Nepal, implemented by FAO and UNEP with funding from the UK and Norway, provides technical assistance to the GoN through the REDD IC as the main focal point. The UN-REDD Programme's technical assistance to Nepal includes the drafting of the TREES documentation, with particular technical input into areas related to carbon accounting, safeguards, legal basis and rights to ERs, and also provides support in organizing robust consultation process with the stakeholders and rights holders of the program area, including the FPIC process in the field through a third party (RECOFTC Nepal). UN-REDD acts as the coordinator for the international technical assistance for the Nepal LEAF ER Programme and associated ART/TREES process.

- **US Forest Service**

The U.S. Forest Service, with funding from the U.S. Department of State, provided technical support and guidance to meet the ART-TREES standard requirements.

- **UK Technical Assistance Programme for LEAF**

[Ricardo](#) leads a consortium with Climate Law and Policy and [Winrock International](#) to deliver the UK Technical Assistance Programme for Nepal's LEAF ER Programme. The consortium provides support to the GoN through the REDD IC, directly supporting Nepal's LEAF ER Programme in safeguards capacity development, MRV, data collection, and in the drafting of the ART/TREES registration and monitoring documents (in coordination with UN-REDD, USFS among others.)

- **RECOFTC Nepal**

RECOFTC Nepal supports the Nepal LEAF ER Programme's FPIC and consultation process since 2024, conducting stakeholder mapping, awareness raising, and consent seeking processes. The support was initially providing services through the UN-REDD Programme, and subsequently, mobilizing resources independently, through the Kawari Fund.

### 3. CREDITING PERIOD AND REPORTING PERIOD

*Please list the dates for the crediting period and the reporting period covered by this report.*

**CREDITING PERIOD**

**REPORTING PERIOD**

Start	01/01/2022	End	12/31/2026	Start	01/01/2022	End	12/31/2023
-------	------------	-----	------------	-------	------------	-----	------------

**4. ACCOUNTING AREA**

*Identify whether the proposed accounting area is national or subnational. If a subnational accounting area will be used, list which jurisdiction(s) and/or recognized Indigenous Peoples territory(ies) are included. Also, identify the total hectares of forest and the percentage of national forest covered by the accounting area. A georeferenced geographic information system (GIS) shape file of the accounting area (subnational or national) boundaries must be submitted along with this document.*

The TREES accounting area of the Nepal’s LEAF ER Programme (“TREES accounting area”) is subnational and covers the jurisdictional area of Lumbini, Gandaki, and Bagmati provinces (Figure 4.1).

The TREES accounting area represents approximately 41.33% of Nepal’s total area and contains approximately 51.9% of the country’s forests (DFRS, 2015). The TREES accounting area covers approximately 6.1 million ha of land and extends from the lowland Terai to the high mountain regions, covering all five physiographic regions of Nepal and representing diverse social and ecological contexts. The TREES accounting area consists of approximately 3.64 million ha of forests.



**Figure 4.1: TREES accounting area for Nepal**

GIS shape files of TREES accounting area boundaries are provided in the link<sup>1</sup>.

The TREES accounting area represents much of the country's rich biodiversity areas including Banke National Park, Bardiya National Park, Langtang National Park, Shivapuri-Nagarjun National Park, Chitwan National Park, Dhorpatan Hunting Reserve and Annapurna conservation area. Out of five conservation landscapes of Nepal, the TREES accounting area also includes parts of two conservation landscapes of Terai Arc Landscape and Chitwan Annapurna Landscape.

<sup>1</sup> [https://drive.google.com/file/d/1X\\_arKZ35HqxFfk-4HYuka7hwi2K5CoXY/view?usp=sharing](https://drive.google.com/file/d/1X_arKZ35HqxFfk-4HYuka7hwi2K5CoXY/view?usp=sharing)

## 5. ELIGIBILITY CRITERIA

*For each eligibility criterion below, please identify whether any information in the TREES Registration Document has changed.*

1. The ART Participant is a national government or subnational government no more than one level down from national level

There are no changes from the TRD.

2. If a subnational accounting area is proposed by a national government or by a subnational government:
  - The boundaries of a subnational accounting area shall correspond with the entire area of one or several administrative jurisdictions no more than one administrative level down from national level and one or several recognized indigenous territories; AND
  - The accounting area is comprised of a total forest area of at least 2.5 million hectares

There are no changes from the TRD.

3. If the Participant is a subnational government, the Participant has or will have a letter from the national government authorizing the Participant's application to and participation in ART.

Not applicable.

4. The Participant or the Participant's country has included forests in their NDCs.

There are no changes from the TRD.

5. The Participant or Participant's country has a system for providing information on safeguards.

There are no changes from the TRD. The TRD covers all updates to January 2026 regarding Nepal's system for provision of information on safeguards.

## 6. OWNERSHIP RIGHTS TO EMISSION REDUCTIONS AND/OR REMOVALS TO BE ISSUED BY ART

*Provide a brief summary of the Participant's rights to the ERR's generated from the accounting area (regulatory frameworks, laws or administrative orders) or a description of how rights will be obtained in accordance with domestic law. It may not necessary for the Participant to establish or enact new legislation or a legal framework to address carbon rights. However, the Participant must explain how, under existing constitutional or legal frameworks, carbon rights and/or related intangible property interests, are established and addressed. This explanation should include how such carbon rights and/or intangible property interests would be established, the legal basis for creating such rights and interests, and how claims to such rights from private parties, Indigenous Peoples or subnational entities will be resolved (consistent with applicable UNFCCC Cancun Safeguards and Section 12.0 herein). To address the latter, the Participant must describe any agreements in place or that will be in place, for the transfer of TREES rights or benefit allocation arrangements with landowners / resource rights holders that exist between the Participant and project owners, landowners and/or other collective rights holders (including indigenous peoples and other traditional communities). TREES will only be issued that have demonstrated clear ownership or rights. Participants may provide this demonstration at a later date, within the same crediting period or during a subsequent crediting period (provided the crediting periods are adjacent).*

There are no changes from the TRD.

### 6.1 Rights of the Participant to transfer ERRs

#### (i) Carbon services and the responsibility of the Government

With the promulgation of the Constitution of Nepal in 2015, the country has been restructured into a three-tiered federal governance system: Federal, Provincial, and Local. Article 57 (1) and Schedule 5(27) of the Constitution identifies carbon services as among areas vested with the federal power, therefore under the responsibility of the Federal GoN, ie, the Participant.

The Civil Code (2017) states that forests, trees, and bushes in the national forests are part of the property deemed to be government property (Section 299).

The Forest Act (2019) recognizes carbon services as one of the environmental services generated from forest ecosystems. Section 44 (clauses 1a and 1b) stipulates that the GoN makes provisions for the "management, utilization and distribution of dividends" arising from carbon services. Notwithstanding the above, for payments to owners of private forests from the same services, Division Forest Offices (DFOs, under the Provincial level government) may make provisions following prescribed conditions (Forest Act (2019), section 44, (2)).

The Business Allocation Rules of the GoN (2018) gives the federal Ministry of Forests and Environment the role for the implementation as a Participant, while giving the Ministry of Finance (MoF) the authority to sign the ERPA (Schedule 2).

## **(ii) Participation in carbon trade**

The Environment Protection Act (2019) states that the GoN may participate in carbon trade with mechanisms established by international treaties, any foreign government or organization, business entity or private sector, for carbon emission reductions and storage (Section 28).

The Environment Protection Regulation (2020) Section 28 on participation in carbon trading, stipulates that the GoN can sell carbon reserves in national or international markets. The only reference made to parties other than the GoN allowed to sell carbon is under the same Section clause 6, which stipulates that:

*“If a private forest owner wants to include his rightful forest in carbon trade, the ministry may include it in carbon trade on the condition that he will work with such owner in accordance with the action plan”.*

The GoN approved the Carbon Trade Regulation (2025), which establishes a comprehensive legal framework for the development and implementation of emission reduction projects. Under this regulation, eligible government agencies, state-owned institutions, business organizations, and private sector entities are permitted to participate in carbon trading; however, all carbon trading activities must be conducted through the GoN (Article 4). Interested parties are authorized to implement carbon reduction projects by following the procedural pathway defined in Articles 4–8. Schedule 1 of the regulation specifies the eligible areas and sectors for the development of emissions reduction projects, including the AFOLU sector (Schedule 1.3).

The GoN at the federal level, ie., the Participant, is therefore the primary entity mandated to trade emissions reductions from carbon services, and other parties are able to “include” their forests within the government’s trading activities, and to receive dividends thereof, following prescribed plans.

## **6.2. Identification of rights holders**

According to the Forest Act (2019), there are two categories of forests: national forests and private forests (Section 2). The categories of national forests include forests under the Protected Area (PA) system, government managed forests (including forest conservation areas) outside the PA system and forests managed under the Community Based Forest Management (CBMF) regimes (community forests, collaborative forests, leasehold forests, and religious forests). Under the National Park and Wildlife Conservation Act (1973), different categories of Protected Areas are defined. Major categories that occur in the TREES accounting area include National Parks, Hunting Reserves, Buffer Zones, and Conservation Areas. Different types of forest management categories (regimes) of the TREES accounting area are provided in Table 6.1.

The Forest Act defines private forests as *"a forest planted, nurtured, or conserved in any private land owned by an individual pursuant to prevailing laws"*. Private forests may include fruit trees and other tree species managed for commercial purposes. Private forests may be registered through the DFOs according to the Forest Act (Article 35). Table 6.2 shows the number and area of registered private forests in the three provinces of the TREES accounting area (data of 2022). However, it is important to note that these include private forests that fall short of the official forest definition (see section 10), and therefore not all registered private forests can be accounted for under the TREES registration or as a REDD+ activity thereunder.

**Table 6.1: Forests in the Nepal the TREES accounting area (2021)<sup>2</sup>**

Province	Land Area (ha)	Forest Area (ha)	National Forest		Under Protected Area Management System			Registered Private Forests (%)
			Community managed (%)	Gov't managed forest (%)	Protected areas (%)	Conservation areas (%)	Buffer zone (%)	
		(%) of total area						
Lumbini	1,930,445	996,941	43.10%	39.28%	14.40%	0.00%	3.20%	0.02%
		51.64%						
Gandaki	2,196,062	787,865	29.90%	51.43%	2.70%	15.50%	0.40%	0.07%
		35.88%						
Bagmati	2,028,428	1,154,685	34.60%	38.47%	11.90%	8.60%	6.40%	0.03%
		56.93%						
<b>Total</b>	<b>6,154,935</b>	<b>2,939,491</b>	<b>36.10%</b>	<b>42.46%</b>	<b>10.10%</b>	<b>7.70%</b>	<b>3.60%</b>	<b>0.04%</b>
		47.76%						

**Table 6.2: Registered private forests in the TREES accounting area (2022)<sup>3</sup>**

Province	Registered number	Area
Bagmati	579	347 ha
Gandaki	494	222 ha
Lumbini	995	748 ha
<b>Total</b>	<b>2,068</b>	<b>1,317 ha</b>

The main categories of "rights holders and affected communities"<sup>4</sup> for the Nepal LEAF ER Programme are Indigenous Peoples, local communities including forest users' groups, and those involved in customary forest practices located in the TREES accounting area. Stakeholder mapping for the Nepal LEAF ER Programme has been conducted and rights holders and affected communities are identified based on the "National Guidelines on FPIC for REDD+" (see Section 7 on Safeguards for more information).

<sup>2</sup> Data Source: FRTC Nepal and Provincial Forest records on management regimes

<sup>3</sup> Data source: Provincial Forest Directorates of Bagmati, Gandaki and Lumbini Provinces (2021-2022).

<sup>4</sup> The Environmental Protection Regulation (2020) and the Forest Regulation (2022) require the identification of rights holders and affected communities and to conduct FPIC.

In accordance with the national legal framework and international safeguards, the GoN implements a Free, Prior and Informed Consent (FPIC) and consultation process for the Nepal LEAF ER Programme. The REDD+ Strategy mandates FPIC for rights-holders, particularly Indigenous Peoples and Local Communities (IPs & LCs), and Forest Regulations (2022), Rule 107(6) requires FPIC prior to entering national or international agreements related to sustainable forest management–based emission reduction payments. The FPIC process has so far been conducted in two phases between May–June 2023 and October 2024–April 2025, comprising of 65 consultation meetings at cluster, district, provincial and national levels, and with focus groups of forest-dependent Indigenous Peoples’ customary institutions/systems across Bagmati, Gandaki and Lumbini Provinces. A total of 1,519 participants took part, including 802 local community representatives, 602 Indigenous Peoples, and 658 women, ensuring inclusive and informed participation. The process was organized by RECOFTC Nepal, with the presence of GoN and co-financed through UN-REDD, RECOFTC and their respective funders/donors.

The focus group discussions were specifically organized to engage Indigenous Peoples’ groups within the TREES accounting area that continue to practice forest-based traditional and customary systems. The FPIC process ensured informed and inclusive participation and resulted in documented feedback and expressions of consent to implement the Nepal LEAF ER Programme, including feedback on the proposed benefit sharing plan and capacity building requirements. These outcomes fulfill legal and safeguard requirements and provide a strong foundation for the government-led Benefit Sharing Plan (BSP) and subsequent implementation of the Nepal LEAF ER Programme. FPIC and consultation processes will be continued, with a strengthened focus on local-level stakeholders, IPs and LCs, forest officials, and local governments throughout the programme implementation. (See link to FPIC and consultation reports under section 7.)

### **6.3. Rights over ERPA proceeds and benefit sharing**

The Constitution of Nepal (2015)<sup>5</sup> gives priority and preferential rights to local communities in the equitable distribution of benefits generated from natural resources (Article 51(g)(1)). Article 59(4) further explains that certain portions of the benefits generated from the use or development of natural resources shall be distributed in the form of royalties, services, or goods to the areas and local communities affected by the pertinent project.

As already mentioned, Section 44 of the Forest Act (2019) points out that the Government has provisions for the management, utilization and distribution of dividends arising out of carbon services. The Forest Act also includes a provision for the establishment of a Forest Development Fund as the mechanism to distribute benefits to the rights holders, including forest user groups, Indigenous Peoples and local communities (Section 45). The Fund’s financing, governance system and decision-making process, and other provisions for its operation are defined in Section

---

<sup>5</sup> <https://lawcommission.gov.np/en/wp-content/uploads/2021/01/Constitution-of-Nepal.pdf>

45 of the Forest Act (2019) and specified in Sections 108-114 of the Forest Regulations (2022).

Benefit sharing arrangements are explained in Section 115 of the Forest Regulations (2022), stating that:

*the sharing of amounts (benefits) received from climate change adaptation and carbon sequestration, and emission reductions deposited by the Ministry of Finance in the Fund shall be as follows: (a) For the management of Fund: 10%; (b) For agencies or users' groups involved in forest management: 80%; (c) For owners of private forests within the program area: 5%; (d) For households that are not associated with any forest users' group but are dependent on forests: 5%.*

A BSP for the Nepal LEAF ER Programme is being prepared in consultation with the relevant rights holders and affected communities as identified through the FPIC process, as mentioned above. The BSP is expected to follow the experience applied to the ER programme that is being implemented in the 13 districts of the Terai Arc Landscape under the Carbon Fund of the World Bank's Forest Carbon Partnership Facility, FCPF (see Box 1 below).

The Grievance Redress Mechanism (GRM) for the Nepal LEAF ER Programme will be based on existing regulations and channels in the country at federal, provincial, and local levels, to address any potential complaint or conflict related with REDD+ implementation, decision-making processes, and benefit sharing arrangements. The Divisional Forest Offices (DFOs) will be the primary entities receiving and addressing those complaints, based on their internal procedures.

#### **Box 1: BSP for the FCPF ER programme**

In the context of the FCPF ER program, the government (Divisional Forest Offices), forest users' groups, forest-dependent poor households (other than forest groups), including Indigenous Peoples, Dalits, Madhesis, and Muslims, as well as private forest owners, are included as the beneficiaries. The BSP recognizes both monetary and non-monetary benefits. The Program Selection and Implementation Committee under the Forest Development Fund will decide on the share of benefits to be distributed to each of the eligible beneficiaries. As it concerns monetary benefits, this will be distributed based on a combination of criteria including forest area, performance, equity, social justice and governance criteria. At least 80% of the total payments will be allocated to local beneficiaries including government agencies and local communities involved in ER program implementation, whereas 5% of the total payments will be allocated for private forest owners, and 5% is allocated for forest dependent households and communities not belonging to community forestry (GON, 2023. Revised BSP of the FCPF ER Program).

## 7. SAFEGUARDS

### CANCUN SAFEGUARD A

#### THEME A.1 Consistency with the objectives of national forest programs

**STRUCTURAL INDICATOR:** Domestic legal framework or policy (or national REDD+ strategy or action plan) for REDD+ actions is clearly defined and designed in consistency with national and if applicable, subnational, forest policies/programs. Describe how this indicator is met.

The TREES Registration Document demonstrates that Nepal’s legal framework for REDD+ is clearly defined, that the National REDD+ Strategy has been designed in consistency with key national forest, environment and development policies and strategies, and that the country’s Emission Reduction (ER) Programs are also developed in consistency with the NRS and the relevant legal framework. During the reporting period (2022-2023) **this legal framework was in place and efforts were undertaken to ensure that the NRS and ER Programs were designed in consistency and supportive of national policies, strategies and priorities.**

The **national legal and policy instruments on the forest, environment and development sectors in Nepal have defined and integrated REDD+ and Emission Reduction (ER) programs as follows:**

- **The Constitution of Nepal (2015)**<sup>6</sup> structures government into a three-tiered system (Federal, Provincial, and Local), and Schedule 5(27) identifies carbon services, environmental management, and national forest policy as vested with the Federal government.
- **Forest Act (2019)**<sup>7</sup>: the main objective of this Act is to strengthen the sustainable management of forests through various types of forest management regimes, including community-based forest management (CBFM). Section 2(x) of this act recognizes carbon services as one of the environmental services generated from forest ecosystems. Section 44 (1)(a) stipulates that the GoN makes provisions for the “management, utilization and distribution of benefits” arising from carbon emission reduction and carbon stock enhancement.
- **Forest Regulations (2022)**<sup>8</sup> Rule 107 details the roles and responsibilities of the GoN for the formulation and implementation of ER programs in the forest sector with the

<sup>6</sup> <https://faolex.fao.org/docs/pdf/nep155698.pdf>

<sup>7</sup> <https://faolex.fao.org/docs/pdf/nep202856.pdf>

<sup>8</sup> Nepal Gazette, 30 June 2022, Sec 72, Number 18 (First amendment 17 August 2023 and second amendment 13 May 2024), <https://faolex.fao.org/docs/pdf/NEP234777.pdf>. Only the Nepali version is available.

## CANCUN SAFEGUARD A

participation of Provincial and local governments, Forest User Groups (FUGs), including relevant communities, and considering safeguards measures and FPIC. Rule 105 stipulates the beneficiaries and procedures for sharing monetary benefits, while Rule 114 defines the scope and areas for the utilization of monetary benefits, which are deposited into the Forest Development Fund through the Ministry of Finance.

- **Environment Protection Act (2019):**<sup>9</sup> Section 2(i) defines “emission reduction” as any program or activity that stops or reduces greenhouse gas emissions resulting from human activities. Section 28 empowers the government to participate in carbon trading through mechanisms established by international treaties, as well as through any arrangements with foreign governments, organizations, business entities, or private sector, for carbon emission reductions and conservation of carbon stocks.
- **Environmental Protection Regulations (2020):**<sup>10</sup> Rule 28(1) specifies that the GoN can sell reduced carbon emissions or increased carbon stocks obtained through sustainable forest management in the national or international markets.
- **National Forest Policy (2019):**<sup>11</sup> is the leading policy for forest sector governance and complements other relevant policies and programs related to biodiversity, environment, and climate change. Its main goal is to increase the production and value of forest products and services through sustainable and participatory management of forests, protected areas, watersheds, biodiversity, wildlife and flora, and their equitable distribution. Major objectives of this policy include: to contribute to Nepal's overall goal of reducing carbon emissions; to increase the productivity, production, and environmental services of the forest sector; to contribute to conservation, restoration and sustainable use of forests, flora, wildlife and biodiversity; to improve the governance of the forest sector and to ensure equitable distribution of the benefits, etc.
- The **15th Periodic National Plan (2019-2024)**<sup>12</sup> covers the reporting period and sets a vision for the forestry sector as: “Contribution to prosperity and happiness through sustainable forest management and entrepreneurship”, and a goal “to contribute to the economy through value addition and equitable distribution of incomes generated through forest products and services, forest-based industries, and eco-tourism while promoting environmental balance and sustainable development based on sustainable and participatory management of forests, biodiversity, and watersheds.” The plan also mentions REDD+ as a major program to achieve both national and sectoral goals. The **current 16<sup>th</sup> periodic Development Plan (2024/25 – 2028/29)**, although outside of the reporting period, adopts similar approaches and gives priority to forest sector emission reductions through sustainable forest management. Some of the provisions

<sup>9</sup> <https://faolex.fao.org/docs/pdf/nep202860.pdf>

<sup>10</sup> <https://faolex.fao.org/docs/pdf/NEP223710.pdf> (Nepal Gazette, 15 June 2020, Sec 70, Number 9). Only the Nepali version is available.

<sup>11</sup> <https://mofe.gov.np/content/33/national-forest-policy--2075/>. Only the Nepali version is available.

<sup>12</sup> [https://www.npc.gov.np/images/category/15th\\_plan\\_English\\_Version.pdf](https://www.npc.gov.np/images/category/15th_plan_English_Version.pdf)

## CANCUN SAFEGUARD A

of the Forest Act (2019) (such as Sec. 42) and Forest Regulations (2022) (such as Rules 87-103) have been amended by the federal parliament for the implementation of these periodic plans and for maintaining balance between environment and development. In general, Section 42 of the Forest Act (2019) and Article 51(g) of the Constitution of Nepal (2015) prohibit the conversion of forest land for non-forest purposes. However, the GoN—specifically through a decision of the Council of Ministers—is empowered to authorize such conversion, provided that it is assured that the proposed conversion will not cause significant adverse impacts on forests or the environment.

- Although outside of the reporting period, a recent important development in Nepal's legal framework is the promulgation of the **Carbon Trade Regulation (2025)**<sup>13</sup>, enacted on 8 December 2025, and which supports achieving the objectives of national forest policies and laws. The Regulation details the carbon trade procedures in Nepal including definitions of key terms (Ch. 1), and procedures for concept note and proposal development, review, and approval (Ch. 2). The regulation mandates the government to develop carbon trade projects, considering the regulation and international standards, fixes the service fee or charge for the approval of various documents from the concerned agencies, and guides the carbon registry and corresponding adjustment processes, considering Nepal's NDC targets. MoFE is the Designated National Authority (DNA), the Carbon Trade Steering Committee will work to provide overall guidance, and the Carbon Trade Management Committee will provide technical direction and assess carbon trade proposals submitted for approval. REDD IC is mandated to assess carbon trade projects related to REDD+. The regulation also provides the mechanisms for a voluntary carbon market, domestic carbon market, and a non-market approach, considering the Paris Agreement crediting mechanisms and other international standards. It also states that carbon pricing and benefit sharing arrangements will be based on individual carbon finance agreements and development of REDD+ related ER programs and REDD+ benefit sharing plans will still be governed by the Forest Regulations (2022).

The TREES Registration Document also provides information on **the National REDD+ Strategy (2018)**<sup>14</sup> which covers the reporting period and is aligned with the country's needs for managing forests and biodiversity, as well as its commitments to multilateral environmental agreements, including decisions of the UNFCCC COP on REDD+ (see also Theme A2 on international conventions).

<sup>13</sup> <http://rajpatra.dop.gov.np/welcome/book/?ref=26153>

<sup>14</sup> <https://faolex.fao.org/docs/pdf/nep180004.pdf>; National REDD+ Strategy (2025-2034): [https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Nepal\\_national\\_redd\\_plus\\_strategy\\_\(2025\\_2034\)\(1\).pdf](https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Nepal_national_redd_plus_strategy_(2025_2034)(1).pdf)

## CANCUN SAFEGUARD A

The **purpose of the NRS** is to guide the development of policies and programs that address the drivers of deforestation and forest degradation, which ultimately improves the carbon sink capacity of Nepal's forests. The strategy was developed to align with national forest policies and Sustainable Development Goals (SDGs). With twelve strategies and 70 priority actions, the NRS takes a multi-stakeholder, community-based, gender-inclusive, and socially inclusive approach to REDD+. As one of its guiding principles the NRS states that it aligns with overall national development goals and forest sector strategies and legislation.

The objectives of the NRS include: to improve and harmonize policy and legal frameworks, in line with national and international requirements and standards; to harness carbon and non-carbon benefits; to increase institutional capability and coordination; and to strengthen governance, gender equality, and social inclusion of the forestry sector. In addition, NRS has defined the strategies and actions to harmonize cross-sectoral policies and legal frameworks. NRS has also defined one of the actions to align with all the above-mentioned forest sector national policies and legislation.

The **NRS identifies policies and strategies considered relevant to REDD+**, including the Climate Change Policy (2011, now amended 2019), Land Use Policy (2015), Forest Encroachment Control Strategy (2012), National Biodiversity Strategy and Action Plan (2014), Forest Policy (2015, now amended 2019) and Forestry Sector Strategy (2016-2025), Forest Encroachment Control Strategy (2012), and the Nationally Determined Contributions (2016, 2020 and 2025). The Strategy and actions have also widely contributed to achieving the objectives of provincial forest laws, which are formulated considering the power-sharing provision of the Constitution of Nepal and federal forest policy and laws. Also relevant to the reporting period are the following policies:

- **Long-term Strategy for Net-Zero Emission (2021-2045):**<sup>15</sup> revised for the implementation of NDC targets for the forestry sector, and proposes a specific action for the effective implementation of the National REDD+ Strategy to achieve the country's ambition on emission reductions.
- **National Climate Change Policy (2019):**<sup>16</sup> aims to contribute to the socio-economic prosperity of the nation by building a climate-resilient society. The policy states that at least 80% of climate finance, including REDD+ benefits, is to be mobilized at the community level and distributed among the relevant stakeholders in a just manner. One of the important strategies under this policy includes increased forest carbon sequestration by adopting sustainable forest management.
- **The National Biodiversity Strategy and Action Plan (2014)** is currently being revised to align with the Kunming-Montreal Global Biodiversity Framework (GBF) of the Convention on Biological Diversity (CBD). It is expected to be submitted to the CBD in mid 2026.

<sup>15</sup> <https://faolex.fao.org/docs/pdf/NEP223150.pdf>

<sup>16</sup> <https://faolex.fao.org/docs/pdf/nep199367.pdf>

## CANCUN SAFEGUARD A

- Nepal's **2nd Nationally Determined Contribution**<sup>17</sup> covered 2020-2025, and as described in its third National Communication to the UNFCCC (2021), Nepal has harmonized all the climate change instruments through revision of the NDC. The 2<sup>nd</sup> NDC set out targets for the forestry sector in line with key national policies, such as: to maintain 45% forest cover by 2030; to have at least 60% of forests under CBFM, with 50% female representation and proportional representation of Dalits and Indigenous People in key posts; ensuring fair and equitable benefits (carbon and non-carbon) from sustainable forest management, watershed management, and biodiversity conservation among local communities, women and Indigenous People. Nepal's 3<sup>rd</sup> NDC was submitted to the UNFCCC in 2025<sup>18</sup> which also sets out targets in consistency with the country's policies and strategies, including for REDD+, while also increasing its ambition, such as: maintain at least 46% forest cover; by 2035, strengthen forest governance by aligning regulations and operation procedures of CBFM groups with sustainable forest management; expand the coverage under carbon markets through the REDD IC while strengthening the capacity of REDD IC and the Forest Research and Training Centre (FRTC).

Although outside of the reporting period, in 2024-2025, **the NRS was reviewed and updated to 2025-2034**, through a multi-stakeholder participatory process, and reflects changes in international policy and national forest governance and legal frameworks. MoFE approved the updated NRS (2025) in 2025, which has been harmonized with the existing forest, environment and development sector legislation, policies and strategies, and includes a new strategy 4.6.7 on improving collaboration, cooperation, and synergies among sectoral policies, sectors, and agencies.

In addition to the NRS, **the design and implementation of REDD+ programs in the country have been consistent with key national policies, as have the development of relevant provincial strategies and plans:**

- Nepal has significantly strengthened its institutional capacity and operational infrastructure for carbon financing through the implementation of the **Forest Carbon Partnership Facility (FCPF) ER Program**, which secured USD 9.4 million in emission reduction payments. The program comprises seven REDD+ interventions in 13 districts of the Terai Arc Landscape, with 8 districts overlapping with the proposed Nepal LEAF ER Programme. These interventions, such as community-based forest management, are fully aligned with national policies of Nepal and the NRS. For example, one intervention facilitates the transfer of national forests to community-based forest management groups, while another scales up pro-poor leasehold forestry in accordance with Leasehold Forest Policy (2002).

<sup>17</sup> <https://faolex.fao.org/docs/pdf/NEP219254.pdf>

<sup>18</sup> <https://unfccc.int/sites/default/files/2025-05/Nepal%20NDC3.pdf>

## CANCUN SAFEGUARD A

- The **Nepal LEAF ER Programme** implements the NRS through 11 intervention packages and supports the objectives of key national forest and other sectoral policies and programs (see section 15 of this report on implementation plan). For example:
  - Sustainable forest management practiced through CBFM is a key intervention and is fully aligned with NRS (2018), National Forest Policy (2019), Forestry Sector Strategy (2016-2025), second NDC, Long-term Strategy for Net-zero Emissions (2021), National Climate Change Policy (2019), and 15th National Plan (2020-2024).
  - Other interventions on wildfire/forest fire management, natural regeneration and restoration, facilitating environmentally friendly development, agroforestry, grazing management, human-wildlife conflict management, and creating an enabling environment for ER programs are aligned with the NRS (2018), Forest Act (2019), Forest Regulations (2022), National Forest Policy (2019), as well as provincial forest legislation of three provinces (Bagmati, Lumbini, and Gandaki). They also reflect the key mandates and activities of DFOs, who implement forestry policies and REDD+ activities at the local level.
- At the jurisdictional level, the **Bagmati, Gandaki, and Lumbini provincial governments have formulated their Provincial Forest Acts** in 2019, 2023 and 2021, respectively, in alignment with the National Forest Policy (2019) and Forest Act (2019), and thus also reflecting the interventions of the NRS and the Nepal LEAF ER Programme. All three provincial governments have implemented their forest policies and REDD+ activities through provincial Forest Ministries, Provincial Directorates, and the Divisional Forest Offices. Nepal has also established a common practice to organize the provincial-level review meetings to enhance the alignment between provincial activities and the national forest policies and programs. More information on this and other procedures for ensuring alignment at jurisdictional level is provided in the A1 process indicator.

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures and resources to ensure REDD+ actions are designed and implemented in consistency with the broader legal or policy framework of the forest sector, and inconsistencies are identified and resolved.

Describe how this indicator is met.

As set out in the TREES Registration Document, Nepal has in place the relevant **mandates and procedures to ensure that the design and implementation of REDD+ actions through the National REDD+ Strategy (NRS) and Emission Reduction (ER) programs are in consistency with the country's legal framework and relevant national forest, environment and development sector policies and plans**. These mandates and procedures have been implemented in the reporting period, and to ensure that the Nepal LEAF ER Programme is designed and implemented in consistency with the NRS and relevant policies and programs.

## CANCUN SAFEGUARD A

The relevant institutional mandates in place during the reporting period are as follows:

- As stated under the A1 structure indicator, the Constitution gives exclusive power to the **Federal Government** to regulate carbon services and environmental management, while the GoN Business Allocation Rule (2018) and other sectoral legislation (e.g. Forest Act (2019) (sec. 44(1)(a)), Forest Regulations (2022) (Rule 107 and 115), Environmental Protection Act (2019) (Sec. 25), Environmental Regulations (2020) (Rule 27 and 28)) mandate **the Ministry of Forest and Environment (MoFE)** to design and implement ER programs, As per the GoN (Business Allocation) Rule, 2018 (Rule 2, Sec. 9), the Ministry of Finance has the authority to sign carbon finance agreements or Emission Reduction Payment Agreements (ERPAs) with international entities.
- MoFE has designated the **REDD+ Implementation Center (REDD IC)** as responsible for designing and implementing REDD+ or ER programs in the forest sector and facilitating Result-based Payment (RBPs) at various levels<sup>19</sup>, including ensuring that REDD+ actions are designed and implemented in consistency with the forestry sector national policies and the legal framework. The REDD IC also bridges provincial and district-level REDD+ planning with priorities under the NRS, further promoting alignment.
- As per the Organizational and Management Framework of the MoFE<sup>20</sup>, the **Climate Change Management Division (CCMD)** of the MoFE has a mandate to facilitate formulation of climate change policies, plans, and programs and provides technical assistance and policy guidance to the REDD IC during the formulation and implementation of REDD+ / ER programs.
- As per the Organizational and Management Framework of the MoFE, other departments and centers such as the **Department of Forest and Soil Conservation (DoFSC), Department of National Park and Wildlife Conservation (DNPWC), and Forest Research and Training Center (FRTC)** have also been mandated to contribute to the design and implementation of the REDD+ programs, including the Nepal LEAF ER Programme, in close coordination with the Ministry and REDD IC.
- The Forest Act (2019), Forest Regulations (2022) (Rule 107-117) and Provincial Forest Acts<sup>21</sup> (including those for Bagmati, Gandaki, and Lumbini Provinces) allocate different roles and responsibilities to the **forest-related Provincial Ministries, Provincial Forest Directorates, and Divisional Forest Offices (DFOs)**, which are the main arms to implement REDD+ actions at ground level. The **Warden Officer of the**

<sup>19</sup> REDD IC. (2024). Annual Report 2023/024, Page 9-10, <https://redd.gov.np/post/annual-report-2080-81-4>

<sup>20</sup> MoFE. (2022). Annual Report 2022/023, Page 10-11, <https://mofe.gov.np/content/27/annual-progress-report-for-the-fiscal-year-2079-080/>

<sup>21</sup> Each province has formulated its own provincial Forest Act based on the mandates of Schedule -6 of the Constitution of Nepal and the Federal Forest Act (2019).

## CANCUN SAFEGUARD A

**National Parks/Reserves and the Conservation Areas Offices** are also responsible for implementing REDD+ actions in Buffer Zones and Conservation Areas.

- The Forest Regulations (2022) (Rules 107-117) has mandated the participation of **Forest Users Groups (FUGs), Indigenous Peoples, local communities, and relevant stakeholders** in ER programs. For example, FUGs are responsible for the mobilization of benefits based on their own Forest Management Plans, approved by DFOs, and annual plans approved by the FUG General Assembly.

A detailed list of the implementing agencies and partners and their roles and responsibilities in the Nepal LEAF ER Programme is elaborated under section 2 of the TRD and this report.

The TREES Registration Document also sets out the **procedures and processes** that have been implemented in Nepal, including in the reporting period, to ensure that the NRS, REDD+ activities and ER Programs have been developed and implemented in consistency with the relevant legal framework, policies and strategies:

- Under the overall supervision and guidance of the Ministry, REDD IC prepared the first draft of the NRS in 2014, followed by **a series of local, subnational and national level consultations**. These consultations ensured the participation of stakeholders from different sectors, CBFM groups, and from Indigenous Peoples and local communities, and resulted in the second draft of the strategy, which was subsequently reviewed by a Technical Committee, and laid the foundation for the final NRS document in 2018.
- A number of **REDD+ readiness phase studies**, including on Drivers of Deforestation and Forest Degradation, Forest Reference Level, Strategic Environmental and Social Assessment (SESA)<sup>22</sup>, economic modelling, carbon ownership and customary governance, the political economy of land use and the value of Nepal's forests, grievance redress, and measurement, reporting and verification (MRV) provided key information for the development of the NRS. An assessment of policies and laws in the context of REDD+ also contributed to development of the Strategy and identified gaps and contradictions in the legal framework.
- The Constitution of Nepal (Art 42 and 51(b)(4)) and the Good Governance (Management and Operation) Act (2008) (Sec. 20 and 28) emphasize multi-stakeholder and participatory approaches for formulation and implementation of government plans and programs. The NRS (2018) has also internalized a similar approach, and MoFE has established **a multi-tiered and multi-stakeholder institutional mechanism at federal and provincial levels to oversee and implement REDD+ actions**, including ensuring that they are designed and implemented in consistency with the broader legal or policy framework. At the national level, for example, the high-level, multisector and multistakeholder National REDD+

<sup>22</sup> <https://www.forestcarbonpartnership.org/system/files/documents/Annex%201%20-%20Nepal%20draft%20SESA%20and%20ESMF%20Reports.pdf>

## CANCUN SAFEGUARD A

Steering Committee (NRSC) endorses ER programs, while the National REDD+ Coordination Committee (NRCC) makes decisions on technical matters, including oversight of the implementation and monitoring of REDD+ programs. A multistakeholder REDD+ Forum as well as an IPs and CSOs Alliance were also established to facilitate the participation and inputs of non-government stakeholders (please see Theme D1 for more information).

- At provincial level, the forest and environment-related ministry coordinates the multi-stakeholder **Provincial REDD+ Coordination Committee (PRCC)**, and the PRCC guides DFOs and other relevant agencies to maintain consistency between the provincial forest polices and the NRS and ER programs, to effectively implement REDD+ actions within their jurisdictions. At the **community level**, as noted above, FUGs are responsible for implementing their Forest Management Plans, including REDD+ actions, and for the mobilization of benefits.
- In the case of **ER programs**, in addition to the oversight provided by the NRSC and NRCC, these programs have been developed through multi-sectoral and multistakeholder processes, The- Forest Carbon Partnership Facility (FCPF) ER Program (which overlaps with the TREES accounting area) was developed with inputs from three national, four regional and 36 district-level consultations during 2016-2017, and the ERPD was endorsed in a NRSC meeting in April 2018, following integration of comments received from the Technical Advisory Panel (TAP).
- The **Nepal LEAF ER Programme** is based on the NRS actions implemented in three provinces of Gandaki, Lumbini and Bagmati during 2022-2026, with further components of the program (such as benefit sharing) being developed through an extensive consultation process at national, provincial and district levels (which started in 2023 and is ongoing). The MoFE has regularly monitored and supervised the Registration Document and Monitoring Report preparation process and ensured that the documents maintain consistency with the broader legal or policy framework of the forest sector in Nepal.
- In recent developments, as noted under the A1 structural indicator, REDD IC has reviewed the previous **NRS (2018) and updated it as NRS (2025)**. During the review of the NRS it has analysed the implementation status, updated the analysis of drivers, policies, laws and regulations, and adjusted in line with sector policies to ensure that it remains consistent with the national forest context and supportive of national policies and programs. Consistency has been further facilitated through consultations with stakeholders held at federal and provincial levels in 2024, involving around 270 participants total (please see outcome indicator below for more information).

**OUTCOME INDICATOR:** Design and implementation of REDD+ actions have been consistent with or complemented the objectives of the national and if applicable, subnational, forest policies/programs.

Describe how this indicator is met.

## CANCUN SAFEGUARD A

REDD+ interventions in Nepal to date have been designed and implemented considering the national objectives and targets of forest policy and strategies, through both the National REDD+ Strategy and ER programs. Nepal presented some initial information and a plan for conformance with the A1 outcome indicator in the TREES Registration Document, which is updated here for the period 2022-2023 and to reflect recent developments.

Nepal will achieve and demonstrate conformance with the A1 outcome indicator through the following **expected results**:

- Key national forestry, environmental and development policies relevant to the National REDD+ Strategy and ER programmes are identified, in order to ensure REDD+ actions are consistent with them.
- Appropriate measures and procedures are taken to ensure that the National REDD+ Strategy and ER programmes comply and align with key national policies and relevant legal instruments.
- Design and implementation of the National REDD+ Strategy and ER programmes support the objectives of the identified key national policies and programs
- REDD+ implementation is based on cross-sectoral joint decision-making and cooperation, further ensuring the alignment across key sectoral policies and programs.

Although full information to report on outcomes is not yet available, **results demonstrated and activities already conducted** in the design of Nepal's NRS and ER Programs, and during the reporting period towards achieving conformance with the A1 outcome indicator include the following:

**Key national forestry, environmental and development policies relevant to the NRS and ER programs are identified:** The information presented in the A1 structure and process indicators above shows that the design of REDD+ actions has been built on the objectives of the key national forestry, environmental and development sector policies and programs, which have been identified in key documents like the NRS, the FCPF ERPD (2018) and the Summary of Information (2025) on safeguards. The NRS (2018) and updated NRS (2025) align with the objectives, strategies and actions of the following national policy and strategies of the forestry sector:

- Climate Change Policy (2011)
- Land Use Policy (2015)
- Biodiversity Strategy and Action Plan (2014)
- Forestry Sector Strategy (2016-2025)
- National Forest Policy (2019)
- Forest Act (2019)
- Environment Protection Act (2019)
- Environmental Protection Regulation (2020)
- 2nd NDC (2020)
- Forest Regulation (2022)

## **CANCUN SAFEGUARD A**

- Long-term Strategy for Net-Zero Emissions (2021-2045)
- National Climate Change Policy (2019)
- 15th Periodic Plan (2019-2024)
- 16<sup>th</sup> Periodic Plan (2025-2029)

**Measures and procedures taken to ensure that REDD+ design and implementation is consistent with and/or complementary to the objectives of the national policies and programs:** Nepal's design and implementation of REDD+ actions, including through the NRS, provincial and local policies and strategies, and ER programs, have been designed and implemented in consistency with the identified national policies, plans and programs, including in the reporting period. This has been achieved through close alignment of REDD+ objectives with national frameworks for sustainable forest management and biodiversity conservation, as well as through institutional coordination mechanisms that link different sectors, as well as national, provincial, and local levels:

- As detailed in the A1 structure and process indicators, the objectives and actions of Nepal's NRS and its ER programs, including the Nepal LEAF ER Programme, are closely aligned with the forest, environment and development sectors' policy objectives, institutional arrangements, and the practical steps Nepal has taken to prepare for jurisdictional REDD+ transactions. A review of the NRS was carried out in 2024 and an updated NRS was approved in 2025, reflecting the changes in international policy as well as in national forest governance and legal frameworks.
- Other procedures have included: i) background studies on drivers, policies/legal framework, and potential impacts conducted for the NRS (2018) and recently updated (e.g. updated analysis of drivers for NRS 2025-2034; updated review of policies, laws and regulations, including at provincial level, prepared in 2025); ii) review of NRS (2018) by a Technical Committee, and NRS 2025-2034 was developed with expert review and a multi-stakeholder consultation process at different levels, and endorsed by the MoFE.
- Consultation processes were conducted for the development of the NRS (2018) during 2014-2018 and its revision (2025-2034) during 2024-2025 at multiple levels to ensure its alignment with national context, policies, programs and needs. The information on the multi-stakeholder participation at multiple levels is provided in the indicators D1 and D2.
- REDD+ actions under Nepal's NRS has been harmonized with provincial sector priorities through stakeholder consultations, provincial REDD+ coordination committees and integration of REDD+ activities into provincial forest management. A large number of REDD+ actions are being implemented through DFOs and CBFM regimes. Revision of the REDD+ actions in TREES accounting areas has been done by DFOs during the annual planning exercise in July-August 2025 based on updated NRS (2025). The CBFM groups in Nepal TREES accounting area have been regularly revising their REDD+ actions through regular annual meetings each year to maintain consistency with the NRS (2025).

## CANCUN SAFEGUARD A

- Multi-sector and multi-stakeholder REDD+ coordination mechanisms have also been used to ensure REDD+ is designed and implemented in consistency with the broader legal or policy framework: the NRSC endorses ER programs; NRCC has oversight of the implementation and monitoring of ER program; REDD IC plans, implements and monitors REDD+, and bridges state and district-level, forest and environment related sections or coordination committees of local governments coordinate REDD+ activities; and CFUGs and other CBFM groups implement REDD+ as incorporated in their respective Forest Management Plans.
- ER programs have also been designed in alignment with the NRS and other key policies and programs, developed through extensive multi-sector and multi-stakeholder consultation processes including the FCPF ER Program and the Nepal LEAF ER Programme; the FCPF ERPD was endorsed in a NRSC meeting in April 2018, following integration of comments received from the Technical Advisory Panel (TAP).
- The Nepal LEAF ER Programme REDD+ interventions are based on the NRS, and aligned with key policies and programs, including through a focus on community-based forest management, and with further components of the program (such as benefit sharing) being developed through an extensive consultation process at national, provincial and district levels held during 2023-2025 (and ongoing in 2026). The Nepal LEAF ER Programme consultation process, including the events held, participants, and FPIC process, are detailed in the D2 outcome indicator, and in the FPIC consultation report (2025).<sup>23</sup>
- Nepal is undertaking several efforts to strength review and data harmonization for continued conformance with this outcome indicator. Relevant policies, laws and regulations for the safeguards and REDD+ implementation have been reviewed on several occasions, including for the development of the NRS and NRS review (2024). In addition, as highlighted in the SOI (2025), an additional review has been carried out after the SOI updated PLR information for the TREES Monitoring Report, including relevant provincial/subnational policies and regulations.<sup>24</sup>
- The Provincial Forest Ministries and Offices of the Provincial Forest Directorates have established practices for the annual review of meetings of forestry activities at the beginning of each fiscal year, including implemented REDD+ actions. This includes annual review workshops, e.g., the most recent annual review meetings were held in July and August 2025 in the three Nepal LEAF ER Programme provinces. This practice will continue in the future for the review of the REDD+ actions at a jurisdictional level for the Nepal LEAF ER Programme.

<sup>23</sup>

[https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Final\\_Report\\_FPIC\\_Consultation\\_RECOFTC\\_Nepal\(1\).pdf](https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Final_Report_FPIC_Consultation_RECOFTC_Nepal(1).pdf)

<sup>24</sup> [https://drive.google.com/file/d/1JWBSVi\\_O9sJQaAVAwS3G8WqyKLFnJ9Z1/view?usp=drive\\_link](https://drive.google.com/file/d/1JWBSVi_O9sJQaAVAwS3G8WqyKLFnJ9Z1/view?usp=drive_link)

## CANCUN SAFEGUARD A

**Design and implementation of the NRS and ER programs support the objectives of the identified key national policies and programs:** The NRS implementation has demonstrably supported the objectives and achievements of several key national policies, program not only in the forestry sector but also in wider development agenda of Nepal such as SDG and NDC targets:

- In the case of jurisdictional programs, for instance, the ER Program for the Terai Arc Landscape (TAL) directly contributes to the NDC goals to maintain 45% of the total area under forest cover by 2030. These targets are achieved through the implementation of community forests and other community-based forest management activities. The implementation of REDD+ activities has further reinforced national forest policy objectives by integrating the principles into local and provincial forest governance. through ER programs, community forests, collaborative forest governance, and buffer zone management areas have adopted improved forest governance models that contribute to reducing deforestation and forest degradation.
- A large number of REDD+ actions for the implementation in Nepal LEAF ER Programme, are being implemented through the regular activities of DFOs and CBFM Groups including CFUGs during this reporting period. The following activities implemented in 2022 - 2023 by the provincial ministries, DFOs, and CFUGs are directly related to REDD+ actions and have contributed to achieving the objectives of national and provincial forest policies:

**Table 7.1: REDD+ interventions and examples of activities implemented**

## CANCUN SAFEGUARD A

REDD+ interventions	Some examples of actions undertaken during the reporting period in the Nepal LEAF ER Programme area
Sustainable management of forests, forest fire management, restoration of degraded forests, enrichment planting, , seedling production, and plantation	<p>Gandaki Province<sup>25</sup></p> <ul style="list-style-type: none"> <li>• Approved forest five-year management plan for 3 districts,</li> <li>• FUGs Management Plans (reviewed): 358 plans,</li> <li>• Forest handover to new FUGs: 1,661 ha,</li> <li>• Plantation: 647 ha,</li> <li>• Encroachment control: 11 ha,</li> <li>• Forest fire control: 10,246 ha</li> </ul> <p>Lumbini Province<sup>26</sup></p> <ul style="list-style-type: none"> <li>• Seedling production and distribution for the plantation: 40,20,009 (number)</li> <li>• Plantation: 866 ha</li> <li>• Forest management: 625 ha (community forest and leasehold forest)</li> </ul>

- NRS (2018)The DNPWC has revised and approved the two management plans of Buffer Zones (Lumbini Province) in the reporting period and started to review the management plan of two Conservation Areas located in the Nepal LEAF ER Programme area, and the REDD+ actions, which are defined in these management plans, are implemented by the protected areas management authorities and communities (FUGs of local communities and customary institutions of IPs). These initiatives have also contributed to the objectives defined in the NRS and national forest policies and programs.

### Update on plan for conformance

**Planned and ongoing activities** to further achieve conformance with the outcome indicator include the following:

- The cross-sector and multi-stakeholder consultation process on the Nepal LEAF ER Programme is ongoing at multiple levels, including consultations for raising awareness and obtaining feedback at the local level in 100 LGAs/municipalities in 2025, and planned in 42 LGAs/municipalities in 2026 (see Theme D2 for more information). Endorsement or approval of the Nepal LEAF ER Programme (e.g. of the TRD and TMR) will be done by the Secretary of MoFE, expected in Q1 2026, and the ERPA signed by the Ministry of Finance. Monitoring and evaluation of the Nepal LEAF ER Programme will also be conducted to ensure its ongoing consistency with

<sup>25</sup> MoFE. (2022). Annual Report, Ministry of Forest and Environment, Gandaki province. <https://mofesc.gandaki.gov.np/list/progress-booklet/uthayaga-parayatana-vana-tatha-vatavaranae-manataralyaka-varashhaka-paragata-pasataka-aava>

<sup>26</sup> MoFE. (2022). Annual Report, Ministry of Forest and Environment, Lumbini province, [www.redd.gov.np](http://www.redd.gov.np)

## **CANCUN SAFEGUARD A**

national priorities, policies, and programs, through the preparation of TREES Monitoring Report, but also through regular monitoring processes. Annual review of the Program actions will be conducted by Provincial Forest Directorates, e.g. through regular annual review processes described above. The next scheduled annual review workshops in the three LEAF provinces are expected to take place in mid 2026. A national annual review workshop on the Nepal LEAF ER Programme is also planned to be held by REDD IC in 2026.

- The mid-term review of NRS (2025) will be conducted in 2030. An updated Monitoring and Evaluation Framework will be implemented to track the results of the Strategy and ensure its alignment with national priorities and is given in the Annex 5 of NRS (2025).
- Strengthened monitoring of the contribution of REDD+ to the identified key national forest policies, plans and program, including through the preparation of Nepal's first Summary (submitted in 2025) and now the update of the SIS (to be completed by the end of 2026); this will include compiling information on updated/revised policies (e.g. revised NBSAP), and information from national reports, including from the review of the NRS, BTR and other reports, on progress made on key forest and REDD+ objectives.

### **Monitoring and reporting**

Monitoring of the activities and expected results for conformance with the A1 outcome will occur through Nepal's SIS, as well as through relevant review processes and reports. Although some information is provided in this report, full information on the outcomes related to A1 is expected to be provided in the future, in line with TREES (i.e., within 5 years of Nepal joining ART-TREES).

Nepal's SIS will provide:

- An overview of the identified key national forestry, environmental and development policies relevant to REDD+, and their objectives, along with the objectives of the NRS and ER programmes.
- Information on the measures and procedures taken to ensure that the NRS and ER programmes comply and align with key national policies and relevant legal instruments.
- Information on the alignment between NRS actions and key national forestry, environmental and development policies, and the alignment of ER programme actions with the NRS.
- Information on how NRS and ER programmes have contributed to the objectives of the key identified policies/programs.
- Information on cross-sectoral coordination and cooperation for the design and implementation of REDD+

## CANCUN SAFEGUARD A

The following SIS indicators along with the expected data sources will provide “respect” or outcome level information relevant to this outcome indicator:

- A1.2. Appropriate measures are being taken to ensure compliance of the REDD+ Strategy and programs with key national policies on forest, environment and development and relevant legal instruments.
  - Procedures used for the development and review of NRS and ER programs to ensure alignment, such as legal reviews, integration of stakeholder feedback, and review and endorsement of relevant committees (e.g., NRSC).
  - Alignment across NRS actions, key national policies, and ERP actions
  - *Data sources: NRS (2018); NRS (2025); FCPF ERPD; LEAF Program Implementation Plan; NRSC meeting minutes*
- A1.3. The REDD+ Strategy and programs comply with and support the objectives of key national policies and programs on forest, environment, and development.
  - Information on how NRS and ERPs have contributed to the objectives of the key identified policies/programs (e.g., contribution of REDD+ results to key national forest targets)
  - *Data sources: REDD+ results reported to UNFCCC (e.g., BUR TA, BTR); review reports on key national policies/programs (e.g., NR to CBD); MOFE statistics; NRS review report; ERP reports (e.g., ERMRS)*
- A2.2. Number of joint decisions made in relation to implementation of REDD+ programs at national, subnational and/or project level.
  - Information on MOUs and other agreements/decisions agencies supporting REDD+ implementation
  - *Data sources: MoU documents; meeting minutes/reports (e.g., NRSC, national workshops); ERPDs*
- A2.3. Number of REDD+ actions designed to be delivered through cross-sectoral cooperation, and number under implementation
  - Information on REDD+ actions in the NRS delivered through cross sector collaboration, and number under implementation
  - Information on REDD+ actions of ERPs delivered through cross sector collaboration, and number under implementation
  - *Data sources: NRS (2018); NRS (2025); NRS review report; ERPDs and implementation plans; ERMRS*

### Timeline for monitoring

- Nepal’s 1<sup>st</sup> Summary of information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.

## CANCUN SAFEGUARD A

- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three LEAF Provinces including 34 DFOs<sup>27</sup>, and at national level. This first update of the SIS is expected to be finished by the end of 2026 (although not all indicators may have complete data yet).
- The SIS is expected to be updated on a regular basis (e.g. every 2 years) through a process involving: DFOs, Province Forest Directorates, REDD IC, and compilation of data from available reports.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in the next TREES Monitoring Report (in line with the TREES requirement, i.e., within 5 years of Nepal joining ART-TREES, in 2027).

### Responsibilities

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards, and the regular monitoring and review of the NRS and ER programmes.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+.
- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.

**THEME A.2** Consistency with the objectives of relevant international conventions and agreements

**STRUCTURAL INDICATOR:** Domestic and if applicable, subnational, legal framework or policy (or national REDD+ strategy or action plan) for REDD+ actions recognize and promote the application of ratified relevant international conventions and agreements in the context of design and implementation of REDD+ actions.

Describe how this indicator is met.

As set out in the TREES Registration Document, Nepal's **legal framework requires that the country fulfils its obligations under international conventions and agreements**, and that forest sector policies and programs, including REDD+, recognize and promote the application of ratified relevant international conventions and agreements. This framework was in place during the reporting period:

---

<sup>27</sup> Within the LEAF provinces, there are 36 districts and 40 DFOs; for the first exercise in SIS reporting, 34 DFOs have provided information.

## CANCUN SAFEGUARD A

- **The Constitution of Nepal (2015)**, Art. 51(b)(3) states that effective implementation of international conventions, agreements, and treaties will be a constitutional policy of the country. The Nepal Treaty Act (1990)<sup>28</sup> states that “(1) In case of the provisions of a treaty, to which Nepal or GoN is a party upon its ratification, accession, acceptance or approval by the Parliament, inconsistent with the provisions of prevailing laws, the inconsistent provision of the law shall be void for that treaty, and the provisions of the treaty shall be enforceable as good as Nepalese laws.” Its further states that “(2) Any treaty which has not been ratified, acceded to, accepted, or approved by the Parliament, though to which Nepal or GoN is a party, imposes any additional obligation or burden upon Nepal, or GoN, and in case legal arrangements need to be made for its enforcement, GoN shall initiate action as soon as possible to enact laws for its enforcement.”
- **The National Forest Policy (2019)** states that the required legal framework, institutional arrangements, and capacity enhancement will be arranged for the implementation of relevant international conventions and treaties (Strategy, 8.8.5).
- **Nepal’s Long-term Strategy for Net-zero Emissions (2021)** has been developed in accordance with Article 4, paragraph 19 of the Paris Agreement. Similarly, Nepal’s **NDC (2020)** under the Paris Agreement has set an activity level target on forestry as to manage 50% of Terai and Inner Terai forests and 25% of middle hills and mountain forests sustainably, including through the use of funding from REDD+ initiatives by 2030. The new 3rd NDC submitted in 2025 has also set almost similar targets for forest sector emissions reductions and carbon stock enhancement.

In line with these provisions, **the NRS (2018) emphasized that Nepal’s participation in REDD+ will assist in complying with relevant international standards, agreements and decisions**, and contribute to global low-carbon economic development pathways and the global sustainable development agenda.

The **objectives of the NRS** include: to improve and harmonize policy and legal frameworks, in line with national and international requirements and standards; to harness carbon and non-carbon benefits; and to increase institutional capability and coordination; and strengthen governance, gender equality and social inclusion in the forestry sector. Action 9.2 of the NRS is to identify and align legal frameworks in line with international commitments and harmonize cross-sectoral policies and legal frameworks. The NRS also emphasizes that the strategy will be implemented through stakeholder consultations in line with Free, Prior and Informed Consent (FPIC) as per relevant national and international decisions, including

---

<sup>28</sup> “Treaty” is defined in the Act as “an agreement concluded in writing between two or more states, or between any state and any intergovernmental organization and this term also includes any document of this nature, irrespective of how it is designated”.

## CANCUN SAFEGUARD A

UNFCCC, UNDRIP, ILO 169, CBD, Nagoya Protocol on Access and Benefit Sharing and other relevant international decisions and agreements.

International conventions and agreements related to REDD+ have also been **clearly identified by the NRS and other strategic documents**:

- The Ministry of Law and Justice and other organisations provide lists of international conventions, treaties and agreements to which Nepal is a party and signatory.<sup>29</sup>
- Based on the NRS (2018) and the FCPF ER program Document, REDD IC identified the most relevant agreements and these 12 conventions and agreements have now been documented in Nepal's first Summary of Information on safeguards (submitted to UNFCCC in 2025):
  1. Convention on Biological Diversity (CBD) (1992)
  2. Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) (1973)
  3. Ramsar Convention on Wetlands of International Importance (1971)
  4. International Labour Organisation Convention Concerning Indigenous and Tribal Peoples in Independent Countries (ILO Convention No. 169) (1989)
  5. Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits arising from their Utilization (ABS) to the CBD (2010)
  6. Paris Agreement on Climate Change (2015)
  7. United Nations Forum on Forest (UNFF) / UN Strategic Plan for Forests 2017-2030
  8. United Nations Convention to Combat Desertification (UNCCD) (1994)
  9. UN Convention against Corruption (2005)
  10. United Nations Declaration on Human Rights (UNDHR) (1948)
  11. United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) (2007)
  12. United Nations Framework Convention on Climate Change (UNFCCC) (1992)
- In recent developments, since the preparation of the TREES Registration Document, the **updated NRS (2025)**<sup>30</sup> has been prepared and promulgated in 2025. Its mission is to strengthen forest ecosystem resilience for emission reductions and increased carbon and non-carbon benefits through improved policy measures and effective institutions, and its objectives remain in line with Nepal's international commitments, including a specific objective to improve and harmonize policy and legal frameworks in line with

<sup>29</sup> <https://mangalamun.gov.np/sites/mangalamun.gov.np/files/List-of-Multilateral-Treaties-Signed-by-Nepal.pdf>; <https://lawcommission.gov.np/category/1817/>

<sup>30</sup> National REDD+ Strategy (2025-2034): [https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Nepal\\_national\\_redd\\_plus\\_strategy\\_\(2025\\_2034\)\(1\).pdf](https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Nepal_national_redd_plus_strategy_(2025_2034)(1).pdf)

## CANCUN SAFEGUARD A

national and international requirements and standards to harness carbon and non-carbon benefits.

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures, and resources to design and implement REDD+ actions that recognize and promote the application of ratified relevant international conventions and agreements.

Describe how this indicator is met.

As set out in the TREES Registration Document, Nepal has in place the relevant **mandates and procedures to ensure that the design and implementation of REDD+ actions through the National REDD+ Strategy (NRS) and Emission Reduction (ER) programs are in consistency with the country's obligations under relevant international conventions and agreements.** These mandates and procedures have been implemented in the reporting period, and to ensure that the Nepal LEAF ER Programme is designed and implemented in consistency with Nepal's international commitments.

**The relevant institutional mandates** in place during the reporting period are as follows:

- MoFE's **dedicated division for climate change, the Climate Change Management Division (CCMD)**, was formed in 2018, and is responsible for coordination of all climate change policies and programs, including their alignment with international obligations. The Division functions as a central nodal agency on climate change, leading the formulation of climate change-related policies, plans, and programs, implementing them in coordination with government and non-government organizations, and monitoring their implementation. It also works as a focal point for the UNFCCC, including fulfilling international reporting requirements.
- MoFE's dedicated **Environment and Biodiversity Division** is the focal point for the CBD (one of the key international conventions listed above as relevant for REDD+). This Division also implements national laws related to biodiversity and prepares Nepal's NBSAPs and National Reports to the CBD.
- As detailed under the A1 process indicator, as per the NRS (2018), Forest Act, (2019) (Sec. 44 and 45), and Forest Regulations (2022) (Rule 107-117), **the MoFE, REDD IC, provincial forest ministries, DFOs, and CBFM groups** are the main mandated agencies for the design and implementation of REDD+ actions, including ensuring their alignment with international commitments.

The TREES Registration Document also set out the **procedures and processes** that ensure that the NRS, REDD+ activities and ER programs have been developed and implemented in consistency with the relevant legal framework, policies and strategies:

- As described under the A1 process indicator, **the NRS was developed during 2014-2018 by the MOFE in line with the country's needs for managing forests and**

## CANCUN SAFEGUARD A

**biodiversity as well as its commitments to international conventions.** It was developed and finalised through an extensive multi-stakeholder consultative process<sup>31</sup> and informed by a set of studies (including on drivers of deforestation and degradation, the SESA for the FCPF ER program, and a review of the legal framework). Following consultations, a second draft was reviewed by a Technical Committee and laid the foundation for the final Strategy (2018). The NRS (2018) also emphasizes that it will be implemented through stakeholder consultations in line with FPIC as per relevant national and international decisions, including UNFCCC, UNDRIP, ILO 169, CBD, Nagoya Protocol on Access and Benefit Sharing, among others. This is further aligned with Nepal's Good Governance Act (2008), which requires government agencies to ensure human rights, rule of law, gender equality, social inclusion, good governance, anti-corruption, impartiality, power devolution and community participation in program design and implementation, and the Forest Regulations (2022), Rule 107, which calls for a participatory process for ER programs to develop and implement benefit sharing plans, in line with the Cancun Safeguards.

- The **review and revision of the NRS during 2024-2025** incorporated analysis of the NRS implementation status, updated analysis of drivers, policies, laws and regulations, and international frameworks, and adjustments to ensure its ongoing alignment with the national forest context and international commitments. This process has been facilitated through consultations with stakeholders held at federal and provincial levels in 2024, involving around 270 participants total (please see outcome indicator below for more information).
- The **actions of the NRS (2018) and updated NRS (2025)** prioritize CBFM as among the main pillars for effective sustainable forest management in Nepal, contributing to both carbon and non-carbon benefits, and acknowledged in agreements such as Agenda 21, the International Agreement on Forests and the Paris Agreement. Actions on forest fire management, restoration, assisted natural regeneration, and grazing management will help achieve the global forest goal 1 and associated targets of the United Nations Strategic Plan for Forests (UNSPF, 2017-2030).<sup>32</sup> NRS actions on human-wildlife conflict management and protected areas will also help achieve the objectives of CITES and the CBD.
- The **Community Forest Guideline** (2014<sup>33</sup> and now 2025<sup>34</sup>) has also defined a highly participatory and more inclusive process for the formulation and implementation of CFUG Forest Management Plans, which has established community governance,

<sup>31</sup> MoFE. (2018). National REDD+ Strategy (2018-2022), Page 3, <https://faolex.fao.org/docs/pdf/nep180004.pdf>

<sup>32</sup> [https://www.un.org/esa/forests/wp-content/uploads/2017/09/UNSPF-Briefing\\_Note.pdf](https://www.un.org/esa/forests/wp-content/uploads/2017/09/UNSPF-Briefing_Note.pdf)

<sup>33</sup> [https://drive.google.com/file/d/1X5Wt\\_JGnoz7T-MmM7rnJOc1EREN1gMYe/view?usp=drive\\_link](https://drive.google.com/file/d/1X5Wt_JGnoz7T-MmM7rnJOc1EREN1gMYe/view?usp=drive_link)

<sup>34</sup> <https://mofe.gov.np/content/199/guide-of-community-war--2081/>

## CANCUN SAFEGUARD A

grassroots democracy, gender equality and social inclusion at the community level. In turn, this has promoted the application of ratified relevant international conventions and agreements.

- **Free, Prior and Informed Consent (FPIC)**, especially from the Indigenous Peoples that may be affected by the REDD+ actions, is required under various international conventions and agreements, including the UNFCCC, CBD, Paris Agreement, UNDRIP, and ILO 169, as well as in Nepal's domestic legal framework (including the Forest Policy (2019)). Although outside of the reporting period, National Guidelines on FPIC for REDD+ were developed in 2024 as recommended by the NRS and are being piloted in the Nepal LEAF ER Programme area, thus influencing the further development of the Program and its BSP.
- In terms of **key commitments under the UNFCCC**, Nepal developed and submitted its revised 2nd NDC in 2020 and 3rd NDC in 2025, which clearly mentions the role of REDD+ in achieving the targeted contribution (see Theme A1 above). Nepal also developed and submitted its Third National Communication to the UNFCCC (2021), which refers to the role of REDD+ in reducing emissions in the country. Nepal's first Biennial Transparency Report (BTR)<sup>35</sup> and first Summary of Information were also submitted to the UNFCCC in 2025.
- **ER programs also identify international conventions and agreements of relevance and are designed in alignment with international commitments.** The FCPF ER Program (which overlaps with the LEAF Program jurisdiction) identified a list of relevant international conventions in its ERPD, and its interventions were designed to support relevant provisions of international agreements. For instance, the 7th intervention on improvement of protected area management helps to achieve the objectives of the CBD, while the Program's focus on sustainable forest management and expansion of CBFM support the forest sector targets of Nepal's second and third NDCs. The Environmental and Social Management Framework (ESMF)<sup>36</sup> and BSP<sup>37</sup> were developed in line with the FCPF Methodological Framework<sup>38</sup>, World Bank's Environmental and Social Policies, and international conventions and agreements for the REDD+ including the Cancun Safeguards.

---

<sup>35</sup> [https://unfccc.int/sites/default/files/resource/Nepal\\_First\\_BTR.pdf](https://unfccc.int/sites/default/files/resource/Nepal_First_BTR.pdf)

<sup>36</sup>

[https://www.forestcarbonpartnership.org/system/files/documents/Nepal%20ESMF%20Advanced%20Draft%20June%2016-2018\\_0.pdf](https://www.forestcarbonpartnership.org/system/files/documents/Nepal%20ESMF%20Advanced%20Draft%20June%2016-2018_0.pdf)

<sup>37</sup>

[https://www.forestcarbonpartnership.org/sites/default/files/documents/revised\\_bsp\\_nepal\\_03\\_june\\_2023\\_clean\\_version\\_0.pdf](https://www.forestcarbonpartnership.org/sites/default/files/documents/revised_bsp_nepal_03_june_2023_clean_version_0.pdf)

<sup>38</sup>

[https://www.forestcarbonpartnership.org/system/files/documents/fcpf\\_carbon\\_fund\\_methodological\\_framework\\_revised\\_2020\\_final\\_posted.pdf](https://www.forestcarbonpartnership.org/system/files/documents/fcpf_carbon_fund_methodological_framework_revised_2020_final_posted.pdf)

## CANCUN SAFEGUARD A

- In the case of **the Nepal LEAF ER Programme**, the interventions set out in the implementation plan (see section 15) are aligned with the NRS, which is in turn supportive of Nepal's international obligations. For example, like the NRS, the Program focuses on sustainable forest management through CBFM regimes, and the DFOs' annual work plans and activities are a key implementation mechanisms – these plans are prepared and implemented to be consistent with national forest policies and plans, which are in turn consistent with and supportive of Nepal's international commitments.

**OUTCOME INDICATOR:** Design and implementation of REDD+ actions have been consistent with or have complemented the objectives of identified, ratified, and relevant international conventions and agreements.

Describe how this indicator is met.

REDD+ interventions in Nepal to date have been designed and implemented in consistency with relevant international conventions and agreements, in line with Nepal's Treaty Act (1990), through both the National REDD+ Strategy and ER programs. Nepal presented some initial information and a plan for conformance with the A2 outcome indicator in the TREES Registration Document, which is updated here for the period 2022-2023 and to reflect recent developments.

Nepal will achieve and demonstrate conformance with the A2 outcome indicator through the following **expected results**:

- International conventions, treaties, and policies relevant to REDD+ are identified, in order to ensure that REDD+ actions are consistent with them.
- Appropriate measures and procedures are taken to ensure that the National REDD+ Strategy and ER programs comply and align with the relevant international conventions, treaties, and legal instruments.
- Design and implementation of the National REDD+ Strategy and ER programs support the objectives of the identified international conventions and treaties, including alignment with international and national policies on gender equality.

Although full information to report on outcomes is not yet available, **results demonstrated and activities already conducted** towards achieving conformance with the A2 outcome indicator include the following:

**International conventions, treaties, and policies relevant to REDD+ are identified:** The international conventions, treaties, policies and legal instruments relevant to REDD+ in Nepal have been identified through the NRS (2018), updated NRS (2025) and FCPF ERPD (2018), and summarised in the country's first Summary of Information (2025). These are also listed above in the A2 process indicator.

## **CANCUN SAFEGUARD A**

### **Measures and procedures have been implemented to ensure that the NRS and ER programs comply and align with the relevant international conventions and legal instruments:**

- The CCMD as focal point for the UNFCCC has played a role in coordination of all climate change policies and programs since 2018, including their alignment with international obligations. The MoFE Environment and Biodiversity Division is the focal point for the CBD, implements national laws related to biodiversity and prepares Nepal's NBSAPs and National Reports to the CBD.
- Nepal submitted its revised NDC in 2020 and submitted its Third National Communication to the UNFCCC in 2021, both of which refer to the role of REDD+ in reducing emissions. Its NDC 3.0 and BTR were submitted to UNFCCC in 2025.
- The design of the NRS (2018, 2025), specifically its objectives and actions, is consistent with key international conventions and treaties, and their associated national policies where relevant, such as the Nationally Determined Contributions (NDCs), and the National Biodiversity Strategy and Action Plan (NBSAP) (2014) for the CBD, and in line with the requirements of the Nepal Treaty Act (1990) and National Forest Policy (2019). In 2024-2025, the NRS was reviewed and updated to 2025-2034, reflecting changes in international policy and national forest governance and legal frameworks.
- Nepal's NRS (2018) was formulated by MoFE and approved in line with the country's needs as well as its commitments to international conventions. Review of NRS (2018) by an expert team through sub-national and national consultation and validated the findings at national consultation, and NRS (2025) prepared by applying the same procedure. Consultation processes were conducted for the development of the NRS (2018) during 2014-2018 and its revision during 2024-2025 at multiple levels to ensure its alignment with the national and international context; consultations on the updated NRS were held with stakeholders at federal and provincial levels in 2024, with around 270 participants total.
- The REDD+ actions under the FCPF ER Program were designed considering the relevant provision of the international agreements, such as improvement of the management of existing Protected Areas, in line with objectives of the CBD. The FCPF ERPD was endorsed in a NRSC meeting in April 2018, following integration of comments received from the Technical Advisory Panel (TAP).
- The REDD+ interventions for Nepal LEAF ER Programme are based on those of the NRS (2018, 2025). The NRS (2018, 2025) have also been designed to be consistent with and complement the objectives of relevant international conventions and agreements.
- DFO annual work plans and activities are a key element for REDD+ implementation, including in the LEAF jurisdiction; these are prepared and implemented with consideration of emissions reductions and removals and the objectives of relevant international conventions and agreements. Revision of the REDD+ actions in Nepal

## CANCUN SAFEGUARD A

LEAF ER Programme areas has been done by DFOs and CBFM groups during the annual planning exercise in July 2025 based on updated NRS (2025).

- The FPIC process and the practices of CBFM have supported maintaining consistency or complementing the objectives of relevant international conventions and agreements. FPIC is an integral part of ILO 169, CBD 1992, and UNDRIP 2007, and the concept of FPIC is internalized in the domestic law of the forest and environment sector in Nepal. As per Rule 107(6) of Forest Regulation (2022) and Action 11.2 of NRS (2018), FPIC before carbon trading from the forest-based ER program is legally binding. MoFE has approved the Guidelines on FPIC for REDD+ in 2024 and is implementing it in the Nepal LEAF ER Programme area. This process has supported maintaining consistency or complementing the provisions of ILO 169, UNDRIP 2007, and the Cancun Safeguards.
- REDD IC has coordinated to organize FPIC consultation meetings with the Indigenous Peoples and Local Communities (IPs and LCs), including the representatives of CFUGs and other CBFM groups in three provinces of the Nepal LEAF ER Programme areas in during 2024-2025 with the technical support from RECOFTC Nepal. Two national level, 12 provincial level, and 36 district level consultations and FPIC meetings were, with a total of 1,519 participants participated at the different levels FPIC consultation process (43% were female, and 40% were from Indigenous Peoples). The 36 district-level consent consultation meetings provided initial consent to participate in the Nepal LEAF ER Programme at the jurisdictional level. More detailed information is available in the FPIC consultation report<sup>39</sup> and under the B4 and D2 outcome indicators.
- Nepal's international commitments to promote gender equality are also highlighted in its REDD+ safeguards framework. Gender and social inclusion integrated in CBFM regulations and procedures and a GESI Strategy prepared for forest sector in 2008 (though not updated since). A gender assessment and GAP prepared for the FCPF ERP in 2017, and some gender related information and actions included in the NRS (2025). Institutionalisation of GESI has advanced through the CBFM regime (see section below).

**Design and implementation of the NRS and ER programs have supported the objectives of the identified international conventions and treaties, including international and national policies on gender equality:**

- More than 12,000 CFUGs (Bagmati 4,490, Gandaki 3,951, and Lumbini 4,037) and 9 Collaborative Forest Users Groups are actively engaging in CBFM activities in the LEAF Program area, and REDD+ actions are integrated into their forest management plans. More than 1.1 million ha (Bagmati 400,904 ha, Gandaki 277,583 ha, and

## CANCUN SAFEGUARD A

Lumbini 429,425 ha.) of forest area in the Nepal LEAF ER Programme area is under community management. This has widely contributed to enhancing the community access and ownership over the forestland, forest resource, and benefits of REDD+ actions in line with commitments of relevant international instruments, which are ratified/accessioned in Nepal.

- As per a legally binding provision for the equal representation of women in the Executive Committee of CFUGs, more than 24,000 women are directly engaging in the key decision-making process of REDD+ actions at the community level. According to the draft data compiled for the SIS, 34 DFOs in the three Nepal LEAF ER Programme provinces reported that for last three years (2022-2024), REDD+ actions of the approved forest management plans of the CBFM Groups are in line with international and national policies on gender equality, and the programs integrate key provisions for gender equality such as equal representation of women in the decision-making bodies of CFUGs and equitable sharing of benefits generated from community forests. All DFOs in the provinces have also reported that all CFUGs in their districts have gender equality provisions integrated into their by-laws and forest management plans.
- Nepal's forestry and REDD+ activities have also supported meeting its commitments under its NBSAP (2014-2020) and the CBD. More information on the contribution of REDD+ actions to biodiversity conservation and sustainable use is provided under Theme E3. For example, this includes that the country has gazetted 11 Forest Conservation Areas located outside of Protected Areas, covering 194,155 ha of forests, with the last one was declared on 16 June 2022<sup>40</sup>, and out of them, 7 Forest Conservation Areas are located in the Nepal LEAF ER Programme area. The CBFM regimes have also contributed to the conservation of natural forest and other natural ecosystem areas, biodiversity, and ecosystem services.

### Update on plan for conformance

**Planned and ongoing activities** to further achieve conformance with outcome indicator include the following:

- The cross-sector and multi-stakeholder consultation process on the Nepal LEAF ER Programme is ongoing at multiple levels, including consultations for raising awareness and seeking feedback at local level in 100 LGAs/municipalities in 2025 and planned in another 42 LGAs/municipalities in 2026 (see Theme D2 for more information).
- Endorsement or approval of the Nepal LEAF ER Programme (e.g. of the TRD and TMR) will be done by the Secretary of MoFE, expected in Q1 2026, and the ERPA signed by the Ministry of Finance.
- Monitoring and evaluation of the LEAF Program will also be conducted to ensure its ongoing consistency with national priorities and international commitments, through

<sup>40</sup> <https://mof.gov.np/content/281/economic-survey-2023-24/>

## CANCUN SAFEGUARD A

the preparation of TREES Monitoring Report, but also through regular monitoring processes. Annual review of forestry activities and REDD+ actions will be conducted by Provincial Forest Directorates, e.g. through regular annual review processes described above. The next scheduled annual review workshops in the three LEAF provinces will take place in mid 2026. A national annual review workshop on the Nepal LEAF ER Programme is also planned to be held by REDD IC in 2026.

- The mid-term review of NRS (2025) will be conducted in 2030. An updated Monitoring and Evaluation Framework will be implemented to track the results of the Strategy and ensure its alignment with national priorities and international commitments and is given in Annex 5 of the NRS (2025).
- Strengthened monitoring of the contribution of REDD+ to the identified international conventions and treaties, including through the preparation of Nepal's first Summary (submitted in 2025) and now the update of the SIS (to be completed in 2026); this will include compiling information on updated/revised national policies associated with conventions (e.g. NBSAP, NDC), and information from national reports to conventions, from the review of the NRS, on progress made on key international objectives.

### Monitoring and reporting

Monitoring of the expected results and activities for the conformance with A2 indicator outcome will occur through Nepal's SIS, as well as through relevant review processes and reports.

Nepal's SIS will provide:

- An overview of the key international conventions, treaties and policies considered relevant for REDD+, as well as the objectives of NRS and ERPs and how they align with the identified conventions.
- Information on the measures and procedures taken to ensure that the NRS and ERPs comply and align with key international conventions and treaties.
- Information on the alignment between NRS and ERP actions and key international conventions and treaties, and/or the national policies associated with them.
- Information on how the NRS and ERPs have contributed towards achieving the objectives of key identified international treaties and conventions.

The following SIS indicators along with the expected data sources will provide "respect" or outcome level information relevant to this outcome indicator:

- A3.2 Appropriate measures are taken to ensure compliance of the REDD+ Strategy and programs with the international conventions, treaties, and relevant legal instruments.
  - Procedures used for the development and review of NRS and ER programs to ensure alignment, such as legal reviews, integration of stakeholder feedback, and review and endorsement of relevant committees (e.g., NRSC)

## CANCUN SAFEGUARD A

- Alignment across NRS actions and ERP actions with key international treaties/conventions and/or associated national policies
- *Data sources: NRS (2018); NRS (2025); FCPF ERPD; LEAF Program Implementation Plan; NRSC meeting minutes; key national policies linked to conventions (e.g., NDC, NBSAP, Forest Sector GESI Strategy)*
- A3.3 The REDD+ Strategy and programs comply with and support the objectives of the international conventions, treaties, and relevant legal instruments.
  - Information on how NRS and ERPs have contributed to the objectives of the key identified treaties/conventions/national policies (e.g., contribution of REDD+ results to NDC targets, NBSAP targets/actions etc.)
  - *Data sources: REDD+ results reported to UNFCCC (e.g., BUR TA, BTR); national reports to conventions (e.g., NR to CBD, UNCCD reports, VNRs); MOFE statistics; NRS and other policy review report; ERP reports (e.g., ERMRs)*
- A3.4 In line with International and national policies on gender equality, the REDD+ Strategy, programs, and forestry plans integrate key provisions for gender equality.
  - Procedures used for the development and review of NRS and ER programs to ensure alignment, such as legal reviews, integration of stakeholder feedback, and review and endorsement of relevant committees (e.g. NRSC).
  - Alignment across NRS actions and ERP actions with key international treaties/conventions and/or associated national policies
  - *Data sources: NRS (2018); NRS (2025); FCPF ERPD; LEAF Program Implementation Plan; NRSC meeting minutes; key national policies linked to conventions (e.g. NDC, NBSAP, Forest Sector GESI Strategy)*

### Timeline for monitoring

- Nepal's 1<sup>st</sup> Summary of Information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.
- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three Nepal LEAF ER Programme provinces (including 34 DFOs) and at national level. This first update of the SIS is expected to be finished by the end of 2026 (although not all indicators will have complete data yet).
- The SIS is expected to be updated regularly (e.g. every 2 years) through a process involving: DFOs, Province Forest Directorates, REDD IC, and compilation of data from available reports.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in

## CANCUN SAFEGUARD A

the next TREES Monitoring Report (in line with the TREES requirement, i.e., within 5 years of Nepal joining ART-TREES, in 2027).

### Responsibilities

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards, and the regular monitoring and review of the NRS and ER programs.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+.
- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.

## CANCUN SAFEGUARD B

**THEME B.1** Respect, protect, and fulfill the right of access to information

**STRUCTURAL INDICATOR:** Participants have in place a legal framework, policies and/or programs for accessing information related to REDD+ actions in accordance with international human rights standards, and these are anchored in relevant ratified international conventions/agreements and/or domestic and if applicable, subnational, legal framework.

Describe how this indicator is met.

Nepal's **legal framework and related obligations under international conventions and agreements set out provisions for access to information, including in the context of REDD+**. This framework, as described in the TREES Registration Document, was in place during the reporting period:

- Nepal ratified the **United Nations Declaration on Human Rights (1948) and the International Covenant on Civil and Political Rights (ICCPR) (1966) in 1991**; the ICCPR is the main treaty affirming the right to access information, with Article 19 covering the freedom to seek, receive, and impart information.
- Nepal **constitutionally recognizes the right to information as a fundamental right** of the citizens, in the 1990 Constitution promulgated after the restoration of multiparty democracy in the country and in the 2015 Constitution, which guarantees rights to freedom of speech (Art. 17(2)(a)), rights to communication (Art. 19), and rights to access to information (Art. 27)., stating that "every citizen shall have the right to demand and receive information on any matter of his or her interest or of public interest." The state is responsible for enforcing these fundamental rights through the formulation of legal instruments.

## CANCUN SAFEGUARD B

- Under the **Right to Information Act (2007)**<sup>41</sup>, information is defined as “any written document, material, or information related to the functions, proceedings thereof or decision of public importance made by a Public Body”. The right to information is described as the right to ask for and obtain information of public importance held in the Public Bodies. The Act also sets out the responsibilities of Public Bodies, and includes protections for whistleblowing (Clause 29), stating that whistleblowing is not only a right, but an obligation of public servants. The recipient of such information must protect the whistleblower’s identity, and the whistleblower should not suffer any detriment for revealing information. Further information on relevant procedures under the Act is provided under the B1 process indicator.
- The **Good Governance (Management and Operation) Act (2008)**<sup>42</sup> integrates rights to information and gives responsibilities to the government authorities to maintain good governance, including transparency, while carrying out programmatic or administrative functions (Sec 6). “It shall be the duty of the concerned authority to carry out administrative functions of the country pursuant to this Act or other prevailing laws, in a speedy manner, to maintain good governance and make available its outcomes to the people in time” (Sec. 8). The Act also requires that the chief officeholder at all levels involved in delivery of service shall conduct public hearings as prescribed, to make the activities of the office fair and transparent, and address the lawful concerns of general people and stakeholders (Sec. 30). All these mechanisms under this act create enabling environment to provide relevant information to the public and stakeholders in timely manner.
- One of the objectives of **the Forest Policy (2019)** is to improve the governance of the forestry sector and to ensure equitable distribution of benefits received (Objective 10), and one of the strategic actions of the policy is to provide effective services [governance] by maintaining transparency, accountability, and fairness in all the forest sector institutions (policy 8.8.4). The **Forestry Sector Strategy (2016-2025)** includes strategic guidance for (i) Conducive policy process and operational environment, (ii) Responsive and transparent organizations and partnerships, and (iii) Improved governance and effective service delivery.
- The **National Climate Change Policy (2019)** states that livelihoods will be facilitated by mainstreaming good governance and gender equality and social inclusion (GESI) into formulation of policies, institutional framework and implementation of programs related to climate (Section 8 on Sectoral Policy, Strategies and Working Policies, subsection 8.9 on Gender Equality and Social Inclusion, Livelihoods and Good Governance).
- **The Community Forest Guideline (2014, now updated in 2025)**<sup>43</sup> states that the participation of all social groups including Indigenous Peoples, women, Dalits and the

<sup>41</sup> [https://nic.gov.np/files/new\\_files/rti-act-2007.pdf](https://nic.gov.np/files/new_files/rti-act-2007.pdf)

<sup>42</sup> <https://faolex.fao.org/docs/pdf/nep137755.pdf>

<sup>43</sup> <https://www.MoFE.gov.np/uploads/documents/margh-darshan1526380108pdf-1199-228-1658810385.pdf> (Nepali version); <https://drive.google.com/file/d/13ZMz-EGYukBIVaVbv9puHFouUAW->

## CANCUN SAFEGUARD B

poor (section 2.1) needs to be ensured during preparation of the constitution and operational plan, and every household should be informed while delineating the forest area and identifying user households/members (Sec. 2.2).

- A recently developed policy is the **Integrated Strategic Plan of the National Forest (2025-2043)**<sup>44</sup>; although outside the reporting period, it is relevant for ongoing transparency and accountability of forestry and REDD+ activities, with Objective 3.3: Promoting good governance in the forestry sector for effective service delivery; and Strategy 6.2: Delivering effective services to the general public by maintaining transparency, accountability, and impartiality in the forest sector.

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures, and resources for accessing information related to REDD+ actions in line with relevant ratified international conventions and agreements and/or domestic and if applicable, subnational, legal framework, policies, and programs for accessing information.

Describe how this indicator is met.

As described in the TREES Registration Document, Nepal has in place **the relevant mandates and procedures to support access to information related to REDD+ actions**. These mandates and procedures have been implemented in the reporting period, as well as in relation to sharing information about the new elements of the LEAF ER Program.

**The key institutional mandates and procedures related to general information sharing** in place during the reporting period are as follows:

- The Right to Information Act (2007) provides for the establishment of an independent **National Information Commission** to protect, promote, and practice the right to information. The Act provides the Functions, Duties, and Powers of the Commission and these include: (a) To observe and study the records and documents of public importance held in Public Bodies, (b) To issue order to such Bodies to enlist and manage the records, documents and other materials containing the information (c) To issue order to the concerned Public Body to make information public for citizen's notification, (d) To prescribe timeframe and order a concerned Public Body to provide information demanded by an applicant within such time-frame, (e) To order the concerned party to fulfill the liability as mentioned in the Act, (f) To provide necessary suggestions and recommendations to the GoNI and other bodies related to information and communications regarding the protection and promotion of the right to information, and (g) To issue other appropriate orders regarding the protection, promotion and exercise of

---

[iT0U/view?usp=drive\\_link](#) (Previous English version);  
[https://giwmscdnone.gov.np/media/pdf\\_upload/Community%20Forestry%20Guidelines%2C%202081\\_pe\\_wtejz.pdf](https://giwmscdnone.gov.np/media/pdf_upload/Community%20Forestry%20Guidelines%2C%202081_pe_wtejz.pdf)

<sup>44</sup> [https://drive.google.com/file/d/1tjkkKSR5tByiM4IVUiQGQfFajEhEYSua/view?usp=drive\\_link](https://drive.google.com/file/d/1tjkkKSR5tByiM4IVUiQGQfFajEhEYSua/view?usp=drive_link)

## CANCUN SAFEGUARD B

the right to information (Sec 19). The Commission has the power to punish the Chief or Information Officer of a public Body and recommend departmental action if it finds that they held back information without a valid reason, refused to provide information, provided partial or wrong information, or destroyed information (Sec. 32). The Commission secretary is responsible for its administrative procedures.

- To implement the Act, the GoN has prepared and approved the **Right to Information Rules (2009)**. This document provides the procedures for obtaining relevant information from public institutions and cover various aspects of the Act, including application fees, fees for providing information, exemption from payment of fees, mode of payment of fees, appointment of the Secretary to the National Information Commission, and how to appeal to the Commission (see above).
- The Right to Information Act (2007) requires that **each Public Body, including REDD+ governing institutions (Ministries, REDD IC, Departments, Provincial Ministries, Divisional Forest Offices, etc.)**, must respect and protect the right to information of citizens. Public Bodies shall have the following responsibilities: (a) to classify and update information and make it public, publish and broadcast, (b) to make access to information simple and easy, (c) to conduct their functions openly and transparently, and (d) to provide appropriate training and orientation to their staff members. A Public Body may use different national languages and mass media while publishing, broadcasting or making information public (Clause 4 of the Act).
- A **Public Body shall also assign an Information Officer** for the purpose of disseminating information held in its office (Clause 6 (1) of the Act), and a Public Body shall also set up an Information Section for the purpose of disseminating information as per necessity (Clause 6 (3)). The Information Officers proactively provide relevant information online about development programs, their implementation status, budget allocation and fund disbursement, updating it periodically, under the provision of Clause 5 of the Right to Information Act (2007), and Rule 3 of the Right to Information Rules (2009). Every government office also has a **designated nodal officer and a gender focal point** to deliver information to the public. Along with the Information Officers, their contact details (email, phone number, etc) are displayed on notice boards and on the website (ministry website, website of the department, etc). There is also a hotline number available on each website, and every government office has a Complaints box. Every government agency also puts a citizen charter in place to share information on their work in their project areas.
- A **Public Body shall publish the following information**: (a) structure and nature of the Body, (b) functions, duties, and powers of the Body, (c) number of employees and working details of the Body, (d) service to be rendered by the Body, (e) branch and responsible officer of the service-providing Body, (f) fee and time limit required for services, (g) decision making process and authority, (h) authority to hear appeal against decisions, (i) description of functions performed, (j) name and designation of Chief and Information Officer, (k) list of Acts, Rules, Bylaws or Guidelines, (l) updated description of

## CANCUN SAFEGUARD B

income, expenditures and financial transactions, and (m) other particulars as prescribed every three months (Clauses 5-3 and 4 of the Act).

- The Act also provides the **right to complain about failure of Information Officers** to meet their obligations (Clause 9-1). If the Information Officer does not provide information, denies providing information, only partially provides information, provides wrong information or does not provide information by stating that the applicant is not a stakeholder, the concerned person shall make a complaint to the Chief of the concerned Public Body within seven days from the date when information was denied or partial information received.
- According to Section 25 of the Act (2007), the Commission should submit **an annual report** to the Federal Parliament through the Prime Minister. According to this arrangement, the Commission has been submitting the report since its inception, which is also shared on the Commission's website ([www.nic.gov.np](http://www.nic.gov.np)) for the information of the general public.

In line with the above, **REDD+ governing institutions (Ministries, REDD IC, Departments, Provincial ministries, Divisional Forest Offices) have developed and implemented procedures and mechanisms to provide relevant information related to REDD+** in the reporting period, as per the Right to Information (RTI) Act (2007), and Rules (2009). These include:

- The general public and the affected communities can seek and receive official information on REDD+ actions by exercising the provisions of the RTI Act (2007) and Rules (2009).
- The Planning, Monitoring and Coordination Division of the MoFE submits periodic and annual progress reports on the work of the Ministry and its departments, centers, committees, institutions, funds, companies, and projects to the Office of the Prime Minister and Council of Ministers, the National Planning Commission, and other designated bodies. The MoFE website (<https://mofe.gov.np/>) publishes the annual report of the MoFE, which covers all the activities of the MoFE, including progress on REDD+ actions.
- The REDD IC website (<http://www.redd.gov.np/>) provides information on the Centre's functions and the REDD+ related activities, and the website <https://redd.gov.np/page/pro-active-disclosure/> proactively discloses further financial and other information (such as REDD+ budget and annual activities). REDD IC also set up an email address ([info@redd.gov.np](mailto:info@redd.gov.np)) and a contact form for any REDD+ stakeholder to use or demand the relevant information.
- Information on the forestry sector can be found on the National Forest Information System (NFIS)<sup>45</sup>, an online portal has been established to provide a wide range of information on forests.

<sup>45</sup> <http://nfis.redd.gov.np/nfis>

## CANCUN SAFEGUARD B

- REDD IC has published briefing papers on the LEAF Coalition and the LEAF ER Program (TRD) in the Nepali language and distributed such extension materials in the program areas through DFOs and the networks of IPs and LCs. The main summary of the briefing papers (in Nepali Language) is published in the REDD IC Annual Report 2024.<sup>46</sup>
- REDD IC has developed a poster on FPIC in the Nepali language in 2024 with the support of RECOFTC Nepal, and it has been used during the FPIC consultation process.<sup>47</sup>
- REDD IC has also established the SIS online portal to provide information on how the safeguards for REDD+ are addressed and respected in the country, using the national Principles, Criteria, and Indicators (PCI). The website (<http://sis.redd.gov.np/sis/plr>) is available in English and Nepali and is currently undergoing updates (expected to be completed in 2026).
- REDD+ Desks, which are led by the government at provincial and division/district levels, provide information to the CBFM groups, Indigenous Peoples, local communities, and the relevant stakeholders through notice boards, radio, public hearings, DFSCC meetings, and other means.
- Different forms of stakeholder consultations, including FPIC processes, are conducted in the design, implementation and monitoring and evaluation phases of REDD+ programs, and facilitate dialogue and exchange of information. The FPIC Guidelines for REDD+ (2024) aims to provide relevant information and seek consent, particularly from Indigenous Peoples and local communities that may be affected by REDD+ programs. The REDD IC is implementing the FPIC Guidelines in the LEAF ER Program area with the support of RECOFTC Nepal and other organizations. The Guidelines have designed three phases of FPIC for REDD+ initiatives, including preparing and sharing an “information package” and communicating about the program/project and the proposed FPIC process to the rights holders and stakeholders before starting consultations. It also provides recommendations on information sharing, such as that information shall be communicated in an accessible, clear, accurate, consistent, and transparent way and be conveyed in appropriate language and culturally appropriate formats (for example, radio, FM radio, video, graphics, documentaries, photographs, oral presentations, etc.). See the B1 outcome indicator below for more details on the implementation of the FPIC/consultation process during 2023-2025 (ongoing in 2026).
- REDD IC has developed a REDD+ Stakeholder Engagement and Communication Plan (2025) and is implementing it in the different phases of REDD+ design and implementation. REDD IC has also provided a platform for information sharing, including the meetings and other operations of the National REDD+ Steering Committee, National

<sup>46</sup> REDD IC. (2024), Annual Report (2023-2024) (Nepali version), pages 22-23.  
<https://redd.gov.np/post/annual-report-2080-81-4>

<sup>47</sup> <https://www.recoftc.org/projects/facilitate-and-conduct-consultations-under-un-redd-technical-assistance-nepal>

## CANCUN SAFEGUARD B

REDD+ Coordination Committee, REDD+ Multi-stakeholder Forum, REDD+ CSOs and IPOs Alliance, and the regular meetings with stakeholders organized by the REDD IC (The detailed information on stakeholder engagement mechanisms is explained in Safeguard D).

- As envisioned in the NRS (2018), the REDD+ Multi-stakeholder Forum coordinated by REDD IC, is one of the main platforms to disseminate all the REDD+ related information. REDD IC has shared the information on an annually planned REDD+ activities, including budget, NRS review and its implementation status, new NRS formulation process, safeguards related documents (e.g. Summary of Information, FPIC Guidelines, etc) and milestone documents for the LEAF ER Program in the regular meeting of the REDD+ Multi-stakeholder Forum. REDD IC has organized three meetings of the Forum in 2022 and one meeting in 2023.<sup>48</sup>
- Grievance Redress Mechanisms (GRMs) are other channels enabling stakeholders to obtain information in accessible languages or formats or submit grievances related to access to information. (Information on GRMs in Nepal is explained under Theme B4).

**OUTCOME INDICATOR:** The public has been aware of and exercised the right to seek and receive official information on REDD+ actions, as well as on how safeguards have been addressed and respected.

Describe how this indicator is met.

REDD+ interventions in Nepal to date have been designed and implemented considering Nepal's good governance mechanisms and people's rights to information, as ensured by the Constitution and Rights to Information laws. Nepal presented some initial information and a plan for conformance with the B1 outcome indicator in the TREES Registration Document, which is updated here for the period 2022-2023 and to reflect recent developments.

Nepal will achieve and demonstrate conformance with the B1 outcome indicator through the following **expected results**:

- Information on REDD+, including technical processes, financial and safeguards information, is shared with relevant stakeholders, particularly indigenous Peoples, *Dalits*, women, and local communities, through online and other means.
- Financial information related to the National REDD+ Strategy and ER programs is audited and made publicly available.
- Awareness-raising activities are conducted with stakeholders, including the participation of Indigenous Peoples, local communities, women, and *Dalits*
- Information on grievance redress mechanisms and procedures is available and disseminated to relevant stakeholders, using appropriate channels

<sup>48</sup> As reported in annual reports, e.g.:

[https://giwmscdnone.gov.np/media/pdf\\_upload/Annual\\_Report\\_2080\\_81\\_yi6uejx.pdf](https://giwmscdnone.gov.np/media/pdf_upload/Annual_Report_2080_81_yi6uejx.pdf)

## CANCUN SAFEGUARD B

Although full information to report on outcomes under this outcome indicator is not yet available, **results demonstrated, mechanisms established and activities already conducted** towards achieving conformance with the B1 outcome indicator include the following:

### **Technical, financial and safeguards information is shared with relevant stakeholders through online and other means:**

- The National Information Commission publishes annual reports<sup>49</sup> on the works performed by the commission and submits the report to the Parliament through the Prime Minister. The report includes an introduction of the Commission, legal arrangements on rights to information, status of appeals, and orders and punishments issued, major activities completed, the Commission's suggestions for effective implementation of the Right to Information Act, and other information as appropriate. The Commission also published reports<sup>50</sup> for the public and regularly disclosed various information on its work proactively as per the RTI Act (2007) in this reporting period.
- REDD+ governing institutions (ministries, REDD IC, Provincial ministries, Divisional Forest Offices) have developed mechanisms to provide relevant information related to forests and REDD+ programs as per the RTI Act (2007) and RTI Rules (2009). The Planning, Monitoring and Coordination Division of MoFE submits periodic and annual progress reports and publishes its annual reports on its website, with reports from the last five years available online.<sup>51</sup>
- REDD IC has also regularly published its annual reports on its website, which includes a section (<https://redd.gov.np/page/pro-active-disclosure/>) for proactively disclosing financial and other information (such as REDD+ budget and annual activities) as per the Right to Information Act (2007).
- The MoFE has provided information to the general public on request as per the RTI Act (2007), and the records are proactively published online every three months, which is a mandatory provision under the Act. REDD IC has also set up an email address (info@redd.gov.np) and a contact form for any REDD+ stakeholder to use or demand the relevant information. The table below, which is published in the quarterly report of the MoFE (January 2024), shows the information requests received, processed, and provided by the MoFE:<sup>52</sup>

<sup>49</sup> <https://nic.gov.np/category/annual-reports> (available only in Nepali language)

<sup>50</sup> <https://nic.gov.np/page/proactivedisclosurebaishakh-to-ashar> (available only in Nepali language)

<sup>51</sup> <https://mofe.gov.np/>

<sup>52</sup>

[https://giwmscdnone.gov.np/media/pdf\\_upload/Proactive%20Disclosure%20on%20RTI%20\(2080%20Kartik-Poush\)\\_bdoadok.pdf](https://giwmscdnone.gov.np/media/pdf_upload/Proactive%20Disclosure%20on%20RTI%20(2080%20Kartik-Poush)_bdoadok.pdf) (available only in Nepali language)

## CANCUN SAFEGUARD B

**Table 7.2 MoFE, Governance Improvement Section: Information requests submitted to MoFE**

Category	FY 2023/2024	Oct/Nov	Nov/Dec	Dec/Jan	Total
Information provided on requests received from different channels (medium) as per RTI Act, 2007	Telephone	33	54	43	130
	Email	4	5	6	15
	Letter	5	2	7	14
	In person	8	7	8	23
	Total	50	68	64	182

- According to the draft data compiled for the SIS from 34 DFOs in the three Nepal LEAF ER Program provinces, 20 DFOs reported a total of 2272 requests made by stakeholders on REDD+ (600, 974, and 16 in 2022, 2023 and 2024, respectively).
- According to the 2021 National Population and Housing Census, Nepal's overall literacy rate was 76.2% for people aged 5 and above.<sup>53</sup> In 2025, the majority of Nepal's population had access to some form of media, with radio and mobile phone access being near-universal, and digital television and internet access available to 72.0% and a majority of households, respectively, according to a 2025 report. Specifically, 96% of households have mobile phone access, with 51% of those also having internet at home.<sup>54</sup> The MoFE, REDD IC, REDD Desks in provinces, and DFOs have disseminated information related to forests and REDD+ actions to the public through these diverse communication channels.
- In terms of online information sharing, the websites of MoFE and REDD IC (listed in the process indicator above) were functional and accessible to the public during the reporting period, providing the NRS and other relevant REDD+ and forestry policies, strategies, legislative instruments, plans, and ER program documents and information. For the FCPF ER Program, information is being shared through relevant websites (e.g., REDD IC website, the FCPF website) as well as through regular monitoring reports, for instance the Program's first ERM was first published in November 2023, and final report made available on the FCPF website in December 2025.
- Although user statistics are not currently available, the updated website for REDD IC is expected to collect this information in the future.
- The SIS and NFIS websites were also operational during the reporting period. REDD IC established the SIS online portal in 2019 to provide information on how safeguards for REDD+ are addressed and respected in the country, using national Principles, Criteria, and Indicators (PCI). The 1st Summary of Information was shared with stakeholders through workshops and an online review process in 2024-2025, and submitted to the UNFCCC in 2025, where it is now available online as well as on the REDD IC website.

<sup>53</sup> <https://nsonepal.gov.np/content/13397/statistical-pocket-book---nepal-2024/>

<sup>54</sup> <https://mof.gov.np/content/281/economic-survey-2023-24/>

## CANCUN SAFEGUARD B

### **Awareness-raising activities are conducted with stakeholders, including the participation of Indigenous Peoples, local communities, women, and *Dalits*:**

- REDD IC organized a media dialogue in June 2023 to design the REDD+ information dissemination plan. A REDD+ Stakeholder Engagement and Communication Plan was prepared in 2024 (finalized in 2025) and REDD IC is implementing it in the different phases of REDD+ design and implementation in the LEAF ER Program area.
- National platforms for REDD+ coordination and information sharing include the National REDD+ Steering and Coordination Committees, the REDD+ Multi-stakeholder Forum, REDD+ CSOs and IPO Alliance, and regular multi-stakeholder meetings led by REDD IC. Consultations and meetings have been a key means to provide information and have taken place for the development of the NRS, for the FCPF ER Program, development of the safeguards Summary of Information and in preparation for the LEAF ER Program, among others. National guidance on FPIC for REDD+ has also created an enabling environment to seek and receive official information on REDD+ actions in this reporting period. More details on the consultations held for LEAF ER Program are included under safeguards C and D in this document.
- Divisional-level REDD+ structures, led by DFOs also shared information at community and CBFM group levels during the general assemblies of these groups. The CBFM groups themselves disseminated the information at community level during the general assemblies and public hearing. The DFOs have established a practice of public hearings to disseminate information, and have shared information on REDD+ actions through local FM radio, local television channels, and social media. According to the draft data compiled for the SIS, 34 DFOs in the three Nepal LEAF ER Program provinces report that during 2022- 2024 information on REDD+ activities, including forest sector activities, has been made available to CFUGs, other government agencies, local communities and other stakeholders through events, radio and websites. The 34 DFOs reported a total of 721 trainings/consultations/workshops conducted with relevant stakeholders (169, 236, and 316 respectively in years 2022, 2023 and 2024).
- In addition, 5,000 brochures introducing REDD+ were published and distributed by REDD IC in 2023. REDD IC developed a poster on FPIC in the Nepali language in 2024, with the help of RECOFTC Nepal, which has been used during the FPIC consultation process.
- FECOFUN and NEFIN have also regularly organized awareness and capacity-building activities on REDD+ targeting IPs and LCs at the community level with the support of REDD IC and various projects.
- Information sharing on the LEAF ER Program has included: a series of national, provincial and local level consultations, including for FPIC, during 2023-2025; a briefing paper on the LEAF Coalition and the LEAF ER Program in Nepali distributed in programs areas through DFOs and networks of IPs and LCs including CBFM Groups; an information package on the LEAF Program and key aspects such as safeguards, benefit sharing and potential impacts, was prepared and disseminated by RECOFTC as part of the FPIC and consultation process.

## **CANCUN SAFEGUARD B**

### **Information on grievance redress mechanisms is available and disseminated to relevant stakeholders:**

- Information on GRMs and other channels for feedback and complaints has been made available, including online (e.g., REDD IC and SIS feedback channels) and through the consultation process in the LEAF Program area (see Theme B4 process and outcome indicators for more detailed information).

### **Update on plan for conformance**

**Planned and ongoing activities** to further achieve conformance with the B1 outcome indicator include the following:

- Strengthening the accessibility and sharing of forest sector information, the NFIS will be updated (expected to be complete by end of 2026), further developing its functionality to provide relevant information at all levels of forest governance. These activities will be conducted jointly with FRTC.
- The Nepal SIS is currently undergoing updates to compile and share more safeguards information, including information collected from Nepal LEAF ER Program provinces and DFOs; this update is expected to be completed by the end of 2026. A grievance registry is being established as part of the SIS to provide information on grievance handling.
- The REDD+ GRM guidelines are expected to be finalized in mid-2026 and capacity building rolled out in 2026-2027 to disseminate the guidelines, train DFOs and others in their use, and strengthen the monitoring and centralized reporting of REDD+ related grievances.
- The TREES Registration Document and Monitoring Reports will be available online on the REDD IC website, as well as on the ART Registry.
- The stakeholder consultation process on the LEAF ER Program is ongoing at multiple levels, including consultations for awareness raising and seeking feedback at local level held in 100 LGAs/municipalities in 2025, and planned in another 42 local government areas/municipalities in 2026 (see Theme D2 for more information).
- Nepal's first Summary of Information on safeguards (2025) and new NRS (2025) are currently being translated into Nepali for wider dissemination to national stakeholders; this task is expected to be complete in Q1 2026.

### **Monitoring and reporting**

Monitoring of the activities and expected results for conformance with the B.1 outcome will occur through Nepal's SIS, as well as through relevant review processes and reports.

Nepal's SIS will provide:

## CANCUN SAFEGUARD B

- An overview of legal and policy framework guaranteeing the right to information including constitutional and information dissemination provisions, national laws and policies that ensure public access to information relevant to REDD actions and safeguards.
- Information on the types of REDD+ and safeguards-related information was made publicly available, such as NRS. REDD+ institutions and governance structures and grievance redress mechanisms.
- Information on procedures that enable the public to seek, request, and receive information

The following SIS indicators along with the expected data sources will provide “respect” or outcome level information relevant to this outcome indicator:

- B1.3 Adequate information on various aspects of REDD+ actions (technical, financial and safeguards) is provided to all relevant stakeholders and rights holders including Indigenous Peoples, Dalits, women, and local communities.
  - Information provided on REDD+ websites (e.g., information on safeguards and public availability of NRS and other relevant document such as ER program documents)
  - Evidence on stakeholders and rights holders' consultations and on FPIC and GRM information packages
  - Figures on the number of requests for the number of requests received and records of information provided
  - *Data sources: REDD+ institution websites; ERP websites; consultation reports; FPIC and GRM info packages; FPIC workshop reports, annual review meeting reports, MOEF, provincial ministries & DFOs data on info requests*
- B3.4 Financial information related to the REDD+ Strategy and programs at all levels, including community level, is duly audited, and made publicly available.
  - Information showing that major financial reports/ audit reports/quarterly disclosure of financial statements in the websites
  - Information on the provision of public hearing reports from registered auditors/auditor general office (for REDD+ relevant agencies down to divisional/local level) (e.g., online)
  - Evidence that NRS/REDD+ financial information is available through periodic reports and on demand
  - *Date sources: Websites or other evidence with relevant financial reports posted; sections of NRS, ERPDs, on budgets/financial management; FCPF website/reports; Public hearing/auditing reports*
- B4.2 Capacity development and awareness raising activities are conducted with stakeholders (with participation of 50% from Indigenous Peoples, local communities, women, and Dalits).

## CANCUN SAFEGUARD B

- Description/summary of capacity development conducted (e.g., training, extension, seminars)
  - Awareness raising activities (e.g., workshops, communications campaign, information packages) conducted with stakeholders at all levels
  - Number/percentage of participants receiving capacity/building/awareness raising, disaggregated by stakeholder type (incl. IPs, LCs, women, and Dalits) and by gender
  - *Data sources: ERMRS; review reports on key programs relevant to REDD+ and their capacity building activities; reports of training and capacity building, with attendance lists (disaggregated by stakeholder group, IP status, and gender)*
- B6.2 Information on the availability of grievance redress mechanisms and procedures is widely disseminated to all relevant stakeholders using appropriate channels.
    - Evidence of information sharing to stakeholders on GRM, including via FPIC process/information package, including in local languages
    - Publicly available information online and in govt offices on GRM procedures
    - Minutes for meetings with stakeholders in local constituencies on GRM
    - *Data source: Websites related to GRMs, GRM documents; consultation reports; FPIC information package; minutes for meetings communicating GRM to stakeholders*
- B1.2 Information on the roles, responsibilities and decision-making processes of REDD+ institutions and governance structures is publicly available, including information on stakeholders' engagement processes and procedures for Free, Prior and Informed Consent (FPIC).
    - Records of the information disclosure mechanisms in place for the NRS and ER programs, including communications channels, communication plans, and information packages created and shared by ER programs
    - Information on content provided on websites (such as REDD IC webpage, SIS, NFIS etc.)
    - Records on consultation workshops held and materials shared, etc. including languages used
    - *Data sources: NRS (2018); NRS (2025); NRS reviews reports; REDD+ monitoring reports/ERMRS*

### Timeline for monitoring

- Nepal's 1<sup>st</sup> Summary of information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.
- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three Nepal LEAF ER Programme

## CANCUN SAFEGUARD B

provinces (and 34 DFOs) and at national level. This first update of the SIS is expected to be finished by the end of 2026 (although not all indicators will have complete data yet).

- The SIS is expected to be updated on a regular basis (e.g. every 2 years) through a process involving: DFOs, Province Forest Directorates, REDD IC, FECOFUN, NEFIN, and compilation of data from available reports.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in the next TREES Monitoring Report (in line with the TREES requirement, i.e., within 5 years of Nepal joining ART-TREES, in 2027).

### Responsibilities

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards and the regular monitoring and review of the NRS and ER programs.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+.
- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level and CBFM groups.

**THEME B.2** Promote transparency and prevention of corruption, including the promotion of anti-corruption measures

**STRUCTURAL INDICATOR:** Participants have in place anti-corruption measures and measures to promote transparency reflecting the principles of rule of law, proper management of public affairs and public property, integrity, transparency, and accountability, and these are anchored in relevant ratified international conventions/agreements and/or domestic and if applicable, subnational, legal framework.

Describe how this indicator is met.

The TREES Registration Document demonstrates that **Nepal's legal framework for the effective implementation of relevant ratified international conventions/agreements and domestic legislation on combating corruption and promoting transparency**. During the reporting period (2022-2023), the legal framework for anti-corruption measures and measures to promote transparency, reflecting the principles of the rule of law, proper management of public affairs and public property, integrity, transparency, and accountability, was in place and efforts were undertaken to ensure the effective implementation of these anti-corruption measures.

**Nepal's has been implementing its major international commitment for the prevention of corruption**, as reported in the TREES Registration Document and during the reporting period. As a party of the **United Nations Convention Against Corruption (UNCAC)**, which was ratified in February 2011. The GoN has taken various measures, including legislative,

## CANCUN SAFEGUARD B

administrative, and judicial measures identified in the NSAP for the implementation of the Convention. Various legislative provisions to fight against corruption in Nepal are detailed in the “Inputs of the Government of Nepal” on Preventive Measures to Implement the UNCAC.<sup>55</sup> After the ratification of UNCAC, several laws have been amended, and some new Acts have also been formulated in Nepal for the effective implementation of UNCAC.

The **Commission for the Investigation of Abuse of Authority (CIAA) developed a National Strategy and Action Plan (NSAP) (2014-2019)**<sup>56</sup> and domesticated it in the Commission for the Investigation of Abuse of Authority (CIAA) Act (1991) and Corruption Control Act (2002), for the effective implementation of the UNCAC. The CIAA and the Special Court (for the hearing of corruption cases) are the mandated agencies for the enforcement of UNCAC.

Nepal's overall actions for implementing the UNCAC are guided by its NSAP, which is coordinated by the OPMCM and overseen by a High-Level Committee. Key aspects of the NSAP include enacting and enforcing anti-corruption laws, fostering a competitive and accountable public sector, promoting transparency in government agencies, political parties and NGOs, strengthening anti-money laundering efforts, and enhancing public awareness through engagement with civil society. The OPMCM also publishes annual progress reports to monitor the implementation status of NSAP. The NSAP is regularly reviewed by the Office of the Prime Minister and Council of Ministers (OPMCM) as required. In 2022-2023, the government began updating the NSAP, but has not yet officially revised or replaced it.

The **domestic legal framework for the prevention of corruption and promotion of transparency and accountability, and rule of law** includes constitutional provisions along with a number of acts that have been developed and implemented to control corruption, as guided by the Constitution. These include the Commission for the Investigation of Abuse of Authority (CIAA) Act (1991); Prevention of Corruption Act (2002); Audit Act (2019); Public Procurement Act (2007); Good Governance (Management and Operation) Act (2008); Local Government Operation Act (2017); Inter-governmental Fiscal Arrangement Act (2018); Revenue Leakages (Investigation and Control) Act (1995); Special Court Act (2002) and the Prevention of Money Laundering Act (2008). These policies, laws and regulations were in place during the reporting period and some key examples are discussed below:

- **The Constitution of Nepal (2015)** is the fundamental law and any law inconsistent with the Constitution shall, to the extent of such inconsistency, be void (Article 1). The Constitution upholds all internationally accepted norms of the rule of law, human rights, fundamental freedoms, and democratic governance, such as separation of powers, checks and balances, independent judiciary, periodic elections, and inclusive and

<sup>55</sup> [https://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/workinggroup4/2018-September-6-7/Contributions\\_NV/Nepal\\_EN.pdf](https://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/workinggroup4/2018-September-6-7/Contributions_NV/Nepal_EN.pdf)

<sup>56</sup> [https://ciaa.gov.np/uploads/publicationsAndReports/1422355036ciaa\\_institutional\\_strategy\\_english2014\\_2019.pdf](https://ciaa.gov.np/uploads/publicationsAndReports/1422355036ciaa_institutional_strategy_english2014_2019.pdf)

## CANCUN SAFEGUARD B

proportional representation. Nepal's Constitution fully recognizes equality and non-discrimination before the law and provides an independent and effective judicial remedy for its enforcement. It also sets out the policies of the State in different sectors in Article 51, Part 4 (Directive Principles, Policies and Obligations of the State). One of the policies relating to the political and governance system is "to guarantee good governance by ensuring equal and easy access of people to services and facilities delivered by the State, while making public administration fair, competent, impartial, transparent, free from corruption, accountable and participatory" (Article 51(b)/4). The Constitution has established a Commission for the Investigation of Abuse of Authority (Part 21, Article 238) and Article 239 provides the functions and powers of the Commission. The Constitution also ensures the right to access information as a fundamental right (please see Theme B1 for more information).

- The **Auditor General** is another body established under the Constitution (Art 240) for the auditing of all the accounts of all government agencies. **The Audit Act (2019)** provides the legal framework for the Supreme Audit Institution (SAI) of Nepal, empowering the Office of the Auditor General (OAG) to audit federal, provincial, and local government bodies, constitutional bodies, and government-owned corporations, focusing on financial management, regularity, economy, efficiency, effectiveness, and propriety of public spending every fiscal year.
- **The Corruption Control Act (2002)**<sup>57</sup> has recognized prevention of corruption as a means to maintain peace, convenience, financial discipline, morality and good conduct among the general public. It covers punishable offences and lists the related punishments. It also applies to and includes actions by non-Nepalese citizens residing in foreign countries, and actions by all Nepalese citizens and public servants residing anywhere outside Nepal. The Act has given authority to the Investigation Officer of CIAA to investigate the corruption cases, which are received and registered in the CIAA or any other relevant office of the government. It provided the basis for establishing a National Vigilance Centre to effectively control corruption activities, enhance the capacity of the government agencies to control corruption, and promote people's awareness against corruption.
- **The Commission for the Investigation of Abuse of Authority (CIAA) Act (1991)** gives the rights to CIAA to work as a constitutional anti-corruption body, and it has the authority to investigate abuse of power and corruption by public officials who holds Public Position (defined in the Corruption Control Act, 2002), including powers of search, seizure, access to financial records and file cases in the Special Court against such individuals who is involved in the various forms of corruption, including bribery, illegal benefits, damage to public property, and the accumulation of unlawful wealth. In fiscal year 2023/24, the CIAA received 26,918 corruption complaints and filed 201 corruption

<sup>57</sup> <https://www.lawcommission.gov.np/en/wp-content/uploads/2018/10/prevention-of-corruption-act-2059-2002.pdf>

## CANCUN SAFEGUARD B

cases in the Special Court, involving 1,554 defendants. Out of the total cases, 3.82 percent of complaints were related to the forestry and environment sector.<sup>58</sup>

- **The Public Procurement Act (2007)** focus on establishing a transparent, competitive, and fair public procurement system. Key aspects include procurement planning, eligibility and qualification requirements for bidders, various tendering methods like open bidding and framework agreements, clear criteria for contract award, and a structured grievance and complaint mechanism. The Act emphasizes principles like transparency, accountability, economy, efficiency, competition, and fairness, and mandates the use of standard bidding documents and a national e-Government Procurement (e-GP) system to facilitate compliance.
- As discussed under Theme B1, **the Right to Information Act (2007)** is highly relevant to the promotion of transparency, as it establishes citizens' fundamental right to seek information from public bodies. Key elements include proactive information disclosure, the establishment of the National Information Commission to oversee and enforce these rights, and a formal process for citizens to file appeals if their information requests are denied.
- **The Good Governance (Management and Operation) Act (2008)** promotes accountability by establishing a pro-people, transparent, and participatory administration at all government levels. Key provisions include holding all public servants to a code of conduct, managing conflicts of interest, ensuring efficient public service delivery, and outlining the roles and responsibilities of officials to make the system efficient and responsive to citizens' needs. It also stipulates that government agencies (including MoFE and REDD IC) should publish their public expenditure monthly. Monthly progress reports (especially physical and financial progress achieved for the month) are also sent to the concerned ministries to inform overall progress review meetings. Accordingly, REDD IC sends a monthly progress report of its work, including ER program implementation, to the MoFE.
- **The Fiscal Arrangement and Financial Accountability Act (2019)** provides a framework for fiscal federalism by outlining the revenue and expenditure responsibilities of the federal, provincial, and local governments. The Act also emphasizes transparency in revenue distribution, promotes sound public financial management (PFM) systems, and aligns with the constitutional provisions for fiscal federalism.
- **The National Penal (Code) Act (2017) and the National Civil (Code) Act, (2017)** are aimed at strengthening the rule of law and promoting accountability in the event of civil and criminal liability. These laws have not only updated and reformed the preceding national laws but also aligned them with relevant international laws and practices.
- To strengthen and secure the rule of law, Nepal has also established legal provisions and institutions such as the **National Human Rights Commission (NHRC)**, which is an independent constitutional body that works as a watchdog of human rights protection and promotion. It is fully compliant with the Paris Principles (the Paris Principles, endorsed at

<sup>58</sup> <https://ciaa.gov.np/singlePublications/207> (Nepali version)

## CANCUN SAFEGUARD B

the UN General Assembly in 1993 (Resolution A/RES/48/134), set out the main criteria that NHRIs are required to meet<sup>59</sup>) and received an "A category" accreditation status by the Global Alliance of National Human Rights Institutions ("A" meaning "Fully compliant with the Paris Principles")<sup>60</sup>.

- In a recent development, the **proposed Conflict of Interest Management Act**<sup>61</sup> aims to regulate public officials' conduct and prevent corruption and was under review as of late 2025.

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures, and resources to apply anti-corruption measures and measures to promote transparency in the implementation of REDD+ actions and the distribution of REDD+ benefits, according to relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal frameworks; the measures should reflect principles of the rule of law, proper management of public affairs and public property, integrity, transparency, and accountability.

Describe how this indicator is met.

As described in the TREES Registration Document, Nepal has in place the relevant **mandates, procedures, and resources to apply anti-corruption measures and measures to promote transparency and accountability in the implementation of REDD+ actions and the distribution of REDD+ benefits**. These mandates and procedures have been implemented in the reporting period, and are helping to maintain transparency in the further development and implementation of REDD+ actions in the LEAF ER Program area.

**The key institutional mandates and procedures related to preventing corruption and maintaining transparency** in place during the reporting period are as follows:

- The **Commission for the Investigation of Abuse of Authority (CIAA)** is a constitutional entity, and along with other mechanisms it provides an institutional framework to investigate and prosecute corruption in Nepal. The primary procedures related to anti-corruption are investigation and prosecution by the CIAA, which has investigative and prosecutorial powers. Resources include dedicated agencies like the CIAA with a network of provincial offices and **National Vigilance Center (NVC)**, and

<sup>59</sup> For example: Establishment under primary law or the Constitution; a broad mandate to promote and protect human rights; formal and functional independence; freedom to address any human rights issue arising etc.

<sup>60</sup> The meeting of the Global Alliance of National Human Rights Institutions (GANHRI) held in Geneva from September 25 to 29, 2023, decided to sustain the 'A' category status for the National Human Rights Commission of Nepal, which was influenced by significant progress in the legislative process related to the National Human Rights Commission and the Commission's enhanced performance and overall satisfaction (<https://inseconline.org/en/news/ganhri-decides-to-maintain-national-human-rights-commission-in-category-a/>)

<sup>61</sup> The draft Bill was published on the website of the Office of the Prime Minister and Ministry of Council (OPMC) in 2025 to receive public comments.

## CANCUN SAFEGUARD B

support from civil society and media. A **special court** has also been established for hearing the corruption related cases under the CIAA Act (1991), the Prevention of Corruption Act (2002) and the Prevention of Money Laundering Act (2008). The CIAA also publishes annual reports and submits them to the President of the country; these reports include information on the work conducted by the CIAA as well as corruption cases investigated and registered to the court for judicial procedure, including complaints related to the forest sector and community forestry. Reports are available online in Nepali.<sup>62</sup>

- There are **other public mechanisms and channels** (e.g. complaint boxes, toll-free telephones, online services, email, and other appropriate means, such as social media) to raise concerns and grievances; concerned citizens have the right to register their grievances in the CIAA or these other relevant GRMs; for example, the Hello Sarkar (Hello Government) public grievances redress mechanism of the Office of the Prime Minister and Council of Ministers (OPMCM) (<https://gunaso.opmcm.gov.np/home>), and the National Vigilance Center (<https://www.nvc.gov.np/>). (Please see Theme B4 for more information).
- In the forest sector, including for REDD+ actions, the **Administrative Division of the MoFE** acts as a point of contact for the CIAA, and it helps in the investigation of abuse of authority by forest sector public servants. Other functions and responsibilities of the Division include:
  - To investigate any complaints received regarding the work carried out by the Ministry and subordinate bodies.
  - Establishing necessary Standard Operating Procedures (SOPs) regarding the management of organizational and administrative processes in the forest area.
- The **Planning, Monitoring and Coordination Division** is responsible for monitoring MoFE's programs, departments, centers, committees, institutions, funds, companies, and projects, including for REDD+, and for making arrangements for feedback. After review, the Division submits the monitoring reports to the Office of the Prime Minister and Council of Ministers, the National Planning Commission and other designated bodies. The Division is also responsible for monthly, quarterly and annual progress review of the annual program implementation and organizing ministry-level meetings for the resolution of any problems affecting implementation and progress. These meetings enable decision-making on relevant arrangements and coordination with the province and local levels for effective operation of programs.
- The GoN recognizes the **system of anti-money laundering and instruments countering the financing of terrorism (AML/CFT)** as strategic tools to control financial crimes, including corruption, and intends to make its electronic monitoring system 'goAML' fully operational. The existing AML/CFT frameworks have legal and institutional provisions in line with the standards and good practices of the Financial Action Task

---

<sup>62</sup> For example, the 33rd report is available at:  
<https://ciaa.gov.np/uploads/publicationsAndReports/0wS8NV.pdf>

## CANCUN SAFEGUARD B

Force, which is the global money laundering and terrorist financing watchdog. The Financial Intelligence Unit of the Nepal Rastra Bank (Central Bank of the country) has assisted other agencies in developing their AML/CFT instruments and has provided resource persons for AML/CFT training and capacity building programs, as well as preparing policies and guidelines. Nepal is also a member of the Asia-Pacific Group on Money Laundering, Egmont Group of Financial Intelligence Units, Asset Recovery Interagency Network for Asia Pacific, and INTERPOL (since 1967), and is committed to providing cooperation internationally.

- A **number of codes of conduct, procedures and regulations for government employees** have been formulated that emphasize high standards such as neutrality, transparency, integrity, and professionalism. These include the Codes of Conduct for Judges (2018) and Government Attorneys (2017), Rules of Professional Code of Conduct of Legal Practitioners (2023), Code of Conduct for the Office Bearers and Employees of the CIAA (2018), Work procedures of the CIAA (2021), Code of Conduct for the Employees of the Finance Ministry, Code of Ethics Implementation Directives of the Office of the Auditor General (2023), and the Regulation Concerning the Conduct of Employees of the Civil Service (2009). Anti-corruption measures through the and the National Vigilance Centre (NVC) [3] are also functioning to improve governance.

Processes and measures have also been implemented **to ensure the transparency of Nepal's forestry and REDD+ information**, both during the reporting period and more recently:

- Nepal submitted its Forest Reference Level (FRL) to the UNFCCC in January 2017, and its First Biennial Transparency Report and NDC 3.0 in May 2025, to the UNFCCC, which transparently cover Nepal's mitigation actions, including REDD+ actions.<sup>63</sup> Nepal regularly publishes the National Forest Inventory (NFI) data, which provides access to the forestry sector data and information to the general public.
- The National Forest Information System (NFIS) can be accessed through the website <http://nfis.redd.gov.np/>, and is developed by MoFE and the REDD Implementation Centre. It functions as a centralized, web-based repository for comprehensive forest-related data, including statistics, maps, reports, and information on forest resources, carbon, and land use. The system provides tools for data query, GIS analysis, and reporting to support forest management and informed decision-making within Nepal's forestry sector.
- According to the Forest Regulations (2022), the Community Forest and Collaborative Forest User (CBFM) Groups shall submit a detailed yearly report to the concerned Divisional Forest Offices and local governments on the activities carried out, including the financial statements of the group, figures on forest products harvested and sold, activities implemented in forest development, community and social development, forest

<sup>63</sup> <https://unfccc.int/resource/docs/2017/tar/npl.pdf>;  
[https://unfccc.int/sites/default/files/resource/Nepal\\_First\\_BTR.pdf](https://unfccc.int/sites/default/files/resource/Nepal_First_BTR.pdf);  
<https://unfccc.int/sites/default/files/2025-05/Nepal%20NDC3.pdf>

## CANCUN SAFEGUARD B

enterprise and ecotourism, and employment generated through forest management, along with the audit report of the group (Rules 44 and 59). The CBFMs present the summary of these reports in the Annual General Assemblies and the annual public hearing program of CBFMs. Similarly, at the provincial level, the Provincial Forest Director monitors forest management plans (including REDD+ activities) and submits an annual report to the relevant provincial and federal ministries (Rule 39(7)). These measures aim to strengthen sustainable forest management by increasing transparency, data accessibility, improving accountability, and enabling better-informed decision-making at different levels.

During this reporting period, Nepal also had in place **relevant policies, laws and regulations, as well as procedures related to the transparent and equitable distribution of REDD+ benefits:**

- **The Constitution of Nepal (2015)** (Article 51(g)(1)) states that the State give priority and preferential rights to local communities during the equitable distribution of benefits generated from natural resources, considering the national interest. Article 59(4) further sets out that certain portions of the benefits generated from the use or development of natural resources shall be distributed in the form of royalties, services, or goods to the areas and local communities affected by the pertinent project.
- As per Section 22 of the **Forest Act (2019)**, CFUGs shall spend at least 25% amount of their annual income earned as per the Forest Management Plan in the sustainable management of the forest, and at least 50% of the remaining amount is required to mobilize in poverty alleviation, women empowerment and entrepreneurship development activities, in coordination with the concerned Local Government. The remaining amount shall be used for community development activities, including distributing relief to the wildlife-affected families. The **Forest Regulations (2022)** state that the CFUGs are required to share the Annual Plan in the Public Hearing to receive feedback from the members of CFUGs, stakeholders, and DFOs, and need to submit it to their General Assembly for formal approval (Rule 43).
- **The Forest Act (2019)** provides that the GoN must make appropriate arrangements for the management, utilization, and distribution of benefits arising out of carbon services (Section 44). It includes a provision for the establishment of a **Forest Development Fund (FDF)** as the mechanism to distribute benefits to rights holders, including FUGs and Indigenous Peoples and local communities. The Fund's financing, governance system and decision-making process, and other provisions for its operation are defined in Section 45 of the Act, and specified in Rules 107-117 of the Forest Regulations (2022).
- **Benefit sharing arrangements relevant to REDD+ are explained in Section 115 of the Forest Regulations (2022)**, stating that: "the sharing of amounts (benefits) received from climate change adaptation and carbon sequestration, and emission reductions deposited by the Ministry of Finance in the Forest Development Fund shall be as follows: (a) For the management of Fund: 10%; (b) For agencies or users' groups involved in forest management: 80%; (c) For owners of private forests within the program area: 5%;

## CANCUN SAFEGUARD B

(d) For households that are not associated with any forest users' group but are dependent on forests: 5%. The Regulations also have other provisions enabling equitable and transparent benefit sharing, including:

- Rule 107: ensuring community participation in ER program implementation and development of BSP; FPIC requirement for the ER program before the carbon trade
  - Rules 108, 109, and 110: maintaining a special bank account for the FDF; community representation in FDF; defining the role of the FDF to empower CBFM Groups for their effective participation in ER programs.
  - Rules 114, 115, and 117: Defining the REDD+ actions eligible for the mobilization of monetary benefits; ensuring community access to REDD+ benefit sharing; defining the activities which are ineligible for the use of the FDF.
- Equitable benefit sharing is also one of the nine principles of the **NRS (2018)**: Promoting people-centric, gender and socially inclusive practices and approaches, as well as equitable benefit sharing and social justice. A similar approach is included in the new NRS (2025).
  - The specific **Operational Guidelines of the FDF** were drafted in March 2024, with stakeholders including Indigenous Peoples and local communities engaged in the consultation process. This guideline is yet to be finalized, but does define the roles and responsibilities of the persons in charge of the Fund, the distribution of the benefits received from the Ministry Finance for the verified ER credits, which should happen as per the approved Benefit Sharing Plan (developed by the ER program implementer with consultations and approved by the GoN in a transparent and accountable manner). The FDF, being a public body, must proactively and transparently provide information on its work related to fund management and benefits distribution as per the Right to Information Act (2007).
  - Pursuant to the Forest Regulations (2022), the overall distribution of ER payments to the identified beneficiaries as per the legal provisions and through stakeholder consultation will be managed by the **FDF Program Development and Implementation Committee (PDIC)** (Rule 109). The REDD+ benefits will be utilized for those activities that are defined in the ER program document. The FDF will coordinate with REDD IC to allocate and mobilize the REDD+ benefits for beneficiaries, for example through DFOs to CBFM groups, based on the approved BSP and provisions of the Forest Regulations (2022).
  - While the FDF PDIC is responsible for supervising and decision-making regarding benefit sharing, **the REDD IC and DFOs will support as Program Management Units (PMUs) at the federal and district level, respectively**. The PMUs shall facilitate the distribution of benefits through efficient communication and coordination with the FDF PDIC. The PMUs' responsibilities further include the maintenance of databases on ER program-related activities and beneficiaries, and the preparation of timely reports, the facilitation of MRV, assistance with the maintenance and operation of the carbon registry, and safeguards functions.
  - As per the **revised BSP for the FCPF ER Program area**, the DFO will coordinate to form a coordination committee with the representatives of IPs and LCs for the

## CANCUN SAFEGUARD B

operationalization of FFD at the district/divisional level. A similar institutional arrangement has been proposed in **the LEAF ER Program area**. This committee reviews and evaluates Investment Plans prepared and submitted by CBFM groups and recommends to DFOs to make decisions related to the equitable distribution of benefits to the identified beneficiaries, including government, forest user groups, private forest owners, communities and households not belonging to a forest group, according to criteria that have been agreed and presented in the approved BSP.

- Although outside of the reporting period, a recent important development in Nepal's legal framework is the promulgation of **the Carbon Trade Regulation (2025)**<sup>64</sup>, gazetted on 8 December 2025, which details the carbon trade procedures in Nepal. The Regulation states that carbon pricing and benefit sharing arrangements will be based on individual carbon finance agreements and development of REDD+ related ER programs and REDD+ benefit sharing plans will still be governed by the Forest Regulations (2022).
- The operation and strengthening of **REDD+ GRMs** are also instrumental to promoting transparency and accountability in the implementation of REDD+ actions and benefit sharing. REDD IC has developed a REDD+ specific GRM Guideline in 2025, based on existing grievance redress regulations and channels, to address any potential complaint or conflict related to REDD+ implementation, decision-making processes, and benefit-sharing arrangements. (See Theme B4 for more information on GRMs and access to justice).

**OUTCOME INDICATOR:** The distribution of REDD+ benefits related to the implementation of the REDD+ results-based actions have been carried out in a fair, transparent, and accountable manner, as per relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

Describe how this indicator is met.

REDD+ interventions in Nepal to date have been designed and implemented in a fair, transparent, and accountable manner, and establish mechanisms for the distribution of REDD+ benefits to relevant stakeholders in line with relevant ratified international instruments and applicable national legal framework. Nepal presented some initial information and a plan for conformance with the B2 outcome indicator in the TREES Registration Document, which is updated here for the period 2022-2023 and to reflect recent developments.

Nepal will achieve and demonstrate conformance with the B2 outcome indicator through the following **expected results**:

- REDD+ implementing agencies ensure implementation of measures for accountability and corruption control.
- Financial information related to the National REDD+ Strategy and ER programs is audited and made publicly available.

<sup>64</sup> <http://rajpatra.dop.gov.np/welcome/book/?ref=26153>

## **CANCUN SAFEGUARD B**

- Benefits are received and distributed by ER programs to different types of beneficiaries in accordance with their approved Benefit Sharing Plans (BSPs).
- REDD+ benefit sharing outcomes are recorded, monitored, evaluated, and shared.

Although full information to report on this outcome under this outcome indicator is not yet available, **results demonstrated and activities already conducted** towards achieving conformance with the outcome indicator include:

### **Implementation of measures for accountability and corruption control and auditing and disclosure of financial information:**

- The RTI Act (2007; Sec. 5) requires proactive disclosure of public expenditure on the websites of concerned agencies (including MoFE and REDD IC) on a quarterly and annual basis. MoFE and REDD IC have established these practices, and this process supports maintaining a fair, equitable, and transparent process for REDD+ benefits sharing and utilization in an accountable manner. During the reporting period, the MoFE and REDD IC have disclosed all public expenditures quarterly on their websites.
- The CIAA has published annual reports<sup>65</sup> including information on its work as well as corruption complaints/cases investigated and registered to the court for judicial procedure. These reports include the number of corruption cases registered to the special courts, including corruption cases against the Forest Officers/Community Forest User Groups of different districts. According to the draft data compiled for the SIS, the 34 DFOs across the three Nepal LEAF ER Programme provinces reported a total of eight corruption cases during 2022-2024; of these six have been addressed, while two cases remain under investigation.
- Also based on the draft SIS data, the 34 DFOs reported that financial information related to the REDD+ Strategy and program actions at divisional and community levels have been duly audited and made publicly available during 2022-2024.

### **Distribution and monitoring of REDD+ benefits:**

- Nepal has established a legal and institutional framework in 2022 through the Forest Regulations (2022) for the distribution of REDD+ benefits in a fair, transparent, and accountable manner, and as per relevant ratified international conventions, agreements. The detailed information in this regard is given in the above-mentioned structure and process indicators. Benefit sharing mechanisms have also been established since 2022, and a fair and participatory BSP has been developed for ER programs .
- Nepal only recently received results-based payments for the ER credits generated from the implementation of REDD+ actions under the FCPF ER program, and the benefits are yet to be distributed to the beneficiaries. However, the following practices are established for the distribution of benefits generated from the forest in a fair, transparent, and accountable manner:

<sup>65</sup> <https://ciaa.gov.np/publications/7>

## CANCUN SAFEGUARD B

- Under Forest Regulations (2022) the Forest Development Fund (FDF) was established in 2022 to facilitate distribution of ER payments, though it is not yet fully operational.
- Distribution of benefits from CFUGs Funds: A large area of National Forest is under community forest and collaborative forest management regimes. As noted in the process indicator above, CFUGs and other groups are required to allocate certain portions of their income for forest management, community development and other activities. As per Rules 107 and 115 of the Forest Regulations (2022), a similar process will be applied for the utilization of REDD+ benefits within CBFM Groups, to enable a fair, equitable, and transparent benefit sharing process. The DFOs have organized a series of orientations for CFUGs in the LEAF ER Program area about the BSP in 2024 and 2025 during the FPIC consultation process and through the general assemblies of CFUGs.
- BSP for FCPF ER Program : The final version of the BSP<sup>66</sup> for the FCPF ER Program in the 13 districts of the TAL (eight of which overlap with the LEAF ER Program area) was developed following a rigorous consultative process with all stakeholders and following FCPF requirements (e.g. those set out in the FCPF Carbon Fund Methodological Framework).<sup>67</sup> The BSP for FCPF ER Program areas was finalized in 2025 based on detailed discussions with the stakeholders on 22-23 August 2024. It has identified the beneficiaries based on a combination of criteria, including institutional factors, involvement in the implementation of the REDD+ actions, degree of forest dependency, and social justice. The four categories of beneficiaries identified by the BSP include: (i) government entities; (ii) community-managed forest groups; (iii) private forest owners; and (iv) forest-dependent households outside of the user groups. As per Section 115 of the Forest Regulations (2022), 80% of the benefits received by the FDF will be disbursed for performance-based allocation to government forest entities and CBFM groups. Private forest owners and forest-dependent households and communities outside the CBFM groups will get 5% each. The remaining 10% will be allocated to cover the operation and management costs of FDF and other institutions involved.
- BSP for LEAF ER Program Areas: A draft of the BSP for LEAF ER Program was developed in 2025, based on the legal framework provided in the Forest Act (2019) and Forest Regulations (2022), and with consideration of the lessons learned from the FCPF ER Program BSP, given the overlap between the two program areas. The draft BSP has been presented to the national-level stakeholder and rights holder groups, including representatives of Indigenous Peoples, CBFM groups, experts,

<sup>66</sup>[chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.forestcarbonpartnership.org/sites/default/files/documents/fcpf\\_nepal\\_bsp\\_2nd\\_revision\\_september\\_2025.pdf](chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.forestcarbonpartnership.org/sites/default/files/documents/fcpf_nepal_bsp_2nd_revision_september_2025.pdf)

<sup>67</sup>[https://www.forestcarbonpartnership.org/system/files/documents/fcpf\\_carbon\\_fund\\_methodological\\_framework\\_revised\\_2020\\_final\\_posted.pdf](https://www.forestcarbonpartnership.org/system/files/documents/fcpf_carbon_fund_methodological_framework_revised_2020_final_posted.pdf)

## **CANCUN SAFEGUARD B**

women's groups, and Dalit and marginalized community groups, and discussed in the district and provincial-level stakeholder consultations for the proposed program. The proposed benefit sharing arrangements have been discussed with representatives of IPs and LCs during the FPIC consultations at district and community levels in 2023-2025, at local government area (LGA)/municipality level in 100 municipalities in 2025, and in a national BSP review workshop was conducted in October 2024 with 19 participants. Feedback, suggestions, and inputs from the consultations at various levels has been incorporated into the draft. An additional BSP analysis was also conducted in 2025 with the support of the UN-REDD Program, examining potential scenarios of benefits.

### **Update on plan for conformance**

**Planned and upcoming activities** to further achieve conformance with this outcome indicator include the following:

- Until the FDF Secretariat is functional, REDD IC works as a supporting entity to the Fund for planning and benefit sharing activities. The FDF Secretariat within the Department of Forest and Soil Conservation is expected to be operational and its Operational Procedures finalised in 2026.
- The consultation process for finalizing the BSP for LEAF ER Program is ongoing. Following on from awareness raising consultations in 100 LGAs/municipalities in 2025, RECOFTC is continuing to facilitate a series of consultations and awareness raising events in 2026 in an additional 42 LGAs/municipalities.
- Further consultation with stakeholders and review of the BSP for the LEAF ER Program is also planned for 2026. The BSP will be finalised within one year of the signing of the LEAF ERPA, i.e. by the end of 2026.
- Benefit distribution will take place through the FDF, to DFOs and then to CBFM groups, and will be on the basis of defined criteria (e.g. approved periodic forest management plans, annual audit report, Permanent Account Number (PAN) registration and minutes of Annual General Assembly), including a simple (e.g. about 1 page) investment plan for the CBFM groups. These proposed criteria will be finalised by REDD IC in the first half of 2026.

### **Monitoring and reporting**

Monitoring of the activities and expected results for conformance with the B.2 outcome will occur through Nepal's SIS, as well as through relevant review processes and reports.

Nepal's SIS will provide:

- An overview of the legal, policy and institutional frameworks governing REDD+ Benefit sharing including provisions related to transparency, accountability, and social inclusion.

## CANCUN SAFEGUARD B

- Information on the design and operationalization of REDD+ benefit sharing mechanisms including eligibility criteria, allocation principles, division-making process, and institutional roles at national and subnational level.
- Information on transparency and accountability mechanism related to benefit sharing, including disclosure of benefit-sharing plans, financial flows, allocation decisions and the roles of oversight and reporting system.
- Information on evidence from implementation of REDD+ results-based actions, including the examples of benefits distribution processes, stakeholder engagement in benefit-sharing decisions and lessons learned that contribute to improving fairness, transparency, and accountability.
- Information on grievance redress and feedback mechanisms related to benefit sharing arrangements, stakeholders and resolve disputes.

The following SIS indicators along with the expected data sources will provide “respect” or outcome level information relevant to this outcome indicator:

- B3.3 REDD+ implementing agencies ensure implementation of measures for accountability and corruption control.
  - Description of key measures for accountability/corruption control in MOFE, REDD IC, DFOs and CBFM Groups and different levels (e.g., auditing, role of anti-corruption commission etc.)
  - Information on auditing and anti-corruption reports produced by relevant agencies
  - Investigations/cases in relevant REDD+ agencies (number registered and number addressed)
  - *Data sources: PLR documents; Summary reports from anti-corruption commission and by sector; Investigation reports/data*
- B3.4 Financial information related to the REDD+ Strategy and programs at all levels, including community level, is duly audited, and made publicly available.
  - Information on how yearly financial reports/ audit reports/ public hearing reports from registered auditors/auditor general office (for REDD+ relevant agencies down to divisional and local level) are provided (e.g., online)
  - Evidence that financial information on interventions/ activities contributing to the NRS is available
  - *Data sources: Websites or other evidence with relevant reports posted; data on financial reporting from DFOs; sections of NRS, ER program documents on budgets/financial management; Forest Development Fund website/reports; Public hearing/auditing reports*
- B5.4 Total benefits received and distributed by the REDD+ programs to different types of beneficiaries in accordance with the approved BSP.

## CANCUN SAFEGUARD B

- Data on benefits received through REDD+ RBPs by each program/source, and on BSPs prepared/approved
  - Data on benefits distributed by each program, disaggregated by recipient (stakeholder category, as well as gender and IP status if possible)
  - Description of whether this accords with the BSP and any changes/why not (if relevant)
  - *Data sources: Monitoring reports on BSP implementation; BSP documents; FDF data; investment plans at local level; DFO records on benefits distributed*
- B5.5 Outcomes of REDD+ benefit sharing outcomes are monitored, evaluated, and shared.
    - Information on BSPs, BSP monitoring frameworks and reports on BSP implementation by ER programs
    - *Data sources: BSPs for ER programs; BSP monitoring frameworks; BSP and FDF data available online.*

### Timeline for monitoring

- Nepal's 1<sup>st</sup> Summary of information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.
- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three LEAF Provinces (including 34 DFOs) and at national level. This first update of the SIS is expected to be finished by the end of 2026 (although not all indicators will have complete data yet).
- The SIS is expected to be updated on a regular basis (e.g. every 2 years) through a process involving: DFOs, Province Forest Directorates, REDD IC, FECOFUN, NEFIN and compilation of data from available reports.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in the next TREES Monitoring Report (in line with the TREES requirement, i.e., within 5 years of Nepal joining ART-TREES, in 2027).
- The FDF Secretariat is expected to be fully operational in 2026; FDF annual monitoring and reporting will take place through the meeting of the Committee of FDF and publishing information on the website.

### Responsibilities

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards, and the regular monitoring and review of the NRS and ER programs.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+.
- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFOs and CBFM groups level.

## CANCUN SAFEGUARD B

### THEME B.3 Respect, protect, and fulfill land tenure rights

**STRUCTURAL INDICATOR:** Participants have in place a legal framework, policies or programs for the recognition, inventorying, mapping, and security of customary and statutory land and resource tenure rights where REDD+ actions are implemented, and these are anchored in relevant ratified international conventions/agreements and/or domestic and if applicable, subnational, legal framework.

Describe how this indicator is met.

As described in the TREES Registration Document, Nepal **has in place a legal framework, policies and programs for the recognition, inventorying, mapping, and security of customary and statutory land and resource tenure rights nationally and in relation to REDD actions**, and the provisions are duly considered where REDD+ actions are designed and implemented:

- **The Constitution of Nepal (2015)** recognizes the individual right relating to property, which is one of the fundamental rights of the citizens. Without due process of law, the State cannot, except for public interest, requisition, acquire, or otherwise create any encumbrance on property of a person (Art. 25).
- **The National Land Policy**<sup>68</sup> was adopted in 2019, and it provides for sustainable management and equitable use of land and land resources in Nepal. It recognizes land as a fundamental natural resource under state sovereignty and emphasizes land's role in economic growth, environmental conservation, gender equality, food security, and the right to housing.
- The **Lands Act (1964)**<sup>69</sup> is the main law that regulates individual land ownership, including possession, transfer, partition, inheritance, and management of land in Nepal. The GoN made the 8<sup>th</sup> amendment in the Lands Act in 2021 to allow ownership over the land for "landless Dalits", "landless squatters", and "unmanaged dwellers". The Lands Act 1964 (8<sup>th</sup> amendment 2021) provides a legislative framework to achieve the goals of land use policy and land rights related fundamental rights. The major provisions on individual land tenure rights recognized by this act are as follows:
  - The Act defines "landowner" as a person who has registered land in his/her name and paid land revenue to the GoN in accordance with the prevailing Nepalese laws and has the right to the land by virtue of that registration (Sec. 2).
  - The GoN provides land to landless Dalits for a one-time grant (Sec. 52a). The land rights for Dalits are also recognized by the Constitution of Nepal (Art. 40)

<sup>68</sup> <https://www.fao.org/faolex/results/details/en/c/LEX-FAOC236830/>

<sup>69</sup> <https://www.fao.org/faolex/results/details/en/c/LEX-FAOC006239/>

## **CANCUN SAFEGUARD B**

- Landless squatter families who have no land and no economic means to procure a piece of land will be provided with a parcel of land and land title free of cost for one time up to a designated size, preferably at their original site of informal holding or relocated to any other appropriate site as deemed necessary in case they are currently residing in designated critical or restricted areas. The Act provides for some restrictions in the transfer of such lands to ensure the family does not become landless again (Sec. 52b).
- In case of other informal tenure holders residing in government land for more than 10 years (since before 11 February, 2010) and who also have no registered land elsewhere in the country, they may be provided with land title for the piece of land up to a designated size upon payment of a levy calculated based on their economic status, residential status, type of land, area of land, land value, duration of the informal landholding, and status of landholding elsewhere (Sec. 52c).
- The Act requires a thorough situation assessment of the persons, families or households and land parcels for the identification, verification, and recording of landless squatters and informal tenure holders and their landholdings. It also requires the assessment of information on different criteria to decide on the amount of levy to be imposed in the case of non-landless informal tenure holders. For this process, GoN has developed additional rules and regulations and technical guidelines.
- **The Civil Code (2017)** provides a legal framework for the recognition of collective land tenure rights. The Code states that any land held by a community for its use, any structure built in such land, or other property owned by it shall be deemed to be the community property (Sec. 301). The Civil Code also restricts the use of such collective land and property for individual purposes.
- In the case of forestland, as per the **Forest Act (2019)**, forestlands are owned either by the state (known as “national forests”) or by individual landholders (“private forests”) (Sec. 2). National forests are managed under various management regimes, which include government-managed forests, Forest Conservation Areas, (outside the protection area systems), community forests, collaborative forests, leasehold forests, and religious forests (Sec.2). As per the NPWC Act (1973), Protected Areas (PAs) are also categorized into different management regimes, which include national parks, reserves, conservation areas and buffer zones.
- As per the **Forest Act (2019)** the land ownership of national forests, including government-managed forests and those under community-based forest management (CBFM) regimes, lies with the government (Sec. 3). However, for areas under CBFM including Community Forests, the forest resource tenure (usufruct) right broadly lies with the relevant CBFM groups, including CFUGs. This means that although CBFM groups do not have land ownership of the forestlands, they have management and use rights of forest resources (including the right to manage, harvest, and use forest resources locally within the groups and to sell them outside), as per the approved forest management

## CANCUN SAFEGUARD B

plans and the bylaws of the groups. The Forest Act (2019) and Forest Regulations (2022) recognize the forest resource management and use rights of communities under CBFM regimes and provide the legal grounds for the recognition of CBFM. Ownership of private forest land and the associated forest resource tenure rests with the individual holding the land ownership certificate, in accordance with Sections 35 and 36 of the Forest Act. The management and use of the private forest should comply with the purpose specified in its registration certificate.

- **Free, Prior and Informed Consent (FPIC)** is considered a key instrument in Nepal, including in the forest sector, for recognizing and respecting rights of Indigenous Peoples and local communities in relation to their lands and resources, decision-making and participation in programs. A number of policies, laws and regulations in Nepal have explicit and/or implicit requirements and provisions related to FPIC. These include the Constitution of Nepal (2015), and the Forest Policy (2019), which proposes strategic actions that require FPIC from affected communities before implementing any projects in forest areas. Please see Theme C1 for more information about Nepali's international commitments and legal framework relevant to FPIC,
- As per the UNDRIP (2007) and ILO Convention No. 169, Indigenous Peoples are entitled to own, use, develop, and control the lands, territories, and resources they possess by reason of traditional ownership or other traditional occupation or use, as well as those they have otherwise acquired. As **Nepal voted in favour of UNDRIP (2007 and is a party to ILO 169)**, the country is committed to promoting customary practices of forest management. A study conducted by REDD IC in 2015 identified that there are some customary practices of forest management in different parts of the country<sup>70</sup>. Such practices are recognized by **the Forest Policy (2019)**, which provides a specific strategy to recognize and promote the biodiversity and forest-related socio-cultural norms and traditional knowledge of Indigenous Peoples in the forest management actions (Sec. 8.8). The **Forest Regulations (2022)** (Schedule-24), also require that traditional knowledge and customary practices on forests need to be included in the forest management plans of CFUGs. (See Theme C2 for more information on traditional knowledge).
- Nepal's legal framework also sets out **a process and compensation for the acquisition of land**, which can be legally acquired from private landowners under different laws and regulations.<sup>71</sup> These include: The Land Acquisition Act (1977); the Lands Act (1964, amended 2021); Forest Act (2019); Environment Protection Act (2019); Electricity Act (1992); and other Acts related to infrastructure development:
  - **The Land Acquisition Act (1977)** provides powers to the GoN to acquire lands for public purposes, subject to compensation (Sec. 3). The government can acquire land for an institution upon request for land for specified purposes, and subject to

<sup>70</sup> <https://www.forestcarbonpartnership.org/system/files/documents/Annex%201%20-%20Nepal%20Customary%20Right%20Report.pdf>

<sup>71</sup> <https://ibn.gov.np/ibn-faq/land-acquisition-8691>

## CANCUN SAFEGUARD B

payment of compensation and all other expenses under the Act in such a situation (Sec 4(1)). In the case of agriculture, land can only be acquired for agricultural research (no other agricultural purposes).

- **The Lands Act (1964, amended 2021)** provides information on other restrictions on the acquisition of land, including exemptions. For example, notwithstanding anything contained in Sections 7 and 10 of the act, the provisions contained in those Sections shall not apply to the following land: (a) The land owned and possessed by GoN, (b) The land owned and possessed by the Provincial and local government at various levels which gives provisions in favor of Indigenous Peoples and local communities. For example, under section 21, if the prescribed authority shall sell or dispose of land acquired or confiscated pursuant to this Act to a local person, priority shall be given to Dalit, Indigenous Peoples, and others among the local landless people. Sec 11 of the Act provides for the right of landowners to file a complaint about the land acquisition, setting out the time period for submitting and resolving complaints, provisions related to hearings, etc.
- Any non-governmental project developer can acquire private land in Nepal in two ways: the project developer can himself/herself acquire land based on a willing buyer, willing seller approach; the project developer can request the GoN to conduct the acquisition of private land, on the condition that all the acquisition costs are borne by the developer. For the acquisition of public forestland, the project developer will need an approved **Environmental Impact Assessment (EIA)** report for the planned activity. For Investment Board Nepal (IBN)<sup>72</sup> projects, the developer requests the MoFE through IBN to lease the forestland as per the approved EIA report and/or Detailed Project Report (DPR).
- **The Land (Survey and Measurement) Act (1963)**<sup>73</sup> provides for survey and measurement of all categories of land, including lakes, ponds, and forest land and it establishes the mechanism for inventorying and mapping land in the country. The Act defines "land" (all categories of land) and broadly classifies it into four categories, including private land, government land, public land, and collective/community land. In general, government land and public land is the land that is not registered in the name of privately owned firms/institutions/companies and individuals/families, as well as land registered in the name of government institutions. The collective or community land that is under the collective ownership of concerned communities. Under the Act, "survey and measurement" refers to collecting data related to landowners and tenants, preparing maps of lands, ascertaining the area of lands, categorizing the grades of lands or

<sup>72</sup> Investment Board Nepal (IBN) is a high-level government body chaired by the Right Honorable Prime Minister. IBN functions as a central fast-track government agency established to facilitate economic development in Nepal by creating an investment-friendly environment, mobilizing and managing domestic as well as foreign investments. More information is available at <https://ibn.gov.np/about-us/what-is-ibn-3584#>

<sup>73</sup> <https://www.fao.org/faolex/results/details/en/c/LEX-FAOC021987/>

## CANCUN SAFEGUARD B

registering lands with the field book of the land based on maps or records, and this term includes the act of carrying out an aerial survey, establishing controlling points for surveys, making cadastral surveys at various scale and publishing maps (Sec, 2).

- **The Land Use Act (2019)<sup>74</sup> and Land Use Rules (2021)** have also administratively categorized the land of the country into ten different categories and one of the categories is “Forestland”.<sup>75</sup> The Act provides that the Ministry of Land Management, Cooperatives and Poverty Alleviation should prepare land use maps of the land under all local governments (Sec. 5).
- **Scope and limitations in the exercise of the bundle of rights:** Section 18 of the Forest Act (2019), together with the relevant provisions of the Forest Regulation (2022), authorizes CFUGs to exercise most components of a “bundle of rights.” These include rights of access and use; withdrawal of non-timber and timber forest products; management; exclusion; due process and compensation; and duration. However, rights of alienation — namely the sale, lease, or use of forestland as collateral—are expressly excluded. The exercise of all authorized rights is subject to an approved forest management plan. Furthermore, Section 44(1)(b) and (c) of the Forest Act (2019) excludes carbon rights or emissions reduction (ER) titles from the tenure rights or bundle of rights of CBFM groups, including CFUGs, as carbon services are vested exclusively in the Federal Government (see Section 6 for the details). Nevertheless, Rules 107(6) and 115 of the Forest Regulation (2022) provide a legal basis for CBFM groups to participate in carbon-related benefits through mechanisms such as Free, Prior and Informed Consent (FPIC) and Benefit Sharing Plans (BSP).

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures, and resources to recognize, inventory, map, and secure statutory and customary rights to lands and resources relevant to the implementation of REDD+ actions in line with relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

Describe how this indicator is met.

As described in the TREES Registration Document, Nepal has in place **the mandates, procedures, and resources to recognize and secure statutory and customary rights to lands and resources relevant to the implementation of REDD+ actions**. These mandates and procedures have been implemented in this reporting period, as follows:

- Nepal is implementing the **National Land Policy (2019) and the Lands Act (1964, amended 2021)**, including securing rights to land. The **Social Tenure Domain Model**

<sup>74</sup> <https://www.fao.org/faolex/results/details/en/c/LEX-FAOC228895/>

<sup>75</sup> Note that the administrative categorization of land is not necessarily relevant to the technical forest definition, and therefore forests may occur inside and outside forestlands, and forestlands may or may not actually involve forest cover.

## CANCUN SAFEGUARD B

**(STDM)**, a pro-poor, gender responsive, participatory and affordable land information system for capturing the relationships of person/s to land, has been implemented in Nepal and can generate the information required to implement the Lands Act. Since 2013, the Global Land Tool Network within the Land, Housing and Shelter Section of UN-Habitat has also been supporting land reform interventions in Nepal. This includes strategy development for Fit-For-Purpose Land Administration (FFP-LA), and interventions towards the improvement of earthquake recovery and resilience for affected communities for sustainable and improved livelihoods. Further, the GoN already has the experiences and lessons learnt from STDM and FFP-LA application in three settlements of Dolakha district and in the municipalities of Ratnanagar and Belaka.

- In terms of **mandates and responsibilities**, agencies responsible for securing and promoting forest and land tenure are as follows:
  - The Department of National Parks and Wildlife Conservation (under the MoFE) and Divisional Forest Offices/Sub-Divisional Forest Offices (under the Provincial Ministries and Forest Directorate) in coordination with the other government agencies are responsible for securing forestland tenure as per the prevailing laws of the country.
  - Under the Forest Act (2019) and Forest Regulations (2022), local governments have the mandate to register private forests on the recommendation of the concerned Division Forest Offices or Sub-divisional Forest Offices.
  - The Forest Act (2019) also specifies that land ownership and rights to the national forest cannot be transferred without the approval of the Council of Ministers of the GoN.
  - Under the Local Governance Act (2017), the rural municipality and municipality hold the responsibility for the inventory and protection of unregistered public and government land within the district and land ownership registration. These bodies also have the responsibility to maintain the forests under their jurisdiction, excluding National Forest.
- As detailed in the Theme B3 structural indicator above, Nepal's legal framework provides a mechanism for the recognition of **customary land tenure rights and forest management practices**. Through the CBFM regimes, Indigenous Peoples and local communities are empowered to integrate their customary practices into the CBFM forest management plans, which can be implemented after approval from the concerned Divisional Forest Offices as per the **Forest Act (2019) and Forest Regulations (2022)**.
- The Annual Plans and activities of DFOs are largely focused on the review of CBFM forest management plans, and supporting the groups in the implementation of these plans. **The Forest Regulations (2022)** obliges DFO and CBFM groups to secure customary rights and traditional knowledge of IPs and LCs through their forest management plans. DFOs and CBFM groups are also responsible for conducting stakeholder mapping during the preparation of the forest management plan to define the role of each stakeholder.

## CANCUN SAFEGUARD B

- In the context of REDD+, the **NRS (2018) and updated NRS (2025)** emphasize that forest tenure is key in shaping the social and environmental impacts of REDD+. Particular attention is given to the usage rights of local forest-dependent communities and to the rights of Indigenous Peoples to customarily manage and use forests. Strategy 5 of the NRS (2018) is to improve resource tenure and ensure fair and equitable sharing of carbon and non-carbon benefits of forests among rights holders, women, Indigenous Peoples, Madhesis, Dalits, and forest dependent local communities, with effective implementation of safeguard measures. Strategy 3.2.5 (Carbon Rights and Benefit Sharing) states that CBFM Groups have the right to develop, conserve, manage and use the forests handed over to them. The NRS (2018) and the recently approved new NRS 2025-2035) also provides a specific strategy and action to “recognize, ensure, and integrate traditional knowledge and customary practices in all types of forest regimes and their management plans” (4.5).
- As noted above, FPIC is a key instrument in Nepal for recognizing and respecting the rights of IPs and LCs. To operationalize legal requirements for FPIC, the GoN through MoFE and REDD IC has prepared **National Guidelines on FPIC for REDD+** in 2024, with input from relevant stakeholders, and which are being piloted in the LEAF Program area. The guidelines include numerous provisions and best practices related to respecting the rights of IPs and LCs in the context of REDD, including related to identification of rights-holders and their rights, information sharing, design and implementation of FPIC processes, seeking and documenting consent, and monitoring. More information on the FPIC guidelines and piloting is provided under Themes C1, C3 and D2.
- **Procedures have been implemented under the FCPF ER Program**, which overlaps with the LEAF Program area and has built capacity for this Program’s development and implementation. FCPF procedures to ensure that rights to lands and forests are recognized and secured in the context of REDD+ actions include:
  - A land and natural resources tenure assessment conducted in 2016<sup>76</sup>; the ERPD (2018) mentions that before the delineation of forest areas, proper mapping of the lands traditionally owned and used by Indigenous Peoples will be conducted in order to avoid involuntary relocation.
  - Consultations with all relevant stakeholders to discuss potential environmental and social risks and mitigation measures that need to be applied during the implementation of the activities. FPIC is also required when Indigenous Peoples may be affected by the ER program implementation, as per the World Bank Safeguards policy (Indigenous peoples (OP/BP4.10).
  - The Environmental and Social Management Framework (ESMF, GoN, 2019) provides guidelines for various environmental and social safeguards that need to be considered while implementing the proposed REDD+ actions in the field. These include: i) the Indigenous People and Vulnerable Community Development

<sup>76</sup> Jhaveri, N.J. and Adhikari, J., 2016

## CANCUN SAFEGUARD B

Framework (IPVCF), which emphasizes that Program implementation will fully respect Indigenous peoples' rights over the land they have been managing traditionally within the scope of governments' legal provision as per UNDRIP; and ii) the Resettlement Policy Framework (RPF); even through the ER Program does not envision the land acquisition of any land, a RPF has been developed as a precautionary measure.

- In the case of **the LEAF ER Program**, the REDD+ actions identified in its implementation plan, are aligned with Nepal's NRS (2018-2022; 2025-2034), forest policies and laws, and the implementation of CBFM, through the management plans of community forests and other CBFM regimes, such as the Collaborative Forests, pro-poor Leasehold Forests, and Religious Forests. CBFM groups have access to, use of, and management control based on the approved forest management plans over forest land and resources as per the Forest Act (2019) and Forest Regulations (2022). The rights holders and affected communities have been identified based on the Guidelines on FPIC for REDD+ and an FPIC process is under implementation, to ascertain support for the Program and consent to participate in it. More information on the implementation of the FPIC process is provided in various sections of this report, including the B4 and D2 outcome indicators.

**The mandates and procedures that have been implemented in Nepal for the inventory and mapping of lands and forests, as well as rights to land and forests** are as follows:

- The **Forest Research and Training Center (FRTC)** under the MoFE is responsible for forest resource assessment of the country, including the inventory and mapping of the forest areas, scientific research and surveys, maintaining the forest resource database, and conducting training. The FRTC has also developed different manuals for the assessment, inventory, and mapping of forest areas, such as the Forest Resource Assessment in Nepal Manual on Data Analysis and Results Generation<sup>77</sup>.
- The FRTC has established the **National Land Cover Monitoring System (NLCMS)**<sup>78</sup> to provide annual land cover maps by using consistent remote sensing datasets. This information includes forest areas under the various forest management regimes of Nepal, including in the LEAF ER Program area.
- The **Forest Regulations (2022), and the Community Forest Guideline** (2014 and updated 2025) sets out detailed process for inventory and mapping of community forest and other community-based forests. It also provides detailed provisions for the inventory and mapping of forest users and their resource tenure rights. The **District Land Measurement Offices** are responsible for registering other types of land that are located outside of the Protected areas and National Forests. All the mapping of the

<sup>77</sup> [https://frtc.gov.np/uploads/files/Final\\_FRA\\_data\\_analysis\\_manual\\_2021.pdf](https://frtc.gov.np/uploads/files/Final_FRA_data_analysis_manual_2021.pdf)

<sup>78</sup> <http://nepal.spatialapps.net/nlcms>

## CANCUN SAFEGUARD B

privately owned land is documented and registered in the District Land Measurement Office and the Department of Survey.<sup>79</sup>

- Based on the Forest Regulations (2022) and the Community Forest Guideline (2014; 2025), the **major procedures for the tenure rights inventory and mapping** are as follows:
  - For the formulation of CFUG, all the traditional users of the concerned community forest areas are required to be recognized as household members of the concerned CFUGs. The forest user households are identified with the technical support from the community facilitators, DFO staff, and the representative of the Local Government by following a social survey and social mapping (Sec 2.2, CF Guideline 2015/2025 and Rule 42 of Forest Regulation 2022). There are more than 12,000 CFUGs in the TREES accounting area – including those that are currently dormant/inactive. All the records of registered FUGs with the names of household members are recorded in the FUG constitution and or management plan and documented in the respective DFO. Province Forest Directorate and the Community Forest Study Center<sup>80</sup> in the Department of Forests and Soil Conservation, which also maintains this information.
  - All active CFs have their own forest boundary maps and forest management plans with a detailed inventory of forest resources, which are prepared by following the participatory forest resource mapping and participatory field observation, as stated in Chapter 4 of the Community Forest Guideline and Rules 46 and 47. The management plans with forest boundary maps and a detailed inventory of forest resources are prepared, approved, and recorded with the support of DFO staff, community facilitators, and Local Government representatives. Around 1.1 million ha of National Forest is managed under CBFM regimes in the LEAF ER Program area. The records of the registered community forests and other community-based forests (such as Collaborative Forest, Leasehold Forest, and Religious Forests) with their maps are available from the respective DFOs.
- As mentioned above, a land and natural resources tenure assessment for the **FCPF ER Program** in 13 districts of the TAL was also conducted in 2016.<sup>81</sup>
- For the **LEAF ER Program**, FPIC consultations began in 2023 and have continued at various levels in 2024-2025, including the identification of areas for the FPIC process is needed; stakeholder mapping; and the development of an agreed FPIC process with stakeholders.<sup>82</sup> More information on the process to date and planned activities in 2026 is

<sup>79</sup> <https://dos.gov.np/>

<sup>80</sup> <https://www.cfsc.gov.np/>

<sup>81</sup> Jhaveri, N.J. and Adhikari, J., 2016

<sup>82</sup>

[https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Final\\_Report\\_FPIC\\_Consultation\\_RECOFTC\\_Nepal\(1\).pdf](https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Final_Report_FPIC_Consultation_RECOFTC_Nepal(1).pdf)

## CANCUN SAFEGUARD B

provided in the B3 outcome indicator below. Section 6 of this document also provides information on the forests and their management regimes/ tenure identified in the LEAF ER Program area. In addition, as per the Community Forest Guideline (2014, updated 2025), a process is underway to confirm boundaries of CBFM areas in the LEAF Program area). As per Annex-24 of the Forest Regulations (2022), the boundary map is an integral element of the approved forest management plan of CBFM groups. The records of the maps of each CBFM groups maintained in the DFO, which is one of the important basis of the exercise of the tenure rights by the concerned groups.

**OUTCOME INDICATOR:** Stakeholders had access to, use of, and control over land and resources in line with relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework, and no involuntary relocation took place without the free, prior, and informed consent (FPIC) of any indigenous peoples and local communities (or equivalent) concerned

Describe how this indicator is met.

REDD+ interventions in Nepal to date have been designed and implemented for securing stakeholders' rights to, use of, and control over land and resources in line with relevant ratified international instruments and/or domestic legal framework, and no involuntary relocation has taken place without the free, prior, and informed consent (FPIC) of any indigenous peoples and local communities. Nepal presented some initial information and a plan for conformance with the B3 outcome indicator in the TREES Registration Document, which is updated here for the period 2022-2023 and to reflect recent developments.

Nepal will achieve and demonstrate conformance with the B3 outcome indicator through the following **expected results**:

- The National REDD+ Strategy and ER programs promote and/or contribute to recognition and protection of land and resource tenure.
- Free, Prior, and informed Consent (FPIC) is sought from Indigenous Peoples and Local communities before their participation in REDD+ programs or actions affecting their rights to lands, territories, and resources.
- Any relocation without FPIC of stakeholders affected by REDD+ activities is prohibited.
- Where displacement or relocation occurs, prior agreement is reached on alternative land and/or fair compensation before any relocation occurs.

Although full information to report on this outcome under this outcome indicator is not yet available, **results demonstrated and activities already conducted** towards achieving conformance with the B3 outcome indicator include:

**Promotion and/or contribution to the recognition and protection of land and resource tenure:**

## CANCUN SAFEGUARD B

- As a party to the relevant international instruments, Nepal is committed to fulfilling its international obligations to ensure access to, use of, and control over forestland and resources by IPs and LCs through national forest policies and legislation. As detailed above, Nepal's NRS (2018) and updated NRS (2025) include strategies and actions to promote the continuation and expansion of CBFM, as well as strengthen rights of IPs and LCs. ER programs have also been designed in alignment with the NRS actions, including maintaining and expanding CBFM and respect for the rights of IPs and LCs.
- During this reporting period, IPs and LCs have fully exercised their rights to access, use and control over the forest, land, and resources as per their forest management plans and customary practices. The IPs and LCs have access to, use of, and control over forestlands and resources collectively through CBFM regimes or customary forest governance systems as recognized by the Forest Act, 2019, Forest Regulation, 2022, Forest Policy 2015, and NRS (2018) and new NRS (2025). These collective tenures over the forestlands and resources are not only acknowledged but also fully exercised through the approved forest management plans of CBFM groups during this reporting period.
- As per the annual reports published by the Provincial Forest Ministries in Bagmati, Gandaki and Lumbini, the record of the community control over the forestland as of 2024 is shown in the table below. Section 6 of the TRD also provides information on forest areas under different forest management regimes, including CBFMs of the LEAF ER Program area.

**Table 7.3: Forest management regimes and access to, use of, and control over land and resources (2024)**

Province	Community Forest (ha)	Collaborative Forest (ha)	Community-based Leasehold Forest (ha)
Bagmati <sup>83</sup>	421,648	0	16,921
Gandaki <sup>84</sup>	283,073	673	5,774
Lumbini <sup>85</sup>	442,249	22,580	2,469

### **FPIC is sought from Indigenous Peoples and Local communities before their participation in REDD+ programs or actions affecting their rights to lands, territories, and resources:**

- As discussed in the structure and process indicators above, FPIC principles and requirements have been integrated into Nepal's legal framework (e.g., Forest

<sup>83</sup> <https://fd.bagamati.gov.np/content/82/fact-of-forest-terms-of-forest-spaceters/>

<sup>84</sup> <https://mofesc.gandaki.gov.np/list/download/ganaedaka-parathasha-vana-kashataraka-ranaenataka-yajana-va-sa>

<sup>85</sup> [https://pfdir.lumbini.gov.np/media/publications/Annual\\_Report\\_2080.81\\_2.pdf](https://pfdir.lumbini.gov.np/media/publications/Annual_Report_2080.81_2.pdf)

## **CANCUN SAFEGUARD B**

Regulations, 2022), and MoFE and REDD IC have developed Guidelines on FPIC for REDD+ in 2024.

- At the time the FCPF ER Program was developed, there was no explicit requirement for FPIC in Nepal; however, the program was developed with an extensive consultation process as well as other instruments to respect rights to land and resources (e.g., SESA, ESMF, etc.)
- Consultations on the LEAF ER Program at various levels began in 2022 and continued at community/district levels during 2023-2025, following the approved FPIC Guidelines 2024 to seek FPIC from IPs and LCs, including CFUGs, for their participation in the Program. As part of the FPIC process, RECOFTC Nepal, in close coordination with REDD IC, has completed a rights-holders and stakeholder mapping for the Program area in 2024, developed and shared a package of information and organised a series of consultations and focus group discussions (FGDs) to share information, obtain feedback and seek consent. The process and its outcomes to dates are documented in the FPIC consultation report produced by RECOFTC Nepal in collaboration with REDD IC. Initial consent for participation in the Program was provided through district FGDs in all districts of the Program area by late 2025. Consultations are also ongoing, with more events planned in 2026. (More information on consultations so far is also provided under Safeguards C and D below).
- In December 2025, an FPIC lessons learned workshop was held by REDD IC, together with UN-REDD and RECOFTC, to discuss ways to strengthen future FPIC processes.

### **FPIC, agreement and/or compensation in any cases of relocation or displacement:**

- For both the FCPF ER Program and the LEAF ER Program, no land acquisition or involuntary relocation activities are included in their actions.
- The GoN is securing land rights of the landless peoples who are residing in the forest areas of LEAF ER Program provinces, based on Sections 52a, 52b, and 52c of the Land Act, 1964 (8<sup>th</sup> amendment in 2021). No cases of involuntary relocation have not occurred during this reporting period in the LEAF ER Program area.

### **Update plan for conformance**

**Planned and ongoing activities** to further achieve conformance with this outcome indicator include the following:

- In the case of the LEAF ER Program, consultations and awareness raising are ongoing, with events for sharing information and obtaining feedback held in 100 LGAs/municipalities in 2025, and RECOFTC Nepal facilitating events in a further 42 LGAs/municipalities in 2026.
- FECOFUN and NEFIN have planned to organize FPIC awareness and capacity-building training in the LEAF ER Program area in 2026, coordinating with REDD IC.

## CANCUN SAFEGUARD B

- Linked to the FPIC process, further consultation, and review of the BSP for the LEAF Program is also planned, including a national consultation in mid 2026. The BSP will be finalized within one year of the signing of the LEAF ERPA, i.e., by end of 2026.

### Monitoring and reporting

Monitoring of the activities and expected results for conformance with the B.3 outcome will occur through Nepal's SIS, as well as through relevant review processes and reports.

Nepal's SIS will provide information on:

- An overview of legal and policy frameworks governing land and resources rights that recognize and protect the access, use and management rights of Indigenous Peoples, local communities, women, and marginalized groups in forest areas relevant to REDD+ implementation.
- Information on institutional arrangements and procedures that support, recognize and protect tenure and use rights in context of REDD+ actions.
- Information on measures taken to prevent involuntary relocation in the design and implementation of REDD+ actions, including safeguards, screening, planning procedures, etc.
- Information on the application of FPIC consultations and consent processes.
- Information on mechanism for addressing tenure-related grievances and disputes
- Evidence from REDD+ implementation, including examples and lessons learned that illustrate how land and resources rights have been respected and how FPIC has been undertaken.

The following SIS indicators along with the expected data sources will provide “respect” or outcome level information relevant to this outcome indicator:

- C1.3 REDD+ programs promote and contribute to establishing and securing statutory rights to lands, territories, and resources.
  - List/ description of actions in NRS and ERPs that promote securing tenure/rights (e.g., in NRS, ER programs)
  - Information on implementation of these actions and results achieved
  - Provincial/district scale data on status and trends in land and forest allocated to different owner types (e.g., area under CBFM, private forests, etc.)
  - *Data sources: NRS (2018); NRS (2025); ERPDs and implementation plans; NRS review report; ERP monitoring reports (e.g., ERM, TMR); Land/forest tenure data e.g., from NFIS, annual reports of provinces/DFOs, requested from DFOs.*
- C2.2 Free, Prior, and Informed Consent is obtained from Indigenous Peoples and local communities for their participation in any REDD+ programs or actions affecting their rights to lands, territories, and resources.

## CANCUN SAFEGUARD B

- Information on FPIC processes
  - Information should include program/project for which FPIC processes, years/date of FPIC process, number of stakeholders involved in FPIC process (inc. by gender and stakeholder group)
  - Outcomes of the FPIC process
  - *Data sources: FPIC proposals/workplans; FPIC consultation/process reports; FPIC agreements reached; ERP monitoring reports*
- C2.3 No relocation shall take place without the Free, Prior, and Informed Consent (FPIC) of affected stakeholders, and where any relocation or displacement occurs, there is prior agreement on the provision of alternative lands and/or fair compensation.
    - List/description of any voluntary relocation agreed for each program/project, with data on agreed compensation or alternatives for relocation
    - Number of cases/complaints related to relocation
    - Number of reports/investigations into allegation of involuntary relocation
    - *Data sources: ERPDs and implementation plans; ESMFs; FPIC reports with information; Data from GRM reporting on complaints on relocation and status of resolutions; Any reports/investigations into all allegations of involuntary relocation*

### Timeline for monitoring

- Nepal's 1<sup>st</sup> Summary of information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.
- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three LEAF Provinces (and 34 DFOs) and at national level. This first update of the SIS is expected to be finished by end of 2026 (although not all indicators will have complete data yet).
- The SIS is expected to be updated on a regular basis (e.g. every 2 years) through a process involving: DFOs, Province Forest Directorates, REDD IC, FECOFUN, NEFIN and compilation of data from available reports.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in the next TREES Monitoring Report (in line with the TREES requirement, i.e., within 5 years of Nepal joining ART-TREES, in 2027).

### Responsibilities

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards and the regular monitoring and review of the NRS and ER programs.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+.

## CANCUN SAFEGUARD B

- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.

### THEME B.4 Respect, protect, and fulfill access to justice

**STRUCTURAL INDICATOR:** Participants have in place procedures for guaranteeing non-discriminatory and non-cost prohibitive access to dispute resolution mechanisms at all relevant levels, and these are anchored in relevant ratified international conventions/agreements and/or domestic and if applicable, subnational, legal framework.

Describe how this indicator is met.

As set out in the TREES Registration Document, Nepal has in place **a legal framework as well as procedures that allow non-discriminatory and non-cost prohibitive access to justice, including dispute resolution in the context of REDD+** nationally down to local level and for ER programs. Nepal is also a party to numerous international human rights treaties, which have guaranteed access to justice (see Theme C3 for more information). This legal framework and related procedures were in place during the reporting period:

- **Nepal's Constitution (2015)** guarantees access to justice and the right to a fair trial to all citizens (Art. 20). The Constitution also guarantees rights to equality (Art. 18), and states that all types of acts of untouchability and discrimination committed in contravention of the Constitution and laws shall be punishable by law as a severe social offence; the victim of such an act shall have the right to obtain compensation in accordance with law (Art. 24).
- Powers relating to justice in Nepal can be exercised by **courts and other judicial bodies** in accordance with the Constitution, other statutes, laws, regulations, and the accepted principles of justice and established doctrine by the Supreme Court of Nepal. According to the Constitution of Nepal (2015), the courts constitute three levels: the Supreme Court, High courts, and District courts and other courts/bodies. Specialized courts or tribunals might be constituted for the purpose of hearing special types of cases.
- **Judicial bodies can be constituted at the local level** to pursue cases under local government operation laws or other bodies as required might be formed to trial alternative dispute settlement or Alternative Dispute Resolution (ADR) methods. Clause 217 of the **Local Government Operation Act (2017)** provisions a judicial committee (Nyayik Samiti) led by the Deputy Mayor/Vice-Chairpersons of the municipalities/rural municipalities. Disputes related to various issues (which are listed in the Act) within the local government can be resolved by this committee following a non-adversarial participatory approach.
- **Legal aid** provided by the Nepal Bar Association is a critical service that helps ensure access to justice for all, regardless of financial status, and the service has been crucial role in providing legal assistance to poor and marginalized communities. The **Legal Aid Act** enacted in 1997, established the **Legal Aid Committee**, which is responsible for

## CANCUN SAFEGUARD B

legal aid services to the poor, to women, children, the disabled, and other marginalized groups. See process indicator below for more information.

- Grievance Redress Mechanisms (GRMs), which are described in detail in the process indicator below, are established within the government agencies considering Sec. 31 of the **Good Governance (Management and Operation) Act (2008)**, which requires GRMs to be accessible to all citizens or groups who are affected by programs or projects under government agency implementation.
- **The Forest Act (2019) and Forest Regulations (2022)** also provide for informal hearings of complaints and resolution of disputes at the community level. According to these laws and the Good Governance Act (2008), grievance-handling officers assigned at the district, provincial, and federal-level forestry agencies are formally responsible for hearing grievances and resolving disputes

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures, and resources to facilitate access to dispute resolution mechanisms for stakeholders involved in the implementation of REDD+ actions including judicial and/or administrative procedures for legal redress, which, inter alia, provide access for indigenous peoples, local communities, or equivalent stakeholders with a recognized legal interest.

Describe how this indicator is met.

**Grievance Redress Mechanisms (GRMs) relevant to REDD+, including related mandates and procedures**, have been implemented in Nepal during the reporting period, providing access to stakeholders to submit complaints, grievances and feedback, and to appropriate dispute resolution mechanisms.

**Key institutions and mandates for operationalizing access to justice** include:

- The Legal Aid Act (1997) established a **Central Legal Aid Committee (clause 6) and a District Legal Aid Committee** (Clause 7) to make necessary arrangements to provide legal aid to indigent people. A legal aid fund has also been established under Act (clause 8), which will draw from different sources such as: (a) Money received from GoN as grant, (b) Money received as grant, aid, subscription from an individual, Association or institution, and (c) Money received from other sources.
- The **National Judicial Academy (NJA)**, a member of the International Organization of Judicial Training, was established in 2004 to serve training and research needs of the judges, government attorneys, government legal officers, judicial officers, private law practitioners, and others who are directly involved in the administration of justice in Nepal. The NJA coordinates and collaborates with the Judicial Council and Judicial Service Commission in improving judicial administration and promoting a competitive, professionally competent, service oriented and effective **Nepal Bar Association** for the advancement of the judicial system of Nepal.

## CANCUN SAFEGUARD B

The following table summarizes the information on **the mandates, roles and responsibilities of different agencies in the handling of grievances and disputes relevant to forestry and REDD+**:

**Table 7.4: Grievance Registering and Handling Bodies**

GRIEVANCE REGISTERING BODIES	LEGAL PROVISIONS FOR REGISTERING COMPLAINTS
<ul style="list-style-type: none"> <li>• CFUGs</li> <li>• Collaborative Forest Users Groups</li> </ul>	<ul style="list-style-type: none"> <li>• Forest Act 2019 and Forest Regulation 2022</li> <li>• Community Forest Guideline 2025</li> </ul>
<ul style="list-style-type: none"> <li>• Judicial Committee of Local Government</li> <li>• Ward-level Mediation Center<sup>86</sup></li> </ul>	<ul style="list-style-type: none"> <li>• Local Government Operation Act 2017</li> </ul>
<ul style="list-style-type: none"> <li>• District Administrative Office</li> <li>• Chief District Office (CDO)</li> </ul>	<ul style="list-style-type: none"> <li>• Local Administration Act 1971, Good Governance Act 2008, Good Governance Regulation 2009</li> </ul>
<ul style="list-style-type: none"> <li>• Divisional Forest Officer (DFO)</li> </ul>	<ul style="list-style-type: none"> <li>• Forest Act 2019 and Forest Regulation 2022</li> <li>• Good Governance Act 2008, Good Governance Regulation 2009</li> </ul>
<ul style="list-style-type: none"> <li>• Office of the Protected Areas (Warden)</li> </ul>	<ul style="list-style-type: none"> <li>• National Park and Wildlife Conservation Act 1973</li> <li>• Buffer Zone Regulation 1995</li> <li>• Conservation Areas Regulations</li> </ul>
<ul style="list-style-type: none"> <li>• Provincial Ministry of Forests</li> <li>• Provincial Forest Directorate</li> </ul>	<ul style="list-style-type: none"> <li>• Forest Act 2019 and Forest Regulation 2022</li> <li>• Good Governance Act 2008, Good Governance Regulation 2009</li> </ul>
<ul style="list-style-type: none"> <li>• REDD IC</li> <li>• MoFE</li> </ul>	<ul style="list-style-type: none"> <li>• Forest Act 2019 and Forest Regulation 2022</li> <li>• Good Governance Act 2008, Good Governance Regulation 2009</li> <li>• National REDD+ Strategy</li> </ul>

As introduced in the TREES Registration Document, Nepal's GRMs for REDD+ are based on existing GRMs nationally and in the forest sector, which use a quasi-judicial approach that applies both judicial and pragmatic approaches to address grievances. **These include the following procedures, channels and GRMs:**

- There are compulsory provisions for **citizens charters, complaint boxes, information officers, and gender focal officers in every government office**. (More information on mechanisms to request information is also provided under Theme B1). Complaints can also be submitted through the **CIAA and National Vigilance Centre**, as well as through the **Hello Sarkar** online platform (<https://gunaso.opmcm.gov.np/home>).
- The **Judicial Committee chaired by Vice Chairperson of local government** also has authority to settle disputes; the Chief District Officer has authority to settle disputes and this is the most commonly used means of GRM at district level; through the local Judicial committee; the Court at district level (district court) and the Reconciliation Centre at local level; the Information officer and spokesperson available in all offices to provide

<sup>86</sup> There are two separate mechanisms under local government; however, they work in a coordinated way to resolve the grievances.

## CANCUN SAFEGUARD B

information; the citizen charter; the Nodal Officer and complaint boxes available in any government office.

- As mentioned under the structure indicator, the Good Governance Act (2008), Forest Act (2019) and Forest Regulations (2022), **grievance-handling officers at district, provincial, and federal-level forestry agencies** are responsible for hearing grievances and resolving disputes. The Division Forest Offices (DFOs) have been given powers to adjudicate and settle cases under the Forest Act (2019) that are punishable under the Act by a fine not exceeding two hundred thousand rupees or imprisonment for a term not exceeding one year or both, following the proceedings referred to the Special Court Act (2002) Chapter 4, Clause 7. These include civil cases related to illegal harvesting of trees and other forest products punishable under the Act. Criminal cases are normally prosecuted by the courts through the police and settled following the judicial procedures.
- According to Rule 123 of the Forest Regulations (2022), the responsibility of resolving complaints and disputes related to forest management and the environment, including community forests, has been given to the **District Forest Coordination Committee (DFCC)**. Since the **Divisional Forest Officer** is the member-secretary of the DFCC, he/she is required to register all complaints and disputes related to forests and prepare a written record to present details of such complaints and disputes in the meetings of the DFCC. Since the Divisional Forest Officer is granted quasi-judicial powers as per Sections 62 and 67 of the Forest Act 2017, it is necessary to prepare a written record of all complaints received at the Divisional Forest Office.
- Local governments, DFOs, CBFM groups, and the media disseminate the information on GRM channels and their procedures. Therefore, if complaints are received by various channels, such as complaint boxes or by phone and email, and online or social media regarding community forest management, emission reduction programs, and benefit sharing, they should be registered by the **REDD+ Focal Person (who works as a grievance officer or Nodal Officer) at the DFO**.
- DFOs must register and resolve the grievances received from stakeholders and **document any grievances in their annual reports**. As per the Good Governance (Operation and management) Regulation 2009 (Schedule-1), they need to include such records in the quarterly and annual reports.

Various provisions have been made in the regulations described above regarding the **responsible bodies and officials, timelines, and procedures** for the receipt and registration of grievances, their screening and assessment, possible resolutions for grievances and disputes, as well as documenting and monitoring. All these grievance channels are also accessible free-of-charge. The timeframes for dispute resolution are as follows:

**Table 7.5: Timeframe for hearing complaints**

## CANCUN SAFEGUARD B

COMPLAINT HEARING ACTIVITIES	TIME LIMIT FOR HEARING COMPLAINTS	TIMEFRAME PROVISIONS
Complaint registration	On the same day, when the complaint was submitted	Good Governance Regulations 2009 (Rule 20)
Screening and assessment of the grievance	Within 24 hours	
Providing information to complainants	Immediate information must be provided.	Right to Information Act 2007 (Section 7)
Grievance hearing	Hearing of general complaints within 7 days	Good Governance Act 2008 (Section 15)
	Addressing complaints on policy issues within 1 month	Guidance from the Ministry of Federal Affairs and General Administration
	Public hearings every 4 months	Good Governance Regulations 2009 (Rule 19)
Documentation and reporting of grievance hearings	Monthly report	Good Governance Regulations 2009 (Annex-1)
Monitoring of grievance redress	N/A	No clear provision

Based on these arrangements, the Executive Committees of the CBFM groups / CFUGs, local governments, and Officers of the Divisional Forest Offices are thus responsible for addressing grievances within the given timeframe. If the disputes cannot be resolved through these channels, any party to the disputes can use the formal court system, where disputes are settled through the judicial procedures by the courts.

The MoFE and REDD IC have also undertaken **steps to further define the operation of GRMs for REDD+, and to strengthen capacities for managing grievances in the REDD+ context, as well as their monitoring and reporting:**

- REDD IC conducted a **study to design a feedback and grievance redress mechanism (FGRM) in 2015, and the FCPF ER Program** (which overlaps with the LEAF Program area) then started designing a FGRM wherein all REDD+ stakeholders and/or affected people are given opportunity to lodge complaints they might have in relation to the way the ER Program is implemented. Details on the FGRM process are provided in the ESMF (2019). The FGRM is based on the existing systems outlined above, and grievances can be submitted via written submissions through existing channels and REDD+ specific ones, including via letter, email, website, suggestion/complaint box, SMS and toll-free number. For local cases, an investigating team from key stakeholders shall be formed in each of the municipalities, with the forest officer designated as the ER Program focal officer leading the team. The system aims to address grievances within 28 days. The FGRM principles, steps and procedures are also described in the FCPF ERPD (section 14.3). The 1<sup>st</sup> ERM (finalised in 2025) of the FCPF ER Program includes some initial

## CANCUN SAFEGUARD B

information on the FGRM. In addition, it has recommended various corrective measures, including a centralized documentation system for grievances.

- In addition to the existing GRMs described above, such as at local level, **REDD IC has also established specific channels for submission of REDD+ related grievances and feedback** including:
  - The REDD IC website with a contact form (<http://www.redd.gov.np/contact>) and contacts (info@redd.gov.np Telephone; 015339126).
  - The Safeguards Information System (<http://sis.redd.gov.np/sis/contact-us>) contact page, feedback page and email address: [info@redd.gov.np](mailto:info@redd.gov.np)
- As part of the current process to update the Safeguard Information System (SIS) a **centralized recording system for REDD+ related grievances** will be developed. An initial prototype has been developed as of 2025, and introduced to DFOs during SIS training held in April 2025.
- Linked to the **LEAF ER Program**, information on how to access REDD+ specific and other existing grievance redress channels has been provided to participants in the consultation process, as facilitated by RECOFTC (2024-2025, and continuing in 2026). In addition, REDD IC with support from UN-REDD and CLP, has reviewed the operation of GRMs in the three Program provinces, and prepared a REDD+-specific guideline for registering, managing, resolving and reporting on grievances. Capacity building is planned for 2026. More information on the progress of these activities is provided under the B4 outcome indicator below.

**OUTCOME INDICATOR:** Resolved disputes, competing claims, and effective recourse and remedies have been provided when there was a violation of rights, grievance, dispute or claim related to the implementation of REDD+ actions.

Describe how this indicator is met.

Nepal has in place relevant mechanisms for resolving grievances and disputes, and effective recourse and remedies have been provided when there was a violation of rights, grievance, dispute, or claim related to the implementation of REDD+ actions. Nepal presented some initial information and a plan for conformance with the B4 outcome indicator in the TREES Registration Document, which is updated here for the period 2022-2023 and to reflect recent developments.

Nepal will achieve and demonstrate conformance with the B4 outcome indicator through the following **expected results**:

- Information on the availability of Grievance Redress Mechanisms (GRMs) and their procedures is disseminated to stakeholders through appropriate channels.
- Grievances related to REDD+ are effectively registered, addressed and resolved.
- Grievances related to REDD+ are addressed in a timely and culturally appropriate manner.

## CANCUN SAFEGUARD B

Although full information to report on outcomes under this outcome indicator is not yet available, **results demonstrated and activities already conducted** towards achieving conformance with the B4 outcome indicator include:

### **Information on the availability of Grievance Redress Mechanisms (GRMs) and their procedures is disseminated:**

- Nepal has had operational GRMs in place during the reporting period, covering dispute resolution in multiple sectors and multiple levels relevant to forest management, REDD+, as well as for ER programs. As noted in the structure and process indicators above, various channels and mechanisms are in place and are operational, such as the Hello Sarkar platform, the REDD IC contact channels, and the processing of disputes and grievances by DFOs and CBFM groups at district and local levels.
- Nepal has advanced the design and implementation of REDD+-specific GRMs, building on these existing mechanisms. REDD IC conducted a study to design a feedback and grievance redress mechanism (FGRM) in 2015, and the FCPF ER Program then started designing a FGRM, which is detailed in the FCPF ERPD (2018). Initial information on grievances was included in the first ERMR for the FCPF ER Program in 2023, along with recommendations for further strengthening of GRMs (e.g., centralized database).
- For the LEAF ER Program, information has been provided to stakeholders on how they can submit grievances and feedback through the consultation process, which has taken place during 2023-2025. Based on draft data compiled for the SIS for the years 2022-2024, all 34 DFOs in the jurisdiction report that information on the methods and channels for submitting grievances and complaints has been made to available to stakeholders (e.g. via Google form on website, SMS, physical complaints box, etc). Of the 34 DFOs reporting, 26 report holding meetings where information on GRMs was shared with participants: 124, 163, 224 such events in 2022, 2023 and 2024 respectively.
- A review of the GRMs operating in the three LEAF provinces was undertaken in 2025 and recommendations on strengthening were developed. These fed into a set of REDD+ GRM guidelines that were prepared in late 2025, have integrated stakeholder feedback, and are based on the existing grievance channels managed by DFOs.<sup>87</sup>
- Initial training on GRMs and the proposed registry linked to the SIS was provided to DFOs as part of SIS training in April 2025. A total of 61 participants attended the three events (11 women and 50 men), mainly involving government officials serving as REDD+ focal persons from the Provincial Ministry, Provincial Forest Directorate, and Division Forest Office. Representatives from provincial CSOs also joined.
- A GRM capacity building plan was prepared in late 2025, setting out steps for GRM strengthening and training in 2026.

<sup>87</sup> [https://drive.google.com/file/d/1oL3Hs2WnC4vXrafRbe3s7JB9uwLURqYI/view?usp=drive\\_link](https://drive.google.com/file/d/1oL3Hs2WnC4vXrafRbe3s7JB9uwLURqYI/view?usp=drive_link)

## CANCUN SAFEGUARD B

### Grievances related to REDD+ are effectively registered, addressed and resolved in a timely and culturally appropriate manner:

- The MoFE proactively publishes information every three months related to grievances registered directly at the Ministry from various channels, as well as grievances registered at other agencies and received at the Ministry for address and settlement, as required by the Right to Information Act (2007). The status of complaints registered at the MoFE in FY 2022/23 was covered in the regular report of MoFE<sup>88</sup>. The status of the number of complaints registered at the MoFE directly and received through other agencies for address/settlement for Oct/Nov to Dec/Jan of the fiscal year 2023/2024 is provided below. Such information has also been presented in Appendix 5 in Nepal's First Summary of Information, submitted to the UNFCCC in 2025.

**Table 7.6 Complaints/grievances related information for Oct/Nov to Dec/Jan for fiscal year 2023/24<sup>89</sup>**

Complaint/grievance sending agency	FY 2023/2024	Oct/Nov	Nov/Dec	Dec/Jan	Total
Complaints/ grievances received from Office of Prime Minister and Council of Ministers	No of complaints received	0	0	2	2
	Settled	0	0	0	0
	On the process	0	0	2	2
Complaints/ grievances received from Hello Sarkar Unit	No of complaints received	2	5	4	11
	Settled	1	4	3	8
	On the process	1	1	1	3
Complaints/ grievances received from CIAA	No of complaints received	4	2	4	10
	Settled	1	0	1	2
	On the process	3	2	3	8
Complaints/ grievances received and registered in the Ministry	No of complaints received	0	0	1	1
	Settled	0	0	0	0

<sup>88</sup>[https://giwmscdntwo.gov.np/media/pdf\\_upload/Proactive%20Disclosure%20on%20RTI%20\(2079%20B%20aishakh-Ashadh\)\\_4djqd5a.pdf](https://giwmscdntwo.gov.np/media/pdf_upload/Proactive%20Disclosure%20on%20RTI%20(2079%20B%20aishakh-Ashadh)_4djqd5a.pdf) (Nepali version)

<sup>89</sup> MoFE, Governance Improvement Section <https://www.mofe.gov.np/notices/details/proactive-disclosure-on-rti-2080-kartik-poush-0747>

## CANCUN SAFEGUARD B

of Forests and Environments	On the process	0	0	1	1
Complaints/ grievances received from National Vigilance Centre	No of complaints received	0	4	1	5
	Settled	0	1	0	1
	On the process	0	3	1	4

- The Community Forestry Guideline 2015 (updated 2025) have given the responsibility to the chairperson and Executive Committee of FUGs to resolve the grievances through discussion in the meetings, public hearings, and general assemblies of FUG. A large number of grievances on governance, access rights, benefits sharing, and social inclusion have been addressed by the FUGs during this reporting period from their public hearings, meetings of Executive Committee and General Assemblies (although records on these grievances and processes are scattered).
- DFOs have allocated time and resources to address grievances, which is done through discussion meetings in the DFO Office and a meeting of the District Forest Sector Coordination Committee (DFSCC).
- According to the draft data compiled for SIS from 34 DFOs across the three LEAF program provinces, 31 DFOs reported that a total of 501 forest and/or REDD+ related complaints and grievances have been received and recorded during 2022-2024. Of these, 109 cases have been resolved at local level, and 210 cases have been escalated to national level or courts. However, there remain gaps in the records of this data, an issue that is considered in the development of the new REDD+ GRM guidelines and the GRM registry as part of the SIS.

### Update on plan for conformance

**Planned and ongoing activities** to further achieve conformance with the outcome indicator include the following:

- The REDD+ GRM Guideline will be finalized in the Nepal government template and is expected to be endorsed by mid-2026.
- As part of the ongoing update of the SIS, a centralized REDD+ grievance registry is being established; this is expected to be completed by the end of 2026. Also, as part of the SIS update and to complement data from other sources, DFOs have been requested to provide initial data on grievances/complaints processed in past years. Data has been compiled and will be integrated into the SIS update in 2026 if feasible.
- A training of trainers (ToT) workshop on the REDD+ GRM Guidelines is planned for the second half of 2026, focused on the three LEAF ER Program provinces.

### Monitoring and reporting

## CANCUN SAFEGUARD B

Monitoring of the expected results and activities for conformance with B4 outcome indicator will occur through Nepal's SIS, as well as through relevant complementary reports (e.g., national grievance/compliant system reporting; workshop reports on safeguards/GRMs capacity building).

Nepal's SIS will provide information on:

- An overview of laws, policies, regulations, and institutional frameworks that establish the right to effective grievance redress, dispute resolutions, and possible remedies.
- Information on the design and functioning of REDD+ related GRMs at national and subnational levels, including institutional responsibilities, procedures for submitting grievances, timelines for response and decision-making processes.
- Information on handling and resolution of disputes and competing claims by the different levels of agencies.
- information on accessibility and inclusivism of grievance mechanisms

The following SIS indicators along with expected data sources will provide “respect” or outcome level information relevant to this outcome indicator:

- B6.2 Information on the availability of grievance redress mechanisms and procedures is widely disseminated to all relevant the stakeholders using appropriate channels.
  - Evidence of information sharing to stakeholders on GRMs, including via FPIC process/information packages, publicly available information online, and in govt offices on GRM procedures, minutes for meetings with stakeholders in local constituencies on GRMs
  - Evidence that information on GRMs is provided in local languages.
  - *Data sources: Websites related to GRMs; GRM documents; consultation reports; FPIC information package; meeting minutes*
- B6.3 Grievances related to REDD+ programs are registered, addressed, and resolved in a timely and culturally appropriate manner.
  - Data showing number of REDD+ related grievances registered, resolved and outstanding in the various GRM channels.
  - Average days/time needed for resolution of grievances If available/shareable, disaggregated data on grievances by stakeholder type, location, gender etc.
  - Evidence of culturally appropriate resolution, e.g., languages used, number solved at local level
  - *Data sources: Review/monitoring reports on GRM channels at multiple levels; Grievance registry (when fully operational); requests to DFO for records on grievances/complaints.*

### Timeline for monitoring

## CANCUN SAFEGUARD B

- Nepal's 1<sup>st</sup> Summary of information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.
- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three LEAF Provinces (and 34 DFOs) and at national level. This first update of the SIS is expected to be finished by end of 2026 (although not all indicators will have complete data yet).
- The SIS is expected to be updated on a regular basis (e.g. every 2 years) through a process involving: DFOs, Province Forest Directorates, REDD IC, FECOFUN, NEFIN and compilation of data from available reports.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in the next TREES Monitoring Report (in line with the TREES requirement, i.e., within 5 years of Nepal joining ART-TREES, in 2027).

### Responsibilities

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards, and the regular monitoring and review of the NRS and ER programs.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+.
- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.

## CANCUN SAFEGUARD C

### THEME C.1 Identify indigenous peoples and local communities, or equivalent

**STRUCTURAL INDICATOR:** Participants have in place a legal framework, policies or procedures for the identification or self-identification of indigenous peoples, and local communities, or equivalent, and for the respect of their rights, and these are anchored in relevant ratified international conventions/agreements and/or domestic and if applicable, subnational, legal framework.

Describe how this indicator is met.

As reported in the TREES Registration Document, Nepal has in place **a legal framework and procedures for the identification of Indigenous Peoples and local communities, and for recognising and respecting their rights**, linked to ratified international conventions. This legal framework and associated procedures were operational during the reporting period and include the following:

## CANCUN SAFEGUARD C

- Nepal has ratified/voted in favour of the **United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) (2007)**, **International Labor Organization Convention Concerning Indigenous and Tribal Peoples in Independent Countries (ILO Convention No. 169) (1989)**, the **Convention on Biological Diversity (ratified in 1993)** and the **United Nations Framework Convention on Climate Change (ratified in 2016)**. All these international instruments have provisions relating to the recognition of Indigenous Peoples and FPIC, provisions which have also been integrated into Nepal's domestic legal framework.
- **Mixed and diverse socio-cultural structure:** The Art 18 (3) and 42(1) have identified different 21 groups of the communities, including indigenous people, indigenous nationalities, *Dalit*, *Madhesi*, *Tharu*, Muslim, oppressed class, *Pichhada* class, minorities, the marginalized, farmers, labours, youths, children, senior citizens, gender and sexual minorities, persons with disabilities, persons in pregnancy, incapacitated or helpless, backward region and indigent *Khas Arya*. Out of them, only the Indigenous Nationalities are defined and listed 60 casts in the NFDIN Act (2022) and the rest of the groups are yet to be defined by the specific act. It has shown that Nepal's social structure is mixed and diverse from the cultural, customs, and lifestyles point of view.
- **The term 'Indigenous People' (Aadibasi Janajati) is used to refer to some of the ethnic groups, and the Constitution (2015) recognizes Indigenous People as Janajatis.** Under the right to Social Justice guaranteed by the Constitution, it states that the economically, socially or educationally backward women, *Dalit*, indigenous nationalities (*Aadibasi Janajati*), *Madhesi*, *Tharu*, Muslims, backward classes, minorities, marginalized communities, persons with disabilities, gender and sexual minorities, farmers, laborers, oppressed or citizens of backward regions and indigent *Khas Arya* shall have the right to participate in the bodies of the State based on principle of proportional inclusion (Art 42). Another Constitutional policy is that the State is to help ensure that *Aadibasi Janajati* participate in decisions concerning that community by making special provisions to ensure the right of these nationalities to live with dignity, along with their identity, and protect and promote traditional knowledge, skill, culture, social tradition and experience of the Indigenous nationalities and local communities (Art. 51(j)(8)).
- The **National Foundation for Development of Indigenous Nationalities (NFDIN) Act (2002)** has defined Indigenous Peoples as:
 

*“those ethnic groups or communities who have their own mother tongue and traditional customs, distinct cultural identity, distinct social structure and written or oral history of their own”.*
- The **Indigenous Nationalities Commission (INC)** is a constitutional body with the provision of Constitution of Nepal (2015) (Part 27, other Commission Article 261). The Commission was established on 13 November 2018. The INC is governed by the Constitution of Nepal and **Indigenous Nationalities Commission Act (2017)**. Its functions and duties are to conduct studies and research to protect the rights and interest of Indigenous nationalities.
- There is no legal definition of “**local communities**”, but the **Local Government Operation Act (2017)** defines “local level” as a village or town, and the word also refers to a district assembly. In addition, **the Constitution (2015)** includes policies such as according priority and preferential right to local communities in distribution of benefits from natural resources management (Art. 51(g)(1)), and provides that “certain portions of benefits generated from the natural resources

## CANCUN SAFEGUARD C

shall be distributed, in accordance with law, in the form of royalty, services or goods to the project affected regions and local communities". As per the Constitution, "to make community development through enhancement of local public participation, by promoting and mobilizing the creativity of local communities in social, cultural, and service-oriented works" will be the State policy related to Social and Cultural Transformation (Art. 51(c)(3)).

- In the **Forest Act (2019)** (Sec 18), a **Community Forest** is defined as:  
*"A Community Forest is the part of national Forests transferred by the DFOs to the user group of the forest formed and registered at the Divisional Forest Offices to utilize the forest products by protecting, developing and managing such forest for collective interest with entitlement to develop, conserve, use and manage the forest and to sell and distribute the forest products by fixing their price independently"*.

The Constitution of Nepal (2015) as well as other relevant legal instruments including, the National REDD+ Strategy (2018) and (2025), Forest Policy (2019), Forest Act (2019), Forest Regulations (2022), Forestry Sector Strategy (2016-2025), National Environment Policy (2019), Environment Protection Act (2019), National Climate Change Policy (2019), National Biodiversity Strategy and Action Plan (2014), Long-term Strategy for Net-zero Emissions (2021) and 15<sup>th</sup> Periodic Plan and 16<sup>th</sup> Periodic Plan **all have provisions on recognizing and respecting the rights of the Indigenous Peoples and local communities in the design and implementation programs, including REDD+ actions.** Some provisions are detailed below as well as under the Theme C3 structural indicator:

- **Free, Prior and Informed Consent (FPIC)** is considered a key instrument in Nepal, including in the forest sector, for recognizing and respecting rights of Indigenous Peoples and local communities in relation to participation in programs. A number of policies, laws and regulations in Nepal have explicit and/or implicit requirements and provisions related to FPIC. These include the Constitution of Nepal (2015), and the Forest Policy (2019), which proposes strategic actions that require FPIC from affected communities before implementing any projects in forest areas.
- **The Forest Regulations (2022)** lays out procedures for obtaining consent from CFUG Executive Committees as well as the General Assembly of CFUGs for conversion of Community Forest Lands for any infrastructure development. Rule 107 states that forest user groups and other affected local communities shall be notified, and prior informed consent shall be obtained through the process established by the GoN, before any national and international agreements related to Sustainable Forest Management-based ER payments/the sale of forest carbon services are made.
- Nepal's second **Nationally Determined Contribution (2020)** includes the following:  
*"By 2030, institutional mechanisms and structures in place and adequate provision of budget to ensure social and environmental safeguards including Free, Prior and Informed Consent (FPIC); forest tenure and access to finance and technology for local communities, women and Indigenous People..."*

The NDC 3.0 submitted to the UNFCCC in 2025 also includes a similar target.

## CANCUN SAFEGUARD C

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures, and resources to respect the rights of the indigenous peoples and local communities, or equivalent in the design and implementation of REDD+ actions, according to relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

Describe how this indicator is met.

During the reporting period (2022-2023), Nepal has had in place and utilised **the mandates, procedures, and resources to identify and respect the rights of Indigenous Peoples and local communities in the design and implementation of REDD+ actions.**

In terms of **identification of IPs and LCs**, following the definition provided in the NFDIN Act (2002), 60 groups in Nepal have been identified as ethnic Indigenous groups, which are further classified into five groups based on their vulnerability: Endangered (10 groups); Highly marginalized (12 groups); Marginalized (21 groups); Disadvantaged (15 groups) and Advanced (2 groups) The National Foundation For Development of Indigenous Nationalities (NFDIN) is mandated to identify and update the list of IPs in the list of NFDIN Act after approval from the GoN. In addition, the Nepal Federation of indigenous Nationalities (NEFIN) as a network of IPs can suggest or recommend to NFDIN to update the IPs list if there is any request to do so.

**Table 7.7: Classification of Indigenous Groups in Nepal**

Endangered Groups	Bankariya, Kusunda, Kushbadia, Raute, Surel, Hayu, Raji, Kisan, Lepcha, Meche (10 groups)
Highly Marginalized Groups	Santhal, Jhangad, Chepang, Thami, Majhi, Bote, Dhanuk (Rajbansi), Lhomi (Singsawa), Thudamba, Siyar (Chumba), Baramu, Danuwar (12 groups)
Marginalized Groups	Sunuwar, Tharu, Ranatharu, Tamang, Bhujel, Kumal, Rajbansi (Koch), Gangai, Dhimal, Bhote, Darai, Tajpuria, Pahari, Dhokpya (Topkegola), Dolpo, Free, Magal, Larke (Nupriba), Lhopa, Dura, Walung (21 groups)
Disadvantaged Groups	Jirel, Tangbe (Tangbetani), Hyolmo, Limbu, Yakkha, Rai, Chhantyal, Magar, Chhairotan, Tingaunle Thakali, Bahragaunle, Byansi, Gurung, Marphali Thakali, Sherpa. (15 groups)
Advanced Groups	Newar, Thakali (2 groups)

Other **key mandates and procedures for the respect of the rights of IPs and LCs in general and in the context of REDD+** are as follows:

- The **Indigenous Nationalities Commission (INC)** was established in 2018, governed by the Constitution of Nepal and the Indigenous Nationalities Commission Act (2017). Its functions and duties are to conduct studies and research to protect the rights and interests of Indigenous Nationalities.

## CANCUN SAFEGUARD C

- To implement the Indigenous Nationalities Commission Act (2017), the INC has prepared and approved the **Indigenous Nationalities Commission Regulations (2022)**. Stakeholders can file complaints against any person or organization allegedly involved in violation of rights of Indigenous nationalities. The INC will collect the complaints regarding rights violations, and it can recommend to the agencies concerned legal action against rights violators through investigation and monitoring of implementation of rights of such persons or groups by identifying perpetrators. The INC may also trace the rights violators. The INC may request the agencies concerned for necessary information while collecting complaints against the alleged rights violators. If information is not provided on demand, the INC may recommend action against the chief or the relevant officials of such agencies for departmental action.
- **NRS (2018)** includes clear references to the rights of IPs and LCs. Its Objective 2 is to improve resource tenure and ensure fair and equitable sharing of carbon and non-carbon benefits of forests among rights holders, women, Indigenous Peoples, Madhesis, Dalits, and forest dependent local communities with effective implementation of safeguard measures. The Strategy also includes specific actions related to recognizing and respecting the rights of IPs and LCs:
  - Action 5.1 on respecting and addressing safeguards including forest tenure security of women, Indigenous Peoples, Madhesi, Dalits, local communities, and forest-dependent poor.
  - Action 5.5 on recognizing and integrating traditional and customary knowledge and practices in forest management plans, particularly in CF, CFM and other CBFM.
  - Action 10.8 on ensuring adequate representation and meaningful participation of women, Indigenous Peoples, Madhesis, Dalits, local communities, private sector and forest-dependent poor in relevant forestry decision-making processes through policy provisions, institutionalization and capacity development.
  - Action 11.2 on adopting the approach to Free, Prior, and Informed Consent (FPIC) of rights holders, particularly Indigenous Peoples and local communities.
- This objective and similar actions have been maintained in the **updated NRS (2025)** e.g. under Strategy 4.6.4 to improve forest tenure, ensure carbon rights, and fair and equitable benefit sharing.
- The **voluntary REDD+ Social and Environmental Standards (SES; 2014)** was developed jointly by the REDD IC and the FECOFUN through a participatory and inclusive process that started in 2009. Several indicators were detailed under the principles including 7.1.2: “The REDD+ program recognizes and respects the human rights of Indigenous Peoples and local communities”. The REDD+ SES informed the development of the country’s SIS; Nepal revised their set of Principles, Criteria and Indicators (PCIs) and the SIS was launched in 2021. The PCI was further revised in 2023 and 2024 to accommodate developments and various carbon standards requirements. Relevant indicators to respecting the rights of the Indigenous Peoples and local communities can be found under the outcome indicator below.
- As noted under Themes B4, **FPIC is a key instrument** in Nepal for recognizing and respecting the rights of IPs and LCs in decision-making related to their lands, territories and resources and on projects that affect them. Provisions related to FPIC. Are present in the Constitution of Nepal (2015), and the Forest Policy (2019), which proposes strategic actions that require FPIC from

## CANCUN SAFEGUARD C

affected communities before implementing any projects in forest areas. The Forest Regulations (2022) lays out procedures for obtaining consent for conversion of Community Forest Lands for any infrastructure development, while Rule 107 states that FPIC shall be obtained before any national and international agreements related to ER payments/the sale of forest carbon services are made.

- To operationalize these legal requirements for FPIC, the GoN through MoFE and REDD IC has prepared **National Guidelines on FPIC for REDD+** in 2024, with input from relevant stakeholders, and which are being piloted in the LEAF Program area. The Guideline provide definitions, for example of “traditional and customary rights” and “traditional knowledge”, and set out a phase approach for: i) identifying/mapping relevant rights-holders and stakeholders; ii) developing and disseminating information on proposed REDD+ programs, their potential impacts, benefit sharing, GRMs, etc; iii) developing proposed FPIC approaches together with relevant rights holders and stakeholders; iv) implementing inclusive and appropriate consultation and consent processes; and v) monitoring consent over the longer-term.
- The **ESMF for the FCPF ER Program** was developed and approved in 2018 following the World Bank’s Environmental and Social policies and standards. The ERPD (2018) details how FPIC is a key issue for various proposed interventions. According to the ESMF, Indigenous People and Vulnerable Community Development Plans (IPVCDPs) will be developed if needed. IPVCDPs have the following objectives: ensure that UNDRIP is respected; guarantee the application of the principle of FPIC; ensure that customary rights are recognized, respected, and preserved. In addition, the ESMF states that FPIC needs to be included in the design and implementation of REDD+ projects, and the FCPF ER program BSP (updated in 2025) also includes under outcome 1: “Ensure Free Prior and Informed Consent (FPIC) is followed (i.e., local communities are timely informed and activities in the ER Program area are implemented with consent”).
- An **Environmental and Social Management Framework (FAO, 2019) has also been developed for the Building Resilient Churia Region in Nepal (BRCRN) project** (a GCF funded project), which is being implemented in the 26 river systems of Koshi, Madesh and Bagmati Provinces (with a small overlap with the LEAF ER program area in Sindhuli district of Bagmati Province). The project has developed an Environmental and Social Management Plan, an Indigenous Peoples Plan, and a Social Inclusion Management Plan. The ESMF also specifies that the process for FPIC was initiated during the consultation process for this project.
- The **Forestry for Prosperity Project**, which is being implemented under the Forest Investment Program of the Climate Investment Fund in 50 municipalities of Madesh and Lumbini Provinces, has also developed an ESMF, which includes an Indigenous Peoples Planning Framework (IPPF); and Resettlement Policy Framework (RPF). The project has also developed a Stakeholder Engagement Plan (SEP) and Environmental and Social Commitment Plan (ESCP).
- The development of the **LEAF ER Program** has also integrated processes to identify relevant stakeholders including IPs and LCs, and to carry out a consultation process to respect their rights to participate in decision-making about the Program:
  - Stakeholder mapping conducted through desk review and field-level consultations in 2023 identified stakeholders and rights holders at Federal level and in each Province, including

## CANCUN SAFEGUARD C

- Indigenous Peoples in the program area namely, Tharu, Magar, Gurung, Tamang, Newar, Dhimal, Tajpuriya, Rajbanshi, Gangai, Majhi, Kumal, Darai, Chepang (Praja) and Danuwar.
- An initial round of stakeholder consultations was led by REDD IC in Gandaki and Bagmati Provinces May- June 2023, aimed at informing stakeholders about the proposed LEAF ER Program, possible outcomes, and implications, and to consult them on their related concerns, including safeguards and benefit sharing mechanisms.

Another round of consultations, including FPIC, and based on the 2024 Guidelines on FPIC for REDD+, were held during 2024-2025 at national, provincial and district levels of the TREES accounting area. The rights holders and affected communities were identified based on the Guidance, with updated stakeholder mapping completed in 2024. Annex 2 of the FPIC consultation report<sup>90</sup> details the Stakeholder Mapping and Engagement Matrix with information on forest resources and forest management systems practiced, major stakeholders and rights-holders, and their attributes, analyzed using the 'Power Interest Grid' tool. The FPIC consultation report (2025) notes that Indigenous People's make up the largest segment, followed by high caste hill Brahmins and Chhetris, while Dalits and Muslims are small groups in the area. Please see the outcome indicator below and Theme D2 for more information on the consultations.

**OUTCOME INDICATOR:** Indigenous peoples and local communities, or equivalent, have been identified and their respective rights have been respected in the design and implementation of REDD+ actions.

Describe how this indicator is met.

REDD+ interventions in Nepal to the date have been designed and implemented with due consideration for the identification of Indigenous peoples and local communities and the respect for their respective rights, in line with national legal in line with national legal frameworks, policies and international commitments. Through the National REDD+ Strategy and the implementation of ER programs, Nepal has integrated safeguards-related measures to ensure that the rights, roles and interests of indigenous peoples and local communities are recognized and addressed throughout the REDD+ process. Nepal presented some initial information and a plan for conformance with the C1 outcome indicator in the TREES Registration Document, which is updated here for the period 2022-2024 and to reflect recent developments.

Nepal will achieve and demonstrate conformance with the C1 outcome indicator through the following **expected results:**

- The National REDD+ Strategy and ER programs promote and/or contribute to recognition and protection of land and resource tenure.

## CANCUN SAFEGUARD C

- The National REDD+ Strategy and ER programs promote sustainable forest management and CBFM approaches.
- The rights of Indigenous Peoples and local communities are recognized and respected within forest management and land use plans.
- Free, Prior, and informed Consent (FPIC) is sought from Indigenous Peoples and local communities before their participation in REDD+ programs or actions affecting their rights to lands, territories, and resources.
- Any relocation without FPIC of stakeholders affected by REDD+ programs or actions is prohibited.
- Where displacement or relocation occurs, prior agreement is reached on alternative land and/or fair compensation before any relocation occurs.
- ER programs implement policies and procedures to recognize and allocate carbon rights, based on both statutory and customary rights to land and resources.

**Although full information to report on outcomes is not yet available, results demonstrated and activities already conducted towards achieving conformance with the C1 Outcome indicator include the following:**

**Promotion and/or contribution to recognition and protection of land and resource tenure:** Please see the B3 outcome indicator for information on this element.

**Promotion of community-based forest management, and recognition of IP and LC rights within forest management and land use plans:** Please see the C2 and C3 outcome indicators for more information on this element.

**FPIC is sought from Indigenous Peoples and Local communities before their participation in REDD+ programs or actions affecting their rights to lands, territories, and resources; and no involuntary relocation/displacement:** FPIC is a key instrument in Nepal for recognizing and respecting the rights of IPs and LCs in decision-making, and the national Guidelines on FPIC for REDD+ was prepared in 2024. It includes steps to identify IPs and LCs, and their rights. Please see the B3 and D2 outcome indicators for more information on these FPIC related elements.

**Policies and procedures to recognise and allocate rights:**

- Nepal has established practices and procedures to identify the IPs and LCs and respect their respective rights in the REDD+ actions during the REDD+ readiness phase. IPs and LCs, including CBFM groups, have been identified, and their rights are being recognized and respected in the design and implementation of REDD+ actions as well as the LEAF ER Program, as discussed in the structural and process indicators above.
- 60 Indigenous groups have been identified nationally in 2002 by NFDIN through their identification process.

## CANCUN SAFEGUARD C

- The NRS (2018) and updated NRS (2025) include clear references to the rights of IPs and LCs in their objectives and actions, e.g., Strategy 4.6.4 to improve forest tenure, ensure carbon rights, and fair and equitable benefit sharing.
- In the case of the FCPF ER Program, which overlaps with the LEAF ER Program area, stakeholder mapping was conducted, and wider consultations with IPs and LCs were conducted during the ER-PIN and ERPD development phase (with ERPD finalised in 2018). Nepal's Readiness Preparation Proposal (R-PP) for REDD+ identified the IPs and LCs for the REDD+ process in Nepal (Annex 1b-1.2, page 89).<sup>91</sup>
- The REDD+ Social and Environmental Standards were developed jointly by the REDD IC and FECOFUN through a participatory and inclusive process and finalized in 2014, with clear references to safeguarding the rights of IPs and LCs. The SES fed into the development of Nepal's SIS PCI in 2021 (subsequently revised in 2023-2024).
- The following activities have been conducted from 2020 to 2024 to identify the IPs and LCs and respect their rights in the design and implementation of REDD+ activities under the NRS and LEAF ER program:

**Table 7.8: Activities to identify IPs and LCs and their Rights**

FISCAL YEAR	ACTIVITIES CONDUCTED TO IDENTIFY IPS AND LCS AND RESPECT THEIR RIGHTS (REDD IC ANNUAL REPORTS- NEPALI VERSION)
2020 <sup>92</sup>	<ul style="list-style-type: none"> <li>• Organized a national-level consultation workshop with IPs and LCs representatives to finalize the safeguards-related Principles, Criteria, and Indicators (PCI) to integrate into SIS.</li> <li>• Organized rights-holder and stakeholder consultation workshop to review and reflect on the impacts of REDD+ actions on the IPs and LCs and their rights.</li> </ul>
2021 <sup>93</sup>	<ul style="list-style-type: none"> <li>• Advanced SIS with the active participation of IPs and LCs representatives (page 14).</li> <li>• Organized the provincial-level workshop in Gandaki Province for GESI mainstreaming in REDD+ actions with the participation of women representatives from IPs and LCs (page 23).</li> <li>• Organized 7 stakeholder consultation workshops at the provincial level on IPs and LCs' rights and participation in the REDD+ actions (page 24).</li> <li>• Organized capacity building training on REDD+ safeguards, targeting the representatives of IPs and LCs, including CBFM groups (pages 24-25).</li> </ul>

<sup>91</sup> [https://www.forestcarbonpartnership.org/system/files/documents/R-PP\\_Nepal\\_revised\\_October.pdf](https://www.forestcarbonpartnership.org/system/files/documents/R-PP_Nepal_revised_October.pdf)

<sup>92</sup> [https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Annual\\_Report\\_2079.pdf](https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Annual_Report_2079.pdf)

<sup>93</sup>

[https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Annual\\_Report\\_Final\\_2079\(1\).pdf](https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Annual_Report_Final_2079(1).pdf)

## CANCUN SAFEGUARD C

2022 <sup>94</sup>	<ul style="list-style-type: none"> <li>Organize 3 provincial-level consultation workshops and 9 cluster-level workshops in Bagmati, Gandaki, and Lumbini to identify the IPs and LCs and their concerns in the design phase of the LEAF ER Program (page 22).</li> <li>SIS orientation program organized for IPs and LCs representations in five clusters in FCPF and LEAF ER Program provinces (pages 26-27)</li> <li>11 consultation and discussion events were organized in the FCPF and LEAF ER Program provinces, focusing on IPs and LCs' rights and social and environmental aspects of REDD+ actions. 232 participants participated in these events (see Annex 3).</li> </ul>
2023 <sup>95</sup>	<ul style="list-style-type: none"> <li>Organized 3 provincial-level and 9 cluster-level interaction workshops in the LEAF ER Program provinces to support IPs and LCs representatives for their full and effective participation in the LEAF ER Program and REDD+ actions (page 23).</li> <li>Organized a national-level information sharing workshop with the participation of IPs and LCs and other relevant stakeholders in September 2023 (page 26-27).</li> <li>Organized a series of events at provincial and national levels to discuss and collect feedback on TRD, BSP, FPIC guideline, GRMs, and SOI from the IPs and LCs representatives' organizations.</li> </ul>
2024 <sup>96</sup>	<ul style="list-style-type: none"> <li>Before starting the FPIC process in the LEAF ER Program areas, a detailed mapping of the rights-holders and stakeholders was conducted through desk review and field-level consultation meetings in 2023-2024. Seven CBFM groups and seven customary institutions of IPs were mapped at the community level, who are actively engaging in the forest management and REDD+ actions. See also Annex 2, FPIC consultation report, 2025.</li> </ul>

- In addition, the recently developed Carbon Trade Regulation (2025) includes the provisions for organizing consultations with stakeholders during ER program development.

### Update on plan for conformance

**Planned and ongoing activities** to further achieve conformance with the C1 outcome indicator include the following:

- The consultation process for the LEAF ER Program is ongoing, with additional consultations for information sharing and obtaining feedback taking place at local government area/municipality level. Following events in 100 LGAs/municipalities in 2025, RECOFTC facilitating events in another 42 in 2026. This will include updating the list of stakeholders for participation in the events.
- The revision and updating of district forest management plans and CBFM group plans will continue on a regular basis, throughout the country and the LEAF jurisdiction; these plans will

<sup>94</sup>[https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Annual\\_Report\\_2079\\_80\\_resize...\\_compressed\(2\).pdf](https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Annual_Report_2079_80_resize..._compressed(2).pdf)

<sup>95</sup><https://redd.gov.np/post/annual-report-2080-81-4>

<sup>96</sup><https://www.recoftc.org/projects/facilitate-and-conduct-consultations-under-un-redd-technical-assistance-nepal>

## CANCUN SAFEGUARD C

also continue to integrate CBFM approaches, recognize the rights of IPs and LCs, as well as incorporate traditional knowledge and practices.

### Monitoring and reporting

Monitoring of the expected results and activities for conformance with C.1 outcome indicator will occur through Nepal's SIS, as well as through relevant complementary reports (e.g., workshop reports on safeguards/GRMs capacity building).

Nepal's SIS will provide information on;

- An overview of the legal and policy frameworks for the recognition of Indigenous Peoples and local communities and their rights.
- Information on processes used to identify Indigenous Peoples and local communities in REDD+ areas.
- Information on measures taken to respect and protect the rights of Indigenous Peoples and local communities.
- Information on participation, engagement mechanisms, and safeguards-related procedures.
- Information on rights of Indigenous peoples and local communities.

The following SIS indicators along with the expected data sources will provide “respect” or outcome level information relevant to this outcome indicator:

- C1.3 REDD+ programs promote and contribute to establishing and securing statutory rights to lands, territories, and resources.
  - List/description of actions that promote securing tenure/rights (e.g., in NRS, ERPDs)
  - Information on implementation of these actions and results achieved
  - Provincial/district scale data on status/trends in land and forest allocated to owner types
  - *Data sources: NRS (2018); NRS (2025); ERPDs and implementation plans; NRS review report; ERP monitoring reports (e.g., ERMR, TMR); Land/forest tenure data (e.g., from NFIS, from provincial and DFO reports)*
- C1.4 The REDD+ Strategy and programs promote sustainable forest management and community-based forest management systems, including recognition of and respect for the rights of Indigenous Peoples and local communities within forest management and land use plans.
  - List/description of actions that promote CBFM and SFM (e.g., in NRS, ERPDs)
  - Information on implementation of these actions and results achieved
  - Number of district / CBFM forest management plans that integrate rights of IPs and LCs
  - Number of LUPs that integrate CBFM, SFM and rights of IPs and LCs
  - *Data sources: NRS (2018); NRS (2025); ERPDs and implementation plans; NRS review report; ERP monitoring reports (e.g., ERMR, TMR); Data on CBFM forest management plans and monitoring reports; Data on land use plans*

## CANCUN SAFEGUARD C

- C2.2 Free, Prior, and Informed Consent is obtained from Indigenous Peoples and local communities for their participation in any REDD+ programs or actions affecting their rights to lands, territories, and resources.
  - List of FPIC processes conducted and their outcomes; evidence of these processes (e.g., FPIC agreements, FPIC reports)
  - Information should include: Program/project name for which FPIC conducted, years/dates of FPIC process, number of stakeholders involved in FPIC process (by gender and stakeholder group)
  - Outcome of the FPIC process (e.g., consent given, withheld, conditions applied)
  - *Data sources: FPIC consultation/process reports; FPIC agreements reached; Monitoring reports of REDD+ ERPs with information on FPIC processes.*
- C2.3 No relocation shall take place without the Free, Prior, and Informed Consent (FPIC) of affected stakeholders, and where any relocation or displacement occurs, there is prior agreement on the provision of alternative lands and/or fair compensation.
  - List/description of any voluntary relocation agreed for each program/project, with data on agreed compensation or alternatives for relocation
  - Number of cases/complaints related to relocation
  - Number of reports/investigations into allegations of involuntary relocation
  - *Data sources: Reports/agreements on FPIC processes, including FPIC granted for any voluntary relocation; data from GRMs reporting on complaints on relocation and status of resolution; any reports/investigations into allegations of involuntary relocation*
- C4.2. REDD+ programs implement policies and procedures to recognize and allocate rights to carbon, including private ownership if relevant, based on the statutory and customary rights to the lands, territories and resources in areas that generate the greenhouse gas emissions reductions and removals.
  - List/description of any procedures used nationally that relate to allocation of rights to carbon (e.g., land tenure)
  - List/description of the procedures applied per ER program to identify rightsholders, allocate and agree carbon rights (e.g., stakeholder/rightsholder mapping, inventory, opt-in/opt out procedures, development of BSP)
  - *Data Sources: PLR reviews, NRS (2018); NRS (2025); ERPDs and implementation plans; NRS review report; ERP monitoring reports (e.g., ERMR, TMR); other ERP documents (e.g., stakeholder mapping, BSP, etc.)*

### Timeline for monitoring

- Nepal's 1<sup>st</sup> Summary of information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.
- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three LEAF Provinces (including 34 DFOs) and at national

## CANCUN SAFEGUARD C

level. This first update of the SIS is expected to be finished by end of 2026 (although not all indicators will have complete data yet).

- The SIS is expected to be updated on a regular basis (e.g. every 2 years) through a process involving: DFOs, Province Forest Directorates, REDD IC, and compilation of data from available reports.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in the next TREES Monitoring Report (in line with the TREES requirement, i.e., within 5 years of Nepal joining ART-TREES, in 2027).

### Responsibilities

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards and the regular monitoring and review of the NRS and ER programs.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+. REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.
- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.

## THEME C.2 Respect and protect traditional knowledge

**STRUCTURAL INDICATOR:** Relevant ratified international conventions/agreements, and/or domestic and if applicable, subnational, legal framework define, and provide guidance for respecting and protecting indigenous people's knowledge and/or local communities' knowledge.

Describe how this indicator is met.

Nepal has enacted **domestic policies and legal instruments for respecting and protecting the knowledge of Indigenous Peoples and local communities, considering also the country's commitments under international conventions and agreements.** These instruments and legal framework were in place during the reporting period.

Nepal has ratified the following **international conventions and agreements** that define and provide guidance for respecting and protecting the knowledge of Indigenous Peoples and local communities:

**Table 7.9: International conventions and agreements for IPs and LCs**

International instruments	Provisions for respecting and protecting the knowledge of IPs and LCs
International Labour Organization, Convention No. 169 concerning indigenous and tribal peoples in independent countries (ILO Convention No. 169)	Article 1: "...peoples in independent countries who are regarded as indigenous on account of their descent from the populations which inhabited the country, or a geographical region to which the country belongs, at the time of conquest or colonisation or the establishment of present state boundaries and who, irrespective of their legal status, retain

**CANCUN SAFEGUARD C**

	<p>some or all of their own social, economic, cultural and political institutions.”</p> <p>Article 3: “Indigenous peoples enjoy the full measure of human rights and fundamental freedoms without discrimination”.</p> <p>Article 7: “The peoples concerned shall have the right to decide their own priorities for the process of development as it affects their lives, beliefs, institutions and spiritual well-being and the lands they occupy or otherwise use, and to exercise control, to the extent possible, over their own economic, social, and cultural development. In addition, they shall participate in the formulation, implementation and evaluation of plans and programmes for national and regional development which may affect them directly”.</p> <p>Article 14(1) “The rights of ownership and possession of the peoples concerned over the lands which they traditionally occupy shall be recognized. In addition, measures shall be taken in appropriate cases to safeguard the right of the peoples concerned to use lands not exclusively occupied by them, but to which they have traditionally had access for their subsistence and traditional activities.”</p> <p>Article 27 (1). Education programmes and services for the peoples concerned shall be developed and implemented in co-operation with them to address their special needs, and shall incorporate their histories, their knowledge and technologies, their value systems and their further social, economic and cultural aspirations.</p>
Convention on Biological Diversity (CBD), 1992	<p>Article 8: Each Contracting Party shall, as far as possible and as appropriate:</p> <p>(j) Subject to its national legislation, respect, preserve and maintain knowledge, innovations and practices of indigenous and local communities embodying traditional lifestyles relevant for the conservation and sustainable use of biological diversity and promote their wider application with the approval and involvement of the holders of such knowledge, innovations and practices and encourage the equitable sharing of the benefits arising from the utilization of such knowledge, innovations and practices.</p>
Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization to the Convention on Biological Diversity, 2010	<p>Article 5(5) “Each Party shall take legislative, administrative or policy measures, as appropriate, in order that the benefits arising from the utilization of traditional knowledge associated with genetic resources are shared in a fair and equitable way with indigenous and local communities holding such knowledge.</p>
Convention for the Safeguarding of the Intangible Cultural Heritage, 2003	<p>Article 1: The purposes of this Convention are:</p> <ol style="list-style-type: none"> <li>a. to safeguard the intangible cultural heritage;</li> <li>b. to ensure respect for the intangible cultural heritage of the communities, groups and individuals concerned;</li> </ol>

## CANCUN SAFEGUARD C

	<p>c. to raise awareness at the local, national and international levels of the importance of the intangible cultural heritage, and of ensuring mutual appreciation thereof;</p> <p>d. to provide for international cooperation and assistance.</p>
UN Declaration on the Rights on Indigenous Peoples (UNDRIP), 2007	Article 31 “Cultural heritage, traditional knowledge and traditional cultural expressions can be defined as manifestations of indigenous peoples’ sciences, technologies, and cultures, including human and genetic resources, seeds, medicines, knowledge of the properties of fauna and flora, oral traditions, literatures, designs, sports, and traditional games and visual and performing arts.”

As introduced in the TREES Registration Document, the **domestic legal framework for respecting and protecting the knowledge and practices of IPs and LCs** in Nepal includes the following:

- **The Constitution (2015)** includes a policy “To make the indigenous nationalities participate in decisions concerning that community by making special provisions for opportunities and benefits to ensure the right of these nationalities to live with dignity, along with their identity, and protect and promote traditional knowledge, skill, culture, social tradition and experience of the Indigenous nationalities and local communities” (Art. 51 J(8)). In addition, the Constitution guarantees the following fundamental rights:
  - *Art 26. Right to Freedom of Religion:* Every religious denomination shall have the right to operate and protect its religious sites and religious *Guthi* (trusts).
  - *Art 32. Right to Language and Culture:* Every Nepali community residing in Nepal shall have the right to preserve and promote its language, script, culture, cultural civilization and heritage.
- **The Local Government Operation Act (2017)** states that local governments have a mandate and responsibilities for the preservation of Indigenous languages, cultures and associated knowledge.
- **The National Foundation for Development of Indigenous Nationalities (NFDIN) Act (2002):** Government agencies have an obligation to promote the language, culture and knowledge of Indigenous Peoples.
- **The Indigenous Nationalities Commission Act (2017):** According to this Act, the functions and duties of the INC are to conduct studies and research work to protect the rights and interests of Indigenous nationalities, and the duty to protect and promote traditional skills, technology and special knowledge existing within the Indigenous nationalities and to assist in its application for commercial use.
- The GoN has recently submitted a **Bill on Safeguarding of the Intangible Cultural Heritages (2025)** in the Federal Parliament, which if passed will be instrumental for respecting and protecting the knowledge of IPs and LCs associated with Intangible Cultural Heritage.
- The **Forest Policy (2019)** mandates the forest agencies (such as DFOs) to record, register, and preserve the forest and biological diversity-related traditional knowledge of Indigenous Peoples and local communities (policy 8.2.2). **The Forest Regulations (2022)** state that “While managing national forests in accordance with this regulation, an appropriate forest management system

## CANCUN SAFEGUARD C

shall be adopted based on the condition of the forest, utilizing traditional knowledge, customary practices, and community participation, and grounded in decision-making and good governance for sustainable forest management (Rule 15).” As per Annex 24 of the Regulations, a dedicated section/chapter on the forest management-related traditional knowledge should be included in the forest management plan of each Community Forest User Group (CFUGs). Rule 107.2 also specifies that during the preparation and implementation of emission reduction programs, it must be ensured that there is no adverse effect on the social, economic and cultural rights of the local community or on their traditional knowledge and practices.

- **The National Wetland Policy (2012)** recognizes the value of Indigenous peoples’ and local communities’ knowledge, skills, and practices in the innovations and traditional research for the sustainable management and use of wetland resources (Objective 4.2). **The National Ramsar Strategy and Action Plan (2018-2024)**<sup>97</sup> includes the objectives to promote effective participation of stakeholders, including Indigenous Peoples and local communities to enhance conservation and manage the Ramsar sites in Nepal. The Strategy also recognizes the value of Indigenous Peoples’ and local communities’ knowledge, skills, and practices in the innovations and traditional research for the sustainable management and use of wetland resources.
- **The National Biodiversity Strategy and Action Plan (NBSAP) (2014)** emphasized that conserving, respecting, and promoting indigenous traditional knowledge, skills, practices, and innovations are some of the strategies of the Action Plan. Principles underpinning the NBSAP include: Knowledge, innovations, and practices of Indigenous and local communities play crucial roles in the management of biodiversity; Legitimate rights of Indigenous and local communities, women, Dalits, and other disadvantaged social groups over local biological resources deserve due recognition. The NBSAP’s Traditional Knowledge Strategy A1 calls for development and implementation of programs for protection and promotion of traditional knowledge, innovations, and practices of Indigenous and local communities relevant to conservation and sustainable use of biodiversity, by 2016. This Strategy A1 is implemented by the MoFSC with support from NEFDIN and NEFIN. The NBSAP (2025-2030) is currently under revision and is expected to be submitted to the CBD in mid 2026. During the formulation of the NBSAP Vision Document and drafting the final NBSAP, the GoN established a special Sub-Committee of IPs and LCs in 2025 with 10 representatives from NEFIN and FECOFUN, including other relevant IP and LC organizations. The IPs and LCs Sub-Committee has actively engaged in the NBSAP revision and finalization process.<sup>98</sup>
- Nepal ratified the **Nagoya Protocol related to Access and Benefit Sharing (ABS)** in 2018 and the 6th National Report to the CBD (2018)<sup>99</sup> provided information on progress on ABS, including **a proposed ABS Act**, which seeks to cover some relevant issues related to the protection of rights of the Indigenous Peoples and local communities over biological/genetic resources; access

<sup>97</sup> <https://www.fao.org/faolex/results/details/en/c/LEX-FAOC197380/>

<sup>98</sup> <https://mofe.gov.np/content/257/nbsap-vision-document--2025-2030--notice-for-the/>

<sup>99</sup>

[https://MoFE.gov.np/old/downloadfile/Final%20Draft%20NR%20CBD%2031Dec2018\\_1546246223.pdf](https://MoFE.gov.np/old/downloadfile/Final%20Draft%20NR%20CBD%2031Dec2018_1546246223.pdf)

## CANCUN SAFEGUARD C

to genetic resources and associated traditional knowledge ; benefit sharing processes; mechanism of access to genetic resources for preliminary scientific study; and institutional mechanism to implement the Act, etc. Although it remains draft, the MoFE has also discussed the proposed ABS Act in its Position Paper for the CBD COP 15 in October 2021.<sup>100</sup>

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures, and resources to respect and protect indigenous peoples and/or local communities' traditional knowledge in the implementation of REDD+ actions, in line with relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

Describe how this indicator is met.

Nepal has implemented **mandates and procedures to respect and protect the traditional knowledge and practices of Indigenous Peoples and local communities across the country, including in forest sector activities and in the design and implementation of REDD+ actions.**

**Overarching mandates and procedures for the protection of traditional knowledge** in Nepal include the following:

- In terms of overall protection of Indigenous knowledge and practices, **the Indigenous Nationalities Commission (INC)** is governed by the Constitution of Nepal (2015) and Indigenous Nationalities Commission Act (2017). According to that Act, the functions and duties of Indigenous Nationalities Commission (INC) are to conduct study and research work to protect the rights and interests of indigenous nationalities. In addition, the Act mentions that the Commission has the duty to protect and promote traditional skills, technology and special knowledge existing within the Indigenous nationalities and to assist in its application for commercial use. More detail on the INC is provided under Theme C1.
- Under the **Environment Protection Act (2019)**, the GoN may formulate and implement an “environment protection plan” for maintaining, conserving, and promoting a clean and healthy environment (Clause 31(1)) and provincial government and local level may make and implement necessary plans for environmental protection (Clause 31(2)). This plan should include traditional and local practices on the protection, conservation, sustainable use of the environment and equitable distribution of “fruits” received from the use of environmental resources.
- The **Traditional Knowledge Database of Nepal (TKDN)**<sup>101</sup> comprises information about traditional knowledge related to plants in a single library to support the conservation, protection, preservation and dissemination of such types of knowledge, including information from the public domain on uses of plants by local communities. It was created in fiscal year 2019/2020, and as of June 2022, has compiled 13,464 pieces of information. The Department of Plant

<sup>100</sup> <https://www.MoFE.gov.np/uploads/documents/cop-15-meetcbd-posipaper1634548567pdf-2866-888-1658826946.pdf>

<sup>101</sup> <http://www.tkd.gov.np/aboutus>

## CANCUN SAFEGUARD C

Resources (DPR) is responsible within the MoFE with a mandate to maintain this database and is continuously compiling information regarding traditional knowledge.

REDD IC, being the responsible authority for REDD+ processes in Nepal, has also made use of **mandates, procedures, and resources to respect and protect traditional knowledge of Indigenous Peoples and local communities in the design and implementation of the REDD+ actions:**

- In 2015, REDD IC carried out a **study on Indigenous forest and pasture management practices in Nepal**<sup>102</sup> to identify suitable customary forest and pasture management categories, approaches and structures to be included in REDD+ programs. The study revealed that major customary institutions include: the Kipat or Subba institution of forest and pasture management; Jimmawal and Mukhiyas institution; the Shingginawa institution of the Khumbu region; Mukhiya, Nora/Rokaya institutions in Karnali region; the Gumba system in Pugmo Village, Dolpa; and traditional village councils in Nar and Phu Village of Upper Manang. The study recommended developing a supportive policy environment to recognize and respect Indigenous/customary lands, forests and pasture resources management system/practices.
- The **NRS (2018)** strategies and related actions highlight the need to “Recognize customary forest and pasture management practices and related indigenous knowledge systems and skills by forest and pasture policies and management plans” (Strategic Action 1.4). Action 5.5 emphasizes recognizing and integrating traditional and customary knowledge and practices in forest management plans, particularly in CBFM. The **updated NRS (2025)** has also included a specific strategy and actions for the recognition of traditional knowledge and customary practices (Strategy 4.6.4 and action 4.6.4.5).
- In the case of the **FCPF ER Program**, which overlaps with the LEAF Program area, its ERPD (2018) notes that it aims to generate multiple benefits, both carbon and non-carbon, by implementing seven interventions including one dedicated to improving management practices on existing community and collaborative forests building on traditional and customary practices.
- Prepared in 2024, the **national Guidelines on FPIC for REDD+**<sup>103</sup> are also highly relevant to recognizing and protecting traditional knowledge and practices. It defines traditional or customary rights as “the system of utilizing long-standing community resources based on the traditional values and customs based on the natural resources of indigenous tribes and local communities, which will also include the practice of utilizing forests and resources in a seasonal or cyclical manner”. Similarly, the Guidance defines traditional knowledge as “expression of science, technology and cultures of Indigenous Peoples and local communities in subjects including genetic resources, seeds, medicines, knowledge of animal and plant properties, oral tradition, literature, design, traditional sports and visual and exhibition arts.” During the mapping of rights, rights holders and stakeholders, the program/project should also map traditional knowledge and practices, genetic resources, and cultural heritage (tangible and intangible) that

<sup>102</sup> REDD IC (2015). Documentation and assessing customary practices of managing forest resources at local level. Babarmahal, Kathmandu: REDD IC, Ministry of Forests and Soil Conservation.

<sup>103</sup> Add link if possible

## CANCUN SAFEGUARD C

may be affected by the REDD+ program. It also notes that Indigenous Peoples and local communities have the right to refuse to participate in transferring their knowledge in written or recorded form, and that they shall be informed in advance in this process to ensure that the collection of traditional knowledge is used only for consultation purposes and that it will not be shared with any third parties without their consent.

- For the **LEAF ER Program**, traditional knowledge and customary practices have been considered in the stakeholder mapping process (Annex 2 of the FPIC report), as well as within the FPIC discussions (e.g. see section 4 on feedback and concerns raised during the consultations).<sup>104</sup>

**OUTCOME INDICATOR:** Traditional knowledge of indigenous peoples and/or local communities, or equivalent, has been respected and protected in the design and implementation of REDD+ actions where permission for its use has been granted.

Describe how this indicator is met.

REDD+ interventions in Nepal to date have been designed and implemented with consideration for the respect and protection of traditional knowledge of Indigenous peoples and local communities in accordance with national legal frameworks and relevant international commitments. Through the National REDD+ Strategy and ER programs, Nepal has incorporated safeguards and procedural measures to ensure that traditional knowledge is acknowledged, used appropriately, and protected. Nepal presents some initial information and a plan for conformance with this outcome indicator in the TREES Registration Document, which is updated here for reporting periods 2022-2023 and to reflect recent developments.

Nepal will achieve and demonstrate conformance with the C2 outcome indicator through the following **expected results**:

- Free, Prior, and informed Consent (FPIC) is sought from Indigenous Peoples and local communities before their participation in REDD+ programs or actions affecting their rights to lands, territories, and resources, and includes access to traditional knowledge/practices where relevant.
- In their design and implementation, the National REDD+ Strategy and REDD+ programs promote and respect the traditional knowledge, practices, and skills of Indigenous Peoples and local communities, as well as cultural/spiritual sites.

Although full information to report on outcomes under this outcome indicator is not yet available, **results demonstrated and activities already conducted** towards achieving conformance with the C2 outcome indicator include the following:

## CANCUN SAFEGUARD C

### **FPIC is sought from Indigenous Peoples and Local communities before their participation in REDD+ programs or actions affecting their rights to lands, territories, and resources; and no involuntary relocation/displacement:**

- FPIC is a key instrument in Nepal for recognizing and respecting the rights of IPs and LCs in decision-making, including rights related to traditional knowledge and practices. REDD IC, with the support of RECOFTC Nepal, has organized a series of consultations during 2023-2025, including FPIC consultation meetings in 36 districts. A total of 36 district-level consultations and 9 FGDs were conducted to seek initial consent for participation in the LEAF ER Program. Traditional knowledge documentation and integration in forest management and REDD+ actions was one of the main agendas in these consultations.<sup>105</sup> Please also see the B3 and D2 outcome indicators for more information on FPIC related elements.

### **REDD design and implementation promote and respect the traditional knowledge, practices, and skills of IPs and LCs:**

- National policies, programs, and procedures are under implementation across the country to respect, protect and promote traditional knowledge of IPs and LCs, as detailed under the C2 structural and process indicators. For example, Nepal's NBSAP (2014) included principles and strategies for the protection and promotion of traditional knowledge, innovations, and practices of Indigenous and local communities relevant to conservation and sustainable use of biodiversity. These are also integrated into the revised NBSAP (2025-2030), which has had substantial IP and LC engagement, and is expected to be submitted to the CBD in mid 2026.
- In 2018, Nepal ratified the Nagoya Protocol related to Access and Benefit Sharing (ABS) and submitted its 6th National Report to the CBD, which provided information on progress on ABS, including a proposed ABS Act (still draft).
- The Department of Plant Resources (DPR) in MoFE maintains the Traditional Knowledge Database of Nepal (TKDN) related to plants. It was created in fiscal year 2019/2020, and as of July 2024, this database has compiled 14,465 entries.<sup>106</sup>
- DFOs are required by the legal framework to record, register, and preserve the forest and biological diversity-related traditional knowledge of IPs and LCs, including through dedicated sections in CBFM group management plans. District forest management plans and CBFM plans are prepared and approved on a regular basis across the country, including in the LEAF Program area. As per the annual reports of REDD IC (FY 2022, 2023, and 2024), more than 1600 management plans of CFUGs have revised with the support of REDD IC and include clear provisions for the promotion of traditional knowledge and customary practices. Similarly, FECOFUN has also facilitated the revision of the management plans of 600 CFUGS in the FY

<sup>105</sup>

[https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Final\\_Report\\_FPIC\\_Consultation\\_RECOFTC\\_Nepal\(1\).pdf](https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Final_Report_FPIC_Consultation_RECOFTC_Nepal(1).pdf)

<sup>106</sup> <http://tkdl.gov.np/>

## CANCUN SAFEGUARD C

2023 and 2024 and included similar provisions.<sup>107</sup> According to the 2022-2024 draft data compiled for the SIS, 34 DFOs across the three LEAF ER Programme provinces reported that CFUGs Forest Operational Plans include activities that utilise or promote traditional knowledge and local practices, and that all approved district Forest Management Plans include information on cultural, religious, and sacred sites.

- REDD IC has carried out a study on Indigenous Forest and pasture management practices in Nepal in 2015, in order to examine customary practices that are used in forest and pasture management.
- The CBFM groups, associations and IP organizations regularly participate in consultation and decision-making processes in the forestry sector and for REDD+ design and implementation, helping to ensure that the traditional forest management practices and Indigenous knowledge of biodiversity and ecosystem services are considered in developing forest management plans. For instance, as documented in the 2015 study by REDD IC, in the high hills, traditional decision-making processes such as mukhiya-based community mediation and Bheja/Bhumi-Puja-oriented collective gatherings (including Tamang, Majhi, and Thami groups) continue to influence forest-related decisions, where elders and lineage leaders guide rules on resource use, seasonal access and conflict resolution. Similarly, decisions on land area allocation for herding and NTFPs collection are made by Mukhiyas in Magar societies.
- The NRS (2018) includes actions on recognizing and integrating traditional and customary knowledge and practices in forest management plans, particularly in CBFM. The updated NRS (2025) has also included a specific strategy and actions for the recognition of traditional knowledge and customary practices.
- In the case of FCPF ER Program in TAL, which overlaps with the TREES accounting area, REDD+ actions were designed following a robust consultation process with all stakeholders including IPs and LCs. Please see the C.1 and C3 outcome indicators for more information about these consultative processes. Its ERPD (2018) also includes seven interventions with one dedicated to improving management practices on existing community and collaborative forests building on traditional and customary practices.
- Prepared in 2024, the national Guidelines on FPIC for REDD+ also support recognizing and protecting traditional knowledge and practices, providing definitions for traditional or customary rights, and for traditional knowledge, and including steps related to traditional knowledge/practices. For example, program/project should identify/map traditional knowledge and practices, genetic resources, and cultural heritage (tangible and intangible) that may be affected; IPs and LCs have the right to provide consent or to refuse to participate in transferring their knowledge.
- For the LEAF ER Program, traditional knowledge and customary practices have been considered in the stakeholder mapping process (Annex 2 of the FPIC consultation report, 2025), as well as within the FPIC discussions (e.g., see section 4 on feedback and concerns raised

<sup>107</sup> [FECOFUN. \(2025\). Annual Report Submitted in the 9<sup>th</sup> Council Meeting of FECOFUN \(available only in Nepali language\)](#)

## CANCUN SAFEGUARD C

during the consultations).<sup>108</sup> The report identifies a set of Indigenous forest management practices in Chitwan, Nawalparasi, Gorkha, Tanahu, Makawanpur, Myagdi, Baglung, Sindhupalchowk and Dolakha district in three provinces, drawing on the REDD IC 2015 study.

### Update on plan for conformance

**Planned and ongoing activities** to further achieve conformance with the outcome indicator include the following:

- The consultation process for the LEAF ER Program is ongoing, with events focused on awareness raising and obtaining feedback proceeding at the local government area (LGA)/municipality level. Building on events held in 2025 in 100 LGAs/municipalities, RECOFTC is facilitating events in further 42 municipalities in 2026. This will include further engagement with IPs and LCs and may further discuss topics such as customary practices and traditional knowledge. The revised NBSAP (2025-2030) is expected to be submitted to the CBD in mid 2026; Nepal's 7th National Report to the CBD, including information on the Nagoya Protocol, is also due in 2026.
- The revision and updating of district forest management plans and CBFM group plans will continue on a regular basis, throughout the country and the LEAF jurisdiction; these plans will also continue to integrate CBFM approaches, recognize the rights of IPs and LCs, as well as incorporate traditional knowledge and practices.

### Monitoring and reporting

Monitoring of the expected results and activities for conformance with C.2 outcome indicator will occur through Nepal's SIS, as well as through relevant complementary reports (e.g., workshop reports on safeguards/GRMs capacity building).

Nepal's SIS will provide:

- An overview of legal, policy and institutional frameworks that recognize and protect the traditional knowledge and cultural practices of IPs and LCs.
- Information on procedures for identifying and documenting traditional knowledge relevant to REDD+.
- Information on consent and permissions processes where applicable.

The following SIS indicators along with the expected data sources will provide "respect" or outcome level information relevant to this outcome indicator:

## CANCUN SAFEGUARD C

- C2.2 Free, Prior, and Informed Consent is obtained from Indigenous Peoples and local communities for their participation in any REDD+ programs or actions affecting their rights to lands, territories, and resources.
  - List of FPIC processes conducted and their outcomes; evidence of these processes (e.g., FPIC agreements, FPIC reports)
  - Information should include: Program/project name for which FPIC conducted, years/dates of FPIC process, Number of stakeholders involved in FPIC process (by gender and stakeholder group)
  - Outcome of the FPIC process (e.g., consent given, withheld, conditions applied)
  - *Data sources: FPIC consultation/process reports; FPIC agreements reached; Monitoring reports of ERPs with information on FPIC processes*
  
- C3.3 Traditional knowledge and skills, practices as well as cultural/spiritual sites of Indigenous Peoples and local communities are respected and promoted through the design and implementation of REDD+ actions.
  - Number of FPIC processes integrating discussion/agreements related to culture, traditional knowledge (TK), etc
  - Number of impact assessment reports / mapping that include areas of traditional/cultural/spiritual significance
  - Number of CBFM and other forest management plans that integrate TK
  - Information on outcomes of actions identified in C3.2 that integrate TK
  - *Data sources: Consultation/FPIC reports; FPIC agreements reached; Impact assessment / SESA reports or equivalent; Data from DFOs on CBFM / forest management plans; ERP monitoring reports (e.g., ERMRS, TMRs); NRS review report.*

### Timeline for monitoring

- Nepal's 1<sup>st</sup> Summary of information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.
- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three LEAF Provinces (including 34 DFOs) and at national level. This first update of the SIS is expected to be finished by end of 2026 (although not all indicators will have complete data yet).
- The SIS is expected to be updated on a regular basis (e.g. every 2 years) through a process involving: DFOs, Province Forest Directorates, REDD IC, and compilation of data from available reports.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in the next TREES Monitoring Report (in line with the TREES requirement, i.e., within 5 years of Nepal joining ART-TREES, in 2027).

### Responsibilities

## CANCUN SAFEGUARD C

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards, and the regular monitoring and review of the NRS and ER programs.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+. REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.
- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.

**THEME C.3** Respect, protect, and fulfill rights of indigenous peoples and/or local communities, or equivalent

**STRUCTURAL INDICATOR:** Participants have in place legal framework, policies or programs to respect, protect and fulfill human rights of indigenous peoples and local communities, or equivalent, in conformity with customary law, institutions, and practices as applicable and these are anchored in relevant ratified international conventions/agreements and/or domestic and if applicable, subnational, legal framework.

Describe how this indicator is met.

During the reporting period, Nepal has had in place **the legal framework and policies, to respect, protect, and fulfil human rights, including those of Indigenous Peoples and local communities**, and these are aligned with the country's international commitments under relevant international conventions and treaties.

Nepal has ratified the **following major international human rights instruments:**

- United Nations Declaration on Human Rights (1948)
- International Convention on the Elimination of All Forms of Racial Discrimination, 1966
- International Covenant on Economic, Social and Cultural Rights, 1966
- International Covenant on Civil and Political Rights, 1966
- Convention on the Elimination of All Forms of Discrimination against Women, 1979
- Convention on the Rights of the Child, 1989
- Convention on the Rights of Persons with Disabilities, 2006

As a party to the above-mentioned international human rights instruments, Nepal has ensured the human rights of citizens, including rights of Indigenous Peoples and local communities and human rights principles, such as rights to non-discrimination, rights to self-determination, cultural rights, collective tenure rights, and procedural rights, **within its Constitution and domestic legislation**, such as the National Civil Code (2017) and the Judicial Administration Act (2016).

- Within **the Constitution (2015)**, these provisions include:

## CANCUN SAFEGUARD C

- The right to equality has been recognized as one of the fundamental rights in the Constitution (Art 18). However, this provision does not prevent the State from making special arrangements for the protection, empowerment, or development of socially backward groups of citizens, including Indigenous Peoples. The Constitution states: “The State shall not discriminate citizens on grounds of origin, religion, race, caste, tribe, sex, economic condition, language, region, ideology or on similar other grounds, provided that nothing shall be deemed to prevent the making of special provisions by law for the protection, empowerment or development of the citizens including the socially or culturally backward women, Dalit, indigenous people, indigenous nationalities, Madhesi, Tharu, Muslim, oppressed class, Pichhadiyeka (Backward) class, minorities, the marginalized, farmers, labors, youths, children, senior citizens, gender and sexual minorities, persons with disabilities, persons in pregnancy, incapacitated or helpless, backward region and indigent Khas Arya” (Art 18 (3)).
- The right to social justice is also recognized as one of the fundamental rights in the Constitution: “The socially backward women, Dalit, indigenous people, indigenous nationalities, Madhesi, Tharu, minorities, persons with disabilities, marginalized communities, Muslims, backward classes, gender and sexual minorities, youths, farmers, laborers, oppressed or citizens of backward regions and indigent Khas Arya shall have the right to participate in the State bodies based on inclusive principle” (Art 42(1)). The Constitution further states: “The indigent citizens and citizens of the communities on the verge of extinction shall have the right to get special opportunities and benefits in education, health, housing, employment, food, and social security for their protection, upliftment, empowerment, and development” (Art 42(2)).
- The cultural rights empower IPs and LCs to exercise their rights over the religious and cultural sites located in their land and territories. The Constitution states: “Every Nepali community residing in Nepal shall have the right to preserve and promote its language, script, culture, cultural civilization and heritage” (Art 32(3)).
- Constitutional policies to respect, protect and fulfil the human rights of IPs and LCs set out the government’s responsibilities to implement the following:
  - To make the indigenous nationalities (Aadibasi Janajati) participate in decisions concerning that community by making special provisions for opportunities and benefits in order to ensure the right of these nationalities to live with dignity, along with their identity, and protect and promote traditional knowledge, skill, culture, social tradition and experience of the indigenous nationalities and local communities (Art 51 (j)(8)).
  - To make community development through enhancement of local public participation, by promoting and mobilizing the creativity of local communities in social, cultural and service-oriented works (Art 51(C)(3)).
  - To protect, promote, and make environmentally friendly and sustainable use of, natural resources available in the country, in consonance with national interest and adopting the concept of intergenerational equity, and make equitable distribution of fruits, according to priority and preferential right to the local communities” (Art 51(g)(1)).

## CANCUN SAFEGUARD C

- The Constitution of Nepal (2015) also established a **National Human Rights Commission** (Art 248) to respect, protect and promote human rights and ensure effective enforcement thereof. The **National Human Rights Commission Act (2012)**<sup>109</sup> makes legal provisions concerning the functions, duties, powers and procedures of the Commission to ensure the respect, protection and promotion as well as effective implementation of human rights. The Human Rights Commission and government agencies have developed and implemented various sectoral policies and programs for the effective implementation of the above-mentioned legal provisions relating to the human rights of IPs and LCs.
- **The National Civil Code (2017)** promotes human rights by establishing the principles of equality before the law and prohibiting discrimination based on various grounds such as origin, religion, race, gender, and economic status. It provides for civil rights like the right to personality, freedom of contract, and collective and individual property rights. Additionally, the Code aligns with the Constitution's fundamental rights, ensuring equal protection of the law and allowing for special provisions to empower vulnerable groups, including Indigenous Peoples and local communities.
- The **Right to Information (RTI) Act (2007)** promotes human rights by fostering transparency, accountability, and citizen participation in governance. It empowers citizens to access public information, demand scrutiny of public bodies, and receive information for public interest matters, which combats corruption and promotes good governance. Please see Theme B1 for more information.
- Other relevant legal instruments including the **National REDD+ Strategy (2018-2022 and 2025-2034)**, **Forest Policy (2019)**, **Forest Act (2019)**, **Forest Regulations (2022)**, **Forestry Sector Strategy 2016-2025**, **National Environment Policy (2019)**, **Environment Protection Act (2019)**, **National Climate Change Policy (2019)**, **National Biodiversity Strategy and Action Plan (2014)**, **Long-term Strategy for Net-zero Emissions (2021)** and **15th Periodic Plan and 16<sup>th</sup> Periodic Development Plan**, which all have provisions relevant for recognizing and respecting the rights of the Indigenous Peoples and local communities (for example on rights to lands and resources, see Theme B3 for more information; on rights to access justice, see Theme B4; and IP and LC recognition and rights, see Theme C1).

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures, and resources to respect, protect and fulfil rights of indigenous peoples local communities, or equivalent throughout the implementation of the REDD+ actions, according to relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

Describe how this indicator is met.

During the reporting period, Nepal has implemented **mandates and procedures to respect, protect and fulfil the rights of Indigenous Peoples and local communities in the design and implementation of REDD+ actions.**

<sup>109</sup> [https://www.nhrcnepal.org/uploads/law/National+Human+Rights+Commission+Act\\_\(1\).pdf](https://www.nhrcnepal.org/uploads/law/National+Human+Rights+Commission+Act_(1).pdf)

## CANCUN SAFEGUARD C

**Key institutions and mandates in Nepal for the protection of the rights of Indigenous Peoples and local communities** are as follows:

- **Indigenous Nationalities Commission (INC):** The Constitution of Nepal (2015) has given mandates to the Indigenous Nationalities Commission (INC) to respect, protect, and fulfil the rights of Indigenous Peoples (Art 261), which is governed by the Constitution and the Indigenous Nationalities Commission Act, 2017. The main functions and duties of INC are to conduct studies and research work to protect the rights and interests of Indigenous Nationalities, including studying the overall situation of Indigenous Peoples, and making policy, legal and institutional reforms and providing recommendations to the government for the formulation of policies and program to respect and protect the rights of Indigenous Peoples. The other important functions of the INC are as follows:
  - Make recommendations on national policy on empowerment and monitor and advise on Indigenous Peoples programs.
  - Evaluate and formulate special programs for the development and empowerment of economically or socially backward persons within the Indigenous community and submit them to the GoN for implementation.
  - Conduct studies, research, and preserve language, script, culture, history, tradition, literature and art of Indigenous Peoples.
  - Make recommendations to the GoN on different issues relevant to the Indigenous Peoples, including to protect objects and sites.
- **National Foundation for Development of Indigenous Nationalities (NFDIN):**<sup>110</sup> To achieve the objectives of the NFDIN, the Foundation is empowered to perform various functions, such as formulating and implementing programs, conducting research and documentation, protecting traditional knowledge as intellectual property, establishing educational initiatives in indigenous languages, and enhancing the economic and social status of marginalized groups. The Foundation also cooperates with national and international organizations with similar goals. The NFDIN acts as a crucial institutional framework for the government to address the historical marginalization of indigenous groups and to align policies with international standards like ILO Convention 169 and the UN Declaration on the Rights of Indigenous Peoples.

As a responsible authority for the implementation of REDD+ actions, **REDD IC has made use of mandates, procedures, and resources to respect and protect Indigenous Peoples and local communities' rights in the design and implementation of the REDD+ actions:**

- The **NRS (2018)** was developed following consultation with all relevant stakeholders, including Indigenous Peoples and local communities. As noted under the C1 process indicator, the NRS pays special attention to respecting and fulfilling the rights of Indigenous Peoples and local communities. Objective 2 is to improve resource tenure and ensure fair and equitable sharing of carbon and non-carbon benefits of forests among rights holders, women, Indigenous Peoples, Madhesi, Dalits, and forest dependent local communities with effective implementation of

<sup>110</sup> <https://nfdin.gov.np/>

## CANCUN SAFEGUARD C

safeguard measures. Specific actions related to recognizing and respecting the rights of IPs and LCs include Action 10.8 on ensuring adequate representation and meaningful participation of women, Indigenous Peoples, Madhesis, Dalits, local communities, private sector and forest-dependent poor in relevant forestry decision-making processes through policy provisions, institutionalization and capacity development.

- The **updated NRS (2025)** has also been developed by following consultation with stakeholders, including representatives of IPs and LCs. It also maintains similar objectives and actions related to IP and LC rights (e.g. under Strategy 4.6.4 to improve forest tenure, ensure carbon rights, and fair and equitable benefit sharing).
- Stakeholder consultations have been central to the design and implementation of the **FCPF ER Program**, which overlaps with the LEAF Program area, and demonstrates the implementation of relevant processes for ER programs. An extensive, bottom-up consultation approach was utilized that generated feasible district- and community-level ER activities and that have the ownership and inclusion of IP and LCs representatives. All consultations were carried out following the “Guideline on Stakeholder Engagement in REDD+ Readiness”<sup>111</sup> and covered topics such as representation of IP and LCs in institutional arrangements, roles of IP and LCs in the ER program, carbon and non-carbon benefits, benefit sharing, safeguards, and strategies for implementation of ER activities. The ERPD of the Program explained how the Indigenous Peoples’ rights will be addressed and respected during implementation. It has also ensured that customary rights are recognized, respected, and preserved, such as tenure, access to natural resources.
- **The Nepal Federation of Indigenous Nationalities (NEFIN)** is an autonomous and politically nonpartisan, national level organization of Indigenous Peoples, and has been engaged in the development of REDD+ activities. For example, NEFIN organized a regional-level consultation workshop to explore the issues, agenda and concerns of Indigenous Peoples in the design and implementation of the FCPF ER Program. Based on the consultation workshop, NEFIN has developed a 28-point common position, which has been formally submitted to REDD IC from the 12 District Coordination Councils of NEFIN through its national secretariat. This position paper strongly recommends ensuring the resource rights of Indigenous Peoples over forestland during the design and implementation of the ER program. These recommendations have been considered during the design and implementation of the FCPF ER Program and is included in Annex 11 of the ERPD (2018).
- As noted under Themes B4 and C1, **FPIC is a key instrument in Nepal** for recognizing and respecting the rights of IPs and LCs in decision-making related to their lands, territories and resources and on projects that affect them. Provisions related to FPIC are present in the Constitution of Nepal (2015), Forest Policy (2019), and Forest Regulations (2022) which states that FPIC shall be obtained before any national and international agreements related to ER payments/the sale of forest carbon services are made (Rule 107).

<sup>111</sup> [https://www.un-redd.org/sites/default/files/2021-10/Guidelines%20on%20Stakeholder%20Engagement%20April%202020%2C%202012%20%28revision%20of%20March%2025th%20version%29\\_ENGLISH.pdf](https://www.un-redd.org/sites/default/files/2021-10/Guidelines%20on%20Stakeholder%20Engagement%20April%202020%2C%202012%20%28revision%20of%20March%2025th%20version%29_ENGLISH.pdf)

## CANCUN SAFEGUARD C

- To operationalize these legal requirements for FPIC, the GoN through MoFE and REDD IC has prepared national **Guidelines on FPIC for REDD+** in 2024, with input from relevant stakeholders, and which are being piloted in the LEAF Program area. The guidelines include numerous provisions related to respecting the rights of IPs and LCs in the context of REDD+. states that the ER program or project shall identify and prepare information on the rights of Indigenous Peoples and local communities, as well as relevant support structures, systems, and legal advice that may assist and be available to them in the FPIC process, including:
  - Rights related to land and resources, as well as consultation, decision-making processes, consultation with third parties etc.
  - Where legal advice or assistance can be accessed (e.g., rights, planning procedures, etc.).
  - Place/channel where grievances can be registered and redressed, such as GRM. The Guidelines also state that it is the duty of the ER program implementing agencies to identify mechanisms to secure the recognition of community rights on traditional land both within the project site and at the national level.
- As described under indicators C1 and C2, **the LEAF ER Program** is being developed with an FPIC process, following the FPIC Guideline for REDD+, and facilitated by an independent organization (RECOFTC Nepal), to ensure that there are recognition and respect for the rights of Indigenous Peoples, local communities, and other rights holders, including Women groups and Dalit communities. Consultations as part of this process began in 2023 in the 36 districts of the three Provinces of the LEAF ER Program area. They continued in 2024-2025, involving 55 events with 1,519 participants, of which 43% were female, and 40% were Indigenous Peoples. Further consultations are planned in 2026. Please see the outcome indicator below, as well as Themes B4 and D2 for more information.
- Other projects, such as BRCRN and DGM have applied similar procedures. The GCF-funded BRCRN project has produced a Gender Action Plan<sup>112</sup>, with indicators and sex-disaggregated targets determined through consultations with stakeholders, including IPs and LCs and women's groups. Similarly, the Dedicated Grant Mechanism (DGM) project under the Forest Investment Program of the Climate Investment Fund has developed both an ESMF<sup>113</sup> and Stakeholder Engagement Plan (SEP)<sup>114</sup>, focusing on enabling the effective participation of Indigenous Peoples and local communities within the project's activities.

MoFE and REDD IC have **allocated internal resources as well as directed external support for the implementation of various activities at different levels, which have supported to respect, protection, and fulfilment of the rights of IPs and LCs.** Some of the examples of such activities with budget are as follows:

<sup>112</sup> <https://www.greenclimate.fund/sites/default/files/document/gap-fp118.pdf>

<sup>113</sup> <https://dgmnepal.org/wp-content/uploads/2023/09/ESMF-Manual-Final.pdf>

<sup>114</sup> <https://dgmnepal.org/wp-content/uploads/2023/09/SEP-DGM-final.pdf>

## CANCUN SAFEGUARD C

**Table 7.10: Activities to support IPs and LCs by REDD IC**

YEAR	ACTIVITIES IMPLEMENTED BY REDD IC	BUDGET (NPR)
2020	Safeguard Information System Design and Operationalization	75,00,000.00
	Consultation workshops with IPs and LCs, including stakeholders	14,00,000.00
2021	Safeguard Information System Updating and Operationalizing	15,00,000.00
	Consultation workshops on GESI mainstreaming in REDD+ actions	10,00,000.00
	Consultation workshops with IPs and LCs and stakeholders at the provincial level	20,00,000.00
	Capacity building training on REDD+ Safeguards	26,00,000.00
2022	Provincial-level consultation workshops with IPs and LCs for designing LEAF ER program	UN-REDD
	NFIS/SIS orientation program organized for IP and LCs representatives	20,50,000.00
2023	Provincial and cluster-level interaction workshops with IPs and LCs in the LEAF ER Program areas	UN-REDD
	National-level information sharing workshop	900,000.00
2024-2025	National, provincial, district level FPIC workshops	UN-REDD, RECOFTC

**OUTCOME INDICATOR:** Rights of indigenous peoples and local communities, or equivalent, have been identified and respected, protected and fulfilled in the design and implementation of REDD+ actions.

Describe how this indicator is met.

REDD+ actions in Nepal have been designed and implemented in a manner that identifies, respects, protects and promote the rights of Indigenous people and local communities in line with constitutional provisions, laws, and international commitments. The National REDD+ Strategy and ER program recognize forest tenure, sustainable management, and participation through establishment of community-based forest management systems and apply safeguards measures including inclusive stakeholders' engagement and where applicable Free, Prior, Informed Consent (FPIC). Nepal presented some initial information and a plan for conformance with the C3 outcome indicator in the TREES Registration Document, which is updated here for the period of 2022-2023 and to reflect recent development.

Nepal will achieve and demonstrate conformance with the C3 outcome indicator through the following **expected results**:

- The National REDD+ Strategy and ER programs promote and/or contribute to recognition and protection of land and resource tenure.
- The National REDD+ Strategy and ER programs promote sustainable forest management and CBFM approaches.
- The rights of Indigenous Peoples and local communities are recognised and respected within forest management and land use plans.

## CANCUN SAFEGUARD C

- ER programs implement policies and procedures to recognize and respect the rights of Indigenous Peoples, local communities, women, and *Dalits* to participate in the programs.
- Forest sector plans and processes, and ER programs, where appropriate, integrate the customary institutions and decision-making processes of Indigenous Peoples and local communities.
- Stakeholders and rights holders, including Indigenous Peoples, members of local communities, women, *Dalits*, and members of marginalized groups, participate in the design, implementation, monitoring and evaluation, and benefit sharing of the National REDD+ Strategy and ER programs.

**Although full information to report on outcomes under this outcome indicator is not yet available, results demonstrated and activities already conducted** towards achieving conformance with the C3 outcome indicator include the following:

- **Promotion and/or contribution to recognition and protection of land and resource tenure:** Please see the B3 outcome indicator for information on this element. The table below also provides some information on the handover of forests to CBFM groups in the reporting period.
- **Promotion of community-based forest management, and recognition of IP and LC rights within forest management and land use plans; Integration of customary institutions and decision-making processes of IPs and LCs in forest sector plans and processes, and ER programs:**
  - See also the C2 outcome indicator in relation to integration of traditional practices.
  - CBFM groups have incorporated the provisions for IPs and LCs rights, customary practices and traditional knowledge in their Forest Management Plans as required by the schedule 24 of the Forest Regulation (2022).
  - The revision of the forest management plans of CFUGs and 34 x District Forest Offices (DFOs), 2 x Conservation Areas Management plans, and the Management Plans of Buffer Zones in the LEAF ER Program area have identified and recognised the rights of IPs and LCs. According to the draft 2022-2024 data compiled for the SIS, 34 DFOs in the three LEAF ER Programme provinces have reported that the approved forest Operation Plans for CBFM groups have integrated the traditional and customary decision-making processes of IPs and LCs, as well as traditional or customary decision-making processes.
  - Based on the identified rights over forest resources, special sessions on IP and LC rights over the lands, territories and resources were included in the session plans for the FPIC consultations in 2024-2025, facilitated by RECOFTC in the LEAF ER Program area.
  - In addition, the following activities related to promotion of CBFM and forest management by IPs and LCs were conducted in the LEAF ER Program area in the fiscal years 2022 and 2023:

**Table 7.11 Activities for respecting and protecting IPs and LCs rights through community forests**

PROVINCES	ACTIVITIES BY CFS
Lumbini Province	<ul style="list-style-type: none"> <li>• 1,188 ha national forest was handed over to the 11 new CFUGs for sustainable forest management with a new forest management plan.</li> </ul>

## CANCUN SAFEGUARD C

	<ul style="list-style-type: none"> <li>198 management plans of CFUG have been revised, which cover 22,061 ha of the community forest.</li> </ul> <p>(Source: REDD IC, annual report, FY 2023 (page 57)<sup>115</sup>)</p>
Gandaki Province	<ul style="list-style-type: none"> <li>320 management plans of CFUG have been revised.</li> <li>1,661 ha national forest was handed over to the 14 new FUGs for sustainable forest management with a new forest management plan.</li> </ul> <p>(Source: Ministry of Forest and Environment, Gandaki Province, annual report, FY 2023 (page 75)<sup>116</sup>)</p>

### **NRS and ER program policies and procedures to recognise and allocate rights:**

Please see the outcome indicator under C1 for information on the development and implementation of these policies and procedures.

### **Participation of stakeholders and rights holders, including Indigenous Peoples, members of local communities, women, *Dalits*, and members of marginalized groups in the NRS and ER programs:**

- The NRS (2018) was developed through a participatory process including consultations with all relevant stakeholders, including Indigenous Peoples and local communities, and the Strategy includes objectives and actions related to recognizing and respecting the rights of IPs and LCs.
- The updated NRS (2025) has also been developed by following consultation with stakeholders, including IPs and LCs, and maintains similar objectives and actions related to IP and LC rights (e.g. under Strategy 4.6.4 to improve forest tenure, ensure carbon rights, and fair and equitable benefit sharing).
- Design and implementation of the FCPF ER Program has included stakeholder participation, with an extensive consultation process to develop district- and community-level ER activities with the inclusion of IPs and LCs representatives. An ESMF and SESA were also developed, setting out that Indigenous People and Vulnerable Community Development Plans (IPVCDPs) will be developed if needed, to ensure that customary rights are recognized, respected, and preserved, such as tenure, access to natural resources.
- NEFIN, a national level organization of Indigenous Peoples, and FECOFUN, an association of community forestry organisation, have been engaged in the development of REDD+ activities. For example, a NEFIN and FECOFUN organized a regional-level consultation workshop on design and implementation of the FCPF ER Program in 2017 leading to development of a position paper submitted to REDD IC.
- FPIC is a key instrument in Nepal for recognizing and respecting the rights of IPs and LCs in decision-making, and ensuring full and effective participation. The national Guidelines on FPIC for REDD+ was prepared in 2024. It provides guidance on identification of rights holders and their rights; on best practices to jointly develop proposed FPIC approaches with affected

<sup>115</sup> <https://redd.gov.np/post/annual-report-2080-81-4>

<sup>116</sup> <https://mofesc.gandaki.gov.np/list/progress-booklet/uthayaga-parayatana-vana-tatha-vatavaranae-manataralyaka-varashhaka-paragata-pasataka-aava>

## CANCUN SAFEGUARD C

stakeholders; on steps in consultation processes to seek consent; and on documenting and monitoring the results.

- Consultations for the LEAF ER Program with rights-holders and stakeholders took place at national, provincial and district levels in 2023-2025, with the FPIC process during 2024-2025 facilitated by RECOFTC Nepal, based on the national FPIC Guidelines. During the 36 district-level consultation meetings, representatives of IPs, LCs and FUGs strongly recommended documenting their rights in the draft consent document. Initial consent for participation in the Program was provided through district FGDs in all districts of the Program area by late 2025; the process has been fully documented, with the report available online.
- According to the draft 2022-2024 data compiled for the SIS, 34 DFOs in the three LEAF ER Programme provinces have reported some level of participation of *Brahmin/Chehtri*, women, *Madhesi*, *Janajati/Aadibasi* and Muslims in the CFUGs in their districts.

### Update on plan for conformance

**Planned and ongoing activities** to further achieve conformance with the C3 outcome indicator include the following:

- The consultation process for the LEAF ER Program is ongoing, with events focused on awareness raising and obtaining feedback being organised at local government area (LGA)/municipality level in the Program area. Building on 100 such consultations in 2025, RECOFTC is facilitating further planned events in 42 more LGAs/municipalities level in 2026. This will include further engagement with IPs and LCs, including related to participation in the Program and benefit sharing.
- The revision and updating of district forest management plans and CBFM group plans will continue on a regular basis, throughout the country and the LEAF jurisdiction; these plans will also continue to integrate CBFM approaches, recognize the rights of IPs and LCs, as well as incorporate traditional knowledge and practices.
- Other key activities related to participation in the Program on an ongoing basis are discussed under Themes D1 and D2.

### Monitoring and reporting

Monitoring of the activities and expected results for conformance with the C3 outcome will occur through Nepal's SIS, as well as through relevant review processes and reports.

Nepal's SIS will provide:

- An overview of constitutional, legal and policy frameworks that recognize and protect the rights of IPs and LCs.
- Information on processes for identifying rights-holders and rights relevant to REDD+ design and implementation.
- Information on how the forestry sector, NRS and REDD+ programs integrate actions to promote/secure rights to lands and resources, and to promote SFM and CBFM.

## CANCUN SAFEGUARD C

- Information on the policies and procedures applied to recognize and respect the rights of IPs and LCs to participate in REDD+ design and implementation.
- Information on how customary or local institutions and processes are integrated into forest sector plans and REDD+ programs.
- Evidence on how stakeholders and rights holders, including IPs and LCs, have participated in REDD+ design, implementation, monitoring, and benefit sharing.

The following SIS indicators along with the expected data sources will provide “respect” or outcome level information relevant to this outcome indicator:

- C1.3 REDD+ programs promote and contribute to establishing and securing statutory rights to lands, territories, and resources.
  - List/description of actions that promote securing tenure/rights (e.g., in NRS, ERPDs)
  - Information on implementation of these actions and results achieved
  - Provincial/district scale data on status/trends in land and forest allocated to owner types
  - *Data sources: NRS; ERPDs; NRS review report; ERP Monitoring reports (e.g., ERMR, TMR); Land/forest tenure data in REDD+ provinces*
- C1.4 The REDD+ Strategy and programs promote sustainable forest management and community-based forest management systems, including recognition of and respect for the rights of Indigenous Peoples and local communities within forest management and land use plans.
  - List/description of actions that promote CBFM and SFM (e.g., in NRS, ERPDs)
  - Information on implementation of these actions and results achieved
  - Number of district / CBFM forest management plans that integrate rights of IPs and LCs
  - Number of Land Use Policies that integrate CBFM, SFM and rights of IPs and LCs
  - *Data sources: NRS (2018) and NRS (2025); ERPDs and implementation plans; NRS review report; ERP monitoring reports (e.g., ERMR, TMR); Data on CBFM forest management plans, land use plans, and monitoring reports, including data requested from DFOs*
- D1.3 REDD+ Programs implement policies and procedures to recognize the rights of Indigenous Peoples, local communities, women, and Dalits to participate in the programs.
  - List/description of specific procedures and plans related to recognising IP and LC rights (e.g. FPIC guidance, IPPs, impact assessments covering IP and LC rights)
  - Number of REDD+ actions that support traditional practices and knowledge.
  - *Data sources: NRS (2018) and NRS (2025); ERPDs and implementation plans; FPIC guidance; specific plans like IPPs*
- D2.2 Where appropriate, customary institutions and decision-making processes of Indigenous Peoples and local communities are reflected and integrated into REDD+ and relevant forest sector plans and processes.

## CANCUN SAFEGUARD C

- Evidence on how customary institutions and processes of IPs and LCs are included in:
  - REDD+ decision-making/consultation processes (e.g. in FPIC process)
  - In forest management plans
  - In CFUG decision-making and/or management plans
  - in protected area management plans, etc
- *Data sources: FPIC proposals and reports; stakeholder engagement plans; data requested from DFOs in relation to forest management plans and CFUGs*
- D2.5 Stakeholders and rights holders, including Indigenous Peoples, members of local communities, women Dalits, and members of other marginalized groups participate in the design, implementation, monitoring and evaluation, and benefit sharing of the REDD+ Strategy and programs.
  - Description of consultation/design processes for the NRS and number of stakeholders that participated (by gender and stakeholder group/type)
  - Description of the consultation/design processes, including FPIC, for ER programs and number of stakeholders that participated (by gender and stakeholder group/type)
  - Description of how stakeholders have participated in the implementation of the NRS and ER programs (e.g. through CBFMs, employment, protected areas, agricultural schemes etc) and data on number of participants (by gender and stakeholder group/type)
  - Description of the M&E processes for the NRS and ER programs and how stakeholders participated, including number of people (e.g. as reviewers, in review workshops etc) (by gender and stakeholder group/type)
  - Data on benefit sharing by stakeholder group
  - *Data sources: NRS; NRS review report; NRS workshop reports, ER program consultation and FPIC reports, ER monitoring reports; Reporting on major forest/environment/agricultural programs; data requested from DFOs on CBFM and participation; ERP monitoring reports (e.g. ERMR, TMR)*

### Timeline for monitoring

- Nepal's 1<sup>st</sup> Summary of information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.
- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three LEAF Provinces (including 34 DFOs) and at national level. This first update of the SIS is expected to be finished by end of 2026 (although not all indicators will have complete data yet).
- The SIS is expected to be updated on a regular basis (e.g. every 2 years) through a process involving: DFOs, Province Forest Directorates, REDD IC, and compilation of data from available reports.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in the next

## CANCUN SAFEGUARD C

TREES Monitoring Report (in line with the TREES requirement, i.e., within 5 years of Nepal joining ART-TREES, in 2027).

### Responsibilities

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards and the regular monitoring and review of the NRS and ER programs.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+.
- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.

## CANCUN SAFEGUARD D

**THEME D.1** Respect, protect, and fulfill the right of all relevant stakeholders to participate fully and effectively in the design and implementation of REDD+ actions

**STRUCTURAL INDICATOR:** Participants have in place legal frameworks, policies or programs to respect, protect and fulfill the right of all relevant stakeholders to participate fully and effectively, including timely access and culturally appropriate information prior to consultations, and these are anchored in relevant ratified international conventions/agreements and/or domestic and if applicable, subnational, legal framework; access is established to recourse mechanisms to ensure the participation process is respected.

Describe how this indicator is met.

As described in the TREES Registration Document, Nepal **has ratified relevant international conventions and has in place the legal frameworks, policies and programs to respect, protect and fulfill the right of all relevant stakeholders to participate fully and effectively in planning and implementation of forestry activities and REDD+ actions**, including timely access and culturally appropriate information before consultations. These provisions have been implemented in the reporting period (2022-2023).

The right to participation is the fundamental human right of individuals and communities to take part in decisions that affect them, whether directly or through chosen representatives. As a member state of the **Universal Declaration of Human Rights (UDHR), International Covenant on Civil and Political Rights (ICCPR), Convention on the Rights of Persons with Disabilities (CRPD), UN Declaration on the Rights of Indigenous Peoples (UNDRIP)**, Nepal has obligations for empowering people and communities by allowing them to express views, receive information, and influence policies and laws which affect them.

## CANCUN SAFEGUARD D

These rights to participation are also integrated in **domestic legal and policy frameworks**. The Constitution (2015) as well as policies and strategies including the Forest Policy (2019), Forest Act (2019), Forest Regulations (2022), Forestry Sector Strategy (2016-2025), National Environment Policy (2019), Environment Protection Act (2019), National Climate Change Policy (2019), National REDD+ Strategy (2018) and (2025), National Biodiversity Strategy and Action Plan (2014), Long-term Strategy for Net-zero Emissions (2021), 15th National Plan (2019-2024) and 16th National Plan (2024-2028) all have provisions on recognizing and respecting the rights of all relevant stakeholders to participate fully and effectively, including timely access and culturally appropriate information prior to consultations. The key provisions include:

- **The Constitution of Nepal (2015)** guarantees that no person shall be denied equal protection of law and prohibits discrimination based on origin, religion, race, caste, tribe, sex, economic condition, language, region, or ideology (Art 18). It has ensured the right to equal participation. The state is required to make special legal provisions for the protection, empowerment, and development of socially or culturally backward groups, including Indigenous Peoples, Local Communities, women, Dalits, and persons with disabilities (Art 42 and 51). Nepal has enacted various legal instruments for this purpose. As mentioned under Safeguard C, Articles 16 to 46 of the Constitution also grant citizens other fundamental rights, including the right to live with dignity (Art 16), freedom of speech and expression (Art 17), religious and cultural freedom (Art 26 and 32), and the right to be free from discrimination (Art 24).
- The **Forest Act (2019)** provides that DFOs have an obligation to apply the participatory process for the formulation of a forest management plan of the government-managed forests with the participation of all relevant stakeholders, including IPs and LCs and FUG representatives (Sec 11(3)). The Forest Act (2019) and Forest Regulations (2022) set out that forest management plans are the main operational documents for CBFM forest user groups, prepared by the FUGs and approved by the DFO (Sec 18).
- **The Forest Act (2019), Forest Regulations (2022), and Community Forest Guideline (2014; updated 2025)** also require DFOs and FUGs to follow legal procedures to ensure the full and effective participation of FUG members in the FUG Forest Management Plan preparation and implementation process. Rule 107 of the **Forest Regulations (2022)** makes FPIC with affected communities mandatory before any national and international agreements related to ER payments can be reached.
- **Good Governance (Management and Operation) Act (2008)**<sup>117</sup> guarantees the right to citizen participation in state affairs for a pro-people, accountable, and transparent public administration. This is achieved by encouraging public consultations (Sec. 20), citizen feedback through digital platforms and public hearings (Sec. 25, 30, 31), empowering vulnerable groups in decision-making (Sec. 28), and fostering civil society and NGO engagement to ensure transparency, accountability, and effective service delivery (Sec. 16).

<sup>117</sup> <https://faolex.fao.org/docs/pdf/nep137755.pdf>

## CANCUN SAFEGUARD D

- **Local Government Operation Act (2017)** aims to include citizens, particularly disadvantaged groups, in local planning processes, leading to more inclusive development actions at the community level. The Act promotes people's participation by establishing mechanisms for local planning, empowering elected representatives to involve citizens, and emphasizing accountability, transparency, and inclusivity in local governance. The Act supports grassroots democracy by institutionalizing citizen engagement and ensuring that the needs of disadvantaged groups are considered in development initiatives.
- **Nepal's Environmental Protection Act (2019) and Regulations (2020)** institutionalize people's participation by ensuring information sharing, consultation, public hearings, and grievance mechanisms in environmental decision-making. This approach makes environmental governance more transparent, inclusive, and responsive to local communities. The following provisions are incorporated in the EPA, which ensure the rights to participation of stakeholders in environmental issues and concerns:
  - **Mandatory Public Consultation:** For projects (listed in the annexes of EPR) requiring Environmental Impact Assessment (EIA) or Initial Environmental Examination (IEE), the Act and Regulation require project proponents to consult the local people and stakeholders. The public notices must be published in national and local newspapers, Ward offices, and project sites so that people are informed and can provide opinions.
  - **Access to Information:** The Act ensures people's right to access environmental information related to proposed projects. EIA and IEE reports must be made publicly available so affected communities can understand possible impacts.
  - **Public Hearing:** Before final approval of EIA reports, public hearings must be conducted in affected areas with the participation of affected communities. This provides local communities with a formal platform to raise concerns, ask questions, and offer suggestions.
  - **Consideration of Public Concerns:** The approving authority must consider comments, suggestions, and objections received from the public while deciding on EIA/IEE approval. This ensures local knowledge and concerns influence project design and mitigation measures.
  - **Role of Local Communities in Monitoring:** The Regulation encourages involvement of local user groups, municipalities, and affected communities in environmental monitoring of approved projects. This way, people participate not only in planning but also in ensuring compliance.
  - **Grievance and Complaint Mechanism:** Citizens can submit grievances or complaints if projects cause environmental harm or fail to comply with mitigation measures. This gives local communities a legal channel to hold developers accountable.

## CANCUN SAFEGUARD D

In addition, Nepal adopted the **Forest Sector Gender and Social Inclusion (GESI) Strategy (MoFSC, 2007)**<sup>118</sup> to address gender and social inclusion issues. The strategy has identified the following four change areas in order to attain the institutional vision: (i) gender and equity sensitive policy and strategy, (ii) equitable governance, (iii) gender and equity sensitive organizational development and programming, and (iv) equitable access to resources and benefits. It provides guidelines to improve the participation of women in decision-making processes.

- Following the GESI Strategy, the MoFSC amended the Community Forest Guidelines in 2009, including a requirement for at least 50% of female representation as the minimum threshold in the committees of FUGs.

The Forestry Sector GESI Strategy (2007) has now been replaced by the Ministry's "Gender and Social Inclusion Strategy and Action Plan on Climate Change (2020-2040)."<sup>119</sup>

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures, and resources to respect, protect and fulfill the right to full, effective and timely participation in the design and implementation of REDD+ actions, as indicated in relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

Describe how this indicator is met.

As described in the TREES Registration Document, Nepal has in place **mandates, procedures, and resources to respect, protect and fulfill the right to full, effective and timely participation in the design and implementation of REDD+ actions**. These mandates and procedures are relevant for government as well as civil society organisations and federations, and have been duly considered when designing and implementing REDD+ actions in the reporting period.

The REDD+ actions in Nepal are integrated into the forest management plans of DFOs approved by the Provincial Forest Ministry; Buffer Zone Management Plans and Conservation Areas Management Plans approved by DNPWC; and the Forest Management Plans of CBFM groups approved by DFOs. As per the legal provisions, **it is required to maintain full, effective, and timely participation of stakeholders in the preparation and approval processes for all of these forest management plans:**

- As noted above, the Forest Act (2019) requires a **participatory process for the formulation of forest management plans** of the government-managed forests (Sec 11(3)). The detailed strategic actions to address the drivers of deforestation and forest degradation need to be included in the forest management plans of the government-managed forest (Annex 17 of the Forest Regulations 2022). The DFOs

118

<https://policy.asiapacificenergy.org/sites/default/files/Forest%20Sector%20Gender%20and%20Social%20Inclusion%20Strategy%20%28EN%29.pdf>

119 <https://mofe.gov.np/content/38/climate-change-with-gender-and-social-inclusion/>

## CANCUN SAFEGUARD D

have established a practice of a participatory approach to ensure the full and effective participation of stakeholders, including IP and LC representatives and CBFM groups, in defining the strategies and actions of the district/divisional level forest management plan of government-managed forest.

- The DNPWC Act (1973) mandates the Department to approve the **management plan of Buffer Zone and Conservation Areas** with detailed activities on the conservation of the forest areas and utilization of forest resources in the Buffer Zones and Conservation Areas (Sec 3). The IEE report is an integral part of this plan; therefore, during the preparation of such a plan and its IEE report, the DNPWC has an obligation to ensure the full and effective participation of all relevant stakeholders in the planning and implementation process. DNPWC has also established a practice to ensure the full and effective participation of relevant stakeholders in the management plan preparation process.
- As per the Forest Act (2019), Forest Regulations (2022), and Community Forest Guideline (2025), **DFOs and CBFM FUGs are required to follow legal procedures to ensure the full and effective participation of FUG members in the development and implementation of the FUGs Forest Management Plans**, with these plans one of the main operation documents for implementation of sustainable forest management and REDD+ actions, prepared by FUGs and approved by DFOs.
- As noted in the TREES Registration Document, **Community-based Forest management (CBFM) regimes**<sup>120</sup> are a key participatory approach and have been used in Nepal since the 1970s. Collaborative forestry is participatory, and shares the use rights of forest resources among the communities, and local and central governments, with joint management of forests by the DFO, local government and Forest User Groups. Key features include:
  - Under CFBM regimes, 40% of the production revenue goes to the National Treasury, 10% goes to the local government and 50% goes to the represented communities.
  - CBFM Groups are the key governance unit, made up of representatives selected from multiple wards (including women, *Dalit* and *Janajati*). The CFUG includes a General Assembly of all members. Rule 42 (8) of the Forest Regulations (2022) requires that at least 50% of the 21-member Executive Committee of CFUGs must be women, including either one post of chairperson or treasurer and one post of vice-chairperson or secretary.
  - Forest Conservation Areas are managed by FUGs and Forest Conservation Areas Management Councils that allow space for local people's participation that can be

<sup>120</sup> These currently include the categories of: Community Forests, Leasehold Forests, Collaborative Forests, Religious Forests, Protection Forests and Buffer Zone Community Forests

## CANCUN SAFEGUARD D

defined in the Forest Management Plans, and Buffer Zone Community Forest (BZCFs) can be established in Buffer Zones of PAs.<sup>121</sup>

- In terms of resources for these procedures, FUGs spent their own funds for the regular meetings of the Executive Committee and annual general assemblies.
- Organisations like **FECOFUN** also promote stakeholder participation, FECOFUN is one of the country's formal networks of Community Forest Users Groups (CFUGs) and includes more than 22,000 CFUGs covering about 2 million households, as well as affiliated leasehold forestry groups, religious forestry groups, buffer zone and traditional forest management groups.<sup>122</sup> FECOFUN develops and revises its policies in consultation with its members at various levels, and has its own GESI strategy and Action plan which aims to mainstream the inclusion of Indigenous Peoples, Dalits, women, the disabled, poor and minority communities. FECOFUN associations extend to province, district and local levels. with around 15,000 members elected across FECOFUN chapters through a process that seeks 50% women's representation, including in key positions.

MoFE and REDD IC have also implemented their **mandates and procedures, and allocated resources, to ensure the participation of all relevant stakeholders in REDD+ specific policy and program development and implementation processes, and in dedicated coordination and participation mechanisms:**

- The TREES Registration Document and institutional arrangements section in the NRS (2018) describe the **REDD+ coordination mechanisms** put in place to ensure the participation of stakeholders including Indigenous Peoples and local communities, including: the National REDD+ Steering Committee (NRSC), which provides guidance and has representation from all stakeholders including Indigenous Peoples and local communities; National REDD+ Coordination Committee (NRCC) ensures coordination across different sectors and actors; the REDD+ Multi-stakeholder Forum; and the REDD+ CSOs and IPOs Alliance, which were established to develop a common understanding on REDD+ among stakeholders including women, Indigenous Peoples organizations, Madhesis, Dalits, and civil society organizations. REDD IC has organized three meetings of the Forum meetings in 2022 and one meeting in 2023. MoFE, Provincial Forest Ministries, and REDD IC have been allocated annual budgets for the operationalization of the above-mentioned institutions. These institutions were recently confirmed in the updated NRS (2025). which also provided updated information on their membership.
- The **NRS (2018) and updated NRS (2025)** also briefly mentions the monitoring arrangements for MRV, which provides for the involvement of local communities

121

[https://www.researchgate.net/publication/CBFM\\_in\\_Nepal\\_Current\\_Status\\_Successes\\_and\\_Challenges](https://www.researchgate.net/publication/CBFM_in_Nepal_Current_Status_Successes_and_Challenges)

122 <https://fecofun.org.np/about/>

## CANCUN SAFEGUARD D

managing forests in monitoring of REDD+ activities and regular/periodic carbon monitoring at the subnational level.

- Although outside of the reporting period, extensive stakeholder consultations were conducted during the development of **the FCPF ER Program** (during 2015-2018), with all consultations following the “Guideline on Stakeholder Engagement in REDD+ Readiness” on topics ranging from institutional arrangements, benefit sharing, and roles of stakeholders, carbon and non-carbon benefits, safeguards, and ER activities. Annex 5 of the ERPD (2018) provides details, and more information is covered in the D1 outcome indicator below. A Gender Action Plan (GAP) was developed for the Program in 2017 to provide baseline information and to identify opportunities through REDD+ interventions.<sup>123</sup> The ESMF also details the mechanisms for ongoing stakeholder engagement, including through: public meetings in the ER Program area; information/awareness campaigns through CBFM groups, civil society organizations, and NGOs; interviews/surveys in project-affected households, etc. A central theme of the ER Program is also to expand CBFM regimes, enhancing the benefits of localized forest management with increased knowledge and application of SFM principles.
- MoFE and REDD IC have also facilitated **effective stakeholder participation processes and integrated gender considerations in other projects** relevant to REDD+ nationally and in the Program area:
  - The Forests for Prosperity (FFP) project has included a wide range of stakeholders at the national and sub-national levels, as listed in the TREES Registration Document. A Stakeholder Engagement Plan (SEP)<sup>124</sup> has been prepared, to ensure that all the stakeholders/affected people and communities in the project area are informed, consulted, and mobilized to participate in and benefit from the project, and to meet World Bank safeguards during FFP project implementation.
  - Under the GCF project entitled Building a Resilient Churia Region in Nepal (BRCRN), which is being implemented by the FAO and the MoFE, a Gender Action Plan was developed in 2019<sup>125</sup> based on a Gender Assessment to mainstream gender-related measures, ensuring that gender-related risks are avoided or mitigated, and to maximize climate and development co-benefits. It pays special attention to women, considering that women are not a homogenous group, and the additional challenges that women from Indigenous nationalities, Dalit caste and other marginalized groups may face. It further has identified gender-performance indicators and sex-disaggregated targets to be integrated into the project’s gender-responsive results framework.

<sup>123</sup>

[https://www.forestcarbonpartnership.org/system/files/documents/Final%20Report%20and%20Gender%20Action%20Plan\\_FCPF.pdf](https://www.forestcarbonpartnership.org/system/files/documents/Final%20Report%20and%20Gender%20Action%20Plan_FCPF.pdf)

<sup>124</sup> <https://documents1.worldbank.org/curated/en/488691583855357506/Stakeholder-Engagement-Plan-SEP-Investing-in-Forests-for-Prosperity-at-a-Time-of-Transformation-P170798.docx>

<sup>125</sup> <https://www.greenclimate.fund/sites/default/files/document/gap-fp118.pdf>

## CANCUN SAFEGUARD D

- The stakeholder participation procedures and mechanisms described above are being utilized for the development and implementation of **the LEAF ER Program**, for example with all forest management plans and CBFM groups in the three provinces required to follow the procedures for stakeholder participation set out in relevant legislation.
- As noted under Theme B4, **FPIC is a key instrument** for recognizing and respecting the rights of IPs and LCs and promotes their participation in decision-making. Provisions related to FPIC are present in the Constitution of Nepal (2015), the Forest Policy (2019), and the Forest Regulations (2022), which requires FPIC before any national and international agreements related to ER payments/the sale of forest carbon services are made. To operationalize these requirements, the GoN through MOFE and REDD IC prepared national **Guidelines on FPIC for REDD+** in 2024, with input from relevant stakeholders, and which are being piloted in the LEAF Program area. The Guidelines set out a phase approach for: i) identifying/mapping relevant rights-holders and stakeholders; ii) developing and disseminating information on proposed REDD+ programs, their potential impacts, benefit sharing, GRMs, etc; iii) developing proposed FPIC approaches together with relevant rights holders and stakeholders; iv) implementing inclusive and appropriate consultation and consent processes; and v) monitoring consent over the longer-term. In addition to provisions on stakeholder mapping, the identification of decision-making institutions and representatives, and respect for rights of Indigenous Peoples and local communities, the Guidelines also state that “Particular attention should be paid to the participation of women, the poor and the weak and the marginalized in the selection of representatives. The representative selection process should be transparent, fair, inclusive, secure and accessible to all relevant stakeholders”. It also highlights key FPIC principles such as timely and transparent exchange of information, gender equality and social inclusion, and the use of culturally or contextually appropriate language and format.
- **Consultations for the LEAF ER Program** began in 2023, with a first round in May-June 2023 to inform stakeholders about the proposed program and its possible outcomes, and to consult them on their concerns, including safeguards and benefit-sharing. These consultations involved stakeholders from federal to local levels, including government agencies, forest users, private forest owners, Indigenous Peoples, and local communities. In December 2023, a coordination meeting was held to develop a common understanding about the LEAF jurisdiction including program objectives, approaches, interventions, anticipated outcomes, and roles and responsibilities of all stakeholders. Consultations and an FPIC process continued at various levels in 2024-2025 following the Guidelines on FPIC for REDD+ (2024). As a part of the process, RECOFTC Nepal has reported on stakeholder mapping in Bagmati, Gandaki and Lumbini Provinces (Annex 2 of the FPIC report; see also Theme C1). A series of consultations were held in 2024-2025, facilitated by RECOFTC Nepal, and involving 65 events with 1519 participants, of which 43% were female, and 40% were Indigenous Peoples. Some of the feedback highlighted includes among other topics: questions and recommendations

## CANCUN SAFEGUARD D

related to benefit sharing arrangements; the need for more capacity building activities related to monitoring, carbon measurement and investment planning; and that the Program should promote enterprise development with private sector involvement.<sup>126</sup> Please see the outcome indicator below and Themes B3 and D2 for more information.

- It is expected that local communities will be involved in **collecting forest-level information** during the implementation phase of the LEAF ER Program. Forest-level data collection is already a central component of DFO and CBFM Groups activities. This will strengthen and enhance the engagement of local communities and Indigenous Peoples in the monitoring of forest carbon stocks on the ground. Access to Grievance Redress Mechanisms, another key element of stakeholder engagement, is described under Theme B4.

**OUTCOME INDICATOR:** Relevant stakeholders have participated fully, effectively and timely in the design and implementation of REDD+ actions.

Describe how this indicator is met.

REDD+ interventions in Nepal to date have been designed and implemented with active, effective, and timely participation of relevant stakeholders, including government agencies, Indigenous peoples, local communities, and civil society organization, in accordance with laws and international commitments. Nepal presented some initial information and a plan for conformance with D1 outcome indicator in the TREES Registration Document, which is updated here for a period of 2022-2023 and to reflect development in stakeholder engagement and REDD+ program implementation.

Nepal will achieve and demonstrate conformance with the D1 outcome indicator through the following **expected results**:

- To facilitate full and effective participation, stakeholder groups are equitably represented in REDD+ governance structures, forest management, and participatory processes, with particular attention to Indigenous Peoples, local communities, women, *Dalit*, and other marginalized groups;
- As part of these participatory processes, stakeholder representatives are transparently selected and accountable to their stakeholder constituencies.
- Feedback and input from rights holders and stakeholders are recognized and integrated into the National REDD+ Strategy as well as ER program design and implementation.
- Stakeholders and rights holders, including Indigenous Peoples, members of local communities, women, *Dalits*, and members of other marginalized groups, participate in

## CANCUN SAFEGUARD D

the design, implementation, monitoring and evaluation, and benefit sharing of the National REDD+ Strategy and ER programs, including the LEAF Program.

Although full information to report on outcomes is not yet available, **results demonstrated and activities already conducted** towards achieving conformance with the D1 outcome indicator include the following:

### **Equitable and accountable representation of stakeholders in forest sector and REDD+ structures and processes:**

- The NRS (2018) established a set of multistakeholder coordination mechanisms for REDD+ at national and subnational levels, which were recently updated in the NRS (2025) and were in place with multi-stakeholder representation during the reporting period. These include: National REDD+ Steering Committee (NRSC) established in 2009; National REDD+ Coordination Committee (NRCC) established in 2020; a national REDD+ multi-stakeholder forum and IPs and CSOs Alliance established as platforms for sharing experiences and receiving feedback; in every province a 21-member Provincial REDD+ Coordination Committee (PRCC) is formed; and the forest and environment-related section or coordination committee of local governments coordinate REDD+ activities at the local level. These platforms include representatives of relevant government departments as well as organizations of women, Indigenous Peoples and local communities, Madhesis, Dalits and private sector. See Theme D2 for more information.
- Associations such as NEFIN and FECOFUN are active in consultations and other processes related to the design and implementation of forest sector and REDD+ activities. More than 23,000 CFUGs are affiliated with FECOFUN covering about 2.9 million households.
- The Community Forest Guidelines, updated in 2009, also require the representation of key stakeholder groups in CFUGs, including at least 50% of female representation in CFUG committees. The draft 2022-2024 data compiled for the SIS from 34 DFOs across three LEAF ER Programme provinces also shows that all these DFOs report some level of participation of diverse stakeholder groups in CFUGs, including *Dalits*, women, *Janajati/Aadibasi*, *Brahmin/Chhetri*, *Madhesi* and Muslims.

### **Participation of stakeholders and rights holders, and integration of feedback and inputs into REDD+ design and implementation:**

- Collaborative and Community-based Forest Management (CBFM) is a participatory model, and key to forest governance and REDD+ implementation in Nepal, including Community Forests, Leasehold Forests, Collaborative Forests, Religious Forests, Protection Forests and Buffer Zone Community Forests. It has been implemented widely across the country and in the jurisdiction. There are more than 23,000 Community Forest User Groups nationally, covering more than 2.3 million hectares; 36.1% of the forests in the jurisdiction is under community management with more than 12,000 CBFM groups identified in the three provinces. Periodic community-level data

## CANCUN SAFEGUARD D

collection is already a component of DFO and CFUG activities, supporting community participation in monitoring.

- Consultations were organised to inform the development and finalisation of the NRS (2018), including national, regional, and local level consultations, involving local level consultations in 2013, national level consultations in 2013-2015, and focus group discussions with Indigenous Peoples, local communities, CBFM groups, marginalized and disadvantaged groups, Dalits and women. A consultation report was also circulated to participants for comment and revised to incorporate feedback.
- The review in 2024 and update in 2025 of the NRS involved 10 consultations in Kathmandu and three in the FCPF ER Program area to collect feedback from experts, federal and provincial government officials, CSO networks, Indigenous Peoples' Organizations, women's organizations, *Dalits*, *Madhesis*, and the private sector, with a total of 218 participants (21% and 27% were women and Indigenous Peoples respectively).
- Consultation processes for the design of the FCPF ER Program (up to 2018) involved stakeholder mapping, focus group discussions, national level workshops, a district level process with 822 participants, six REDD+ Trainings of Trainers (ToTs), as detailed in the TREES Registration Document.
- Stakeholders have also participated in the development of Nepal's SIS and Summatu of Information on safeguards, with 51 participants (20 women) from government and civil society participating in two national Summary workshops in 2024, as well as providing written feedback during an online comment period. SIS training was also conducted in April 2025 in the three LEAF Program provinces, targeting DFO and provincial officers, with 61 participants (11 women).
- Consultations for the LEAF ER Program began in 2023, with a first round in May/June 2023 to inform stakeholders about the proposed LEAF ER Program and its possible outcomes, and to consult them on their concerns, including safeguards and benefit sharing. These consultations involved stakeholders from federal to local levels, including government agencies, forest user groups, private forest owners, Indigenous Peoples, and local communities. In December 2023, a coordination meeting was held to develop a common understanding about the LEAF jurisdiction, including program objectives, approaches, interventions, anticipated outcomes, and roles and responsibilities of all stakeholders. Consultations in 2023 involved a total of 229 stakeholders (including 25% representing FECOFUN, 14% representing NEFIN, 13% representing local governments, 32% representing DFOs and 16% representing others like *Dalit*, local media, private owners, and entrepreneurs).
- Another round of consultations at national, provincial and district levels were held in 2024-2025, including stakeholder mapping, an FPIC process and information sharing, and discussions on benefit sharing; facilitated by RECOFTC, these consultations involved 55 events with 1519 participants, of which 43% were female, and 40% were

## CANCUN SAFEGUARD D

Indigenous Peoples.<sup>127</sup> The feedback and issues raised during these consultations have been fully documented, and along with other consultation processes, inputs have been integrated into key programmatic documents, such as the draft BSP (see Theme B2 for more information).

- Through this process, RECOFTC Nepal has established a pool of 22 trained resource persons from NEFIN (10), FECOFUN (10), and one each from HIMAWANTI and Female Forest Networks.
- A workshop on lessons learned from the FPIC process was held in Kathmandu in December 2025 to strengthen the next round for consultations in the LEAF area, also led by RECOFTC and planned for 2026.
- Recently, REDD IC has published a new REDD+ TOT Manual (2025) with the support from RECOFTC focusing on the REDD+ capacity building in the LEAF ER Program area.
- MoFE and Climate Change Management Division has organized an awareness event at national level in 2025 to sensitize on Carbon Trade Regulation (2025).

### Update on plan for conformance

**Planned and ongoing activities** to further achieve conformance with the outcome indicator include the following:

- Multi-stakeholder processes for CBFM groups (e.g. CFUG assemblies), the development and revision of CBFM and district forest management plans, and annual review of forestry and REDD+ policies and programs will continue on a regular basis, nationally and in the LEAF Program area. For example, the regular annual review workshops in the three LEAF provinces will next take place in mid 2026; in addition, a national annual review workshop on the LEAF ER Program is planned for 2026.
- The consultation process for the LEAF Program and its BSP is ongoing throughout 2026, involving events focused on awareness raising, information sharing and obtaining feedback, including feeding into the finalisation of the BSP. These include refresher training for facilitators; federal, provincial and district coordination meetings; and building on consultations held in 100 local government areas (LGAs)/municipalities in 2025, RECOFTC is planning to facilitate events in another 42 LGAs/municipalities in 2026.
- REDD IC plans to organise a “training or trainers” session on the recently developed GRM guidelines, focused on national and provincial level, by Q3 2026.
- MoFE is planning provincial level awareness and capacity building training on the “Gender and Social Inclusion Strategy and Action Plan on Climate Change (2020-2040) in 2026.

---

127

## CANCUN SAFEGUARD D

- IPs and LC participation will also take place in in the next meeting of NRSC in 2026, as well as in upcoming meetings of the REDD+ Multi-Stakeholder Forum and CSOs and IPOs Alliance (which usually meets once per year).
- FECOFUN and NEFIN plan to organize FPIC awareness and capacity-building training in the LEAF ER Program area in 2026, coordinating with REDD IC.
- Building on the ongoing and 2026 planned consultations on the Program and benefit sharing arrangements at local level, a national consultation on the BSP is planned for mid 2026 (BSP to be finalized within one year of the signing of the LEAF ERPA, i.e., by end of 2026).

### Monitoring and reporting

Monitoring of the activities and expected results for conformance with the D1 outcome will occur through Nepal's SIS, as well as through relevant review processes and reports.

Nepal's SIS will provide:

- Information on the legal framework, as well as the processes, institutional structures, and communications channels in place to support full and effective participation of all relevant rights holders and stakeholders in the design, implementation, monitoring, and evaluation of REDD+ actions.
- Information on how stakeholder groups are represented in REDD+ governance structures, as well as in forest management and participatory processes.
- Information on how stakeholder representatives are selected and communicate with their constituencies.
- Information on how feedback or inputs from rights holders and stakeholders are sought and integrated into the National REDD+ Strategy and ER program design and implementation.
- Information on how stakeholders and rights holders, including Indigenous Peoples, members of local communities, women, *Dalits*, and members of other marginalised groups, are participating in the design, implementation, monitoring and evaluation, and benefit sharing of the NRS and ER programs.

The following SIS indicators along with the expected data sources will provide “respect” or outcome level information relevant to this outcome indicator:

- D2.3 Stakeholder groups are equitably represented in REDD+ governance structures, forest management, and participatory processes, with particular attention to Indigenous Peoples, local communities, women, Dalit, and other marginalized groups; stakeholder representatives are transparently selected and accountable to their stakeholder constituencies.
  - Data on the balance of representation in key REDD+ structures, such as the NRSC

## CANCUN SAFEGUARD D

- Information on the inclusion of IPs & LCs, women, *Dalits*, and other groups in key organizations such as NEFIN, FECOFUN, CBFM group assemblies, etc
  - Information on rules and procedures for stakeholder and rights holder organizations on selection of their representatives
  - Evidence of information sharing and accountability between organizations and their stakeholders (e.g., meeting minutes made available, reports to constituencies, information shared online)
  - *Data sources: NRS (2018) and NRS (2025); NEFIN, FECOFUN and other organizational charters and membership structure; data requested from DFOs on social inclusion in CBFM groups; Reports, minutes, online information of key organizations (e.g., NEFIN, FECOFUN, etc)*
- D2.4 Feedback or inputs from rights holders and stakeholders are recognized and adopted in REDD+ Strategy and program design and implementation.
    - Information on how feedback sought and integrated for NRS design and review, and for ER program design and review
    - *Data sources: NRS (2018) and NRS (2025); NRS review report; workshop/consultation reports, incl. FPIC reports; ERPDs and ERMRS; SOI reports*
- D2.5 Stakeholders and rights holders, including Indigenous Peoples, members of local communities, women, Dalits, and members of other marginalized groups participate in the design, implementation, monitoring and evaluation, and benefit sharing of the REDD+ Strategy and programs.
    - Description of consultation/design processes for the NRS and number of participants (by gender and stakeholder group/type)
    - Description of the consultation/design process including FPIC, for ER programs and number of participants (by gender and stakeholder group/type)
    - Information on how stakeholders have participated in NRS and ER program implementation (e.g., through CBFMs, training, etc) including any data on number of participants (by gender and stakeholder group/type)
    - Information on stakeholder participation in M&E processes for the NRS and ER programs including number of participants (by gender and stakeholder group/type)
    - Data on benefit sharing by stakeholder group - link to SIS B5.4
    - *Data sources: NRS (2018); NRS (2025); NRS review report; ER program consultation and FPIC reports; ERMRS; provincial/DFO annual reporting; requests to DFOs for data on participation (e.g., in CBFMs, training and other programs)*

### Timeline for monitoring

## CANCUN SAFEGUARD D

- Nepal's 1<sup>st</sup> Summary of information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.
- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three LEAF Provinces (including 34 DFOs) and at national level. This first update of the SIS is expected to be finished by end of 2026 (although not all indicators will have complete data yet).
- The SIS is expected to be updated on a regular basis (e.g. every 2 years) through a process involving: DFOs, Province Forest Directorates, REDD IC, and compilation of data from available reports.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in the next TREES Monitoring Report (in line with the TREES requirement, i.e., within 5 years of Nepal joining ART-TREES, in 2027).

### Responsibilities

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards, and the regular monitoring and review of the NRS and ER programs.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+.
- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.

**THEME D.2** Promote adequate participatory procedures for the meaningful participation of indigenous peoples and local communities, or equivalent

**STRUCTURAL INDICATOR:** Relevant ratified international conventions, agreements, and/or domestic legal framework recognizes, respects, and protects the respective rights to participation of indigenous peoples, local communities, or equivalent, through their respective decision-making structures and processes<sup>128</sup> which requires appropriate procedures take place in a climate of mutual trust.

Describe how this indicator is met.

Nepal has ratified relevant international instruments and has in place a **domestic legal framework that recognizes, respects, and protects the respective rights to participation of indigenous peoples and local communities through their respective decision-making**

<sup>128</sup> If the institutions consulted are not considered representative by the people they claim to represent, the consultation may have no legitimacy. "If an appropriate consultation process is not developed with the indigenous and tribal institutions or organizations that are truly representative of the communities affected, the resulting consultations will not comply with the requirements of the Convention" (ILO Governing Body, 282nd session, 2001, GB.282/14/2).

## CANCUN SAFEGUARD D

**structures and processes.** this legal framework has been in place during the reporting period.

As presented in the TREES Registration Document, Nepal has ratified or voted in favour of a set of **international conventions and agreements that recognize, respect, and protect rights to full and effective participation in decision making processes, particularly for Indigenous Peoples (IPs) and local communities (LCs)**. These include: Rio Declaration on Environment and Development; Agenda 21, ILO Convention No. 169, UN Declaration on the Rights of Indigenous Peoples (UNDRIP), and the Nagoya Protocol on Access to Genetic resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization (ABS) to the CBD. For example, the rights of Indigenous Peoples to participate in decision-making processes that affect them are affirmed in UNDRIP and ILO Convention No. 169. As Nepal has ratified these international instruments, as per the Nepal Treaty Act (1990), it is committed to implementing the provisions these instruments to recognize, respect, and protect the respective rights to participation of IPs and LCs.

**Nepal's domestic legal framework recognizes, respects, and protects the rights to participation of IPs and LCs** through the following provisions:

- **The Constitution of Nepal (2015)** guarantees the right to participation of IPs and LCs through the following provisions:
  - The Constitution recognizes the existence of IPs and provides for their fundamental rights. The state has an obligation to make special provisions by law for the protection and empowerment of IPs and LCs (Art. 18).
  - The Constitution mandates inclusion and proportional representation of IPs in all state organs, including the legislature and other governing bodies (Art 42).
  - The State is committed to making community development through the enhancement of local public participation, by promoting and mobilizing the creativity of local communities in social, cultural, and service-oriented works (Art 51(c)(3)).
  - State policies include making the indigenous nationalities participate in decisions concerning that community by making special provisions for opportunities and benefits to ensure the right of these nationalities to live with dignity, along with their identity, and protect and promote traditional knowledge, skill, culture, social tradition and experience of the Indigenous nationalities and local communities (Art 51(j)(8)).
- **National Foundation for Development of Indigenous Nationalities Act (2002)** established NFDIN to promote, protect, and develop the language, religion, and culture of indigenous nationalities, and mandates their inclusion in decision-making processes.
- **Indigenous Nationalities Commission Act (2017)** established INC, which promotes the participation of Indigenous People in Nepal by acting as a bridge between the state and Indigenous communities, empowering them to feel included in the decision-making process, and making recommendations for policy and institutional reforms to promote rights to participation.

## CANCUN SAFEGUARD D

- **Local Government Operation Act (2017)** mandates local government to promote, preserve, and protect the language, religion, and culture of Indigenous nationalities and promote their effective participation in the local planning process.
- In addition, **the NBSAP (2014), Long-term Strategy for Net-zero Emissions (2021) and 15th National Plan (2019-2024) and 16<sup>th</sup> Periodic Plan (2025-2029)** all have provisions on active participation of all stakeholders especially Indigenous Peoples and local communities, in the design and implementation of policies and programs. For example, Nepal's NBSAP (2014) prioritized the meaningful participation of local communities in the management of natural resources, implementation of landscape approaches to address multiple drivers of biodiversity loss, and cooperation among relevant agencies to achieve success in biodiversity conservation. (Noting that the NBSAP (2025-2030) is currently under preparation and is expected to be submitted to the CBD in early 2026).

Detailed information on the legal framework related to IPs and LCs and stakeholder participation is also provided under Theme D1, while Themes C1 and C3 cover the legal framework enshrining the rights of IPs and LCs.

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures, and resources to promote the meaningful participation of indigenous peoples and local communities, or equivalent in the design, implementation and periodic assessments of REDD+ actions, according to their respective rights and decision-making structures and processes and to the relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework.

Describe how this indicator is met.

As described in the TREES Registration Document, Nepal has in place **mandates, procedures, and resources to promote the meaningful participation of indigenous peoples and local communities in the design, implementation and monitoring of REDD+ actions**, and these mandates and procedures have been implemented during the reporting period. MoFE and REDD IC have allocated the **required budget and resources** from both internal and external sources to support the participation of stakeholders, including IPs and LCs, in consultations and other participatory processes for the design and implementation of the NRS and ER programs.

- As described under the D1 process indicator, **CBFM is a key participatory approach for sustainable forest management in Nepal**. There are a series of provisions and procedures for the development and implementation of forest management plans, including CBFM forest management plans, that require stakeholder participation including from IPs and LCs. For example, CFUG management plans refer to local participation in planning, implementation and M&E or forestry programs within their territory. In addition, the Community Forest Guideline (2025), in line with the

## CANCUN SAFEGUARD D

requirements of Annex 24 of the Forest Regulations (2022), includes special provisions to ensure the rights to participation of IPs in the forest management plan preparation process of FUGs, including to define the specific activities to be included in the plan.

- **District Forestry Sector Coordination Committees (DFSCCs)** are chaired by the chiefs of District Coordination Committees and must include local community representatives. DFSCCs have authority to monitor forestry programs with the effective participation of IPs and LCs.
- **Procedures under the Environmental Protection Act (2019) and Regulations (2020)** aim to ensure the participation of IPs and LCs in environmental governance. These include mandatory participation of IP and LCs in IEE/EIA process, access to environmental information, and rights to participation in public hearings.
- The **Forest Regulations (2022)** require that before implementing ER programs and selling carbon credits, the FPIC of the affected communities must be obtained by informing the FUGs and other affected communities, and by following the FPIC guideline approved by the MoFE (Rule 107(6)).
- The **National REDD+ Strategy (2018) and updated NRS (2025)** emphasizes the full, effective participation of all stakeholders. Strategy 10 of the NRS (2018) and Strategy 4.6.4 of the updated NRS aims to ensure adequate representation and meaningful participation of women, Indigenous Peoples, Madhesis, Dalits, local communities, private sector and forest-dependent poor in relevant forestry decision-making processes through policy provisions, institutionalization and capacity development. The Strategy also mentions that it will be implemented through stakeholder consultations in line with FPIC as per the national and international decisions, including UNFCCC, UNDRIP, ILO 169, CBD, Nagoya Protocol on Access and Benefit Sharing and other relevant international decisions and agreements. Monitoring arrangements described in the NRS also provide for the involvement of local communities managing forests in monitoring of REDD+ activities and carbon monitoring at the subnational level.
- To inform the **development of the NRS (2018), consultations** to gather views on REDD+ Strategy Options and to identify available data and sources were undertaken at two levels, national and district, engaging with IP and LC representatives, key relevant stakeholders, and government agencies. National-level consultations were conducted between 2013-2015 through workshops and meetings with IPs and LCs, different stakeholder groups and government agencies. The local level consultations were held in 2013 in Makawanpur, Chitwan, Parsa and Bara districts. Various provincial-level consultations on the draft NRS were organized with the participation of IPLC before finalizing the draft NRS. REDD+ pilot projects/programs were visited and focus group discussions were organized with Indigenous Peoples, local communities, CBFM Groups, marginalized and disadvantaged groups, Dalits and women. A consultation report was also circulated to participants for comment and revised to incorporate feedback. The review of the NRS in 2024 and formulation of the updated NRS in 2025 has also involved stakeholder consultations to ensure perspectives of communities, Indigenous Peoples,

## CANCUN SAFEGUARD D

women, government sectors and other key stakeholder groups are integrated. See D2 outcome indicator below for more information.

- The **stakeholder engagement mechanisms** established to support REDD+ governance also promote the participation of IPs and LCs. The National REDD+ Steering Committee (NRSC), the National REDD+ Coordination Committee (NRCC) and the REDD+ Multi-stakeholder Forum have all included representatives from Indigenous Peoples, local communities and civil society. For example, the NRSC shall include up to 6 representatives from the organizations of women, Indigenous Peoples, local communities, Madhesis, Dalits and private sector and an additional 2 representatives from local government level. The NRCC ensures coordination across different sectors and actors, and working through relevant district-level line agencies, will ensure that all the rights holders and stakeholders of ER programs are informed and consulted on activities to be implemented. The REDD+ Multi-stakeholder Forum and REDD+ CSOs and IPOs Alliance were established to develop a common understanding on REDD+ among stakeholders including women, IPOs, Madhesis, Dalits, and CSOs. There are 22-member organizations in the REDD+ CSOs and IPOs Alliance and FECOFUN and NEFIN host the secretariat of the alliance rotationally.
- As introduced under the D1 process indicator, **federations and associations** also promote participation in Nepal's forest sector and REDD+:
  - NEFIN is an autonomous and politically non-partisan, national level organization of Indigenous Peoples. NEFIN organized a regional-level consultation workshop to explore the issues, agenda, and concerns of Indigenous Peoples in the design and implementation of the FCPF ER Program. Based on the consultation workshop, NEFIN developed a 28-point common position, which has been formally submitted to REDD IC from 13 District Coordination Councils of NEFIN through its national secretariat. This position paper strongly recommended ensuring the resource rights of Indigenous Peoples over forestland during the design and implementation of the FCPF ER Program, and has been included as an Annex of the ERPD.
  - FECOFUN is a representative organization of CFUGs in Nepal and organized two regional-level consultations on the design and implementation of the FCPF ER Program. Based on these regional consultations, FECOFUN developed a seven-point position paper, which was submitted to REDD IC. This position paper recommended including a program to hand over national forest to local communities as a CBFM regime. Intervention 2 for the FCPF ER Program was the result of the consultation and recommendation of FECOFUN.
- As noted under Theme D1, there has been **substantial stakeholder engagement, including IPs and LCs in the development of the FCPF ER Program** (which overlaps with the LEAF ER Program). According to the ESMF (2019) and the ERPD (2018), Indigenous People and Vulnerable Community Development Plans (IPVCDPs) will be developed if needed, clear guidelines for SFM by CBFM groups will be developed, and DFOs will work with these groups to improve and update their forest management plans.

## CANCUN SAFEGUARD D

Forest management plans will be developed with the full and effective participation and engagement IPs and LCs, as well as private sector and local government agencies.

- According to **the 1st ERMR<sup>129</sup> (finalised in 2025) for the FCPF ER Program**, communities have also been directly involved in forest resource assessment, and directly and indirectly contribute to the national forest monitoring system. During inventory of each sample plot, concerned forest communities were informed prior to the field measurement and were encouraged to participate. Their role is significant in terms of getting access to plot location, species identification, and understanding the characteristics of deforestation and forest degradation. Furthermore, all CBFM committees prepare and submit annual reports to respective DFOs in the Program area. The Program BSP also mentions that the non-carbon benefits from the ER Program helps to increase the level of participation including from women and marginalized groups.
- In the case of other relevant projects, according to the ESMF of the **GCF BRCRN project**, it is expected to directly benefit 750 local community-based organizations/user groups, comprising at least 173,160 households with over 831,168 people in 26 of the most vulnerable river systems in the Churia Region (southern Nepal, with some overlap with the LEAF program area). Various activities have been designed to ensure the participation of Indigenous Peoples and local communities. For example, nurseries will be developed in line with GESI principles, promoting equitable employment opportunities for women, as well as Indigenous Peoples, Dalits and marginalized groups. They have also established a minimum participation target based on proportional representation of highly vulnerable groups, including Indigenous Peoples (31%) and Dalits (13%).<sup>130</sup>
- A **Dedicated Grant Mechanism for Indigenous Peoples and Local Communities in Nepal**, the DGM Nepal Project<sup>131</sup>, is part of a global initiative launched by the Climate Investment Fund and the World Bank. DGM Nepal is strengthening engagement with Indigenous Peoples and Local Communities in the Forests for Prosperity (FFP) program, REDD+ and other climate change-oriented programs, and it promotes sustainable forest management by securing the right to customary practices and increasing the income of forest-dependent communities in Madhesh and Lumbini Provinces (the latter being a LEAF program Province).
- As noted under Themes B4 and D1, **FPIC is a key instrument in Nepal** for recognizing and respecting the rights of IPs and LCs and promotes their participation in decision-making. Provisions related to FPIC are present in the Constitution of Nepal (2015), the Forest Policy (2019), and the Forest Regulations (2022), which requires FPIC before any

<sup>129</sup>

[https://forestcarbonpartnership.org/sites/default/files/documents/nepal\\_1st\\_er\\_monitoring\\_report\\_final\\_0.pdf](https://forestcarbonpartnership.org/sites/default/files/documents/nepal_1st_er_monitoring_report_final_0.pdf)

<sup>130</sup> <https://openknowledge.fao.org/server/api/core/bitstreams/9b13b19b-7c9a-4221-8de3-17aa5a4eed32/content>

<sup>131</sup> <https://dgmnepal.org/en/about-us/>

## CANCUN SAFEGUARD D

national and international agreements related to ER payments/the sale of forest carbon services are made. To operationalize these requirements, the GoN through MoFE and REDD IC prepared **National Guidelines on FPIC for REDD+** in 2024, with input from relevant stakeholders, and which are being piloted in the LEAF Program area. The Guidelines set out a phase approach for: i) identifying/mapping relevant rights-holders and stakeholders; ii) developing and disseminating information on proposed REDD+ programs, their potential impacts, benefit sharing, GRMs, etc; iii) developing proposed FPIC approaches together with relevant rights holders and stakeholders; iv) implementing inclusive and appropriate consultation and consent processes; and v) monitoring consent over the longer-term. In addition to provisions on stakeholder mapping, the identification of decision-making institutions and representatives, and respect for rights of Indigenous Peoples and local communities, the guideline also state that “Particular attention should be paid to the participation of women, the poor and the weak and the marginalized in the selection of representatives. The representative selection process should be transparent, fair, inclusive, secure and accessible to all relevant stakeholders”. It also highlights key FPIC principles such as timely and transparent exchange of information, gender equality and social inclusion, and the use of culturally or contextually appropriate language and format.

- For the **LEAF ER Program**, a series of consultations have been organized, with participation from IPs and LCs and their representative organizations:
  - Consultations in mid-2023 were held with the participation of a total of 229 stakeholders representing different needs, interests and categories participated including 25% representing FECOFUN, 14% representing NEFIN, 13% representing local governments, 32% representing DFOs and 16% representing others like Dalit, local media, private owners, and entrepreneurs. The stakeholders were identified by REDD IC based on stakeholder mapping reports prepared during the REDD+ readiness phase, including FECOFUN, NEFIN, DFOs, Dalit, women’s groups and local governments.
  - Provincial, district and local level consultations in Gandaki and Bagmati were also conducted in 2024 and 2025, with the participants informed about the Program, discussions on the role of different stakeholders, interventions, carbon tenure and customary rights, possible benefits and unintended outcomes, safeguards, benefit sharing plan and GRM, and discussions to ascertain consent Facilitated by RECOFTC Nepal, the 2024-2024 consultations involved 55 events with 1519 participants, of which 43% were female, and 40% were Indigenous Peoples. Please see the outcome indicator below and Themes B4 and D2 for more information<sup>132</sup>.
  - As mentioned under Theme D1, the implementation of some of the planned LEAF Program activities will also involve local communities, e.g. measuring and

## CANCUN SAFEGUARD D

monitoring activities, which will strengthen and enhance the engagement of local communities and Indigenous Peoples in the monitoring of forest carbon stocks on the ground.

**OUTCOME INDICATOR:** Design, implementation, and periodic assessments of REDD+ actions were, where relevant, undertaken with the participation of indigenous peoples and/or local communities, or equivalent, including if applicable through FPIC, in accordance with relevant international and/or domestic and if applicable, subnational, legal framework, and in accordance with their respective rights and decision-making structures and processes.

Describe how this indicator is met.

REDD+ interventions in Nepal to date have been designed, implemented, and periodically assessed with the participation of Indigenous people and local communities, or equivalent, including, where applicable, through FPIC in accordance with national legal frameworks, relevant subnational policies, international commitments and the respective rights and decision-making structures of local stakeholders. Nepal presented some initial information and a plan for conformance with D2 outcome indicator in the TREES Registration Document, which is updated here for the period of 2022-2023 and to reflect recent development.

Nepal will achieve and demonstrate conformance with the D2 outcome indicator through the following **expected results**:

- To facilitate full and effective participation, stakeholder groups are equitably represented in REDD+ governance structures, forest management, and participatory processes, with particular attention to Indigenous Peoples, local communities, women, *Dalit*, and other marginalized groups;
- As part of these participatory processes, stakeholder representatives are transparently selected and accountable to their stakeholder constituencies.
- Feedback and inputs from rights holders and stakeholders are recognized and integrated into the National REDD+ Strategy as well as ER program design and implementation.
- Stakeholders and rights holders, including Indigenous Peoples, members of local communities, women, *Dalits*, and members of other marginalized groups, participate in the design, implementation, monitoring and evaluation, and benefit sharing of the National REDD+ Strategy and ER programs, including the LEAF Program.

Although full information to report on outcomes is not yet available, **results demonstrated and activities already conducted** towards achieving conformance with the D2 outcome indicator include the following:

**Equitable and accountable representation of stakeholders - including IPs, LCs, women, Dalits and marginalised groups - in forest sector and REDD+ structures and processes:**

## CANCUN SAFEGUARD D

- As noted under Theme D1, the NRS (2018) established a set of multistakeholder coordination mechanisms for REDD+ at national and subnational levels, which were recently updated in the NRS (2025) and were in place with multi-stakeholder, including IP and LC, representation during the reporting period. These include: National REDD+ Steering Committee (NRSC), the National REDD+ Coordination Committee (NRCC), the national REDD+ multi-stakeholder forum, and the IPs and CSOs Alliance. In every province a 21-member Provincial REDD+ Coordination Committee (PRCC) is formed; and the forest and environment-related section or coordination committee of local governments coordinate REDD+ activities at the local level. These platforms include representatives of relevant government departments as well as organizations of women, IPs and LCs, Madhesis, Dalits and private sector.
- For example, as reported under the process indicator, the NRSC shall include up to 6 representatives from the women's, IP, LC, Madhesis, Dalits and private sector organisations, and an additional 2 representatives from local government level. There are 22-member organizations in the REDD+ CSOs and IPOs Alliance, and FECOFUN and NEFIN host the secretariat of the alliance rotationally.
- Associations such as NEFIN and FECOFUN are active in consultations and other processes related to the design and implementation of forest sector and REDD+ activities. More than 23,000 CFUGs are affiliated with FECOFUN covering about 2.9 million households. FECOFUN associations extend to Province, district and local levels, with around 15,000 members elected across FECOFUN chapters through an inclusive process that seeks 50% women's representation, including in key positions. FECOFUN regularly organizes consultations and prepares recommendations on the design and implementation of ER programs, including engaging in LEAF Program development and FPIC processes.
- NEFIN, representing IP organisations, also organizes various-level consultation workshops to explore the issues, agenda, and concerns of Indigenous Peoples in the design and implementation of ER programs, and has also participated in the FPIC and consultation process for the LEAF ER Program.
- The Community Forest Guidelines, updated in 2009, also require the representation of key stakeholder groups in CFUGs, including at least 50% of female representation in CFUG committees. The draft 2022-2024 data compiled for the SIS from 34 DFOs across three LEAF ER Programme provinces also shows that all 34 DFOs report some level of participation of diverse stakeholder groups in CFUGs, including *Dalits*, women, *Janajati/Aadibasi*, *Brahmin/Chhetri*, *Madhesi* and Muslims. These 34 DFOs also report that their outreach and information sharing activities related to forest sector laws and activities have included the participation of *Brahmin/Chhetri*, *Dalit*, *Janajati/Aadibasi*, *Madhesi*, and Muslims, in CFUG-focused events.

**Participation of stakeholders and rights holders - including IPs, LCs, women, Dalits and marginalised groups - and integration of feedback and inputs into REDD+ design and implementation:**

## CANCUN SAFEGUARD D

- As noted under the D1 outcome indicator, Collaborative and Community-based Forest Management (CBFM) is a participatory model, and key to forest governance and REDD+ implementation in Nepal, including Community Forests, Leasehold Forests, Collaborative Forests, Religious Forests, Protection Forests and Buffer Zone Community Forests. It has been implemented widely across the country and in the jurisdiction. There are more than 23,000 Community Forest User Groups nationally, covering more than 2.3 million hectares; 36.1% of the forests in the jurisdiction is under community management with more than 12,000 CBFM groups identified in the three provinces. Periodic community-level data collection is already a component of DFO and CFUG activities, supporting community participation in monitoring.
- Consultations were organised to inform the development and finalisation of the NRS (2018), including national, regional, and local level consultations during 2013-2015, and focus group discussions with Indigenous Peoples, local communities, CBFM groups, marginalized and disadvantaged groups, Dalits and women. A consultation report was also circulated to participants for comment and revised to incorporate feedback.
- The review in 2024 and update in 2025 of the NRS involved 10 consultations in Kathmandu and three in the FCPF ER Program area to collect feedback from experts, government officials, CSO networks (e.g., FECOFUN, ACOFUN, etc.), Indigenous Peoples' Organizations (e.g., NEFIN and NIWF), and women's organizations (e.g. HIMAWANTI), *Dalits*, *Madhesis*, and the private sector. There was a total of 218 participants (21% and 27% were women and Indigenous Peoples respectively).
- The consultation processes for the design of the FCPF ER Program (up to 2018) involved stakeholder mapping, focus group discussions, national level workshops, a district level process with 822 participants, and six REDD+ Trainings of Trainers (ToTs). A wide range of stakeholders and rights holders were consulted, with representation of government and nongovernment institutions, traditional and customary organizations, private sector, and representatives of local forest-dependent communities, women, Dalits, Indigenous Peoples, Madhesis and Muslims (detailed in the ERPD, 2018).
- As part of this process, NEFIN's 28-point common position was formally submitted to REDD IC, and strongly recommended ensuring the resource rights of IPs over forestland and has been included as an ERPD Annex. FECOFUN's seven-point position paper recommended including a program to hand over national forest to local communities, resulting in Intervention 2 of the FCPF ER Program.
- Consultations for the LEAF ER Program began in 2023, with a first round in May/June 2023 to inform stakeholders about the proposed LEAF ER Program and its possible outcomes, and to consult them on their concerns, including safeguards and benefit sharing. These consultations involved stakeholders from federal to local levels, including government agencies, forest user groups, private forest owners, Indigenous Peoples, and local communities. Consultations in 2023 involved a total of 229 stakeholders (including 25% representing FECOFUN, 14% representing NEFIN, 13% representing local governments, 32% representing DFOs and 16% representing others like *Dalit*, local media, private owners, and entrepreneurs).

## CANCUN SAFEGUARD D

- Another round of consultations at national, provincial and district levels were held in 2024-2025, including stakeholder mapping, an FPIC process and information sharing, and discussions on benefit sharing; facilitated by RECOFTC, these consultations involved 55 events with 1519 participants, of which 43% were female, and 40% were Indigenous Peoples.<sup>133</sup> The feedback and issues raised during these consultations have been fully documented, and along with other consultation processes, inputs have been integrated into key programmatic documents, such as the draft BSP (see Theme B2 for more information). As of late 2025, initial consent for participation in the Program has been provided in all districts.
- Through this process, RECOFTC Nepal has established a pool of 22 trained resource persons from NEFIN (10), FECOFUN (10), and one each from HIMAWANTI and Female Forest Networks.
- A workshop on lessons learned from the FPIC process was held in Kathmandu in December 2025 to strengthen the next round for consultations in the LEAF area, also led by RECOFTC and planned for 2026.

### Update on plan for conformance

**Planned and ongoing activities** to further achieve conformance with the D2 outcome indicator include the following:

- Multi-stakeholder processes for CBFM groups (e.g. CFUG assemblies), the development and revision of CBFM and district forest management plans, and annual review of forestry and REDD+ policies and programs will continue on a regular basis, nationally and in the LEAF Program area. For example, the regular annual review workshops in the three LEAF provinces will next take place in mid 2026; in addition, a national annual review workshop on the LEAF ER Program is planned for 2026.
- The consultation process for the LEAF Program and its BSP is ongoing throughout 2026, with a focus on local level awareness raising, information sharing and obtaining feedback, including feeding into the finalisation of the BSP. These include refresher training for facilitators; federal, provincial and district coordination meetings; and building on consultations held in 100 local government areas (LGAs)/municipalities in 2025, RECOFTC is planning to facilitate events in another 42 LGAs/municipalities in 2026.
- IPs and LC participation will also take place in the next meeting of NRSC in 2026, as well as in upcoming meetings of the REDD+ Multi-Stakeholder Forum and CSOs and IPOs Alliance (which usually meets once per year).
- FECOFUN and NEFIN plan to organize FPIC awareness and capacity-building training in the LEAF ER Program area in 2026, coordinating with REDD IC.

## CANCUN SAFEGUARD D

- Building on the ongoing and 2026 planned consultations on the Program and benefit sharing arrangements at local level, a national consultation on the BSP is planned for mid 2026 (BSP to be finalized within one year of the signing of the LEAF ERPA, i.e., by end of 2026).

### Monitoring and reporting

Monitoring of the activities and expected results for conformance with the D2 outcome will occur through Nepal's SIS, as well as through relevant review processes and reports.

Nepal's SIS will provide:

- Information on the legal framework, as well as the processes, institutional structures, and communications channels in place to support full and effective participation of all relevant rights holders and stakeholders, including IPs and LCs, in the design, implementation, monitoring and evaluation of REDD+ actions.
- Information on how stakeholder groups, including IPs and LCs, are represented in REDD+ governance structures, as well as in forest management and participatory processes
- Information on how stakeholder representatives, including those representing IPs and LCs, are selected and communicate with their constituencies.
- Information on how feedback or inputs from rights holders and stakeholders are sought and integrated into the National REDD+ Strategy and ER program design and implementation.
- Information on how stakeholders and rights holders, including IPs, members of local communities, women, *Dalits*, and members of other marginalised groups, are participating in the design, implementation, monitoring and evaluation, and benefit sharing of the NRS and ER programs.

The following SIS indicators along with the expected data sources will provide “respect” or outcome level information relevant to this outcome indicator:

- D2.3 Stakeholder groups are equitably represented in REDD+ governance structures, forest management, and participatory processes, with particular attention to Indigenous Peoples, local communities, women, Dalit, and other marginalized groups; stakeholder representatives are transparently selected and accountable to their stakeholder constituencies.
  - Data on the balance of representation in key REDD+ structures, such as the NRSC
  - Information on the inclusion of IPs & LCs, women, *Dalits*, and other groups in key organizations such as NEFIN, FECOFUN, CBFM group assemblies, etc
  - Information on rules and procedures for stakeholder and rights holder organizations on selection of their representatives

## CANCUN SAFEGUARD D

- Evidence of information sharing and accountability between organizations and their stakeholders (e.g., meeting minutes made available, reports to constituencies, information shared online)
- *Data sources: NRS (2018) and NRS (2025); NEFIN, FECOFUN and other organizational charters and membership structure; data requested from DFOs on social inclusion in CBFM groups; Reports, minutes, online information of key organizations (e.g., NEFIN, FECOFUN, etc)*
- D2.4 Feedback or inputs from rights holders and stakeholders are recognized and adopted in REDD+ Strategy and program design and implementation:
  - Information on how feedback sought and integrated for NRS design and review, and for ER program design and review
  - *Data sources: NRS (2018) and NRS (2025); NRS review report; workshop/consultation reports, incl. FPIC reports; ERPDs and ERMRs; SOI reports.*
- D2.5 Stakeholders and rights holders, including Indigenous Peoples, members of local communities, women, Dalits, and members of other marginalized groups participate in the design, implementation, monitoring and evaluation, and benefit sharing of the REDD+ Strategy and programs:
  - Description of consultation/design processes for the NRS and number of participants (by gender and stakeholder group/type)
  - Description of the consultation/design processes, including FPIC, for ER programs and number of participants (by gender and stakeholder group/type)
  - Information on how stakeholders have participated in NRS and ER program implementation (e.g., through CBFMs, training, etc) including any data on number of participants (by gender and stakeholder group/type)
  - Information on stakeholder participation in M&E processes for the NRS and ER programs including number of participants (by gender and stakeholder group/type)
  - Data on benefit sharing by stakeholder group - link to SIS B5.4
  - *Data sources: NRS (2018); NRS (2025); NRS review report; ER program consultation and FPIC reports; ERMRs; provincial/DFO annual reporting; requests to DFOs for data on participation (e.g., in CBFMs, training and other programs)*

### Timeline for monitoring

- Nepal's 1<sup>st</sup> Summary of information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.
- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three LEAF Provinces (including 34 DFOs) and at national level. This first update of the SIS is expected to be finished by end of 2026 (although not all indicators will have complete data yet).

## CANCUN SAFEGUARD D

- The SIS is expected to be updated regularly (e.g. every 2 years) through a process involving: DFOs, Province Forest Directorates, REDD IC, and compilation of data from available reports.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in the next TREES Monitoring Report (in line with the TREES requirement, i.e., within 5 years of Nepal joining ART-TREES, in 2027).

### Responsibilities

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards and the regular monitoring and review of the NRS and ER programs.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+.
- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.

## CANCUN SAFEGUARD E

### THEME E.1 Non-conversion of natural forests and other natural ecosystems.

**STRUCTURAL INDICATOR:** Relevant domestic legal framework, policies and programs consistently define the term natural forests and other natural ecosystems, distinguishing them from plantations, describe the process for mapping the spatial distribution of natural forests and other natural ecosystems, and policies or procedures are in place prohibiting the conversion of natural forests and other natural ecosystems as part of REDD+ actions.

Describe how this indicator is met.

As described in the TREES Registration Document, Nepal has in place the following **legal frameworks, policies, and programs that consistently define natural forests and other natural ecosystems and distinguish them from plantations:**

- From the legal point of view, **the Forest Act (2019), Forest Regulations (2022), Land Use Act (2019) and Land Use Regulations (2022) provide the following definitions:**
  - “Tree” means an upright plant with a diameter of more than thirty centimeters (DBH) (Forest Regulations, 2022).
  - Nepal’s Forest Act (2019) states that “forest” means an area fully or partly covered by trees or plants (Buttayan). This definition further does not define the terms “fully covered” and “partially covered”. “National Forest” means a forest, forest conservation area, community forest, partnership forest, religious forest,

## CANCUN SAFEGUARD E

lease-hold forest, national forest within Province or inter-Provincial Forest which is managed by the Government (Sec. 2(p)). "Forest area" means any grass field, pasture land, naked hill whether or not covered with snow, road, pond, lake, stream, wetland, river, rivulets, riverine land, barren or area covered by uncultivated land, which is surrounded by, or situated within, the forest, whether not marked with the forest boundary, except that which is subject to private ownership, right and possession, and that with respect to which otherwise is provided by the prevailing laws (Sec 2(v)). *Note: The objective of this definition is to define the forest boundary, and it also covers "other natural ecosystems".*

- "Forest boundary mark" means a pillar or signboard made of timber, stone, cement or any other material installed for the demarcation of the national forest boundaries, and this term also includes the forest boundary mark indicated in the maps prepared by surveying and measuring the lands pursuant to the prevailing laws. (Sec 2(t)).
- Nepal does not have a separate definition of natural forests. However, the **Forest Act (2019)** has defined the environmental services of forests as: carbon service; protection of biodiversity; watershed and water-cycle system; eco-tourism; and such other products, services, and benefits as prescribed. Other natural ecosystems are also considered parts of forests as per the legal definition of forest area (Clause 2 (w) of the Forest Act, 2019). Therefore, all legal provisions and regulations that prevent conversion of forest area to other land use systems are also applied to any other natural ecosystem, except agricultural land owned by individuals, families or institutions privately.
- The above-mentioned legal definition of forest does not distinguish between a natural forest and a plantation forest; however, **the National Standards for Sustainable Forest Management (2024) and the Integrated Strategic Plan for the National Forest (2025)** clearly separate the forest management systems for natural forests and plantation forests. The Integrated Strategic Plan <sup>134</sup> has prescribed two separate silviculture systems for natural forests and plantations, which prohibit the use of the clear-felling system in natural forests (p. 27). The National Standards for Sustainable Forest Management (2024)<sup>135</sup> also accept a similar approach (standard 3.3 (4 and 6)). If CBFM Groups are incorporated, the provisions for the management of both natural and plantation forests in their forest management plan, they need to apply different silvicultural operations for these different types of forest, though CBFM Groups cannot use the clear-felling system in natural forest areas.
- From the **technical point of view, the National Land Cover Monitoring System (NLCMS) of Nepal, 2020-2022**<sup>136</sup>, developed by the Forest Research and Training

<sup>134</sup> <https://mofe.gov.np/content/41/national-forest-integrated-strategic-plan-2081-2100/>

<sup>135</sup> <https://mofe.gov.np/content/91/national-standards-for-sustainable-forest-management-2081/>

<sup>136</sup> [https://frtc.gov.np/uploads/files/NLCMS\\_Report\\_Final.pdf](https://frtc.gov.np/uploads/files/NLCMS_Report_Final.pdf)

## CANCUN SAFEGUARD E

Centre (FRTC), has defined the “forest,” “Other wooded land (OWL)” and “grassland” , which is applied also for the carbon accounting sections of the Nepal TREES Registration Document and Monitoring Reports.

**Table 7.12: Main forest land classes**

Main land cover class	Description	IPCC land cover class
Forest	Land spanning more than 0.5 ha with trees higher than 5 m and a canopy cover of more than 10%, or trees able to reach these thresholds in-situ. It does not include land that is predominantly under agricultural or urban land use.	Forest Land
Other wooded land (OWL)	Land not classified as forest spanning more than 0.5 ha, having at least 20 m width and a tree canopy cover of trees between 5% and 10%. or The canopy cover of trees less than 5% but the combined cover of shrubs, bushes and trees more than 10%; includes areas of shrubs and bushes where no trees are present.	Forest Land
Grassland	Areas covered by herbaceous vegetation with cover ranging from Closed to Open (15–100%). This category includes rangeland and pasture that is not considered cropland.	Grassland

In the case of **other natural ecosystems**, Nepal’s NBSAP (2014)<sup>137</sup> states:

*“Ecosystem diversity refers to the variety of habitats, the dynamic complexes of plant, animal and microorganism communities and their non-living environment, which interact as a functional unit and their change over time” (P. 2).*

The NBSAP describes five different types of ecosystems in the context of threats to biodiversity: Forest Biodiversity, Rangeland Biodiversity, Wetland Biodiversity, Agrobiodiversity and Mountain Biodiversity. (The NBSAP is currently being revised and is expected to be submitted to the CBD in mid 2026). The National Wetlands Policy (2012) defines wetlands as:

*“perennial water bodies that originate from underground sources of water or rainfall. It means swampy areas with flowing or stagnant fresh or salt water that is natural or man-made, or permanent or temporary. Wetlands also mean marshy lands, riverine floodplains, lakes, ponds, water storage areas and agriculture lands”.*

Similarly, the Ramsar Strategy and Action Plan (2018-2024) provide different strategic actions for the conservation of other natural ecosystems, including wetlands.

As described in the TREES Registration Document, Nepal has had **programs and procedures in place for mapping the spatial distribution of natural forests and other natural ecosystems** in this reporting period:

<sup>137</sup> <https://www.fao.org/faolex/results/details/en/c/LEX-FAOC163672/>

## CANCUN SAFEGUARD E

- The **Forest Research and Training Center (FRTC)** is responsible for forest resource assessment of the country, including the inventory and mapping of the forest areas in Nepal. Its responsibilities include: conducting scientific research and surveys on the forestry sector; conducting a national-level forest inventory and developing a forest resource database; and carrying out forest cover mapping and preparing forest maps.
- Nepal's **National Land Cover Monitoring System (NLCMS)**<sup>138</sup> monitors changes in the forest resources to produce forest resources maps at the national, provincial, district and local levels. Other functions of the NLCMS include: producing land use/land cover maps at district and local levels; detecting any change in forest cover and updating existing maps; disseminating the information and producing detailed forest maps on request; exchanging the satellite imagery data; updating records of available Aerial Photographs (APs) and managing requests for APs; preparing forest cover maps at national, Provinces and local levels showing various forest types, stand size and density.
- Nepal released its first **national land cover change report in 2022, analyzing changes between 2000 and 2019** using the NLCMS approach. The **2nd national land cover change study (2020-2022)** also followed the same NLCMS approach, which was built on the approach and methodology developed for the Regional Land Cover Mapping System (RLCMS). This system, developed under ICIMOD's SERVIR-HKH Initiative, utilized a co-development process that involved active stakeholder engagement. Engagement activities encompassed subnational and national consultations, online questionnaire surveys, and provincial and national mapping workshops that were conducted during the last decade in the Hindu Kush Himalaya (HKH) regions. Incorporating stakeholder suggestions, the RLCMS considered the different design criteria (such as flexibility, consistency, etc) into account to ensure its alignment with regional and national needs.<sup>139</sup>
- **FRTC's Ecosystem and Forest Types Mapping Program** in 2020-2022 aimed to delineate the critical ecosystems for the supply of ecosystem services in the country. Forest, wetland, rangeland and agriculture types and ecosystems maps were to be made available through open data sources, and ecosystems threat vulnerability status assessed, and to inform decision-making regarding the management and conservation of diverse ecosystems in Nepal.<sup>140</sup> However, the program faced severe funding cuts by the donor in 2024; as a result, no major progress and publications have been made yet on Ecosystem and Forest Type mapping. FRTC is using local resources to work on updating the forest type maps (with the last report was published in December 2025).

<sup>138</sup> <http://nepal.spatialapps.net/nlcms>

<sup>139</sup> FRTC (2024). National Land Cover Monitoring System of Nepal, 2020-2022. Forest Research and Training Centre (FRTC). Babarmahal, Kathmandu, Nepal. P. 3  
[https://frtc.gov.np/uploads/files/NLCMS\\_Report\\_Final.pdf](https://frtc.gov.np/uploads/files/NLCMS_Report_Final.pdf)

<sup>140</sup> [https://frtc.gov.np/uploads/files/EFTMP%20Update%20report\\_July%202021.pdf](https://frtc.gov.np/uploads/files/EFTMP%20Update%20report_July%202021.pdf)

## CANCUN SAFEGUARD E

- **Following the NRS (2018) and updated NRS (2025)** the MRV geoportal has been developed as of 2025 (i.e. outside the monitoring period). This supports Nepal's intentions to enhance transparency of its forestry data, namely national forest inventory datasets and forest cover/change data sets. The MRV Geoportal is available on [www.mrv.frtc.gov.np](http://www.mrv.frtc.gov.np).
- The **district level forest monitoring and reporting system complements** the NFMS. Division Forest Offices (DFOs) and Protected Areas authorities monitor, measure, update and report land use change and forestry information to their central authorities (i.e. Department of Forests and Soil Conservation, DoFSC and Department of National Parks and Wildlife Conservation, DNPWC) annually. Consistent with the NFMS, the resource inventory of CBFM regimes is also conducted every five to 10 years. Divisional level offices maintain updated data and information and report to the corresponding central authorities. Departments (including DoFSC and DNPWC) maintain and update their databases and publish the summary in their annual reports. At the national level, the monitoring and evaluation division of the MoFE coordinates all monitoring activities across departments and in other subsidiaries.

**Nepal also has had in place during the reporting period an overarching legal and policy framework for prohibiting the conversion of natural forests and other natural ecosystems to other uses:**

- The **Forest Act (2019) and Forest Regulations (2022)** strictly prohibit conversion of forest areas to other land use systems. The Forest Act (2019) has restricted conversion of forest land use to non-forest land use except in a rare case for infrastructure development approved by the cabinet.
- The **National Land Use Act (2019) and Land Use Regulations (2022)** also have provisions to safeguard land use classes making it difficult to change land use from forest to another.

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures, and resources to ensure the design and implementation of REDD+ actions considers information of spatial distribution of natural forests and other natural ecosystems and avoids the conversion of these forests and other natural ecosystems, in line with relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal framework, policies and programs.

Describe how this indicator is met.

Nepal has implemented **mandates, procedures, and resources to ensure the design and implementation of REDD+ actions consider information on the spatial distribution of natural forests and other natural ecosystems and avoid the conversion of these forests and other natural ecosystems**, in line with the provisions of the policies, plans and acts mentioned under the E1 structural indicator and relevant international agreements:

## CANCUN SAFEGUARD E

- Nepal's **forest resource assessments** consider the spatial distribution of natural forests by mapping forest cover within the country's various physiographic regions (Terai, Churia, Middle Mountains, and High Mountains/Himal) to understand resource density and management needs (through the programs described above in the structural indicator). Forest distribution is analyzed in the context of Nepal's distinct physiographic regions. Nepal uses GIS, which is the standard technology for assessing maps and mapping spatial data. This spatial data is analyzed alongside other factors like forest location within and outside protected areas, contributing to a comprehensive understanding of forest distribution and informing policy for sustainable management. By integrating spatial information, the forest agencies, including MoFE, departments, and DFOs, can identify critical forest areas, assess their condition, and develop targeted strategies for sustainable forest management and conservation.
- The **CBFM Groups also use such approaches during the forest survey and inventories of forest resources** that they carry out during the preparation of their forest management plans (usually every 10 years). Nepal's CBFM regimes and their forest management plans also play a key role in the avoidance of conversion. The Forest Regulations (2022), for example, require the consent of CFUGs for the conversion of forest under their management. According to the FCPF ER Program Document (2018), improved management under CBFM reduces unsustainable logging practices and provides avenues for communities to align with federal encroachment policies.
- **Assessments of potential impacts of REDD+ strategies and programs** have also been carried out to identify and mitigate potential risks to natural forests and other ecosystems. The SESA conducted in 2014 informed the development of the NRS and the FCPF ER Program. It screened possible social and environmental impacts and issues related to REDD+ programs in Nepal and proposed measures to mitigate risks. It also fed into the development of the FCPF ESMF (2019). Examples of identified risks for natural forests included potential encroachment into forests from successful agricultural intensification leading to agricultural expansion, and habitat loss/fragmentation due to increased access to forests and private plantations. Interventions in the FCPF ERPD (2018), also aim at reducing the risk of conversion, e.g. improving land use planning and ensuring effective implementation of IEE/EIA procedures for any forest conversion.
- **The NRS (2018)** identified that the improvement in forest cover in the Middle Mountain region was attributable to the successful implementation of community forestry practices and the conversion of farmland into forests. It has proposed one specific action to identify, delineate, and expand CBFM, and improve management practices to avoid the conversion of natural forests and other natural ecosystems (Action 1.1). The NRS was designed to promote forest conservation, including actions such as Action 2.1 aims to “improve the management and conservation of forests, protected areas and watersheds at the landscape level by promoting integrated conservation, ecosystem-

## CANCUN SAFEGUARD E

based adaptation measures, and participatory models of ecotourism” (more information on conservation approaches is provided below under E2.) The NRS review conducted in 2024 found that 'Forest land conversion for other purposes is one of the major drivers of deforestation in Nepal' (p.41, NRS review report). The review recommended specific actions to further address the issue of conversion, which have been included under Strategy 9 of the updated NRS (2025).

- **For the LEAF ER Program**, Sections 4 and 6 of this document show the forest area in the accounting area spatially and by management/ownership categories, including that 21.4% is within protected areas, and that less than 0.04% is privately owned. As noted under the E1 structural indicator, the NLCMS has been used to generate the activity data maps for TREES accounting area, and the attributes of the natural and planted forest area collected and estimated using CEO. During the monitoring period, no planted forests have been identified as such in the TREES accounting area, measures are adopted to deduct registered private forests, as a proxy for planted forests, to be conservative in emissions reduction and removals estimation. Should an incidence of conversion of natural forests into planted forests be identified through the CEO survey, such actions would be accounted for as emissions, not removals. During the CEO data review and post processing, the plots are specifically reviewed by three interpreters to ensure natural forest conversion to plantation are accounted for as emissions, not removals. During carbon accounting process for generating activity data, wetland ecosystems are separately reviewed to ensure no conversion of ecosystem types has taken place.
- The **consultation process for the LEAF ER Program** (during 2023-2025 and ongoing in 2026) has included discussion of the potential social and environmental impacts of the interventions, including on forests and other ecosystems. For example, these included questions and concerns related to conservation of natural forests and other ecosystems, such as inclusion of wetlands, and risks of human-wildlife conflict (please see Theme E2 for more detail on conservation issues).
- REDD IC has determined that the 11 interventions covered by the LEAF ER Program do not fall within the scope of the Environmental Protection Regulations (2020) schedules (2-IEE, 3-EIA). However, each DFO does conduct the IEE for their five-year forest management plan, and this screening is an integral part of the IEE preparation process.
- In addition, the draft BSP for the Program refers to Rule 117 of the Forest Regulations (2022) which provides a “negative list” or list of activities ineligible for the use of money received from ER trading, such as activities not approved by the Forest development Fund regulating committee.

**OUTCOME INDICATOR:** REDD+ actions were designed and implemented avoiding the conversion of natural forests and other natural ecosystems to plantations or other land uses.

Describe how this indicator is met.

## CANCUN SAFEGUARD E

REDD+ actions in Nepal to date have been designed and implemented to avoid the conversion of natural forests and other natural ecosystems, through both the National REDD+ Strategy and ER Programs. Nepal presented some initial information and a plan for conformance with the E1 outcome indicator in the TREES Registration Document, which is updated here for the period 2022-2023 and to reflect recent developments.

Nepal will achieve and demonstrate conformance with this outcome indicator through the following **expected results**:

- Natural forests and other natural ecosystems potentially affected by REDD+ programs are identified and mapped.
- The relevant benefits and risks of REDD+ actions, including for natural forests and other natural ecosystems, are assessed, including through consultation with local knowledge holders.
- REDD+ actions are implemented in such a way that the identified natural forests and other natural ecosystems are protected and enhanced.
- No conversion or degradation of natural forests and other natural ecosystems due to REDD+ implementation is demonstrated through the monitoring of the National REDD+ Strategy and ER Programs.

Although full information to report on outcomes is not yet available, **results demonstrated and activities already conducted** towards achieving conformance with the E1 outcome indicator include the following:

### **Natural forests and other ecosystems identified and mapped:**

- Nepal's definitions of forests and other ecosystems have been operationalised through the National Standards for Sustainable Forest Management (2024) and the NCLMS to distinguish between natural forests and plantations. Nepal has established its NLCMS and developed a harmonized land cover database that distinguishes between natural and planted forests, using CEO analysis of satellite imagery, with reports published on land cover/land use change for 2000-2019, and 2020-2022, covering this reporting period.
- During the monitoring period, no planted forests have been identified as such in the TREES accounting area (see section 14 of this document), and measures are adopted to deduct registered private forests, as a proxy for planted forests, to be conservative in emissions reduction and removals estimation. Should an incidence of conversion of natural forests into planted forest be identified through the CEO survey, such actions would be account for as emissions not removals. During the carbon accounting process for generating activity data, wetland ecosystems are separately reviewed to ensure no conversion of these ecosystems has taken place.
- DFO forest management plans and CBFM group management plans include information on forest types and biodiversity and are prepared every 5 (for DFOs) to every 10 years (for CBFM groups), with the next revision of management

## CANCUN SAFEGUARD E

plans expected in 2026-2027. More information on areas for biodiversity conservation is provided under Theme E2.

- Monitoring systems are also place, including the FRTC's Remote Sensing and Mapping Lab, reporting by DFOs and Protected Areas authorities, and CBFM resource inventory conducted every five to 10 years (exact timing depends on each CFUG's management plan).

### **Benefits and risks of REDD+ actions, including for natural forests and other natural ecosystems, are assessed:**

- As noted under the process indicator, the SESA conducted in 2014 informed development of the NRS (2018) and the FCPF ER Program, assessing possible social and environmental impacts of REDD+ and proposing measures to mitigate risks, including for natural forests.
- The NRS review conducted in 2024 also examined issues related to conversion of forests, finding that that 'Forest land conversion for other purposes is one of the major drivers of deforestation in Nepal' (p.41, NRS review report), The review recommended specific actions to further address the issue of conversion, which have been included under Strategy 9 of the updated NRS (2025).
- Each DFO does conduct the IEE for their five-year forest management plan, and this screening is an integral part of the IEE preparation process.
- The actions of the LEAF ER Program area based on the NRS, which have been assessed for the potential benefits and risks. In addition, potential impacts are being discussed through the ongoing consultation process on the Program, including consultations down to local level held in 2024-2025, as summarised in the E1 process indicator and FPIC consultation report.<sup>141</sup>

### **REDD+ actions are designed and implemented to protect and enhance natural forests and ecosystems; no conversion or degradation due to REDD+:**

- The NRS (2018) and updated NRS (2025) have integrated strategies and actions that aim to reduce and avoid the conversion of natural forests and promote their conservation. For example: expanding CBFM and SFM and improving management practices; improving management plans for all forest management regimes with provisions for carbon stock measurement, monitoring and measures to control drivers of deforestation and degradation; ensuring effective implementation of IEE/EIA processes for projects in forest lands; and avoiding forests areas for infrastructure development and resettlement.

---

141

[https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Final\\_Report\\_FPIC\\_Consultation\\_RECOFTC\\_Nepal\(1\).pdf](https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Final_Report_FPIC_Consultation_RECOFTC_Nepal(1).pdf)

## **CANCUN SAFEGUARD E**

- The 11 interventions under the LEAF ER Program are based on the NRS and are designed and implemented in line with the conservation and sustainable management of natural forests through CBFM regimes, protected areas and other approaches.
- For the LEAF ER Program, sections 4 and 6 show the forest cover in the accounting area spatially and by management/ownership categories, including that 21.4% is within protected areas and more than 36.1% is under CBFM regimes. There are no legal provisions that allow the conversion of natural forests which are under protected area and CBFM regimes. More information on conservation of other forests and ecosystems is provided under the E2 outcome indicator.
- Conservation area management plans, Buffer Zone Management Plans as well as the forest management plans of districts, CFUGs and other CBFM groups have incorporated strong conservation measures and activities for the sustainable management of forests and biodiversity conservation, which help to avoid the conversion of natural forests and other ecosystems. The DNPWC has revised and approved the two management plans of Buffer Zones (Lumbini Province) in the reporting period and started to review the management plan of two Conservation Areas located in the LEAF ER Program area.
- District forest management plans and CBFM plans are prepared and approved on a regular basis across the country, including in the LEAF Program area. As per the annual reports of REDD IC (FY 2022, 2023, and 2024), more than 1600 management plans of CFUGs have revised with the support of REDD IC, while FECOFUN has facilitated the revision of the management plans of 600 CFUGS in the FY 2023 and 2024. As noted under the process indicator, each DFO conducts the IEE for their district level five-year forest management plan, and the planning cycles vary across DFOs.
- As noted above, the draft BSP for the LEAF ER Program reflects Rule 117 of the Forest Regulations (2022) which provides a “negative list” or list of activities ineligible for the use of carbon finance, including activities that may have negative impacts on forests / lead to conversion risks.
- According to draft data compiled for the SIS, 34 DFOs across the three LEAF ER Programme provinces have reported on their major achievements in protecting and/or restoring natural forests in 2022-2024. All 34 reported that they are monitoring biodiversity projects, CFUG support activities, fire management programs, forestry livelihood support, and forest losses/forest degradation. Some DFOs have reported that forest loss is occurring due to encroachment, local conflicts, natural disasters, invasive species, soil degradation, low rainfall, with the reasons varying for each district. DFOs for Chitwan, Bardiya, Banke and Rolpa reported forest losses of 1687.82 ha, 208 ha, 607 ha, and 521 ha, respectively.

### **Update on plan for conformance**

## CANCUN SAFEGUARD E

**Planned and ongoing activities** to further achieve conformance with the E1 outcome indicator include the following:

- The CBFM group inventory cycle depends on the timing of updating their respective CBFM forest operational plans, which is required every 10 years. Inventories and the update of CBFM group plans thus proceeds on a regular basis across the different groups in the jurisdiction. DFOs also regularly update their 5-year forest management plans following their own planning cycles, including conducting IEEs.
- The consultation process for the LEAF ER Program is ongoing throughout 2026, with a focus on events for information sharing and seeking feedback, including on potential Program impacts, at the local government area (LGA)/municipality level. Please see the D2 outcome indicator for more information.
- The next phase of NCLMS analysis and reporting, covering the years 2022-2024, will be conducted and published by the end of 2026.

### Monitoring and reporting

Monitoring of the activities and expected results for conformance with the outcome will occur through Nepal's SIS, as well as through relevant review processes and reports. Although some information is provided in this report, full information on the outcomes related to E1 is expected to be provided in the future, in line with TREES (i.e., within 5 years of Nepal joining ART-TREES).

Nepal's SIS will provide:

- Information on the legal framework that supports the identification of natural forests, other important ecosystems, and biodiversity relevant to REDD+, and non-conversion.
- Information on how natural forests, biodiversity, and ecosystem services, including important and endangered plant and animal species, that may be affected by REDD+ programs are identified, prioritized, and mapped.
- Information on how relevant benefits and risks of REDD+ actions related to natural forests and ecosystems are assessed, including through consultation with local knowledge holders.
- Information on the implementation of REDD+ actions to support the protection and enhancement of identified natural forests and sites important for biodiversity and ecosystem services.
- Evidence that no conversion or degradation of natural forests and other natural ecosystems has occurred due to REDD+ implementation.

The following SIS indicators along with the expected data sources will provide "respect" or outcome level information relevant to this outcome indicator:

- E1.2 Natural forests, biodiversity, and ecosystem services, including important and endangered plant and animal species, potentially affected by REDD+ programs are identified, prioritized, and mapped, and relevant benefits and risks of REDD+ actions assessed, including through consultation with local knowledge holders.

## CANCUN SAFEGUARD E

- Information on the mapping and monitoring of natural forests and other ecosystems through Nepal's national information systems
  - Information on DFO and CBFM forest management plans (which include information on status of forest biodiversity)
  - Information on background studies, assessments of benefits and risks, and consultation processes discussing impacts conducted for the NRS and ER programs
  - *Data sources: NRS (2018); NRS (2025); NRS review report; NLCMS and FRTC reports; ERPDs and ERP implementation plans; consultation/workshop reports; data request to DFOs on integration of biodiversity/ES in DFO management plans and CBFM management plans*
- E2.3 REDD+ actions are implemented in such a way that the identified natural forests and sites important for biodiversity and ecosystem services are protected and enhanced. Information on REDD+ actions in NRS and ERPs designed to support conservation of natural forests, other ecosystems and biodiversity, and measures identified to support conservation and non-conversion
    - Information on actions implemented through forest management plans/CBFM plans, land use plans and PA management plans
    - Evidence of how implementation of NRS, ERPs and other REDD+ activities (including CBFM) have contributed to outcomes on the ground (e.g., national data on trends in natural forests and other ecosystems, PAs supported, areas restored, watersheds protected, etc)
    - *Data sources: NRS (2018); NRS (2025); NRS review report; NLCMS, FRTC reports, NBSAP monitoring; ERPDs and ERP implementation plans; data request to DFOs on results/achievements related to conservation of natural forests, other ecosystems, and biodiversity*
  - E3.2 No conversion or degradation of natural forests and other natural ecosystems due to REDD+ implementation is demonstrated through the monitoring of the REDD+ Strategy and ER programs:
    - Trends in natural forest and other ecosystem extent, and plantation forest extent, including in REDD+ areas.
    - Information on results for natural forests and plantation forests in NRS review and ERP monitoring reports
    - *Data sources: NLCMS and FRTC reports; NRS review report; ERMRS; MOFE statistics; provincial and DFO annual reports*

### Timeline for monitoring

- Nepal's 1<sup>st</sup> Summary of information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.

## CANCUN SAFEGUARD E

- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three LEAF Provinces (34 DFOs) and at national level. This first update of the SIS is expected to be finished by end of 2026 (although not all indicators will have complete data yet).
- The SIS is expected to be updated regularly (e.g. every 2 years) through a process involving: DFOs, Province Forest Directorates, REDD IC, FECOFUN, NEFIN and compilation of data from available reports every.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in the next TREES Monitoring Report (in line with the TREES requirement, i.e., within 5 years of Nepal joining ART-TREES, in 2027).

### Responsibilities

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards and the regular monitoring and review of the NRS and ER programs.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+.
- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.
- FRTC is responsible for designing, operating, and updating the NFMS/NLCMS, with the Forest Survey and Carbon Monitoring Division (FSCMD) as focal institution for forest monitoring systems.
- Division Forest Offices (DFOs) and Protected Areas authorities are responsible for annual monitoring and reporting on land use change, forestry and CBFM to central Department of Forests and Soil Conservation, DoFSC and Department of National Parks and Wildlife Conservation.
- At the national level, the monitoring and evaluation division of the MoFE coordinates all forest and environment monitoring activities.

## THEME E.2 Protect natural forests, biological diversity, and ecosystem services

**STRUCTURAL INDICATOR:** Relevant ratified international conventions, agreements, and/or domestic legal framework or policies identify priorities for the protection and conservation of natural forest areas and natural ecosystems, biodiversity, and ecosystem services, to which REDD+ actions could contribute.

Describe how this indicator is met.

In line with its ratified, relevant international conventions and agreements, Nepal has formulated and implemented various **national policies (including strategy and plans) and legal instruments that have clearly identified priorities for the protection and conservation of natural forests and other ecosystems, and their biodiversity and ecosystem services, to which REDD+ can contribute.**

## CANCUN SAFEGUARD E

The **relevant international conventions** ratified by Nepal in relation to conservation and sustainable use of biodiversity include:

- Convention on Wetlands of International Importance especially as Waterfowl Habitat (Ramsar), 1971
- Convention on International Trade in Endangered Species of Wild Fauna and Flora, 1973
- United Nations Framework Convention on Climate Change, 1992
- Convention on Biological Diversity, 1992
- Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization to the Convention on Biological Diversity, 2010

As described in the TREES Registration Document, **Nepal's forest related national policies, strategies and action plans have clearly identified priorities for protection and conservation of natural forests and other ecosystems, and biodiversity to which REDD+ can contribute.** The country has also applied laws and regulations for the protection and conservation of natural forest areas and natural ecosystems, biodiversity, and ecosystem services.

- **The Constitution of Nepal (2015)** provides the state policy on sustainable natural resource management, which states that the state has an obligation to adopt appropriate measures to abolish or mitigate existing or potential adverse environmental impacts on nature, the environment or biological diversity, and it is required to pursue the principles of environmentally sustainable development such as the principles of polluter pays, of precaution in environmental protection and of prior informed consent (Art 51(g)).

**The National Forest Policy (2019), National Environment Policy (2019), National Climate Change Policy (2019), Forestry Sector Strategy (2016-25), National Biodiversity Strategy and Action Plan (2014), Environment Protection Act (2019), Long-term Strategy for Net-zero Emissions (2021) and Nepal's second NDC (2020)** all identify priorities for conservation of forests, ecosystems and biodiversity, and all refer to REDD+ as one of the strategic actions to achieve their objectives:

- **The National Forest Policy (2019)** emphasizes conserving, re-establishing and using forests, plants, wildlife, and biodiversity (Objective 4), and establishing zoo and botanical garden for ex situ conservation of species at federal, Province and local level (Strategy 8.4.2).
- **The Climate Change Policy (2019)** emphasizes building resilience of the ecosystems which are at risk of adverse impacts of climate change (Objectives 7.2), and to ensure sustainable environmental services by developing climate resilient ecosystems (Strategy 8.2). These ecosystems include riverbeds, wetlands, forests, etc.

## CANCUN SAFEGUARD E

- **The Forest Act (2019)** provides power to the government to declare any parts of forest area which are important from environmental, ecosystems, scientific, and cultural perspectives at national or international levels, and areas important for preserving plants and wildlife, as protected forest in consultation with Province Government (Section 15), and to make arrangements for the protection of national parks, wildlife reserves, conservation areas and buffer zones by the government (Section 3 (b)(1)). Protected forests are areas which: a) are of environmental, ecological, scientific, or cultural importance nationally and internationally; b) seem to be sensitive from a watershed management perspective; c) are necessary for the protection and management of forests, vegetation, and wildlife outside a protected area; or d) seem appropriate for the development of eco-tourism.
- Nepal is a party to the CBD and has developed a **National Biodiversity Strategy and Action Plan (NBSAP)** in 2014. The NBSAP identifies various thematic strategies and priorities for actions conservation priorities. The strategies are grouped into six biodiversity themes, namely protected areas, forests outside protected areas, rangelands, wetlands, agriculture, and mountains. For example, under Strategy 1: Improvement in management of protected areas and species, priority actions include the development and implementation of conservation plans for priority species. Other priority actions include establishment of protection forest where necessary and feasible, improving forest productivity, biodiversity conservation and climate change resilience of forests through sustainable management and various others. REDD+ is mentioned in the NBSAP as a priority action to achieve adaptation to and mitigation of the impacts of climate change on biodiversity. Nepal is revising its NBSAP to 2025-20230 in line with the Kunming-Montreal Global Biodiversity Framework, and expects to submit this to the UNFCCC in mid 2026.

In terms of conservation of natural forests, as noted under Theme E1, **the Forest Act (2019) and Forest Regulations (2022)** strictly prohibit conversion of any natural forests to other land use systems. Forests outside of protected areas are managed under this Act and the Regulations, while 12 National Parks, 6 Conservation Areas, 1 Hunting Reserve and 1 Wildlife Reserve are managed under the National Park and Wildlife Protection Act (1973). The **Forestry Sector Strategy (2016-2025) and NBSAP (2014)** are the major strategic documents for the protection of natural forests, biological diversity, and ecosystem services across the country.

**The CITES Act (2017)** aims to regulate the import/export permit for the trade of CITES species, including plant and tree species. This act provides domestic measures and procedures to regulate the permit system and wildlife trafficking.

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures, and resources to protect and avoid adverse impacts on natural forest areas and natural ecosystems, biodiversity, and ecosystem services in the design and implementation of

## CANCUN SAFEGUARD E

REDD+ actions, according to relevant ratified international conventions, agreements, and/or domestic legal frameworks, policies and programs.

Describe how this indicator is met.

As described in the TREES Registration Document, Nepal has in place the following **mandates, procedures, and resources to protect and avoid adverse impacts on natural forest areas and natural ecosystems, biodiversity, and ecosystem services in the design and implementation of REDD+ actions**. These provisions have been considered and implemented in the context of REDD+ during the reporting period:

- **The Environmental Protection Regulations (2020)**<sup>142</sup> are an important legal instrument for identifying, avoiding and mitigating adverse impacts on the environment, including forests. These require either Brief Environmental Study, Initial Environmental Examination (IEE) or Environmental Impact Assessment (EIA) of programs/projects as per the Environment Protection Act (2019) when development projects are implemented. The Environment Protection Act (2019) requires an EIA to be carried out if forest area or capacity of a project is increased. The MoFE is responsible the overall process EIA approval and implementation (Sec. 3).
- The proponent shall make a detailed analysis of possible adverse effects on the environment from the implementation of such a proposal and various alternatives that can be adopted for mitigation of such effects and recommend the alternative that is appropriate for the implementation of the proposal and the grounds and reasons why that alternative is implementable (Sec. 4). In addition, in preparing the environmental study report, the proponent shall set out, inter alia, the possible short-term, mid-term and long-term adverse effects on the environment from the implementation of the project and the method and process to be adopted for mitigation thereof.
- **Schedules 1, 2 and 3** of the Regulations (2020) provide a list of the projects/activities that require a Brief Environmental Study (BES), Initial Environmental Examination (IEE), and Environmental Impact Assessment (EIA), respectively. Forestry sector activities requiring environmental study are specified in these schedules<sup>143</sup>, for example:
  - *Schedule 1: Proposals Requiring BES, (Forestry Sector)*
  - Plantation of indigenous plants of a single species in a single block of 10 to 50 hectares.
  - Plantation of exotic species of plants, following their test in the concerned place, on a single block of up to 10 hectares.
  - Handover of forests with an area up to 20 hectares in the Terai and up to 5 hectares in the Hills as leasehold forests.

<sup>142</sup> <https://faolex.fao.org/docs/pdf/NEP223710.pdf>

<sup>143</sup> As noted under E1, REDD IC has determined that the 11 interventions covered by the Nepal LEAF ER Programme do not fall within the scope of the Environmental Protection Regulations (2020) schedules (2-IEE, 3-EIA). However, each DFO does conduct the IEE for their five-year forest management plan, and this screening is an integral part of the IEE preparation process.

## CANCUN SAFEGUARD E

- Construction of 5 to 10 km of forest roads and fire lines.
- Use of up to one hectare of forest areas for other purposes.

### *Schedule 2: Proposals Requiring IEE, (Forest Sector)*

- Plantation of indigenous plants of a single species in a single block of more than 50 ha to 500 ha in the Terai and more than 50 hectares to 250 ha in the Hills.
- Plantation of exotic species of plants, following their test in the concerned place, on a single block of more than 10 ha to 50 hectares in the Terai and more than 10 ha to 25 ha areas in the Hills.
- Handover of forests with an area ranging from more than 20 to 100 hectares in the Terai and more than 5 ha to 50 hectares in the Hills as leasehold forests.
- Clear felling of more than 15 ha to 30 ha of national forest area annually for research purposes by the government.
- Establishment or expansion of national parks, wildlife sanctuaries and conservation areas or environmental conservation Zones.
- Preparation of management plans of national parks, wildlife sanctuaries, conservation areas and wetlands.
- Preparation of five-year forest management plan within a district, buffer zone, protected area, or protected forest area with the harvesting /collecting of the forest products (up to specified amounts in the schedule)
- Use of forest area of 1 ha to 5 ha for other purposes.

### *Schedule 3: Proposals Requiring EIA (Forest Sector)*

- Plantation of indigenous plants of a single species in a single block of more than 500 hectares in Terai and more than 250 hectares in Hills.
  - Plantation of exotic species, following their test in the concerned place, on a single block of more than 50 hectares in Terai and more than 25 hectares in Hills.
  - Handover of forests with more than 100 hectares in Terai and more than 50 hectares in Hills as leasehold forests.
  - Except for electricity transmission lines, use of more than 5 hectares of forest area for other purposes.
  - Proposals for implementation in national parks, wildlife reserves and hunting reserves.
- **The NRS (2018)** has been designed to promote conservation of natural forests, biodiversity and ecosystem services, with its objectives including to reduce carbon emissions, enhance carbon stocks and ecosystem resilience through mitigation and adaptation approaches by minimizing the causes and effects of the drivers of deforestation and forest degradation, and promote sustainable forest management. Similarly, one of its guiding principles is to maintain ecosystem integrity and optimize the wide range of ecosystem benefits. The SESA conducted in 2014 informed the development of the NRS and the FCPF ER Program (see below). The **updated NRS**

## CANCUN SAFEGUARD E

(2025) was developed and approved in 2025, with a maintained emphasis on conservation of natural forests, biodiversity and ecosystem services, and on non-carbon benefits, including for example actions such as: promote nature-based tourism in protected areas and other forests; and developing systematic measurement of non-carbon forest ecosystem services.

- REDD+ actions for the **FCPF ER Program** (whose area overlaps with the TREES accounting area) have been designed and implemented to avoid adverse impacts and protect and conserve natural forest areas and natural ecosystems, biodiversity, and ecosystem services. Potential impacts were assessed through the SESA<sup>144</sup> in 2014, which assessed possible social and environmental impacts related to REDD+ programs in Nepal and proposed measures to mitigate environmental and socio-economic risks during implementation. It utilized a participatory process and focused on a set of strategic options identified before development of the NRS.<sup>145</sup> For example, the risk of forest fire potentially increasing was identified, while mitigation measures included strengthening fire-fighting capacity of PAs, controlled burning, development and regular maintenance of fire roads, fire monitoring, and providing necessary firefighting tools and techniques. The ESMF<sup>146</sup> (also prepared in 2014) sets out procedures to screen, assess, manage and monitor the mitigation measures.
- **Interventions in the Nepal LEAF ER Programme area** are based on the NRS (2018), and thus integrate conservation priorities, and seek to reduce adverse impacts, while promoting benefits. Interventions in the Program area include sustainable management of forests, forest fire management, restoration of degraded forests, promotion of natural regeneration, agroforestry and other actions that contribute to maintain and restoring natural forests, their biodiversity and ecosystem services. The accounting area contains rich biodiversity areas including Banke National Park, Bardiya National Park, Langtang National Park, Shivapuri-Nagarjun National Park, Chitwan National Park, Dhorpatan Hunting Reserve and Annapurna conservation area, as well as parts of the two conservation landscapes of Terai Arc Landscape and Chitwan Annapurna Landscape. DFO forest management activities nationally and in the Nepal LEAF ER Programme area include a range of activities that support conservation of natural forest, biodiversity and ecosystem services, such as human-wildlife conflict management, support to PAs, and assisted natural regeneration of forests.
- The Government and Program partners are **ensuring that stakeholders are informed about potential social and environmental impacts**, including through information presented in the information package for FPIC consultations, and stakeholder views on

<sup>144</sup> <https://www.forestcarbonpartnership.org/system/files/documents/Annex%201%20-%20Nepal%20draft%20SESA%20and%20ESMF%20Reports.pdf>

<sup>145</sup> For example, strategic options included public/government management of forests for conservation of biodiversity and maintenance of fragile ecosystems, and conservation of biodiversity and ecosystem services outside of PAs, among others.

<sup>146</sup> <https://www.forestcarbonpartnership.org/Nepal%20ESMF%2020June%.pdf>

## CANCUN SAFEGUARD E

potential impacts are discussed and documented. The consultation process for the Nepal LEAF ER Programme (during 2023-2025 and ongoing at local level in 2026) has included discussion of the potential social and environmental impacts of the interventions, including on forests and other ecosystems. For example, these included questions and concerns related to conservation of natural forests and other ecosystems, such as inclusion of wetlands, and risks of human-wildlife conflict .<sup>147</sup>

**OUTCOME INDICATOR:** REDD+ actions have promoted the protection of natural forest and other natural ecosystem areas, biodiversity and ecosystem services.

Describe how this indicator is met.

REDD+ actions in Nepal including through implementation of the NRS and ER programs, have promoted and supported the conservation and restoration of natural forests and other natural ecosystems, and of their biodiversity and ecosystem services. Nepal presented some initial information and a plan for conformance with the A1 outcome indicator in the TREES Registration Document, which is updated here for the period 2022-2023 and to reflect recent developments.

Nepal will achieve and demonstrate conformance with this outcome indicator through the following **expected results**:

- Measures are identified through the NRS and ER Programs to maintain and enhance the biodiversity and ecosystem services priorities of natural forests and other natural ecosystems, including through incentives for their conservation.
- REDD+ actions are implemented in such a way that natural forests and sites important for biodiversity and ecosystem services are protected and enhanced.

**Although full information to report on outcomes is not yet available, results demonstrated and activities already conducted** towards achieving conformance with the E2 outcome indicator include:

**Measures to maintain and enhance the biodiversity and ecosystem services priorities of natural forests and other natural ecosystems:**

- As described under the E2 structure and process indicators, priorities for the conservation of natural forests, other natural ecosystems and biodiversity have been clearly identified in Nepal through relevant legislation and policies. The NBSAP (2014) identified thematic strategies and priorities conservation and included REDD+ as a priority action to achieve mitigation and adaptation to the impacts of climate change on

---

147

## CANCUN SAFEGUARD E

biodiversity. The NBSAP has been updated in 2025 and is expected to be submitted to the CBD in mid 2026.

- Comprehensive environmental and social safeguards embedded in Nepal's regulatory framework to guide designing and implementing any development program or project, such as IEE and/or EIA requirements including for forest sector projects, as well as restrictions on conversion of forests and other natural ecosystems to other land uses (see E1 for more information). For example, DFOs conduct IEEs as part of the process to develop their 5 year forest management plans.
- The SESA conducted in 2014 informed the development of the NRS and the FCPF ER Program and considered the potential impacts of REDD+ relation to conservation. The NRS (2018) was designed to promote conservation through its objectives, guiding principles and actions (e.g. actions under Strategy 2 to increase non-carbon benefits of forest ecosystems). The NRS (2025) updated in 2025 maintains an emphasis on conservation of natural forests, biodiversity, and ecosystem services (e.g. Strategy to increase non-carbon benefits of forest ecosystems now includes actions such developing approaches to manage potential forest areas as OECMs). It also includes actions for the promotion of incentives, such as piloting PES, while the focus on CBFM continues to ensure communities can benefit from sustainable management of forests.
- Based on the NRS, the interventions in the Nepal LEAF ER Programme include sustainable management of forests, forest fire management, restoration of degraded forests, promotion of natural regeneration, agroforestry and other actions that contribute to maintain and restoring natural forests, their biodiversity and ecosystem services.
- The TREES accounting area contains areas of rich biodiversity, including Banke National Park, Bardiya National Park, Langtang National Park, Shivapuri-Nagarjun National Park, Chitwan National Park, Dhorpatan Hunting Reserve and Annapurna conservation area. Out of the country's five conservation landscapes, the Program area includes parts of two conservation landscapes of Terai Arc Landscape and Chitwan Annapurna Landscape.
- The DNPWC has revised and approved the two management plans of Buffer Zones (Lumbini Province) in the reporting period and started to review the management plan of two Conservation Areas located in the TREES accounting areas, and the REDD+ actions, which are defined in these management plans, are implemented by the protected areas management authorities and communities.
- The consultation process during 2023-2025 for the Nepal LEAF ER Programme has discussed potential social and environmental impacts, and stakeholder concerns and perspectives in relation to conservation issues have been documented in the FPIC consultation report (2025).
- As noted in Theme E1, the draft BSP for the Nepal LEAF ER Programme also refers to Rule 117 of the Forest Regulations (2022) which provides a "negative list" or loss of activities ineligible for the use of carbon finance.

## CANCUN SAFEGUARD E

### REDD+ actions are implemented so that natural forests and sites important for biodiversity and ecosystem services are protected and enhanced:

- Nepal's 6<sup>th</sup> National Report to the CBD was submitted in early January 2019, covering up until 2018 (outside of the reporting period). The 7<sup>th</sup> National Report is due to be submitted in 2026. However, the 6<sup>th</sup> NR provides national scale information on biodiversity status and trends for that period, against the country's 2020 targets, and additional information can be compiled from other sources:

**Table 7.13: Biodiversity targets in the 6th National Report**

TARGET	6 <sup>TH</sup> NATIONAL REPORT	POST 2020
By 2020, at least 25% area of the country will be sustainably managed under protected area system.	23.39% (i.e., 34,419.75 sq. km) land area is under PAs (12 National Parks, 1 Wildlife Reserve, 1 Hunting Reserve, 6 Conservation Areas, and 13 Buffer Zones) (DNPWC 2017)	23.58% under protection in 49 different types of PAs ( <a href="https://www.protectedplanet.net/country/NPL">https://www.protectedplanet.net/country/NPL</a> ; data from 2014-2024)
By 2020, at least 20 Protection forests will be declared for biodiversity conservation outside PAs.	Nepal has declared 10 Protection Forests (comprising an area of 190809.43 sq km); and additional 9 are in the process of declaration under Protection Forest (DoF FY 2017/2018).	11 forest conservation areas covering 194,155 ha of forests as of 2021/22
By 2020, additional 5,000 ha. degraded forest will be rehabilitated through pro-poor leasehold forestry.	As of June 2018, total area under leasehold forestry programme is 43,957 ha covering 71,753 households (DoF, FY 2019/2020).	Increased to 44,027 ha of forests, as of 2023/24
By 2020, at least 15 percent of the forested ecosystems will be restored through implementation of REDD+ and ecosystem-based adaptation programs.	Currently proposed to restore forest in 13 districts of TAL, Tarai and Chure districts, through FCPF ER Program.	2,127 hectares is restored in the FCPF ER Program area through plantation. (data on area restored from FCPF ERMR1)

- DFO forest management nationally and in the Nepal LEAF ER Programme area includes a range of activities contributing to conservation of natural forests, biodiversity, and ecosystem services, such as human-wildlife conflict management,

## CANCUN SAFEGUARD E

support to PAs, and assisted natural regeneration of forests. DFO forest management plans run for 5 years but they also prepare annual activity plans (considering the budget ceiling available from the federal/provincial government).

- CBFM regimes nationally and in the LEAF Program area also play a substantial role in conservation and sustainable use. Nationally in 2023-2024 there were more than 22,760 CFUGs covering more than 3.17 million households (HHs) and managing 2.32 million ha of forests; 34 Collaborative Forest User Groups (CoLFUGs) covering 812,870 HHs and managing 75,654 ha of forests; 11 forest conservation areas covering 194,155 ha of forests; 7,607 Leasehold Forest Users Groups (LFUGs) covering 74,495 HHs and managing 44,027 ha of forests<sup>148</sup>; as of 2022/2023, 1,067 Buffer Zone (BZ) CFUGs covering an area of 240,870.44 ha, 88 BZ LFUGs covering an area of 548.68 ha, and four BZ Religious Forests covering an area of 69 ha<sup>149</sup>. All these CBFM groups have contributed protection of natural forests and other natural ecosystem areas, as well as their biodiversity and ecosystem services.
- According to draft 2022-2024 data compiled for the SIS, 34 DFOs in the three Nepal LEAF ER Programme provinces reported various achievements in protecting and/or enhancing natural forests and biodiversity such as habitats for wildlife, endangered plants, medicinal plants, and restoring natural forests. The specific achievements of each DFO vary, ranging from increase in species count to ecosystem protection, improved agricultural production, plantation efforts, and management of vulnerable species.
- With approval of the new Integrated National Forest Strategy (2024-2043), DFOs nationally and in the LEAF Program area have started to develop and implement the forest-based land-use plan as an integral part of district level five year plans to protect natural forests. The DNPWC has also revised the buffer zone management plans and the conservation areas management plans and given high priority for the protection of natural forests and natural ecosystems by controlling forest conversion into other land-use. The 44 Local Governments in FCPF ER Program area have developed and implement land-use plans, which have supported controlling land conversion.
- All three provinces have formulated procedures to maintain a distance between industries and forest areas in 2022, which has also contributed to conserving natural forests, natural ecosystems, and biodiversity.

### Update on plan for conformance

**Planned and ongoing activities** to further achieve conformance with the E2 outcome indicator include the following:

<sup>148</sup> MoFE. (2025). Annual Report of the Ministry of Forest and Environment (MoFE), FY 2024/025 (Nepali version, page 2).

[https://giwmiscdntwo.gov.np/media/pdf\\_upload/MoFE%20Progress%20report%202081.82\\_dbqgz4.pdf](https://giwmiscdntwo.gov.np/media/pdf_upload/MoFE%20Progress%20report%202081.82_dbqgz4.pdf)

<sup>149</sup> Ibid.

## CANCUN SAFEGUARD E

- Nepal's revised NBSAP and its monitoring framework is under development and is expected to be submitted to the CBD in mid-2026. The 7<sup>th</sup> National Report to CBD is also due in 2026.
- The consultation process for the Nepal LEAF ER Programme is ongoing throughout 2026, with a focus on events for information sharing and seeking feedback, including on potential Program impacts, at the local government area (LGA)/municipality level. Please see the D2 outcome indicator for more information.
- Benefit sharing arrangements proposed for the Nepal LEAF ER Programme include an allocation for agencies and/or users groups involved in forest management (80%, based on Forest Regulations, 2022). Although the BSP is still being finalised (expected at end of 2026), a portion of benefits is expected to be provided to protected area management authorities, as well as to CBFM groups to support conservation and sustainable forest management. (See section 6 of this report for more information).

### Monitoring and reporting

Monitoring of the activities and expected results for conformance with the E2 outcome will occur through Nepal's SIS, as well as through relevant review processes and reports. Although some information is provided in this report, full information on the outcomes related to A1 is expected to be provided in the future, in line with TREES (i.e., within 5 years of Nepal joining ART-TREES).

Nepal's SIS will provide:

- Information on the legal framework and priorities for conservation in Nepal, and on how the NRS and ER programs (ERPs) support the objectives of policies for the conservation of natural forests, other natural ecosystems, biodiversity, and ecosystem services.
- Information on NRS and ERP actions/interventions as well as any additional measures aimed at conserving and enhancing natural forests, ecosystems, biodiversity, and ecosystem services.
- Information on interventions and measures in forest management plans/CBFM plans, land use plans and PA management plans that support conserving and enhancing natural forests, ecosystems, biodiversity, and ecosystem services.
- Information on the implementation of REDD+ actions to support the protection and enhancement of identified natural forests and sites important for biodiversity and ecosystem services.

The following SIS indicators along with the expected data sources will provide "respect" or outcome level information relevant to this outcome indicator:

## CANCUN SAFEGUARD E

- E2.2 The REDD+ Strategy and programs identify measures to maintain and enhance the biodiversity and ecosystem services priorities of identified natural forests and other natural ecosystems, including through incentives for their conservation.
  - Information on NRS and ERP actions and any additional measures aimed at conserving and enhancing natural forests, ecosystems, biodiversity, and ecosystem services
  - Information on interventions or measures in forest management plans/CBFM plans, land use plans and PA management plans that support conserving and enhancing natural forests, ecosystems, biodiversity, and ecosystem services
  - *Data sources: NRS (2018); NRS (2025); ERPDs and ERP implementation plans; SESA and other assessments, ESMF and management plans; consultation/workshop reports; data request to DFOs on integration of biodiversity/ES in DFO management plans and CBFM management plan; DFO, provincial directorate annual reports*
- E2.3 REDD+ actions are implemented in such a way that the identified natural forests and sites important for biodiversity and ecosystem services are protected and enhanced.
  - Information on REDD+ actions in NRS and ERPs designed to support conservation of natural forests, other ecosystems and biodiversity, and measures identified to support conservation and non-conversion
  - Information on actions implemented through forest management plans/CBFM plans, land use plans and PA management plans
  - Evidence of how implementation of NRS, ERPs and other REDD+ activities (including CBFM) have contributed to outcomes on the ground (e.g., national data on trends in natural forests and other ecosystems, PAs supported, areas restored, watersheds protected, etc)
  - *Data sources: NRS (2018); NRS (2025); NRS review report; NLCMS, FRTC reports, NBSAP monitoring; ERPDs and ERP implementation plans; data request to DFOs on results/achievements related to conservation of natural forests, other ecosystems, and biodiversity*

### Timeline for monitoring

- Nepal's 1st Summary of information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.
- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three LEAF Provinces (including 34 DFOs) and at national level. This first update of the SIS is expected to be finished by end of 2026 (although not all indicators will have complete data yet).

## CANCUN SAFEGUARD E

- The SIS is expected to be updated on a regular basis (e.g. every 2 years) through a process involving DFOs, Province Forest Directorates, REDD IC and compilation of data from available reports.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in the next TREES Monitoring Report (in line with the TREES requirement, i.e., within 5 years of Nepal joining ART-TREES, in 2027).

### Responsibilities

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards and the regular monitoring and review of the NRS and ER programs.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+.
- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.
- FRTC is responsible for designing, operating, and updating the NFMS/NLCMS, with the Forest Survey and Carbon Monitoring Division (FSCMD) as focal institution for forest monitoring systems.
- Division Forest Offices (DFOs) and Protected Areas authorities are responsible for annual monitoring and reporting on land use change, forestry and CBFM to central Department of Forests and Soil Conservation, DoFSC and Department of National Parks and Wildlife Conservation.
- At the national level, the monitoring and evaluation division of the MoFE coordinates all forest and environment monitoring activities.
- MoFE's Environment and Biodiversity Division is focal point for the CBD, prepares Nepal's NBSAPs and National Reports to the CBD.

## THEME E.3 Enhancement of social and environmental benefits

**STRUCTURAL INDICATOR:** Relevant ratified international conventions, agreements, and/or domestic legal framework, policies and programs regulate the assessment of potential social and environmental benefits of REDD+ actions.

Describe how this indicator is met.

As reported in the TREES Registration Document **Nepal has policies, laws and programs in place to support and regulate to assessment and the promotion of the potential social and environmental benefits of REDD+**, in line with its international commitments.

Nepal has ratified **the UNFCCC (1992), the Paris Agreement (2015), ILO Convention No. 169, and the Convention on Biological Diversity (1992)**, which provide frameworks for assessing and promoting social and environmental benefits associated with environmental

## CANCUN SAFEGUARD E

and climate change actions. The mechanisms established by the COPs of these conventions and agreements, such as REDD+, the Cancun Safeguards and the Kunming-Montreal Global Biodiversity Framework have provided detailed guidance for assessing and promoting the social and environmental benefits of REDD+ actions or biodiversity conservation actions at national or sub-national levels. For example, ILO Convention 169 requires assessment of likely impacts of any development interventions on Indigenous Peoples and states that governments shall ensure that, whenever appropriate, studies are carried out, in cooperation with the peoples concerned, to assess social, spiritual, cultural, and environmental impacts. Nepal has also developed national frameworks, including roadmaps and strategies, to implement and track progress towards achieving **the global SDGs**, which address various social and environmental aspects.

Nepal has developed **the following various national-level policy, legal, and institutional frameworks and mechanisms for assessing social and environmental benefits of forest management activities and REDD+ actions**, and all these provisions were in place in this reporting period.

**Multiple forest, environment and development policies, laws and regulations, including the Constitution (2015) the National Forest Policy (2019), National Environment Policy (2019), National Climate Change Policy (2019), Forestry Sector Strategy (2016-2025), NBSAP (2014), Environment Protection Act (2019), Environmental Protection Regulations (2020), Long-term Strategy for Net-zero Emissions (2021), and NDC (2020)** emphasize the importance of assessment of environmental and social benefits of all programs (including REDD+ programs). These include:

- **The Constitution (2015)** states various policy commitments for the conservation of natural forests, other natural ecosystem areas, biodiversity, and ecosystem services (Art 51(g)). As per the constitutional provision, the GoN needs to submit an annual report containing the steps taken and achievements made in the implementation of the constitutional policies and obligations of the State outlined in Article 51 to the President, and the President shall submit such report to the Federal Parliament through the Prime Minister.
- For this purpose, the Government has developed a data and information collection and analysis system through **the Good Governance (Management and Operation) Act (2008)**. The MoFE and its departments, including REDD IC, have established practices for assessing the social and environmental benefits of the forest-related activities and the results of assessments are included in their annual report. The **Good Governance (Management and Operation) Act (2008)** complements sector-specific laws like the Environment Protection Act, 2019, and Forest Act, 2019, for integrating social and environmental dimensions, through ensuring transparent, accountable, participatory, and result-oriented governance. It also provides an enabling framework for integrating social and environmental considerations into government decision-making and service delivery.

## CANCUN SAFEGUARD E

- Nepal assesses the social and environmental benefits and impacts of activities primarily through its **Environmental and Social Impact Assessment (ESIA) process, which is legally mandated by the Environmental Protection Act (2019) (Sec. 3 and 9) and Environmental Protection Regulations (2020)**. This process requires comprehensive studies to identify, predict, and propose mitigation measures for potential negative impacts and to highlight positive effects before project approval. The legal framework divides mandatory impact assessment into three categories - Brief Environmental Study (BES), Initial Environmental Examination (IEE) and Environmental Impact Assessment (EIA) - depending on the size and nature of the project. Please see the E2 process indicator for more detail on IEE and EIA provisions for forest sector activities.

REDD+ actions in Nepal, implemented through its **NRS (2018), updated NRS (2025) and ER programs, are expected to generate a range of carbon and non-carbon benefits, from which communities and the country can benefit**. Carbon benefits are defined as reductions in GHG emissions or enhancement of removals through reduced deforestation, reduced degradation, or regeneration / afforestation / reforestation activities. Non-carbon benefits are defined as broader sustainable development benefits generated by REDD+ actions, including for example improving local livelihoods, building transparent and effective forest governance structures, making progress on securing forest tenure, and enhancing or maintaining biodiversity and/or other ecosystem services.

The integration of non-carbon benefits into the design and implementation of the NRS is described in more detail in the Theme E3 process indicator below.

**PROCESS INDICATOR:** Public institutions have made use of mandates, procedures, and resources to assess social and environmental benefits of REDD+ actions and to promote the enhancement of these benefits in the implementation of these actions, according to relevant ratified international conventions, agreements, and/or domestic and if applicable, subnational, legal frameworks, policies and programs.

Describe how this indicator is met.

As described in the TREES Registration Document, Nepal has in place the **following mandates, procedures, and resources to assess social and environmental benefits of REDD+ actions and to promote the enhancement of these benefits in the implementation of these actions:**

- As noted under the E3 structural indicator, **the Environmental Protection Act (2019) and Environment Protection Regulations (2020) set out the requirements and procedures for Environmental Study Reports of projects/programs, as well as IEES and EIAs**. The E2 process indicator also provides information about criteria and

## CANCUN SAFEGUARD E

requirements for these assessments in the forest sector. As per section 3 of the Environmental Protection Act (2019), the Minister or Secretary of MoFE has mandate to approve the EIA. Within the MoFE there is an EIA section under Biodiversity Division with responsibility for EIA monitoring and enforcing implementation.

- The GoN launched **the National Standards for Sustainable Forest Management in 2024**, and will use monitoring and evaluation tools, such as criteria and indicators of those standards. A total of 107 indicators are included in the National Standards<sup>150</sup> to assess the social, economic and environmental benefits of the CBFM groups, though none have published assessments yet. The Department of Forest and Soil Conservation has the mandate for the assessment by itself or through an independent third party.
- The **Strategic Environmental and Social Assessment (SESA)**<sup>151</sup> was commissioned in 2013 and completed in 2014, feeding into the development of the NRS (2018) and the FCPF ER Program and its ESMF. At that time, it was conducted on a set of anticipated REDD+ strategies. The SESA report includes: stakeholder analysis, baseline social and environmental situation, legal and policy framework, analysis of possible positive and negative impacts of the REDD+ strategic options, formulation of the ESMF and needs for its implementation. Consultations were also undertaken at national and district levels to discuss the proposed FCPF ER Program interventions with relevant stakeholders, identify potential social and environmental impacts, and determine mitigation measures to address environmental and social risks. The ERPD (2018) also lists different social and environmental benefits and risks that could be expected from the implementation of the REDD+ actions.
- The **NRS (2018) and updated NRS (2025)** have both emphasized assessment and enhancement of environmental and social benefits (non-carbon benefits) in its vision, objectives, and strategic actions. REDD IC reviewed the NRS in 2024 aiming to also assess the social and environmental benefits of its implementation (see E3 outcome indicator for more information on benefits identified). The resulting updated NRS has maintained elements on the promotion of non-carbon benefits. For both., the vision is that enhanced carbon and non-carbon benefits of forest ecosystems contribute to the prosperity of the people of Nepal; the mission of the NRS is to strengthen the resilience of forest ecosystems for ERs and increased environmental, social, and economic benefits through improved policies, measures and institutions with enhanced stakeholder capacity, capability, and inclusiveness. One of the objectives of the NRS is to improve and harmonize policy and legal frameworks, in line with national and international requirements and standards, to harness carbon and non-carbon benefits; increase institutional capability and coordination; and strengthen governance, gender equality and social inclusion of the forestry sector. The NRS has also given importance to social and environmental benefits through one of its guiding principles: addressing

<sup>150</sup> <https://mofe.gov.np/content/91/national-standards-for-sustainable-forest-management-2081/>

<sup>151</sup> <https://www.forestcarbonpartnership.org/system/files/documents/Annex%201%20-%20Nepal%20draft%20SESA%20and%20ESMF%20Reports.pdf>

## CANCUN SAFEGUARD E

and respecting social and environmental safeguards, and through actions such as ensuring effective implementation of IEE and EIA while using forestland under nationally prioritized development projects.

- The NRS (2018) has also established a **framework for monitoring, reporting, and verification** of both the carbon and non-carbon impacts of REDD+ implementation. This is now available in section 7.1 of the updated NRS (2025) and includes monitoring of non-carbon benefits through a community-based monitoring system (for example, monitoring of eco-system services (biodiversity, water resource, etc.) generated from CBFM regimes.)
- **Nepal's safeguards framework**, reflected in the national PCI, also requires that the potential social and environmental impacts of REDD+ are assessed, and measures developed to mitigate risks and enhance benefits, e.g. through criterion E1.5: The predicted and actual positive and negative social and environmental impacts of the REDD+ Strategy and programs are assessed, and programs are adapted in order to mitigate negative impacts and enhance social and environmental benefits.
- The REDD IC has established the **Safeguards Information System (SIS)**,<sup>152</sup> with the objective to share information on how Nepal's REDD+ activities address and respect the social and environmental safeguards set forth by the UNFCCC. Recently Nepal has prepared and submitted its first Summary of Information (SOI)<sup>153</sup> to the UNFCCC, which has also included initial information related to the social and environmental benefits of REDD+ actions.
- As noted under Theme E2, **the Nepal LEAF ER Programme's interventions** are based on those in the NRS (2018) and the potential social and environmental impacts of the Program have been considered through the development of an implementation plan document in 2025, which focused on identifying social benefits and risks, as well as mitigation measures.
- The 2025 FPIC consultation report records key issues raised by stakeholders in this process, including, for example: concerns about human-wildlife conflict; questions about access to forest resources; questions and preferences raised in relation to benefit sharing with Indigenous Peoples and local communities; and the need to protect customary practices.<sup>154</sup> The consultation process and participatory implementation of the Program are expected to enhance the social and environmental benefits in the ER Program area.

<sup>152</sup> <http://sis.redd.gov.np/sis>

<sup>153</sup> <https://redd.gov.np/post/nepal-first-summary-of-information-2025-unfccc>

<sup>154</sup>

[https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Final\\_Report\\_FPIC\\_Consultation\\_RECOFTC\\_Nepal\(1\).pdf](https://redd.gov.np/upload/e66443e81e8cc9c4fa5c099a1fb1bb87/files/Final_Report_FPIC_Consultation_RECOFTC_Nepal(1).pdf)

## CANCUN SAFEGUARD E

**OUTCOME INDICATOR:** REDD+ actions have contributed to enhancing social and environmental benefits.

Describe how this indicator is met.

REDD+ actions in Nepal, through both the National REDD+ Strategy and ER programs, are providing a range of social and environmental benefits beyond carbon. Nepal presented some initial information and a plan for conformance with the E3 outcome indicator in the TREES Registration Document, which is updated here for the period 2022-2023 and to reflect recent developments.

Nepal will achieve and demonstrate conformance with this outcome indicator through the following **expected results**:

- As with Theme E.2., REDD+ actions are implemented in such a way that natural forests and sites important for biodiversity and ecosystem services are protected and enhanced.
- The potential social and environmental positive and negative impacts of REDD+ actions are assessed, and measures to reduce negative impacts and enhance benefits identified.
- The social and environmental impacts of REDD+ actions are monitored, and REDD+ contributes to provision of social and environmental benefits.
- Adaptive management is applied to mitigate negative impacts and enhance environmental and social benefits of REDD+, including for biodiversity and ecosystem services.

Although full information to report on outcomes is not yet available, **results demonstrated and activities already conducted** towards achieving conformance with the E3 outcome indicator include:

**REDD+ actions are implemented in such a way that natural forests and sites important for biodiversity and ecosystem services are protected and enhanced:** As this aspect relates to benefits for natural forests, biodiversity, and ecosystem services, please see the information provided under the Theme E2 outcome indicator.

**Assessment of potential social and environmental positive and negative impacts of REDD+ actions and measures to reduce negative impacts and enhance benefits:**

- Non-carbon benefits have been defined in Nepal's SOI (2025) and the TREES Registration Document as broader sustainable development benefits generated by REDD+ actions, including improving local livelihoods, building forest governance structures, securing forest tenure, and enhancing or maintaining biodiversity and ecosystem services.
- As described under the structural indicator above, Nepal's legal framework sets out requirements for the assessment of environmental and social impacts of all programs.

## CANCUN SAFEGUARD E

The ILO 169 requirement that the likely impacts of any development interventions on Indigenous Peoples are assessed has been reflected in Nepal's legal requirements for FPIC and the development of its FPIC for REDD+ Guidelines in 2024.

- Schedules 1, 2 and 3 of the Environmental Protection Regulations (2020) list the projects/activities that require BES, IEE and EIA, including forestry activities such as plantation, construction of forest roads, establishment of protected areas, etc; Nepal has implemented these procedures in the reporting period, noting, however, there have been no new PAs established recently in the LEAF Program area, nor are plantations covered by the Program. As noted in Theme E1, REDD IC has determined that the schedules for BES, IEE and EIA do not apply to the LEAF Program interventions, but that DFOs conduct IEEs in the preparation of their 5 year plans, including those in the LEAF jurisdiction.
- According to the draft data compiled for the SIS, of the 34 DFOs across the three Nepal LEAF ER Programme provinces, 27 have reported that they have conducted the assessment/IEE for the district forest management plan. While very few DFOs report conducting EIAs, the DFOs do report conducting IEEs and other types of assessments, or third parties conducting these in the district. Various other assessments are done by DFOs via third parties through their regular monitoring, including evaluation of the effectiveness of plantation, fire prevention, and biodiversity conservation programs. As noted under the process indicator, the mission, objectives and actions of the NRS (2018) and updated NRS (2025) refer to the enhancement of social and environmental benefits; it includes Strategy 2 to increase non-carbon benefits of forest ecosystems), and a specific action to ensure effective implementation of IEE and EIA while using forest land under nationally prioritized development projects. Other relevant actions include promoting nature-based tourism in protected areas and other forests and developing systematic measurement of non-carbon forest ecosystem services.
- Nepal has also conducted assessments of social and environmental benefits and risks of REDD+ actions. As noted under Themes E1 and E2, Nepal's SESA was finalised in 2014 and informed both the NRS (2018) and the FCPF ER Program (which overlaps with the Leaf Program area). The SESA included multi-stakeholder consultations at national and district level report covers stakeholder analysis, baseline social and environmental situation, legal framework, REDD+ strategy options, analysis of possible positive and negative impacts of the options, formulation of the ESMF, and guidance on conducting environmental and social impact assessments (ESIA). The ESMF for the FCPF ERP was finalised in 2019 and is now under implementation.
- The Nepal LEAF ER Programme's interventions are based on those in the NRS (2018), which have been assessed for their potential impacts. In addition, potential social and environmental risks and benefits are being discussed with stakeholders through the consultation process during 2023-2025 and have been documented so far in the FPIC consultation report (2025).

## CANCUN SAFEGUARD E

### **Monitoring of the social and environmental impacts of REDD+ actions, adaptive management, and contribution of REDD+ contributes to providing social and environmental benefits:**

- CBFM groups/CFUGs are actively engaged in the design and implementation of REDD+ actions at the ground level, through their forest management plans and activities. The draft data compiled for the SIS shows that during 2022-2024 all 34 DFOs in the LEAF Program areas reported that CFUG plans in their districts to integrate biodiversity conservation, employment generation, soil stability, water regulation, support for marginalized groups, and equitable access to benefits, and that CFUG plans aim for reinvestment in community development. All DFOs also report achievements related to enhancing forest-based livelihoods through employment opportunities.
- The REDD+ actions and forest management activities conducted by FUGs are generating significant environmental benefits, including reversing deforestation, boosting biodiversity, and increasing species, controlling soil erosion, improving water sources, increasing carbon storage, and regulating climate, essentially turning barren lands into productive forests through community-managed actions, leading to healthier ecosystems and better environmental protection.
- More than 75 drinking water sources using a gravity-flow water supply system are being maintained by CFUG in Nepal LEAF ER Programme area.<sup>155</sup> Almost every group is contributing to managing wildfires and landslides. CFUGs also contribute to poverty alleviation and women's empowerment by allocating at least 50% of their income to these activities. More than 50% women and a large number of socially marginalized groups are engaging in CFUG decision-making processes and forest management activities, and community members are thus developing their leadership capacities and building social capital.
- Review of the 2018-2022 NRS took place in 2024, including review of its implementation, its social and environmental impacts, and update of its monitoring framework (Annex 5 of the updated NRS ,2025). The review report documents the provision of certain benefits (e.g. a total of USD 18.67 million was generated from eco-tourism in 5 years (2018/19-2022/23) in Nepal based DNPWC data; and between 2019/20-2022/23, a total of 9,223 forest-based enterprises were established in the country). It also recommended to improve monitoring through the documentation of the non-carbon benefits (namely social capital, eco-tourism, etc.) as an integral part of the FUGs reporting to DFO on an annual basis. .

---

<sup>155</sup> SWISS Water & Sanitation NGO Consortium (2013) Beneficiary Assessment of WARM-P, Nepal. Lalitpur, Nepal: WARM-P/HELVETAS; HELVETAS (2013) The Effectiveness and Outcomes of Approaches to Functionality of Drinking Water and Sanitation Schemes. Lalitpur, Nepal: WARM-P/HELVETAS

## CANCUN SAFEGUARD E

- REDD+ actions under the FCPF ER Program are also monitored and have contributed to enhancing social and environmental benefits as reported in ERMR1 and its relevant annexes (including Annex 3 on priority non-carbon benefits).<sup>156</sup>
- As noted under Theme E1, Nepal has institutionalised regular monitoring, review and update of forest management plans and forest sector activities, including REDD+ actions. These processes include the Provincial Forest Directorates annual review workshops, as well as the 5–10-year cycles for updating forest management plans of DFOs and CBFM groups. The provincial meetings took place each year in 2022-2023, and the most recent annual review meetings were held in July-August 2025 in the three Nepal LEAF ER Programme provinces.
- As reported under A1, revision of the REDD+ actions in Nepal LEAF ER Programme areas has been done by DFOs during the annual planning exercise in July-August 2025 based on updated NRS (2025). The CBFM Groups in Nepal LEAF ER Programme area have been regularly revising their REDD+ actions through their regular annual meetings
- Review of the 2018-2022 NRS took place in 2024, including review of its implementation, social and environmental impacts, and resulted in adjustment of some strategies and actions, and an update of its monitoring framework (Annex 5 of the updated NRS).

### Update on plan for conformance

**Planned and ongoing activities** to further achieve conformance with the outcome indicator include the following:

- The consultation process for the LEAF Program is ongoing throughout 2026, building on consultations held during 2023-2025, involving: refresher training for facilitators; federal, provincial and district coordination meetings; and consultation and awareness raising events in another 42 local government areas. These consultations will provide further opportunity to discuss potential and resulting social and environmental impacts with stakeholders.
- The next mid-term review of the NRS is planned for 2030, which will include review of its effectiveness and impacts, including social and environmental impacts, and adjustment of the strategies and actions if needed.
- Monitoring and evaluation of the Nepal LEAF ER Programme will also be conducted through the preparation of TREES Monitoring Report and the regular monitoring processes of MoFE described above. The next scheduled annual review workshops in the three LEAF provinces will take place in mid 2026, as well as a national review meeting planned for 2026.

---

<sup>156</sup>[https://forestcarbonpartnership.org/sites/default/files/documents/nepal\\_1st\\_er\\_monitoring\\_report\\_final\\_0.pdf](https://forestcarbonpartnership.org/sites/default/files/documents/nepal_1st_er_monitoring_report_final_0.pdf)

## CANCUN SAFEGUARD E

### Monitoring and reporting

Monitoring of the activities and expected results for conformance with the E3 outcome will occur through Nepal's SIS, as well as through relevant review processes and reports. Although some information is provided in this report, full information on the outcomes related to A1 is expected to be provided in the future, in line with TREES (i.e., within 5 years of Nepal joining ART-TREES).

Nepal's SIS will provide:

- Information on the legal framework to support the assessment of social and environmental impacts associated with REDD+.
- Information on the implementation of REDD+ actions to support the protection and enhancement of identified natural forests and sites important for biodiversity and ecosystem services.
- Information on how potential social and environmental positive and negative impacts of the NRS and REDD+ programs are assessed and identified measures to reduce negative impacts and enhance benefits.
- Information on how REDD+ at national and programmatic levels monitors social and environmental impacts, and how REDD+ contributes to provision of social and environmental benefits.
- Information on the use of adaptive management in the NRS and REDD+ programs to mitigate negative impacts and enhance environmental and social benefits, including for biodiversity and ecosystem services.

The following SIS indicators along with the expected data sources will provide "respect" or outcome level information relevant to this outcome indicator:

- E2.3 REDD+ actions are implemented in such a way that the identified natural forests and sites important for biodiversity and ecosystem services are protected and enhanced.
  - Information on REDD+ actions in NRS and ERPs designed to support conservation of natural forests, other ecosystems and biodiversity, and measures identified to support conservation and non-conversion.
  - Information on actions implemented through forest management plans/CBFM plans, land use plans and PA management plans.
  - Evidence of how implementation of NRS, ERPs and other REDD+ activities (including CBFM) have contributed to outcomes on the ground (e.g., national data on trends in natural forests and other ecosystems, PAs supported, areas restored, watersheds protected, etc)
  - *Data sources: NRS (2018); NRS (2025); NRS review report; NLCMS, FRTC reports, NBSAP monitoring; ERPDs and ERP implementation plans; data request to DFOs on results/achievements related to conservation of natural forests, other ecosystems, and biodiversity.*

## CANCUN SAFEGUARD E

- E5.2 The potential social and environmental positive and negative impacts of the REDD+ Strategy and programs area assessed, and measures to reduce negative impacts and enhance benefits identified.
  - Information on assessment processes and the potential social and environmental benefits for the NRS and for ERPs identified
  - Information on measures identified to reduce negative impacts and enhance benefits for NRS and ERPs.
  - Information on assessment of potential impacts and measures identified in relation to key REDD+ activities such as CBFM and land use planning.
  - *Data sources: SESA and equivalent assessments; NRS review report; consultation/ workshop reports; ERPDs / implementation plans; ESMF and equivalent frameworks; data requested from DFOs on district, CBFM and other plans*
  
- E5.3 The REDD+ Strategy and programs monitor their social and environmental impacts, and contribute to provision of social and environmental benefits.
  - Description of how NRS, ERPs and key REDD+ activities monitor social and environment impacts (e.g., monitoring plans, frameworks, information systems used)
  - Summary of the key expected social and environmental benefits for NRS and ERPs
  - Information on how NRS, ERPs and key activities like CBFM and PA management have contributed y to the provision of these benefits (e.g., support to livelihoods, biodiversity conservation, adaptation to climate change, etc)
  - *Data sources: NRS (2018); NRS (2025); NRS review report; ERPDs, ERP monitoring plan/frameworks; ERMRs; DFO reports and data requested on achievements at district level.*
  
- E5.4 The REDD+ Strategy and programs apply adaptive management to mitigate negative impacts and enhance environmental and social benefits, including for biodiversity and ecosystem services.
  - Information on main M & E processes applied for NRS, ERPs and other key REDD+ activities, such as NRS review, ERMRs, etc.
  - Evidence that adaptive management or modification of NRS, ERPs and/or other key REDD+ activities have been implemented based on M & E results
  - *Data sources: NRS review report; NRS (2025); ERMRs; review workshop reports; updated monitoring plans/frameworks; information requested from DFOs on M & E processes.*

### Timeline for monitoring

## CANCUN SAFEGUARD E

- Nepal's 1st Summary of information was submitted to the UNFCCC in July 2025 and already compiles some national level address and respect information for the period 2018-2023.
- The SIS is currently being updated; indicators were revised in 2025 as part of the SOI process. Data collection is being piloted in the three LEAF Provinces (including 34 DFOs) and at national level. This first update of the SIS is expected to be finished by end of 2026 (although not all indicators will have complete data yet).
- The SIS is expected to be updated on a regular basis (e.g. every 2 years) through a process involving DFOs, Province Forest Directorates, REDD IC, FECOFUN NEFIN and compilation of data from available reports.
- This TREES Monitoring Report provides some additional information on outcomes, but full reporting on compliance with the outcome indicators is expected to be provided in the next TREES Monitoring Report (in line with the TREES requirement, i.e. within 5 years of Nepal joining ART-TREES, in 2027).

### Responsibilities:

- REDD IC is responsible for coordinating monitoring of REDD+ implementation as well as safeguards, and the regular monitoring and review of the NRS and ER programs.
- Provincial Forest Directorates are responsible for organizing annual reviews of forestry activities, including REDD+.
- REDD IC coordinates the collection of SIS information at national level, and through data requests to Provincial Forest Directorates down to DFO level.

## CANCUN SAFEGUARD F

**THEME F.1** The risk of reversals is integrated in the design, prioritization, implementation, and periodic assessments of REDD+ policies and measures.<sup>157</sup>

**PROCESS INDICATOR:** Public institutions have identified and integrated measures to address the risk of reversals in the design, prioritization, implementation, and periodic assessments of REDD+ actions.

Describe how this indicator is met.

As described in the TREES Registration documents, Nepal applies a number of **key policies, mandates, procedures and measures to identify and address the risk of reversals in the design, prioritization, implementation, and assessments of REDD+ actions**. These have been developed and implemented in the reporting period and include:

<sup>157</sup> In accordance and/or complementarity to technical measures and procedures to address reversals included in Section 7 of the Standard.

## CANCUN SAFEGUARD F

- **The National Forest Policy (2019)** includes policy areas that contribute to mitigating reversal risks, such as: enhancement of productivity, production and environmental services of forests; restoration of degraded forests and prohibiting reduction in the present area of forests; developing national standards for certification of SFM; improvement of forest governance; among others (Sec. 8.1, 8.2 and 8.5).
- **The Forest Act (2019) and Forest Regulations (2022)** strictly prohibit the conversion of forest to other land uses (Sec. 41 and 42) and include provisions for establishing an armed forest guard for forest protection, handling forest offenses, and penalizing offenders (Sec 46 and 50).
- **The National Land Use Act (2019) and Land Use Regulations (2022)** also have provisions to safeguard land use classes making it difficult to change land use from forest to another (Sec.8).
- **The National REDD+ Strategy (2018) and updated NRS (2025)** are targeted at the underlying drivers of deforestation and forest degradation, and aim promote sustainable livelihoods, which can reduce the risks of reversals. Key strategies and actions with relevance to the long-term sustainability of REDD+ and reducing reversals include: improving management plans of all forest management regimes including monitoring methods and measures to control drivers of deforestation and forest degradation; strengthening fire control capabilities of DFOs, Protected Area Management Authorities and CBFM groups; and strengthening community-based monitoring systems.
- **Assessments of potential impacts and risks have been carried out for the NRS and ER programs.** These include the SESA (2014), which screened possible social impacts and issues related to REDD+ programs in Nepal and proposed measures to mitigate risks during implementation. While it did not consider reversal risks explicitly, it did consider the long-term sustainability of REDD+, and fed into the development of the NRS (2018) and the FCPF ER Program. The NRS (2018) and NRS (2025) have clearly presented the specific strategy and action to address the risk of reversal through alternative rehabilitation arrangements for landless people by avoiding the use of the forests, avoiding forest areas in infrastructure development and resettlement, and ensuring environmental safeguards when implementing the infrastructure development projects ( 11.5 and 1.7 of NRS 2018)
- To prevent and mitigate risks related to resettlement and infrastructure development, **the FCPF ER Program** includes a cross-cutting component on land use planning in all districts, and training on improved sustainable forest management techniques (e.g. training on forest fire fighting techniques), awareness raising programs, and planting of more climate-resilient tree species. The ERPD (2018) also assessed the risk of reversals, together with a justification of the risk assessment; the program applies a total buffer allocation of 19%.
- **Monitoring systems and procedures** in Nepal also help to identify and reduce risks of reversals:

## CANCUN SAFEGUARD F

- Nepal has a **National Forest Monitoring System (NFMS)**, comprising the National Land Cover Monitoring System (NLCMS), the Forest Resources Assessment, the NFIS and the MRV portal<sup>158</sup>. The NFMS provides information for measuring reporting and verifying anthropogenic forest-related emissions by sources, and removals by sinks, forest carbon stocks, and forest-area changes. The FRTC (Forest Survey and Carbon Monitoring Division (FSCMD)) is the central authority in designing, operating and updating the NLCMS, while NFIS and SIS portal are currently hosted under REDD IC Under the NLCMS, forest cover monitoring and mapping using satellite images are carried out on an annual basis (though not all information is published in separate reports) Nepal released its first national land cover change report in 2022, analyzing changes between 2000 and 2019 using the NLCMS approach. The 2nd national land cover change study covering 2020-2022 also followed the same approach and was published in 2024. The next publication for NLCMS is expected in year 2026 to include landcover maps of years 2023 and 2024.
- The **district level monitoring and reporting system** complements the NFMS. DFOs and Protected Areas authorities monitor, measure, update and report land use change and forestry information to their central authorities annually. The resource inventories of CBFM groups are also conducted every five to 10 years (depending on the cycle for individual groups). Divisional level offices maintain updated information and report to the corresponding central authorities, while DoFSC and DNPWC update their own databases and publish summaries in their annual reports.
- The **monitoring and evaluation division of the MoFE** coordinates all monitoring activities across departments in the Ministry and in other subsidiaries. There are established mechanisms such as annual planning and monitoring workshops (e.g. provincial annual review workshops, quarterly review workshops, annual monitoring and reporting of CBFM groups, a monitoring system for harvesting of forest products, etc.)
- As per the Forest Regulation (2022), the DFOs, Provincial Forest Ministries, Forest Directorates, and the MoFE have a legal obligation to prepare an **annual report** based on the monitoring and evaluation of activities (Rule 134). The annual reports of each level need to mention how challenges such as conversion have been addressed and what activities were implemented for such purposes.
- The **NRS was reviewed in 2024, linked to the updated of the NRS to 2025-2034**. The review and revision included updating the analysis of drivers of deforestation and degradation, as well as of the policy/legal context, and considered the impacts of the previous NRS implementation. The NRS review found that most of the actions are under implementation to varying degrees, and that there is a provision for compensatory plantation in the Forest Act (2019) and its Regulations (2022) which is

---

<sup>158</sup> <http://mr.v.frtc.gov.np/>

## **CANCUN SAFEGUARD F**

the key approach to avoid uncertainty and reduce risks of reversals. The next mid-term review of the NRS will be conducted in 2030, while a revised Monitoring and Evaluation Framework is given in Annex 5 of the NRS (2025).

- The **interventions in the Nepal LEAF ER Programme** are based on those of the NRS, which have been designed to consider the long-term sustainability of REDD+ and it integrate policies and provisions that address key drivers of reversals (see section below). In addition, the interventions are implemented through participatory models, such as CBFM, and the Program will ensure fair and transparent benefit sharing, which will help to reduce the risk of reversals, for example by supporting such as forest fire control, grazing management, and alternative livelihood activities, which contribute to addressing the risks of reversal. In addition, the draft BSP for the Program refers to Rule 117 of the Forest Regulations (2020) which provides a “negative list” or list of activities ineligible for the use of carbon finance. Section 11 of this report provides information on the level of risk of reversals identified for the Program, how reversals will be monitored, and the 5% carbon accounting buffer that will be set aside for the risk.

**In addition, Nepal has in place policies and procedures addressing specific types of reversal risks and their drivers, as listed below:**

### ***Forest fire management***

- The Forest Act (2019) (sec. 49) defines the act or attempt of setting fire in the national forest or to do any act causing fire as an offence and act has also made a provision for punishment against forest fire related offences (Sec 50).
- Each CBFM group including CFUG has developed its own forest management plan with special provisions for the fire management activities, such as forest guard mobilization, fireline construction, maintenance, and awareness raising against fire, and community mobilization to apply precautionary measures.
- The Forest Fire Management Strategy (2010) emphasizes community-based approaches, public awareness, and capacity building for government and community institutions. Nepal uses the MODIS and VIIRS satellite sensors, aboard NASA’s Terra, Aqua, and Suomi satellites, for forest fire monitoring through the SERVIR-HKH initiative at ICIMOD. This system provides near real-time fire detection, tracks fire progression, assesses affected areas, and sends alerts to stakeholders. The communities including the members of CFUGs use these SMS alerts to control the forest fire by mobilizing the community members promptly.
- As noted above, the NRS (2018) and updated NRS (2025) include actions to strengthen fire control capabilities of DFOs, protected area management authorities and CBFM groups with management plans, financial and human resources, monitoring, technologies and insurance mechanisms (Action 1.5)

### ***Controlling illegal logging***

## CANCUN SAFEGUARD F

- The Forest Act (2019) and the Forest Regulations (2022) mandate the prohibition of forest entry without DFO approval and require community forest management plans for CFUGs to guide management and prevent illegal logging. Measures also involve strengthening law enforcement, imposing accountability, promoting community-based forest management, establishing buffer zones to provide access to basic forest products, and requiring due diligence for forest products during the collection, transportation and marketing.

### ***Prohibitions on natural forest conversion***

- The Constitution of Nepal (2015) (Art 30, 51(g)(6)), Forest Act, 2019 (sec. 3(2), 12(1), 41 and 42), Forest Regulations (2022) (Rules 54, 89, 99), Land Act (1964) (sec. 52b(4), Land Use Act (2019) (sec. 8) and Land Use Regulation (2022) (Annex 1) all prohibit natural forest conversion for any other purpose, such as agricultural expansion, settlement or resettlement, or unplanned infrastructure development in the natural forest. As per the Section 42 of the Forest Act (2019), there is an exception for the government to allocate forest areas for nationally prioritized projects (e.g. infrastructure development), but compensatory plantation is required for an equivalent area. (See also E.1 process indicator).

### ***Land use planning and tenure***

- The Forest Act (2019) and the Forest Regulations (2022) have secured the collective tenure of CBFM groups over community-managed forest areas. This has empowered FUGs to manage their own forest resources for the benefit of the group, and thus control natural forest conversion and other threats to forests.
- The NRS (2018) included a specific strategies to promote optimum land use across all the physiographic regions of Nepal (Strategy 4) and defined actions to promote land use practices at the local level (e.g., promote implementation of the land use laws, particularly provisions related to the forestry sector and update zoning and mapping of forest land use regularly). REDD IC has facilitated the development of integrated land use plans for 44 local governments in 10 of the 13 FCPF ER Program districts in 2021-2023. The clear demarcation of forestland as collaborative and community forestry establishes both a statutory basis and community custodianship to reduce and avoid encroachment (NRS review report, 2024).

Nepal will monitor procedures and outcomes related to risks of reversals through the following SIS indicators:

- *F1.1 Policies and procedures for REDD+ support assessing, mitigating and monitoring risks of reversals, in accordance with relevant laws.* This will provide information on relevant policies, laws and regulations, as well as procedures for the NRS and ER programs, which contribute to avoiding and reducing risks of reversals, including risk assessments, etc.

## CANCUN SAFEGUARD F

- *F1.2 REDD+ implementing agencies carry out assessment of risks of reversals, internal and external threats to forest carbon stocks, with drivers of these risks and threats identified, and mitigation plans developed and implemented including incentives to promote the conservation and the sustainable management of forests.* This will be demonstrated through adherence to the requirements and preparation of risk assessments, risk mitigation plans and other documents and frameworks by ER programs (e.g. ESMFS, assessment tools).
- *F2.1 Forest monitoring system is established, and able to detect and respond to reversals.* This information will cover the NFIS, periodic reports of the National Land Cover Monitoring System (NLCMS), and other elements of Nepal's NFMS.
- *F2.2 Forest monitoring is conducted regularly and monitoring reports with information on any risks and/or incidences of reversals, are available to REDD+ stakeholders.* This will be tracked through forest monitoring reports, such as NLCMS reports, as well as NRS and ER program review/monitoring reports, and reporting to the UNFCCC (e.g. technical annexes on REDD+).

No structure or outcome indicators have been developed for Safeguard F as these issues are broadly addressed by requirements in other sections of the Standard.

## CANCUN SAFEGUARD G

**THEME G.1** The risk of displacement of emissions is integrated in the design, prioritization, implementation, and periodic assessments of REDD+ policies and measures.

**PROCESS INDICATOR:** Public institutions have identified and integrated measures to address the risk of displacement of emissions in the design, prioritization, implementation, and periodic assessments of REDD+ actions.

Describe how this indicator is met.

As described in the TREES Registration documents, Nepal applies a number of **key policies, mandates, procedures and measures to identify and address the risk of displacement in the design, prioritization, implementation, and assessments of REDD+ actions.**

These have been developed and implemented in the reporting period and include the following.

Nepal has **several policies and laws relevant to reducing the risk of displacement.** For example:

- **The National Forest Policy (2019) and Forest Act (2019)** – these strictly prohibit conversion of forest to non-forest land use system in all types of forests, which helps to reduce the risk of displacement of pressures to other forest areas. The **National Land**

## CANCUN SAFEGUARD G

**Use Act (2019) and Land Use Regulations (2022)** also have provisions to safeguard land use classes making it difficult to change land use from forest to another.

- **The Forest Act (2019) and the Forest Regulations (2022)** secure the collective tenure rights of the CBFM groups/FUGs over their forest areas. Similarly, the approved forest management plans of the FUGs ensure access to the forest resources and collection of forest products by the forest user in a sustainable manner, meeting the needs of members and further reducing the risks of displacement.
- **The Forest Act (2019) and the Forest Regulations (2022)** mandate the prohibition of forest entry without DFO approval and require community forest management plans for CFUGs to guide management and prevent illegal logging and other activities. Activities with risks of displacement (e.g., restrictions on forest access, expansion of protected areas, reforestation that displaces fuelwood collection) are avoided during the formulation and implementation of the forest management plan of CFUGs and other CBFM groups.

REDD IC, as the responsible entity for design, implementation, and monitoring of the NRS and ER programs in the country, has been active in **integrating consideration of the risk of displacement in the design, prioritization, implementation, and regular assessment of REDD+ policies and programs:**

- **The NRS (2018)** identified the underlying drivers of deforestation and forest degradation, and the **updated NRS (2025)** updated information on key drivers. The NRS actions are targeted at the underlying causes of deforestation and are implemented at national scale, helping to reduce risks of reversals. Relevant actions include, among others: increasing the supply of sustainably harvested timber and timber products; promoting land use planning, including updated zoning and mapping of forestland; controlling the cross-border illegal trade of forest products; avoiding forest areas for infrastructure development and resettlement; and strengthening national forest monitoring systems as well as community-based monitoring.
- **Assessments of potential impacts and risks have been carried out for the NRS and ER programs.** These include the SESA (2014), which screened possible social impacts and issues related to REDD+ programs in Nepal and proposed measures to mitigate risks during implementation. While it did not consider displacement risks explicitly, it did consider the sustainability and effectiveness of REDD+, and fed into the development of the NRS (2018) and the FCPF ER Program. The FCPF ERPD (2018) assessed the risks of displacement of emissions, for example from timber extraction, encroachment, resettlement and other factors, including transboundary displacement risks, and proposed several mitigation measures.
- **Monitoring systems and procedures** in Nepal also help to identify and reduce risks of displacement:
  - Nepal's FRL is at national level, with intentions towards a national REDD+ Programme for Results-based Payments (indicatively through the GCF RBPs and/or other opportunities including through LEAF). This is advantageous to

## CANCUN SAFEGUARD G

- avoid internal displacement of emissions and to ensure that the impact of national policies and measures can be properly assessed.
- Nepal has a **National Forest Monitoring System** (NFMS), comprising the National Land Cover Monitoring System (NLCMS), the Forest Resources Assessment, the NFIS and the MRV portal<sup>159</sup>. The NFMS provides information for measuring reporting and verifying anthropogenic forest-related emissions by sources, and removals by sinks, forest carbon stocks, and forest-area changes. The FRTC (Forest Survey and Carbon Monitoring Division (FSCMD)) is the central authority in designing, operating and updating the NFMS. Under the NLCMS, forest cover monitoring and mapping using satellite images are carried out on an annual basis. Nepal released its first national land cover change report in 2022, analyzing changes between 2000 and 2019 using the NLCMS approach. The 2nd national land cover change study covering 2020-2022 also followed the same NLCMS approach. The next phase covering 2022-2024 is expected to be published by the end of 2026.
  - The district level monitoring and reporting system complements the NFMS. DFOs and Protected Areas authorities monitor, measure, update and report land use change and forestry information to their central authorities annually. The resource inventories of CBFM groups are also conducted every five to 10 years (depending on the cycle for individual groups). Divisional level offices maintain updated information and report to the corresponding central authorities, while DoFSC and DNPWC update their own databases and publish summaries in their annual reports.
  - The monitoring and evaluation division of the MoFE coordinates all monitoring activities across departments in the Ministry and in other subsidiaries. There are established mechanisms such as annual planning and monitoring workshops (e.g. annual provincial forestry review workshops, quarterly review workshops, annual monitoring and reporting of CBFM groups, a monitoring system for harvesting of forest products, etc.
  - **The NRS was reviewed in 2024, linked to the update of the NRS to 2025-2034.** The review and revision included updating the analysis of drivers of deforestation and degradation, as well as of the policy/legal context, and considering the impacts of the previous NRS implementation. The NRS review (2024) found that most of the actions are under implementation to varying degrees, but also that there are weaknesses in the formulation and implementation of land use plans which can create the risk of displacement (leakage). The next mid-term review of the NRS will be conducted in 2030, while a revised Monitoring and Evaluation Framework is given in Annex 5 of the NRS (2025).
  - **The interventions in the Nepal LEAF ER Programme are based on those of the NRS,** which have been designed to consider the sustainability and effectiveness of REDD+ and to integrate policies and provisions that address key drivers of

<sup>159</sup> <http://mrv.frtc.gov.np/>

## CANCUN SAFEGUARD G

displacement. As stated in Section 13 of this document, the Program covers the entire jurisdictions of the three Provinces (Bagmati, Gandaki and Lumbini), with negligible risks of leakage. However, the possibility of spillover effects cannot be ruled out completely because the program area represents only 41.33% and 47.8% of Nepal's total land area and forest area respectively. Based on the leakage deduction assessment tool, this ER Program is categorized as "Medium", and leakage deduction is 10%.

- In addition, the draft BSP for the Program refers to Rule 117 of the Forest Regulations (202w) which provides a "negative list" or list of activities ineligible for the use of carbon finance.

In the future, Nepal will show with this indicator through the following SIS indicators:

- *G1.1 Policies and procedures for REDD+ support assessing, mitigating, and monitoring risks of displacement, in accordance with relevant laws.* This will provide information on relevant policies, laws and regulations, as well as procedures for the NRS and ER Programs, which contribute to avoiding and reducing risks of displacement, including risk assessments, etc.
- *G1.2. REDD+ implementing agencies carry out assessment of risks of displacement, including direct, indirect and underlying drivers of deforestation and forest degradation, and mitigation plans are developed and implemented including incentives to promote the conservation and the sustainable management of forests.* This will be demonstrated through adherence to the requirements and preparation of the risk assessments, risk mitigation plans and other documents and frameworks by ER programs (e.g. ESMFs, assessment tools).
- *G2.1 Forest monitoring system is established and able to detect and respond to displacement.* This information will cover the NFIS, periodic reports of the National Land Cover Monitoring System (NLCMS), and other elements of Nepal's NFMS.
- *G2.2 Forest monitoring is conducted regularly and monitoring reports with information on any risks and/or incidences of displacement are available to REDD+ stakeholders.* This will be demonstrated through NFMS/NLCMS reporting, as well as NRS and ER program monitoring reports and reporting to the UNFCCC (e.g. technical annexes on REDD+).

No structure or outcome indicators have been developed for Safeguard G as these issues are broadly addressed by requirements in other sections of the Standard.

## 8. PARTICIPATION IN OTHER PROGRAMS

*Disclose any existing REDD+ programs or projects under which some or all of the accounting area may have generated credits or payment for performance during the reporting period.*

The GoN signed the Emission Reduction Purchase Agreement (ERPA Tranche A and Tranche B)<sup>160</sup> in February 2021 with the World Bank's Forest Carbon Partnership Facility (FCPF) as the first ER program (GoN, 2018 FCPF-ERPD) of the country (also known as Terai Arc Landscape (TAL) ER program). Eight out of the 13 districts of the TAL ER program area (Bardia, Banke, Dang, Kapilwasthu, Rupandehi, Nawalparasi, Nawalpur, and Chitwan districts) are located within the TREES accounting area. Crediting period: 01-01-2020 to 31-12-2024. Estimated emissions reductions: 9,000,000 CO<sub>2</sub>teq. Status as of January 2026: Nepal has delivered and received results-based payments (for 1,882,435 tCO<sub>2</sub>e of verified emission reductions crediting period 22 June 2018 – 31 December 2021) for a monitoring period not overlapping with the reporting period of this report.

## 9. DOUBLE COUNTING

*Provide a description of the plan and procedures that were used to ensure double counting was avoided per Section 13 of TREES.*

### **Establishment of Nepal's National Carbon Registry**

To ensure long-term harmonization and eliminate double counting risks, Nepal has enacted the Carbon Trading Regulation (2025/2082), which mandates the establishment of a centralized National Carbon Registry (NCR). Managed by the Ministry of Forests and Environment (MoFE), the NCR will serve as the country's unified platform for managing all carbon transactions across sectors, including agriculture, forestry and land use, energy efficiency, clean energy transition, renewable energy, transport, waste management, and climate adaptation and resilience. The registry will support project registration, issuance, transfer, cancellation, buffer management, and authorization, ensuring transparency, consistency, and centralized oversight of carbon activities nationwide, thereby preventing double counting.

Once operational (expected in late 2026), the National Carbon Registry will:

- Consolidate all jurisdictional and project-level carbon accounting
- Track all ERs and removals throughout their lifecycle
- Eliminate risks of duplicate issuance across standards
- Ensure consistency between voluntary market activities and Nepal's NDC accounting

<sup>160</sup> <https://www.forestcarbonpartnership.org/FCPF%20Carbon%20Fund%20ERPA-NepalA.pdf> and <https://www.forestcarbonpartnership.org/FCPF%20Carbon%20ERPA-NepalB.pdf>

- Support corresponding adjustment processes, where applicable

Until transition to the national registry is complete, Nepal will continue to rely on secure international registries (ART Registry and CATS), while ensuring that all relevant records are transferred into the national system once established. All revenues from REDD+ results-based payments are deposited into the Forestry Development Fund (FDF), ensuring institutional traceability and accountability.

### **Management of Overlap between two programs**

Overlap exists between parts of the FCPF ER Program area and the TREES accounting area, for this monitoring period (2022 and 2023). A total of 1,423,150 hectares across eight districts fall within both program boundaries. This overlapping zone lies entirely within Nepal's Terai and Siwalik regions, which represent lowland tropical and subtropical forest ecosystems.

To date, no credits have been issued to the FCPF Carbon Fund for the years 2022 and 2023<sup>161</sup>. However, it is noted that there are on-going discussions between the parties to extend the purchase agreements. The Government of Nepal is committed to, and will ensure that any emission reduction and removals credits from the overlapping time period and proportionate to overlapping area with the FCPF ER Program will only be issued once, and deducted from the other programme.

As explained in the Double Counting section of the TRD, Nepal applies an area-proportional allocation approach to assign overlapping credits. This ensures that no ERR unit is issued twice.

The Area-Proportional Allocation Approach method relies on the proportional ratio between the overlapping area and the total TREES accounting area's forest area. This approach operates under the assumption that the share of ERRs attributable to the overlapping area should be directly proportional to its share of the total jurisdictional area (ha). Under this method, the proportion of the overlapping program area within the jurisdiction is calculated and applied as a deduction factor to determine the maximum share of jurisdictional ERRs that may be attributed to that area.

The Area-Proportional Allocation Approach was applied for the FCPF ER Programme. Based on the FCPF ER Programme and the TREES accounting area boundary shapefiles, the reference data plots located in the overlapping area of the two projects were identified. Using this dataset, the permanent and secondary forest areas in the overlapping regions were estimated, and then the corresponding proportions were calculated.

---

<sup>161</sup> Under the FCPF ER Program, Nepal has delivered and received results-based payments for 1,882,435 tCO<sub>2</sub>e of verified emission reductions and removals for the monitoring period 22 June 2018 to 31 December 2021.

**Table 9.1: Proportion of FCPF project area in the overlap area FCPF/LEAF**

Parameter	FCPF ERP boundary (ha)	FCPF / LEAF Intersecting area (ha)	Proportion
Emissions reduction: Forest area (not including newly established forest area) 2018-2021	1,209,006	800,027	0.7
Removals: Newly established forest area 2018-2021	42,799	38,590	0.9
Total	1,251,805	838,616	0.7

Considering the ongoing status (as of January 2026) of FCPF second monitoring period calculations that include years 2022 and 2023, the removals estimate for FCPF for these years are estimates generated as linear projections of the FCPF first monitoring period (2018-2021). For this purpose, FORECAST.ETS tool in excel was used to project the values for 2022 and 2023. The algorithm uses exponential smoothing and commonly used for time-series forecasting. Once the second monitoring calculations of FCPF are finalized, the values of double counts will be replaced with the new calculation.

Based on these proportions, the number of ERRs from FCPF ER Programme, including uncertainty and reversal buffers, to be deducted from the monitored total TREES ERRs are calculated as below:

**Table 9.2: Emissions Reductions double count potential – FCPF and LEAF (tCO<sub>2</sub>e)**

Years	FCPF ER	FCPF UNC Buffer	FCPF Rev buffer	Total FCPF ER	LEAF Intersect Proportion %	LEAF Intersect ER (tCo <sub>2</sub> e) -to be deducted
2019	207,854	43,666	39,591	291,111		
2020	209,153	43,939	39,838	292,930		
2021	210,141	44,147	40,027	294,314		
2022	211,325	44,395	40,252	295,972	66%	195,852
2023	212,481	44,638	40,472	297,591	66%	196,923

*Note: FCPF ER for 2022 and 23 are estimated based on linear forecast*

**Table 9.3: Removals double count potential – FCPF and LEAF (tCO<sub>2</sub>e)**

Years	FCPF Removals	FCPF UNC Buffer	FCPF Rev buffer	Total FCPF ER	LEAF Intersect Proportion %	LEAF Intersect Removals(tCo <sub>2</sub> e) - to be deducted
-------	---------------	-----------------	-----------------	---------------	-----------------------------	--------------------------------------------------------------

2019	270,541	56,836	51,531	378,908		
2020	348,072	73,124	66,299	487,495		
2021	425,914	89,477	81,126	596,518		
2022	503,560	105,790	95,916	705,266	90%	635,898
2023	581,234	122,108	110,712	814,054	90%	733,986

Note: FCPF Removals for 2022 and 23 are estimated based on linear forecast

**Table 9.4: Total double count potential ERRs from FCPF ER Program for 2022 and 2023**

ITEM	ERRS OVERLAPPING (TCO2E)
Emission Reductions 2022	195,852
Emission Reductions 2023	196,923
Removals 2022	635,898
Removals 2023	733,986

For more details on calculation of double count for LEAF intersect are, follow link here<sup>162</sup>

For more details on TREES calculation template, follow link here<sup>163</sup>

One AFOLU sector project listed under Verra’s Verified Carbon Standard (VCS) (Improving Livelihood of Farmers via Carbon Finance project in Nepal project) did not proceed to credit issuance. The project received a “Registration and Verification Approval Request Denied” decision from VERRA, meaning it was not formally accepted into the standard and therefore cannot generate or issue credits. Therefore, no measures have been taken to avoid double counting.

## 10. MONITORING PLAN IMPLEMENTATION AND EMISSIONS DURING THE REPORTING PERIOD

*Describe how the monitoring plan included in the TREES Registration Document was implemented, noting any changes in methodologies, stratification, quantification, and data collection or storage along with a justification for each change. Provide results of emissions from deforestation and degradation and removals (if applicable) for the reporting period, including descriptions of how data were interpolated and prorated by calendar year if required.*

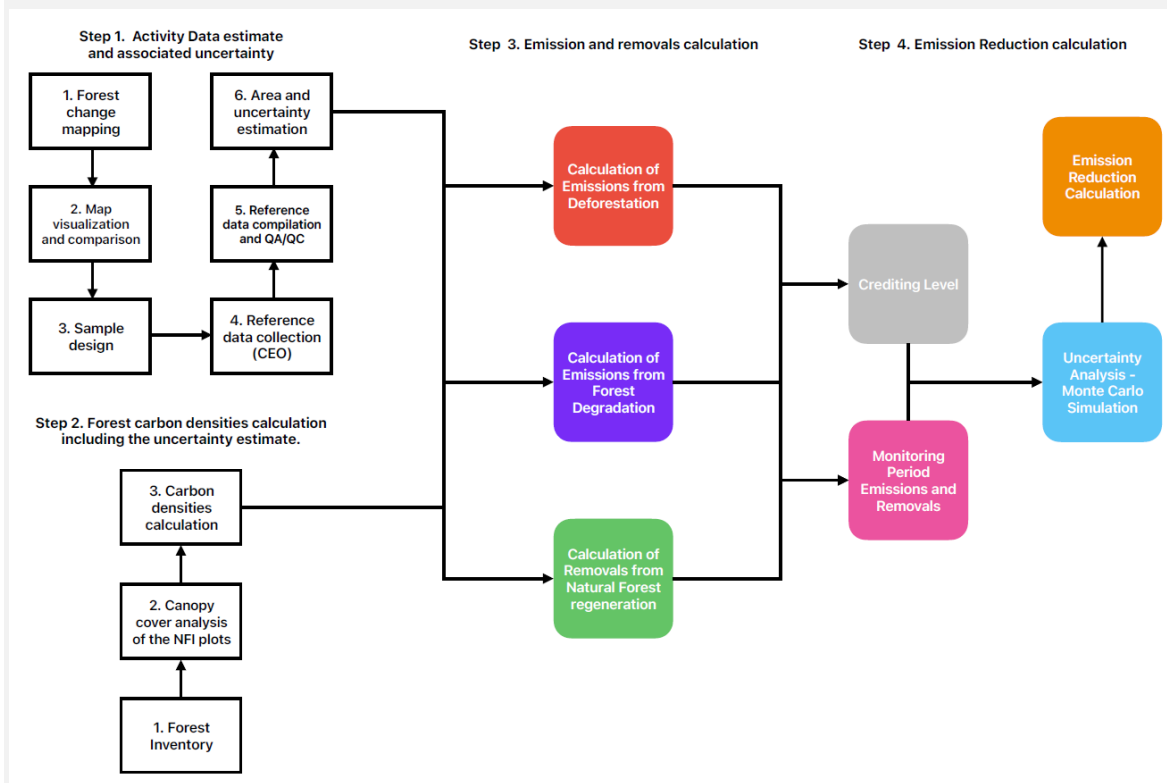
<sup>162</sup><https://docs.google.com/spreadsheets/d/1S5Ji4kANI8XockTSxkjPYg5q7eDQD5kl/edit?gid=713040231#gid=713040231>

<sup>163</sup>

<https://docs.google.com/spreadsheets/d/1ezXfy0LjwemWTqcot37OecisIfDwsR5/edit?gid=1911036708#gid=1911036708>

Nepal consistently applied the monitoring approach referenced in the TREES Registration Document (TRD) section 11 (and also implemented under section 10 in generating the crediting level), while some updates made in the mapping, sampling and stratification processes for generating Activity Data.

As mentioned in TRD section 10, monitoring approach and calculation workflow for emission reduction calculation is shown here:



**Figure 13: Emission reduction and removals calculation workflow**

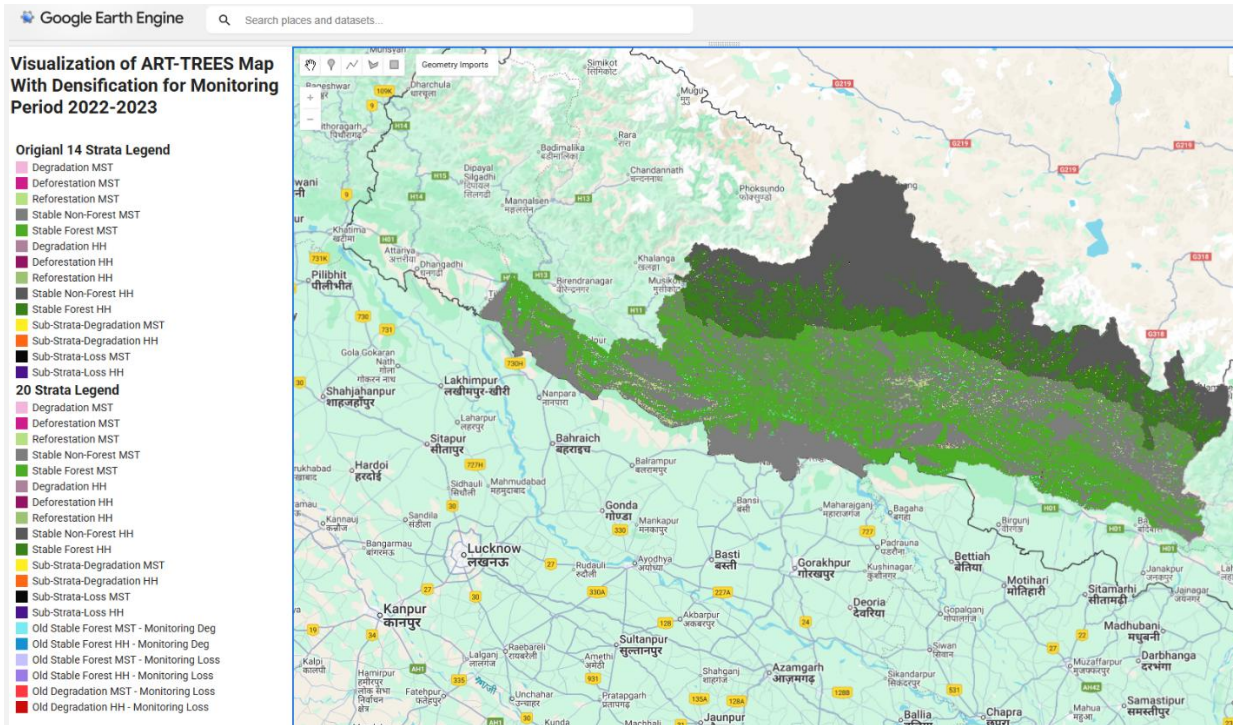
For the first monitoring period (years 2022 and 2023), updates are applied in the process of generating AD (Step 1 of diagram) as explained below. Following the monitoring plan in the TRD (section 11), there are no updates in the process/approach/results adopted for the monitoring process for Step 2, hence not detailed hereunder. Step 3 and Step 4 are applied consistently for the monitoring period, following the monitoring plan of the TRD (inputting updated results from Step 1).

**Updates applied in mapping, sampling and stratification approaches for AD generation:**

For the reference period, an agreement map with 14 strata was generated using the approach mentioned in step 1 (details in TRD section 10). In the first stage, a preliminary estimate of emissions, removals and ER were made based on CEO survey conducted for 1,760 samples.

The same sample locations as were used for the reference period, were applied for the monitoring period. However, the identified samples of degradation and deforestation within this period were insufficient in number for representative sampling and caused high uncertainties. Also, new disturbances in large strata introduced omission errors and thus high uncertainties. To overcome this issue, the agreement map for this TMR was prepared through modifying the reference period map using the National Landcover Monitoring System (NLCMS) land cover map for 2023 as part of the CCDC-SMA change detection algorithm, so that the modified monitoring period map includes strata for recent changes for the first monitoring period. All four algorithms were tested, but CCDC-SMA produced the most reliable results on the short two-year time period, while others showed obvious under- or over-estimates of disturbances. Hence the CCDC-SMA findings alone were opted for.

Using the CCDC-SMA results for the monitoring period, in order to capture a less biased variability of landcover changes (“transitions”) across the strata and the physiographic regions during the monitoring period, an additional six sub-strata were created on the existing map of the reference period. CCDC-SMA detects both forest degradation and forest loss, so these areas were overlaid onto the existing strata where these types of changes are logically possible and expected to occur in observable amounts. The sub-division of sub-strata was performed to address the issue of variability observed for original (“old”) strata of “stable forest” and “degradation” where large strata size and limited samples are not able to capture the variations for the monitoring period. The old “stable forest” strata are further split further into additional sub-strata (2 each for “deforestation” and “degradation” in two eco-regions) and old “degradation” strata into 2 additional ones for two eco-regions making the total strata count to 20. The below screenshot shows updates conducted in map strata for this monitoring period:



**Figure 10.2: Stratification map for first monitoring period (2022-2023)<sup>164</sup>**

A sampling logic of no less than 50 samples for any strata was applied, resulting in a total of 256 new samples to be introduced. Visual interpretation of the new samples was conducted with three interpreters using CEO – consistently following the monitoring approach outlined in the TRD. In CEO, the observed changes were all labeled by the year of the change observed, and the date of the imagery used to make the interpretation.

Below table shows additional sub-divided strata and details on sampling.

**Table 10.1: Sampling logic for sub-divided strata**

20-STRATA-VALUE	20-STRATA-LABEL	REFERENCE PERIOD SAMPLE COUNT	NEED FOR 50	NEW SAMPLES FOR TMR
1	Degradation MST	145	-95	0
2	Deforestation MST	115	-65	0
3	Reforestation MST	163	-113	0
4	Stable Non-Forest MST	208	-158	0
5	Stable Forest MST	337	-287	0
6	Degradation HH	51	-1	0
7	Deforestation HH	57	-7	0
8	Reforestation HH	50	0	0

<sup>164</sup> [https://drive.google.com/file/d/1hDhfWlhoAQzsd8205a7lh-NOlamUJY1U/view?usp=drive\\_link](https://drive.google.com/file/d/1hDhfWlhoAQzsd8205a7lh-NOlamUJY1U/view?usp=drive_link)

9	Stable Non-Forest HH	255	-205	0
10	Stable Forest HH	135	-85	0
11	Sub-Strata-Degradation MST	50	0	0
12	Sub-Strata-Degradation HH	50	0	0
13	Sub-Strata-Loss MST	50	0	0
14	Sub-Strata-Loss HH	50	0	0
15 (new)	Old Stable Forest MST - Monitoring Deg	38	12	12
16 (new)	Old Stable Forest HH - Monitoring Deg	4	46	46
17 (new)	Old Stable Forest MST - Monitoring Loss	0	50	50
18 (new)	Old Stable Forest HH - Monitoring Loss	0	50	50
19 (new)	Old Degradation MST - Monitoring Loss	2	48	48
20 (new)	Old Degradation HH - Monitoring Loss	0	50	50
			<b>Total</b>	<b>256</b>

**Table 10.2: Final sample and pixel counts for reference and monitoring periods**

SN	Strata	Pixel Count (QGIS)	Pixel count (Area ha)	Sample Count for Monitoring period	Pixel count (Ref Level Stratification Map)	Sample Count for Reference Period
1	Degradation - REGION1 MST	2,332,473	184,358	145	2,342,872	147
2	Deforestation - REGION1 MST	687,476	54,338	115	687,476	116
3	Reforestation - REGION1 MST	6,908,661	546,059	163	6,908,661	163
4	Stable <u>Non-Forest</u> - REGION1 MST	16,153,789	1,276,792	208	16,153,789	209
5	Stable Forest - REGION1 MST	19,826,372	1,567,073	337	22,299,012	375
6	Degradation - REGION2 HH	605,594	47,866	51	607,763	51
7	Deforestation - REGION2 HH	295,264	23,338	57	295,264	56
8	Reforestation - REGION2 HH	1,928,384	152,419	50	1,928,384	50
9	Stable <u>Non-Forest</u> - REGION2 HH	17,967,618	1,420,157	255	17,967,618	254
10	Stable Forest - REGION2 HH	7,953,706	628,659	135	8,408,481	139
11	Likely DEGRADATION - LT_AND_CCDCSMA - REGION1 MST	27,016	2,135	50	27,016	50
12	Likely DEGRADATION - LT_AND_CCDCSMA - REGION2 HH	8,232	651	50	8,232	50
13	Likely LOSS - LT_AND_OR_CCDCSMA- REGION1 MST	163,389	12,914	50	163,389	50
14	Likely LOSS - LT_AND_OR_CCDCSMA- REGION2 HH	90,302	7,137	50	90,302	50
15	Old Stable Forest MST - Monitoring Deg	2,437,840	192,686	50	-	-
16	Old Stable Forest HH - Monitoring Deg	444,478	35,131	50	-	-
17	Old Stable Forest MST - Monitoring Loss	34,800	2,751	50	-	-
18	Old Stable Forest HH - Monitoring Loss	10,297	814	50	-	-
19	Old Degradation MST - Monitoring Loss	10,399	822	50	-	-
20	Old Degradation HH - Monitoring Loss	2,169	171	50	-	-
	<b>Totals</b>	<b>77,888,259</b>	<b>6,156,274</b>	<b>2,016</b>	<b>77,888,259</b>	<b>1,760</b>

**Activity data results for the monitoring period:**

All possible landcover transitions were assessed through the CEO survey using the Nepal LEAF AD tool developed in Excel. Each transition is linked with CEO survey records with respective standard error and confidence limits. For the calculation of emissions and emission reduction, only anthropogenic transitions are considered. Year wise details per transition at plot level can be accessed through the calculation spreadsheet<sup>165</sup>.

**Table 10.3: Summary of landcover transitions for emissions**

<sup>165</sup>[https://docs.google.com/spreadsheets/d/1n85yIbPtSv45rfIEaFczfm8wj4XBChz0/edit?usp=drive\\_link&uid=100087286361845126556&rtpof=true&sd=true](https://docs.google.com/spreadsheets/d/1n85yIbPtSv45rfIEaFczfm8wj4XBChz0/edit?usp=drive_link&uid=100087286361845126556&rtpof=true&sd=true)

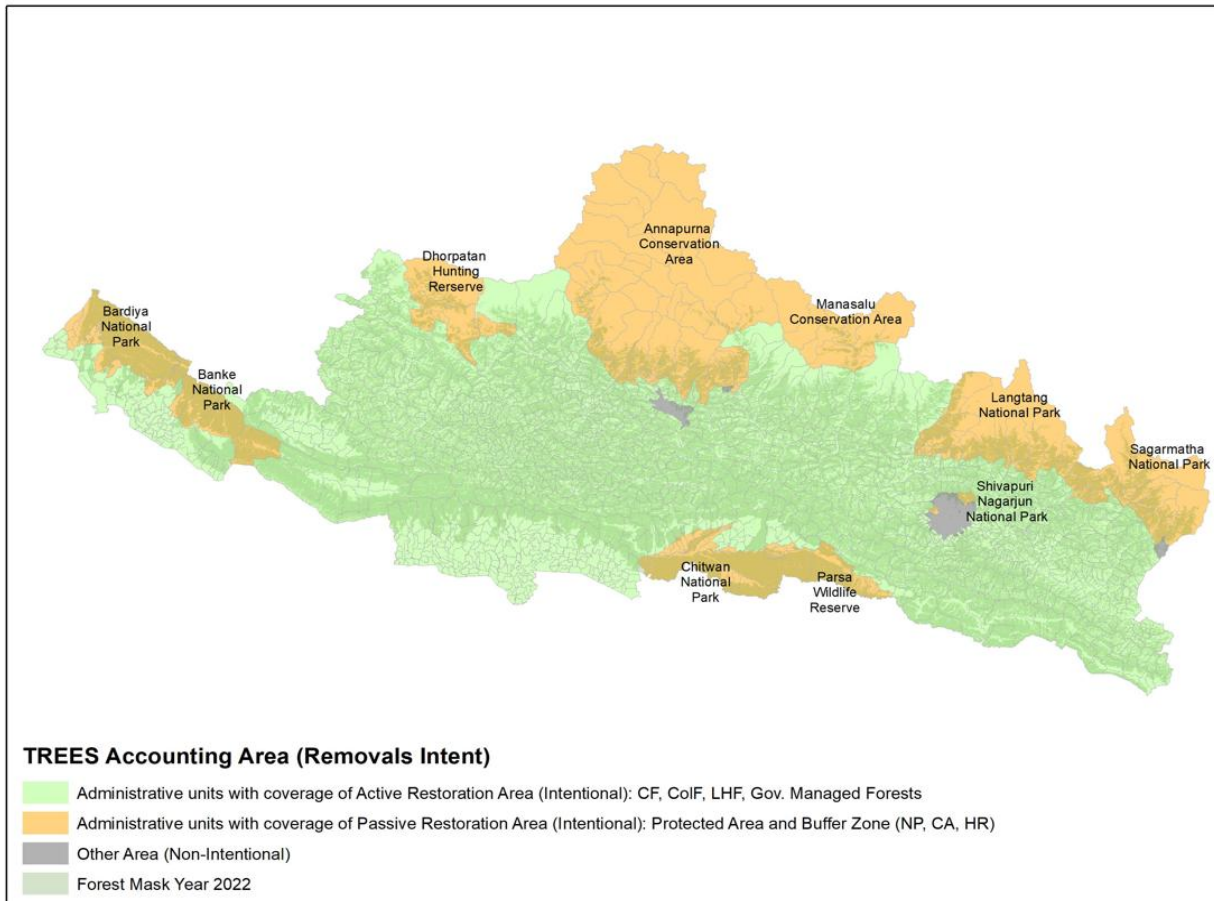
Re- gion	Transition	Land cover transition type	Land cover transition 2021-2023 (ha)	Error Standard 21-23	Conf 21-23	% Conf 21- 23	sam- ples (n)
1	Anthropogenic-Dense Forest-Thin Forest	forest degradation	4,738	4,650	7,649	161%	4
2	Anthropogenic-Dense Forest-Thin Forest	forest degradation	39	23	38	97%	4
2	Natural-Dense Forest-Thin Forest	forest degradation	153	143	235	154%	4
1	Thin Forest-Dense Forest	forest enhancement	43,865	13,639	22,434	51%	24
2	Thin Forest-Dense Forest	forest enhancement	9,293	5,651	9,295	100%	13
1	<u>Non Forest</u> -Forest	natural forest gain	11,410	7,293	11,996	105%	5
2	<u>Non Forest</u> -Forest	natural forest gain	8,618	6,349	10,443	121%	2
1	Anthropogenic-Dense Forest-Other Land	permanent forest loss	159	82	135	85%	5
2	Anthropogenic-Dense Forest-Other Land	permanent forest loss	43	24	39	90%	5
1	Anthropogenic-Thin Forest-Other Land	permanent forest loss	71	57	94	132%	2
2	Anthropogenic-Thin Forest-Other Land	permanent forest loss	143	143	235	164%	1
1	<u>Non forest</u> -Shaded cropland	shaded cropland gain	3,350	3,350	5,510	164%	1
1	Dense Forest-Dense Forest	stable forest	2,167,387	42,795	70,392	3%	713
2	Dense Forest-Dense Forest	stable forest	815,406	25,646	42,184	5%	401
1	Thin Forest-Thin Forest	stable forest	176,640	27,086	44,553	25%	75
2	Thin Forest-Thin Forest	stable forest	53,481	14,251	23,441	44%	44
1	<u>Non forest</u> - <u>Non Forest</u>	stable non forest	1,432,292	41,542	68,330	5%	388
2	<u>Non forest</u> - <u>Non Forest</u>	stable non forest	1,429,169	22,630	37,223	3%	324
1	Anthropogenic-Secondary Forest-Other Land	natural forest loss	16	16	27	164%	1
<b>Totals</b>			<b>6,156,274</b>				<b>2,016</b>

Similarly, for removals, natural forest gain is assessed for 2012 to 2023 per year, based on the CEO survey using the AD tool. As described in the TRD section on Monitoring Plan, the removals estimation process comprises of five main steps.

### **Removals AD step 1: Spatial boundary linking removals with REDD+ action intent**

To address the TREES removals eligibility criteria of “demonstration of intent”, administrative jurisdictional boundaries are demarcated where forest management regimes with REDD+ activities are present. The relevant plans (forest management plans, National REDD+ strategy etc) are archived through the National Forest Information System (NFIS). The map (Figure below) of administrative units (Village Development Committee: VDC boundaries) with coverage and presence of relevant forest management regimes, derived from

literature<sup>166</sup> shows the coverage of REDD+ removals activity planning – ie., demonstrated intent.



**Figure 10.6: Map of administrative unit (old VDC boundaries) with presence of forest management regimes**

Forest management regime types with demonstrated intent for REDD+ removals activities:

- Community forests (Community Forest User Groups, Collaborative Forest management groups, Leasehold forests and buffer zone community forest): approximately 36% of the TREES accounting area.
- Government managed forests: approximately 42% of TREES accounting area.
- Protected areas: 10 protected areas (6 national parks, 3 conservation areas and 1 hunting reserve) approximately 22 % of TREES accounting area.

<sup>166</sup> Oldekop, J., Sims, K. R. E., Karna, B. K., Whittingham, M. J., & Agrawal, A. (2019). Reductions in deforestation and poverty from decentralized forest management in Nepal. *Nature Sustainability*, 2(5), 421-428. <https://doi.org/10.1038/s41893-019-0277-3>

Removals are accounted for only where they occur under the above listed forest management regime types, with plans for removals activities. The remaining area are where removals may still occur, but are not considered to be linked with documented REDD+ removals activities, and therefore, not accounted for.

The administrative unit (old VDC boundaries) boundary with presence of forest management regimes is further used for estimation of removal AD using sample-based area estimation process and wall-to-wall change mapping process described below.

### **Removals AD step 2: Sample based estimation of removals area using remote sensing and CEO**

To stratify natural forest restoration from commercial forests, and ensure accounting of removals as conversion of non-forest to forest, a CEO survey was conducted with the following procedures:

- Identify conversion of non-forest to forest;
- Interpreters verify the forest gain areas using time series high resolution satellite imagery in Google Earth Engine, ensuring non-forest for at least five years prior to the removals event;
- Attributes on natural forest and planted forest are collected separately and used to identify natural or planted forest types (see the survey form Figure 10.5 above).

As a result of the above process, no planted forests were identified in the TREES accounting area for the period ten years prior to the start of the crediting period.

The reference design included an interpretation key<sup>167</sup> and a supplementary diagram of logic rules<sup>168</sup> for decision-making. The survey questions were designed to minimize subjective responses and meet reporting requirements, including distinguishing between eligible and non-eligible removal areas. As per TREES Section 5.3, all areas included in removal accounting must have been non-forest for at least five years before the start of the removals event. They were iteratively improved through testing and internal discussion. Logic rules were applied to the survey itself using built-in CEO tools to reduce human error as much as possible, catching logically impossible answer combinations so they could be immediately resolved. The interpreters were trained on this reference design with CEO.

For non-forest to forest conversion for natural restoration, incremental growth is accounted for all areas of natural forest restored up to ten years prior to the start of the crediting period.

<sup>167</sup>[https://docs.google.com/document/d/1omGsPYxl3HNIEnHDFwtSHQor9onm8z79/edit?usp=drive\\_link&ouid=100087286361845126556&rtpof=true&sd=true](https://docs.google.com/document/d/1omGsPYxl3HNIEnHDFwtSHQor9onm8z79/edit?usp=drive_link&ouid=100087286361845126556&rtpof=true&sd=true)

<sup>168</sup>[https://docs.google.com/presentation/d/11lpoOdfI\\_HskPvkGFymFCi9PZH5UWXsJ/edit?usp=drive\\_link&ouid=100087286361845126556&rtpof=true&sd=true](https://docs.google.com/presentation/d/11lpoOdfI_HskPvkGFymFCi9PZH5UWXsJ/edit?usp=drive_link&ouid=100087286361845126556&rtpof=true&sd=true)

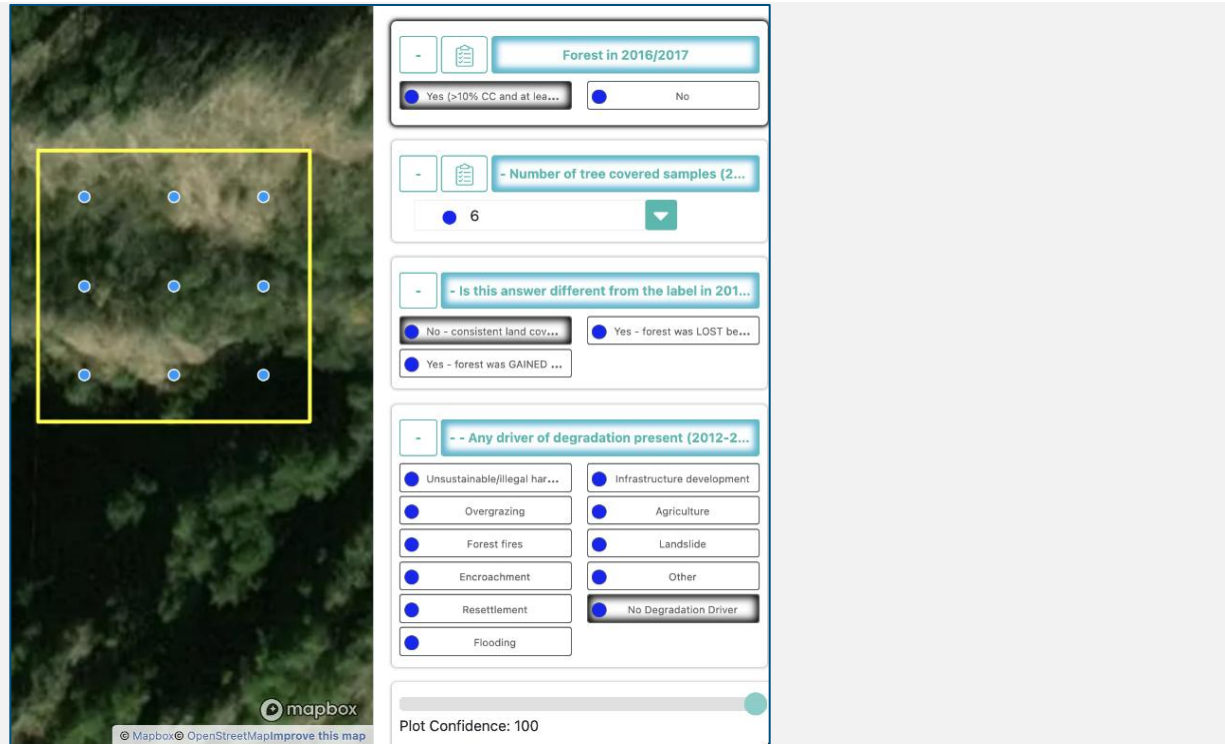


Figure 10.7: A sample CEO survey form for 9-point tree covered samples

### Removals AD Step 3: Further estimation of commercial removals

Acknowledging the potential omission of commercial removals under Step1 - noting in particular, the national policy to promote afforestation that may qualify for TREES defined “commercial forests”, namely, the promotion of Private Forests (PFs). Records of such PFs are captured in government held registration data. However, it is noted that:

- a) Not all registered PFs are homogenous.
- b) Not all registered PFs are non-forest to forest conversions.
- c) Not all registered PFs meet the definition of forests (area may be smaller than 0.5 ha).
- d) Not all registered PFs are of commercial nature.

Therefore, as a further step, the following steps are taken to assess the area of commercial removals. A sample of 5% of registered PFs (i.e. 98 out of 2,068, see Table 6.2 in Section 6) within 10 years of the end of the crediting period were assessed against the above conditions a) and b) through a desk-based GIS analysis based on the location coordinates of the registered PFs data provided by Provincial forestry ministries. Note: Condition c) is not amenable to GIS analysis noting that boundary information of the registered PFs may not necessarily be available; Condition d) is not amenable to GIS analysis noting its nature. However, the act of registration itself is considered a good indicator of intent for commercial

use, as the commercial use (ie transport and sales) of products from unregistered PFs are prohibitively cumbersome when applied at scale (Forest Act 2019, Chapter 10).

The following are the details of desk-based analysis. The 5% sample of registered PFs were chosen ensuring the distribution covers the physiographic regions' diversity. 75% PF samples are selected from PFs of lower flat lands (Terai, Siwalik and Inner Terai) and 25% from High hill and mountain regions considering the lower lands with better accessibility have more potential of PFs being commercial nature.

**Table 10.4: Analysis of potentially commercial Private Forests**

PF details	Count	Area (Ha)	Remarks
Total registered PFs (2022)	1317	2068	Reference: Provincial Forest registry records Average size of PF = 0.7 ha
5% assessed for potential commercial value	98	69	Sample selection based on physiographic regions
Potential commercial PFs (identified through visual interpretation of samples over HR imagery)	13	9	

Results of this desk-based analysis show that 13% (13 / 98 = 13%) of registered PFs with an average size of 0.7ha per PF could be of commercial nature. This would equate to a total count of 269 PFs (188 ha) within the total 1,317 (2,068ha), registered private forests.

Estimate of registered PF count with potential commercial nature =  $2068 * 13\% = 269$

Estimate of area (ha) of registered PF with potential commercial nature =  $269 * 0.7 = 188$  ha

Based on this finding, the area of 188 ha is considered to be potentially commercial within the registered private forests in TREES accounting area.

In addition, going forward, as a part of the TREES accounting area monitoring plan for commercial removals, there are plans to assess and map spatially all registered private forests within 10 years' time of crediting period, with more in-depth field level assessment of their commercial nature. It will focus on capacity building initiatives of Divisional Forest Offices (DFOs) on PF identification, promoting PF registrations and improving monitoring of PF through spatial delineation.

Details of desk-based analysis are linked [here](#)<sup>169</sup>.

#### **Removals AD Step 4: Conservatively deducting commercial removals**

The area of commercial removals estimated through Step 3 above is deducted from the area of removals estimated in Step 2, to ensure that there is no over-estimation of natural removals.

<sup>169</sup><https://docs.google.com/spreadsheets/d/16riVLOVdpV3yf5AK9aDIpSDGcVE9UqEM/edit?usp=sharing&oid=100087286361845126556&rtpof=true&sd=true>

For commercial removals, noting the nominal area in the TREES accounting area, Nepal will forego crediting from these removals under TREES. For this reason, no emission (removal) factor is generated for commercial forests.

Calculation details of sample based area estimations for the Activity Data are presented in the link here.<sup>170</sup>

### **Removals AD Step 5: Comparison with AD estimate from wall to wall change maps to identify removal polygons**

To meet the TREES Section 5.3 requirement for area-based evidence of all removals in the accounting area, wall-to-wall change maps were produced to generate a georeferenced file of removal polygons.

The following steps were performed:

- Prepare forest cover mask for each year based on national landcover map of Nepal (NLCMS).
- Perform change assessment from NLCMS maps within the removal intent area to identify areas of forest gain and identify polygons of forest gain for period starting five years before the start of the crediting period
- Minimum mapping unit 1ha (considering 0.5ha MMU for Landcover maps, 1ha is adopted for change assessment to avoid false detection).
  - NLCMS national report published through FRTC for 2000-2019 reports details on accuracy assessments of the landcover maps and reports overall classification accuracy of 84.8% with kappa statistics of 0.73.<sup>171</sup>
  - NLCMS national report published through FRTC for 2019-2022 reports overall classification accuracy is 84.97% and the overall kappa statistic is 0.76<sup>172</sup>.
- Apply removals eligibility criteria:
  - Require that the area must have been non-forest for a period of at least 5 years, as determined by removing any changes that were forest 5-years before the period of change analysis.
  - Require that the area must have been forest prior to being non-forest, via an application of mask of anywhere forest was present prior to 2006 to ensure non conversion of natural forest and other natural ecosystems
- Confidence intervals check with pixel count estimate by comparing the areas within the polygons to the estimated area of Removals according to a previous unbiased sample-based estimation.
- Report on the final area estimates based on sample-based estimate and georeferenced file (map area) based on map delineations.

<sup>170</sup><https://docs.google.com/spreadsheets/d/1n85ylbPtSv45rflEaFczfm8wj4XBChz0/edit?gid=374826631#gid=374826631>

<sup>171</sup> [https://frtc.gov.np/uploads/files/NLCMS\\_2000\\_2019.pdf](https://frtc.gov.np/uploads/files/NLCMS_2000_2019.pdf)

<sup>172</sup> [NLCMS Report Final.pdf](#)

Based on the above steps adopted for removals, Forest Gain (i.e., removals) polygons of 182,760 ha is obtained between 2012-2023 using wall to wall change map (NLCMS) with the below details:

**Table 10.5: Polygon area from wall to wall change maps**

Change Assessment (2012 to 2023)				
Class (As per polygon area ha)	Count of polygons	Sum_area_ha	SD_area_ha	Variance_area_ha
1-2	36,522	50,594	0.285	0.081
2-3	10,969	26,690	0.272	0.074
3-4	5,412	18,582	0.288	0.083
4-5	3,010	13,412	0.290	0.084
>5	6,x871	72,881	10.887	118.518
<b>Total</b>	62,784	182,159		

To comply with TREES requirement on conditions specific to pixel counts from wall-to-wall maps, the above forest gain polygon areas from wall-to-wall maps are compared with the confidence interval calculated in the earlier stratified sample-based area estimation approach using CEO samples. The total area, calculated as the pixel count of the delineated spatial boundaries, is compared to the confidence interval derived from an independent, unbiased, sample-based estimate. Results show that the total area obtained from wall-to-wall change maps is within 95% confidence interval limit of the sample-based estimates.

**Table 10.6: Landcover transition matrix for removals**

Re- gion	Transition	Land cover transi- tion type	Land cover transition (ha)	Error Stand- ard	Conf	% Conf	No of sample (n)	%	Pixel count Area (ha)	Pixel count Area with deduction of PF (Commer- cial)	
1	2012-NF-F	natural forest gain	470	470	773	164%	1	0.3%	573	572	
1	2013-NF-F		12,841	7,741	12,733	99%	3	8.6%	15,666	15,650	
1	2014-NF-F		9,331	5,922	9,740	104%	3	6.3%	11,384	11,373	
1	2015-NF-F		12,841	7,741	12,733	99%	3	8.6%	15,666	15,650	
1	2016-NF-F		58,337	15,466	25,439	44%	16	39.1%	71,172	71,099	
1	2017-NF-F		6,716	4,734	7,787	116%	2	4.5%	8,194	8,185	
1	2018-NF-F		8,069	5,786	9,517	118%	2	5.4%	9,845	9,835	
1	2019-NF-F		3,358	3,358	5,523	164%	1	2.2%	4,097	4,093	
1	2020-NF-F		470	470	773	164%	1	0.3%	573	572	
1	2021-NF-F		-	-	-	-	-	-	-	-	-
1	2022-NF-F		7,556	6,192	10,185	135%	4	5.1%	9,218	9,209	
1	2023-NF-F		3,854	3,854	6,339	164%	1	2.6%	4,702	4,697	
2	2012-NF-F		-	-	-	-	-	-	-	-	-
2	2013-NF-F		-	-	-	-	-	-	-	-	-
2	2014-NF-F		7,817	5,662	9,312	119%	2	5.2%	9,537	9,527	
2	2015-NF-F		-	-	-	-	-	-	-	-	-
2	2016-NF-F		-	-	-	-	-	-	-	-	-
2	2017-NF-F		-	-	-	-	-	-	-	-	-
2	2018-NF-F		3,044	3,044	5,006	164%	1	2.0%	3,713	3,709	
2	2019-NF-F		-	-	-	-	-	-	-	-	-
2	2020-NF-F		5,989	5,576	9,171	153%	3	4.0%	7,306	7,298	
2	2021-NF-F		-	-	-	-	-	-	-	-	-
2	2022-NF-F		-	-	-	-	-	-	-	-	-
2	2023-NF-F	8,618	6,349	10,443	121%	2	5.8%	10,514	10,503		
<b>Total</b>	<b>2012-2023-NF-F</b>	<b>natural forest gain</b>	<b>149,310</b>	<b>25,052</b>	<b>41,207</b>	<b>28%</b>	<b>45</b>	<b>1</b>	<b>182,159</b>	<b>181,971</b>	

Total Forest Gain 2012-2023 : 149,310 ha

Lower limit : 108,103

Upper limit : 190,517

Pixel count area : 181,971ha

Sample based area: 149,310 ha

Bias: 32,661

Error: 18%

For more details on AD calculations and landcover transitions, follow link here<sup>173</sup>

### Emission/ Removal factors for the monitoring period:

As no new cycles of NFI have been conducted since the crediting level generation, there is no change in emission and removal factors. Hence the same EF, RF generated for the crediting level (details in TRD section 10) is used for TMR calculations.

### Emissions estimate for 2022-2023

Nepal LEAF Integration tool is used to calculate emission from deforestation and forest degradation separately based on the activity data calculation model. Only anthropogenic emissions are considered for the calculation.

**Table 10.7: Emissions for Reference and Monitoring period (tCO<sub>2</sub>e)**

PERIOD	EMISSIONS FROM DEFORESTATION	EMISSIONS FROM FOREST DEGRADATION	TOTAL EMISSIONS
Reference Period (2017-21)	127,064	692,799	819,863
First Monitoring Period (2022-23)	61,077	579,218	640,295

For more details on calculation of emissions, follow link<sup>174</sup>

**Table 10.8: Models used for emission estimate**

Deforestation Model			Region 1		Region 2		Carbon density Region 1 tCO <sub>2</sub> /ha			Carbon density Region 2 tCO <sub>2</sub> /ha			Emissiones		Total	
Initial land use	Final land use	Period	Area (Ha)	±90% CI	Area (Ha)	±90% CI	Initial	Final	EF	Initial	Final	EF	tCO <sub>2</sub> Region 1	tCO <sub>2</sub> Region 2	Emissiones tCO <sub>2</sub>	
Dense Forest	Grasslands	2022-2023	0	0	0	0	447.75	9.86	437.89	694.59	9.86	684.72	-	-	-	
Dense Forest	Other Land	2022-2023	159	135	43	39	447.75	99.14	348.62	694.59	99.14	595.45	55,548	25,510	81,058	
Dense Forest	Settlements	2022-2023	0	0	0	0	447.75	9.86	437.89	694.59	9.86	684.72	-	-	-	
Dense Forest	Unshaded Cropland (TCC 10% or less)	2022-2023	0	0	0	0	447.75	119.89	327.86	694.59	119.89	574.69	-	-	-	
Thin Forest	Grasslands	2022-2023	0	0	0	0	206.32	9.86	196.46	325.57	9.86	315.71	-	-	-	
Thin Forest	Other Land	2022-2023	71	94	143	235	206.32	99.14	107.18	325.57	99.14	226.43	7,658	32,323	39,982	
Thin Forest	Settlements	2022-2023	0	0	0	0	206.32	9.86	196.46	325.57	9.86	315.71	-	-	-	
Thin Forest	Unshaded Cropland (TCC 10% or less)	2022-2023	0	0	0	0	206.32	119.89	86.43	325.57	119.89	205.68	-	-	-	
Secondary Forest	Grasslands	2022-2023	0	0	0	0	166.91	9.86	157.05	166.91	9.86	157.05	-	-	-	
Secondary Forest	Other Land	2022-2023	16	27	0	0	166.91	99.14	67.77	166.91	99.14	67.77	1,114	-	1,114	
Secondary Forest	Settlements	2022-2023	0	0	0	0	166.91	9.86	157.05	166.91	9.86	157.05	-	-	-	
Secondary Forest	Unshaded Cropland (TCC 10% or less)	2022-2023	0	0	0	0	166.91	119.89	47.02	166.91	119.89	47.02	-	-	-	
			247		186								64,321		57,833	122,154
													Average Annual Deforestation Emissions		61,077	
Degradation Model			Region 1		Region 2		Carbon density Region 1 tCO <sub>2</sub> /ha			Carbon density Region 2 tCO <sub>2</sub> /ha			Emissiones		Total	
Initial land use	Final land use	Period	Area (Ha)	±90% CI	Area (Ha)	±90% CI	Initial	Final	EF	Initial	Final	EF	tCO <sub>2</sub> Region 1	tCO <sub>2</sub> Region 2	Emissiones tCO <sub>2</sub>	
Dense forest	Thin forest	2022-2023	4,738	7,649	39	38	447.75	206.32	241.43	694.59	325.57	369.02	1,143,892	14,544	1,158,436	
													1,143,892		14,544	1,158,436
													Average Annual Degradation Emissions		579,218	

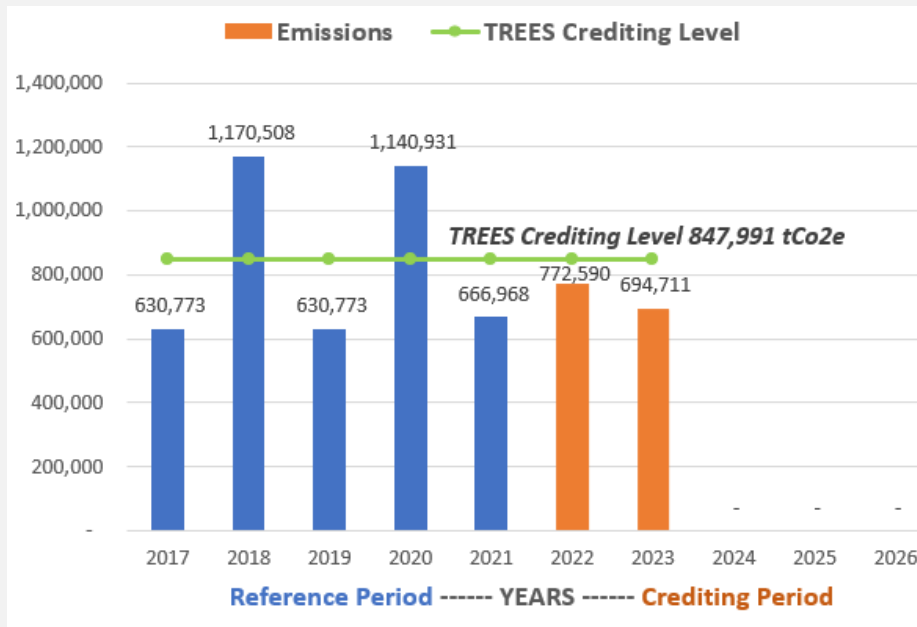
Consistent with the approach used for the TREES crediting level, Monte Carlo simulation was performed considering the median of 10,000 simulations. Below figures and chart present the TREES crediting level and emissions results for first credit period of 2022 and 2023:

**Table 10.9: Yearly emissions**

<sup>173</sup> [https://docs.google.com/spreadsheets/d/1n85ylbPtSv45rflEaFczfm8wj4XBChz0/edit?usp=drive\\_link&uid=100087286361845126556&rtpof=true&sd=true](https://docs.google.com/spreadsheets/d/1n85ylbPtSv45rflEaFczfm8wj4XBChz0/edit?usp=drive_link&uid=100087286361845126556&rtpof=true&sd=true)

<sup>174</sup> [https://docs.google.com/spreadsheets/d/1jaAyJC\\_mLATBXEb6GXLYUo-TIMK1V3mL/edit?gid=1599373029#gid=1599373029](https://docs.google.com/spreadsheets/d/1jaAyJC_mLATBXEb6GXLYUo-TIMK1V3mL/edit?gid=1599373029#gid=1599373029)

Year	Emissions (tCO <sub>2</sub> e)
2017	630,773
2018	1,170,508
2019	630,773
2020	1,140,931
2021	666,968
<i>Total Reference Period</i>	<i>4,239,953</i>
2022	772,590
2023	694,711
<i>First Monitoring Period</i>	<i>1,467,301</i>



**Figure: TREES crediting level and yearly emissions**

For more details on calculation of emissions and TREES crediting level, follow link here<sup>175176</sup>

### Removals estimate for 2022-2023

Following the TREES accounting rules for removals, initial and on-going removals are accounted for, for the years 2012 to 2023 in this monitoring report.

<sup>175</sup> [https://docs.google.com/spreadsheets/d/1jaAyJC\\_mLATBXEb6GXLYUo-TIMK1V3mL/edit?usp=drive\\_link&oid=100087286361845126556&rtpof=true&sd=true](https://docs.google.com/spreadsheets/d/1jaAyJC_mLATBXEb6GXLYUo-TIMK1V3mL/edit?usp=drive_link&oid=100087286361845126556&rtpof=true&sd=true)

<sup>176</sup> [https://docs.google.com/spreadsheets/d/1ezXfy0LyjwemWTqcot37OecislfDwsR5/edit?usp=drive\\_link&oid=100087286361845126556&rtpof=true&sd=true](https://docs.google.com/spreadsheets/d/1ezXfy0LyjwemWTqcot37OecislfDwsR5/edit?usp=drive_link&oid=100087286361845126556&rtpof=true&sd=true)

Removal estimates are done following the four steps as mentioned in TRD section 10 (Removals area estimation process). As detailed in TRD, two approaches of sample based and wall to wall map comparisons are used for estimation of forest gain area.

The total area obtained from wall to wall change maps is within 95% confidence interval limit of the sample-based estimates and hence results from wall to wall change maps are used for calculation of removals. Below table shows summary of results:

**Table 10.10: Natural forest restoration area estimation steps and results**

Natural removals area estimation steps	Results
Removals step 1: Spatial boundary of larger area linking with REDD+ actions	
- Total TREES Accounting Area	6,154,935 ha
- Intentional area (CF, ColF, LHF, Gov. managed forest)	4,176,515 ha
- Intentional Area (Protected Area and Buffer Zone)	1,929,048 ha
- Non-intentional Area	51,554 ha
Removals step 2: natural vs commercial removals area stratified through sample-based area estimation	
- Area of Initial Removal 2022 (REMV Initial x, t (Ha))	9,208.8 ha
- Area of Inherited Removal 2022 (REMV Inherited x, t (Ha))	157,563.3 ha
- Area of Initial Removal 2023 (REMV Initial x, t (Ha))	15,199.4 ha
- Area of Inherited Removal 2023 (REMV Inherited x, t (Ha))	166,755.1 ha
- Initial Removals (REMV Initial,t : Year 2022)	153,703 tCo2e
- Ongoing Removals (REMV Ongoing,t : Year 2022)	2,629,587 tCo2e
- Total Removals (GHG REMVt = REMV Initial,t + REMV Ongoing,t : Year 2022)	2,783,290 tCo2e
- Initial Removals (REMV Initial,t : Year 2023)	253,692 tCo2e
- Ongoing Removals (REMV Ongoing,t : Year 2023)	2,783,290 tCo2e
- Total Removals (GHG REMVt = REMV Initial,t + REMV Ongoing,t : Year 2023)	3,036,982 tCo2e
Removals step 3: estimate areas of registered PF that meet TREES commercial removals definition	188 ha
Removals step 4: deduct step 2 results from step 1 results	181,971 ha
Removals step 5 : Comparison with AD estimate from wall to wall change maps to identify removal polygons	
Total Forest Gain 2012-23:	149,310 ha
95% CI Lower limit:	109,418 ha
95% CI Upper limit:	190,517ha

For more details on calculation of removals, follow link here<sup>177</sup>

<sup>177</sup> [https://docs.google.com/spreadsheets/d/1jaAyJC\\_mLATBXEb6GXLYUo-TIMK1V3mL/edit?gid=144422776#gid=144422776](https://docs.google.com/spreadsheets/d/1jaAyJC_mLATBXEb6GXLYUo-TIMK1V3mL/edit?gid=144422776#gid=144422776)

For more details on Geospatial files on removals (i.e. polygon maps on REDD+ intentionality and Gain areas), follow link here<sup>178</sup><sup>179</sup>

## 11. REVERSALS

Identify the appropriate buffer pool contribution by applying the buffer contribution assessment tool. Provide evidence for mitigation factors claimed.

Based on the risk assessment of the three mitigating factors, all mitigating factors #1, #2 and #3 are triggered, resulting in the fixed rate of 5% as the buffer pool contribution (i.e., 25% - 10% - 5% - 5% = 5%).

**Table 11.1: Mitigating factors triggered**

Mitigating factors	Assessment
Mitigating factor #1	Triggered
Mitigating factor #2	Triggered
Mitigating factor #3	Triggered

**MITIGATING FACTOR 1 (-5%):** *Legislation or executive decrees actively implemented and demonstrably supporting REDD+, issued by a relevant government agency, or with leadership from the Presidential or Prime Ministerial Office.*

Risks of reversals are understood to be largely associated with unstable governance, lack or weak policy/action plans, and lack of peoples' participation in decision-making and benefit sharing. Nepal's policy and measures related to forests, land use and climate change adopted demonstrate its readiness to address risks of reversals. Nepal's Long Term Strategy for Net Zero Emissions (2021), NDC (2020), Forest Policy (2019), National Climate Change Policy (2019), National REDD+ Strategy (2018, 2025), and Nepal Biodiversity Strategy and Action Plan (2014-2020) are some key policy documents demonstrating Nepal's commitment to address risks of reversals. Nepal's international commitments through different treaties and agreements, such as ILO 169, the Paris Agreement of the UNFCCC, and the Ramsar Convention on Wetlands of International Importance also support its claim that the country has applied long term strategy to address risks of environmental degradation and carbon emissions, and minimize climatic impacts by following sustainable development pathways.

<sup>178</sup> [https://drive.google.com/file/d/1fUA4TWuYKvRwC-3nad8G3pyYEXTRpDzb/view?usp=drive\\_link](https://drive.google.com/file/d/1fUA4TWuYKvRwC-3nad8G3pyYEXTRpDzb/view?usp=drive_link)

<sup>179</sup> [https://drive.google.com/file/d/1YCtZpnllNynNgu8dmwK7BaKaBtkX1nLc/view?usp=drive\\_link](https://drive.google.com/file/d/1YCtZpnllNynNgu8dmwK7BaKaBtkX1nLc/view?usp=drive_link)

As a part of the NRS, Nepal has been implementing Community Based Forest Management (CBFM) as the mainstream regime of forest management involving local communities, marginalized groups, women and Indigenous Peoples. CBFM includes community forestry, leasehold forestry, collaborative forestry, religious forests and buffer zone management. CBFM has led to improved forest conditions, enhanced environmental services and sustainable sources of livelihood support to local communities. Approximately 48% of the country's forestland is under CBFM, with over 3.1 million ha managed by 31,468 local communities (MoFE, 2021). The history of CBFM in Nepal has demonstrated that the benefits are long lasting once these local models are in place. Confirmed by these experiences and considering the roles of local communities for successful REDD+ results, the Forest Act (2019) and Forest Regulation (2022) provide more legal rights to community forest users groups, so they remain incentivized and engaged in sustainable management of forests. The provision of channelling 80% of forestry sector benefits including carbon transactions, through the Forest Development Fund (Article 45, Forest Act (2019)) is an example of the GoN's strategy to develop strong local ownership of forest management, which contributes to mitigating risks of anthropogenic reversals within Nepal. Other provisions in the Forest Act (2019) assuring strict policy avoiding reversals include Article 12, 41, 44 and 45: Article 12 prohibits development settlements and resettlements in forest areas; Article 41 prohibits converting forest land to other land use types; Article 44 not only protects but also promotes ecosystem services on a sustainable basis; Article 45 has provisions for prosecution of forest and environmental crimes such as forest encroachment, deforestation, forest fire, illegal harvesting and grazing. These policy provisions provide evidence that Nepal's legal framework contributes to addressing risks of reversals.

**MITIGATING FACTOR 2 (-10%):** *Demonstrated interannual variability<sup>1</sup> of less than 15% in annual forest emissions over the prior 5 years used in TREES Reporting. The interannual variability are derived based on annual emission estimates based on the sample-based estimates and provided in Table 12.1. foot note<sup>1</sup>: This applies to emissions that increase and decrease year by year but will not apply to situations where emissions consistently decrease by over 15% a minimum of two consecutive years. The 15% is determined by taking the average of the data points over the 5 years and then comparing each individual year against that average.*

**Table 11.2 Interannual variability for Nepal**

	Year	Deforestation (ha)	Deforestation Emissions (tCO2)	Degradation Emissions (tCO2)	Total Emissions (tCO2)	Difference	%
Reference Period	2017	-	-	692,799	692,799	-127,064	-15%
	2018	544	267,336	692,799	960,135	140,272	17%
	2019	-	-	692,799	692,799	-127,064	-15%
	2020	1,388	340,273	692,799	1,033,072	213,209	26%
	2021	259	27,712	692,799	720,511	-99,352	-12%
1st MP	2022	162	83,304	579,218	662,521	-157,342	-19%
	2023	110	38,850	579,218	618,068	-201,795	-25%
2nd MP	2024	-	-	-	-	-	-
	2025	-	-	-	-	-	-
	2026	-	-	-	-	-	-
Total		2,463	757,474	4,622,431	5,379,905		
<b>Average Annual Emissions from Forests Over a 5-Year Period</b>					<b>819,863 tCO2e</b>		

Based on TREES criteria that “*this applies to emissions that increase and decrease year by year but will not apply to situations where emissions consistently decrease by over 15% a minimum of two consecutive years*”, the years 2022 and 2023 meet these conditions and therefore the mitigating factor is triggered.

**MITIGATING FACTOR 3 (-5%):** *Demonstrated national reversal mitigation actions, plan or strategy developed in alignment with Cancun Safeguard F.*

As noted above, the Forest Act (2019) prohibits conversion of forestland land use. Article 12 prohibits developing settlement and resettlement in forest land. Article 41 does not allow converting forest land to any other land use types. This is the main measure to sustain forest cover thereby preventing reversal events. In addition:

The NRS (2018, 2025) aims to sustainably address the underlying drivers of deforestation and forest degradation and promote sustainable livelihoods putting communities and community-based forest management (CBFM) modalities at the heart of the approach. Nepal has already demonstrated success of bringing back forest cover through CBFM through the past decades.<sup>180,181</sup> Nepal’s continued commitment to community-based approaches in forest management is confirmed also through the NRS and acts as a core mitigation measure against potential reversals. Along with this, various efforts are being taken to invest in aspects that support the community-based approaches including:

- Introduction of community-based conservation in and around PAs with expansion of buffer zone areas and conservation areas.

<sup>180</sup> <https://openknowledge.fao.org/server/api/core/bitstreams/3d27d36f-8ea7-45a7-b3f6-bbad6fd3e3c3/content>

<sup>181</sup> <https://frtc.gov.np/uploads/files/Study%20Report%20Inner-final.pdf>

- Forest research, surveys, and inventory to provide information.
- Expansion of forestry education, human resource development and large-scale re-orientation and re-training of forestry staff.
- Awareness campaign and institutional mechanism to control encroachment, forest fire and overgrazing.
- Provision and enforcement of EIA and IEE in the Environmental Protection Act (2019) and Regulations to ensure environmental and social safeguards against impacts of development projects.

Some other measures that have been taken reduce the risk of reversal include:

- The SESA (2014): focused on a set of strategic options (identified before development of the NRS), and while it did not consider reversal risks explicitly, it did consider the long-term sustainability of REDD+.
- The NFMS, comprising the NLCMS and NFIS which provides information that is transparent, consistent over time, suitable for measuring, reporting and verifying anthropogenic forest-related emissions by sources, and removals by sinks, forest carbon stocks, and forest-area changes.
- The FRTC which updates the NFMS and its Forest Survey and Carbon Monitoring Division (FSCMD), acting as the focal institution for forest monitoring systems.
- Consistent with the NFMS, the resource inventory of CBFM is also conducted every five to 10 years.
- The monitoring and evaluation division of the MoFE coordinates all monitoring activities across departments in the Ministry and in other subsidiaries.

ER programs in Nepal also undertake program specific assessment and put in place measures such as actions to address particular risk factors for REDD+ permanence and buffers in relation to risks of reversals.

*Identify whether a reversal occurred during this reporting period.*

No reversals occurred during this reporting period.

## **12. LEAKAGE**

*Identify the appropriate leakage deduction based on the use of the leakage assessment tool.*

This ER program covers entire jurisdictions of the three Provinces namely Bagmati, Gandaki and Lumbini, representing 41.33% and 47.8% of Nepal's total land area and forest area respectively. Based on the leakage deduction assessment tool, this ER program is categorized as "Medium", and leakage deduction is 10%.

### 13. VARIANCES

Summarize any variances from TREES that have been approved by the ART Secretariat and used by the TREES Participant during this reporting period.

Nepal is not seeking any variances at current stage.

### 14. EMISSION REDUCTIONS AND REMOVALS

Quantify the emission reductions and/or removals claimed for the reporting period. Please include a copy of the final calculation workbook with your Monitoring Report submission to the ART Registry.

Total TREES Credits are calculated using TREES Equation 22.

*Equation 22: Total TREES Credits*

$$TREES\ ERR_t = (GHG\ ER_t + GHG\ REMV_t - BUF_{t-Ers} - LEAK_{t-Ers} - UNC_{t-Ers})$$

#### 14.1 Emissions reductions

Annual emission reduction is calculated as per TREES equation 12 by deducting yearly emissions with the TREES crediting level.

*Equation 12: GHG Reductions using the TREES Crediting Level approach*

$$GHG\ ER_t = CL - GHG_t$$

**Table 14.1: Annual Emission Reductions**

Year	CL <sub>t</sub>	GHG <sub>t</sub>	GHG ER <sub>t</sub>
2022	847,991	772,590	75,401
2023	847,991	694,711	153,279

#### 14.2 Removals

Total GHG Removals are calculated following TREES Equation 21.

*Equation 21: Total GHG Removals*

$$GHG\ REMV_t = REMV_{Initial,t} + REMV_{Ongoing,t}$$

Years 2022 and 2023 qualify for removals credits, against the TREES removal accounting rules which allow removals credits to be claimed only for years in which emissions have been reduced below the TREES Crediting Level. Considering natural forest restoration removals period of five years prior to reference period (i.e. from 2012) as a start, with a zero baseline, removals are accounted for, for the cumulative of years 2012-2023.

**Table 14.2: Total Removals**

Year	REMV <sub>Initial,t</sub>	REMV <sub>Ongoing,t</sub>	GHG REMV <sub>t</sub>
2022	163,109	3,162,530	3,325,639
2023	289,092	3,351,607	3,640,698

For more details on calculation of removals, follow link here<sup>182</sup>

For more details on Geospatial files on removals (i.e. polygon maps on REDD+ intentionality and Gain areas), follow link here<sup>183</sup>

### 14.3 Uncertainty and Leakage Deduction amount

Uncertainty adjustment factors for emission reduction and removals are calculated based on Monte Carlo simulation error % at 90% CI. Leakage of 10% is deducted based on details shared in TRD section 13.

**Table 14.3: ER Uncertainty Adjustment Factor (Equation 11) :  $UA_t = 0.524417 * 90\% CI_t / 1.645006$**

Year	90 % CI <sub>t</sub> - Emission Reductions	UA <sub>t</sub>
2022	2983.24%	9.510359411
2023	1496.70%	4.771370405

**Table 14.4: Removals Uncertainty Adjustment Factor (Equation 11):  $UA_t = 0.524417 * 90\% CI_t / 1.645006$**

Year	90 % CI <sub>t</sub> - Removals	UA <sub>t</sub>
2022	108.12%	0.344669368
2023	108.14%	0.344743933

**Table 14.5: Uncertainty Deduction (Equation 10):  $UNC_t = (GHG ER_t + GHG REMV_t) * UA_t$**

Year	GHG ER <sub>t</sub>	GHG REMV <sub>t</sub>	UNC <sub>t</sub> ER	UNC <sub>t</sub> REMV
2022	75,401	3,325,639	717,087	1,146,246
2023	153,279	3,640,698	731,351	1,255,109

<sup>182</sup> [https://docs.google.com/spreadsheets/d/1jaAyJC\\_mLATBXEb6GXLYUo-TIMK1V3mL/edit?gid=144422776#gid=144422776](https://docs.google.com/spreadsheets/d/1jaAyJC_mLATBXEb6GXLYUo-TIMK1V3mL/edit?gid=144422776#gid=144422776)

<sup>183</sup> [https://drive.google.com/file/d/1fUA4TWuYKvRwC-3nad8G3pyYEXTRpDzb/view?usp=drive\\_link](https://drive.google.com/file/d/1fUA4TWuYKvRwC-3nad8G3pyYEXTRpDzb/view?usp=drive_link) , [https://drive.google.com/file/d/1YCtZpnlINyNgu8tdmwK7BaKaBtkX1nLc/view?usp=drive\\_link](https://drive.google.com/file/d/1YCtZpnlINyNgu8tdmwK7BaKaBtkX1nLc/view?usp=drive_link)

**Table 14.6: Leakage Deduction (Equation 9):  $LEAK_t = (GHG\ ER_t + GHG\ REMV_t) * Leakage\ %$**

Year	GHG ER <sub>t</sub>	GHG REMV <sub>t</sub>	Leakage %	LEAK <sub>t</sub> ER	LEAK <sub>t</sub> REMV	LEAK <sub>t</sub> Total
2022	75,401	3,325,639	10%	7,540	332,564	340,104
2023	153,279	3,640,698	10%	15,328	364,070	379,398

For more details on calculation of uncertainty and Monte Carlo simulation, follow link here<sup>184</sup>

Regarding higher uncertainty figures observed in emission reductions, this was noted mainly due to low deforestation and degradation resulting in small volume of ER. Nepal is close to HFLD status with low rates for deforestation and degradation and due to a smaller number of samples contributing to reduction of emissions during monitoring period, an increased uncertainty is observed. This situation is considered a process outcome and not deemed as an artifact or calculation issue.

#### 14.4 Deduction amount of Double count

As mentioned in TMR section 8, deduction for potential double count of credits of FCPF ER are anticipated due to the overlapping area and time-period between the two programmes. However, as of the time of this report drafting, credits have not been issued under either of the programmes. This being the case, the deductions are not yet confirmed from either programme. Hence the potential double count numbers presented in section 9 of this TRM are for reference only, and double count is estimated at 0, at this time.

#### 14.5 Deduction amount of Buffer pool

5% Buffer pool contribution is further deducted from the double count estimate done in TMR section 8.

**Table 14.10: Buffer Pool Contribution for Emission Reductions (Equation 8):  $BUF_t = GHG\ ER_t * BUF\ %$**

Year	GHG ER <sub>t</sub>	OTH-ER	NR-ER	GHG ER <sub>t</sub> that Participant has rights to	BUF %	BUF <sub>t</sub> ER
2022	75,401		-	75,401	5%	3,770
2023	153,279		-	153,279	5%	7,664

**Table 14.11: Buffer Pool Contribution for Removals (Equation 8):  $BUF_t = GHG\ REMV_t * BUF\ %$**

<sup>184</sup>[https://docs.google.com/spreadsheets/d/1UNYISaibKLIHqSLp164F63A9iBH3jQXN/edit?usp=drive\\_link&oid=100087286361845126556&rtpof=true&sd=true](https://docs.google.com/spreadsheets/d/1UNYISaibKLIHqSLp164F63A9iBH3jQXN/edit?usp=drive_link&oid=100087286361845126556&rtpof=true&sd=true)

Year	GHG REMV <sub>t</sub>	OTH-REMV	NR-REMV	GHG REMV <sub>t</sub> that Participant has rights to	BUF %	BUF <sub>t</sub> REMV
2022	3,325,639		-	3,325,639	5%	166,282
2023	3,640,698		-	3,640,698	5%	182,035

#### 14.6 Total TREES Credits

**Table 14.12: TREES Credits for Year 1 (2022)**

Variable	Value	Source
GHG ER 1	75,401	TREES CL tab
GHG REMV 1	3,325,639	Removals tab, if used
UNC 1 ER	717,087	Deductions UNC & LEAK tab
UNC 1 REMV	1,146,246	Deductions UNC & LEAK tab
LEAK 1 ER	7,540	Deductions UNC & LEAK tab
LEAK 1 REMV	332,564	Deductions UNC & LEAK tab
BUF 1 ER	3,770	Deductions BUF tab
BUF 1 REMV	166,282	Deductions BUF tab
OTH 1 ER	-	Deductions Double Counting tab (No deduction for FCPF yet)
OTH 1 REMV	-	Deductions Double Counting tab (No deduction for FCPF yet)
NR 1 ER	-	Deductions Double Counting tab
NR 1 REMV	-	Deductions Double Counting tab

TREES Credits from ER (Year 1):

$$TREES ER_t = GHG ER_t - BUF_{t-ER} - LEAK_{t-ER} - UNC_{t-ER} - OTH_{t-ER} - NR_{t-ER} = 0$$

TREES Credits from Removals (Year 1):

$$TREES REMV_t = GHG REMV_t - BUF_{t-remv} - LEAK_{t-remv} - UNC_{t-remv} - OTH_{t-remv} - NR_{t-remv} = 1,680,547 \text{ tCO}_2\text{e.}$$

**Table 14.13: TREES Credits for Year 2 (2023)**

Variable	Value	Source
GHG ER 1	153,279	TREES CL tab
GHG REMV 1	3,640,698	Removals tab, if used
UNC 1 ER	731,351	Deductions UNC & LEAK tab
UNC 1 REMV	1,255,109	Deductions UNC & LEAK tab
LEAK 1 ER	15,328	Deductions UNC & LEAK tab
LEAK 1 REMV	364,070	Deductions UNC & LEAK tab
BUF 1 ER	7,664	Deductions BUF tab
BUF 1 REMV	182,035	Deductions BUF tab

OTH 1 ER	-	Deductions Double Counting tab (No deduction for FCPF yet)
OTH 1 REMV	-	Deductions Double Counting tab (No deduction for FCPF yet)
NR 1 ER	-	Deductions Double Counting tab
NR 1 REMV	-	Deductions Double Counting tab

TREES Credits from ER (Year 2):

$$TREES ER_t = GHG ER_t - BUF_{t-ER} - LEAK_{t-ER} - UNC_{t-ER} - OTH_{t-ER} - NR_{t-ER} = 0$$

TREES Credits from Removals (Year 1):

$$TREES REMV_t = GHG REMV_t - BUF_{t-remv} - LEAK_{t-remv} - UNC_{t-remv} - OTH_{t-remv} - NR_{t-remv} = 1,839,485 \text{ tCO}_2\text{e}$$

**Total TREES Credits for TMR 1 (2022 and 2023) = 3,520,032 tCO<sub>2</sub>e**

Note that no deductions from double count have been confirmed for the time being (at the time of this report drafting), hence no deductions have been made for double count. Should there be issuance of credits before the conclusion of the validation and verification process, the deductions will be made.

*For more details on calculation of TREES double counts, buffer, leakage and TREES credits, follow link here<sup>185</sup>*

## 15. REDD+ IMPLEMENTATION PLAN

*Provide a summary of activities implemented during the reporting period in line with the program's REDD+ implementation plan strategy, including a description of how the REDD+ activities contributed to the sustainable development goals stated in the Registration Document.*

### 15.1 REDD+ Strategy During the Monitoring Period (2022-2023)

During the 2022–2023 monitoring period, REDD+ implementation in Nepal was guided by the National REDD+ Strategy 2018–2022, which served as the country's formal REDD+ implementation plan at the time. Although the formal timeframe of this strategy concluded in 2022, its objectives, strategies, safeguards principles, and institutional arrangements

<sup>185</sup>[https://docs.google.com/spreadsheets/d/1ezXfy0LjywemWTqcot37OecisIfDwsR5/edit?usp=drive\\_link&oid=100087286361845126556&rtpof=true&sd=true](https://docs.google.com/spreadsheets/d/1ezXfy0LjywemWTqcot37OecisIfDwsR5/edit?usp=drive_link&oid=100087286361845126556&rtpof=true&sd=true)

continued to guide REDD+ implementation during the monitoring period through existing forest management systems and approved work plans until the second phase of Nepal’s REDD+ Strategy was finalized and put in place.

The updated National REDD+ Strategy 2025–2034 was endorsed by the national government after the monitoring period and did not guide or influence the implementation of activities reported in this Monitoring Report. It is referenced in the Registration Document to demonstrate continuity of national REDD+ policy and provides context for subsequent monitoring periods.

### **15.2 Overview of REDD+ Implementation During the Monitoring Period**

During the 2022–2023 monitoring period, REDD+ actions implemented in the TREES accounting area formed part of broader national-level REDD+ implementation under the GoN’s National REDD+ Strategy (2018). National policies, legal frameworks, institutional arrangements, and implementation experience provided an enabling context for REDD+ activities undertaken within the accounting area during this period.

Information on national-level REDD+ implementation status (table 15.1) for selected strategies from the NRS presented in this Monitoring Report is drawn from government approved documents published in 2025 and reflects actions, systems, policies and institutional arrangements that were operational during the reporting year of 2022. This information is included to provide context for the jurisdictional implementation reported below and does not replace or supersede the monitoring-period–specific reporting of activities implemented within the TREES accounting area.

**Table 15.1: Summary on Implementation status of selected strategies of NRS (2018)**

STRATEGIES	IMPLEMENTATION STATUS
Reduce carbon emissions, enhance forest carbon stocks, and improve the supply of forest products	<ul style="list-style-type: none"> <li>• Nepal’s forest management system engages more than 22,760 Community Forest Users Groups (FUGs) (3.17 million HHs; 2.32 million ha), 31 Collaborative FUGs (812,870 HHs; 75,654 ha), 11 Conservation Forests (194,155 ha), 7,607 Leasehold FUGs (74,495 HHs; 44,027 ha), and 1,067 Buffer Zone CFUGs (240,870 ha) along with 88 Buffer Zone Leasehold FUGs (548.68 ha) and 4 BZ Religious Forests (69 ha).</li> <li>• The 2022 Forest Regulations mandate integrating deforestation and degradation control in both government-managed and community forest plans.</li> <li>• REDD-IC invested NRs 8.46 million in fire management, supporting efforts of 84 DFOs, 20 Protected Area offices, and ~30,000 user groups.</li> <li>• A total of 11,302 ha area has been planted in four years (2019/20-2022/23) according to the data of the MoFE (MoFE, 2024).</li> </ul>

<p>Increase non-carbon benefits of forest ecosystems</p>	<ul style="list-style-type: none"> <li>• In 2018, the Biodiversity Monitoring Protocol for REDD+ was prepared and approved.</li> <li>• Spatial planning tools are used in preparing national-level forest inventory and planning, and in preparing forest management plans.</li> <li>• Small-scale pilot projects on certification of forest-based PES (e.g. water supply and eco-tourism) have been implemented in the mid-hills of the country.</li> </ul>
<p>Promote private and public land forestry</p>	<ul style="list-style-type: none"> <li>• Section 35 of the Forest Act 2019 has made provision for the registration of private forests in local municipalities with the recommendation of DFO.</li> <li>• Schedule 48 of the Forest Regulations 2022 has made provisions for the collection, sale, and transportation of 28 timber species, 23 MAPs, and 4 NTFPs as agriculture crops.</li> <li>• The area of registered private forests in the country is around 2,300 ha.</li> <li>• A total of 11,302 ha area has been planted in four years (2019/20-2022/23) according to the data of the MoFE (MoFE, 2024).</li> <li>• A total of 27 BZ Private Forests with an area of 24.73 ha are in place.</li> <li>• Sections 37 and 38 of the Forest Act 2019 and Chapter 11 of Forest Regulation, 2022 have made provisions for public land forestry and urban forestry respectively.</li> </ul>
<p>Promote optimum land use across all the physiographic regions</p>	<ul style="list-style-type: none"> <li>• The Land Use Act, 2019 has assigned rights, responsibilities, and duties to the federal, provincial, and local governments for the formulation and implementation of a land-use plan.</li> <li>• The Land Use Regulations 2022 has also been formulated by the GoN.</li> <li>• National, provincial, and geographical land cover statistics and maps were produced in 2021 by FRTC.</li> <li>• The GoN has formulated the Forest Encroachment Control and Management Strategy, 2012 to address the problem of forest encroachment in Nepal.</li> <li>• As per Rule 119 of the Forest Regulations 2022, there is a district-level Encroachment Control Committee chaired by the respective Chief District Officer.</li> <li>• A total of 204.29 ha of encroached forest land in 2021/22, 797.08 ha in 2019/20, 2,044 ha in 2018/19, and 920 ha in 2017/18 were evacuated and restored respectively.</li> </ul>

<p>Improve forest tenure, ensure carbon rights, and fair and equitable benefit sharing</p>	<ul style="list-style-type: none"> <li>• The National Forest Policy 2019 and the National Climate Change Policy 2019 have provisions for forest tenure security of women, Indigenous Peoples, Madhesi, Dalits, local communities, and forest- dependent poor.</li> <li>• The Forest Act 2019 and its Regulations 2022; and the Environment Protection Act 2019 and its Regulations 2020 have made provisions for carbon trade.</li> <li>• Rule 115 of Forest Regulations 2022 highlights benefit sharing mechanism as follows: <ul style="list-style-type: none"> <li>- Management of Forest Development Fund-10%</li> <li>- Forest Management Authority or User Group- 80%</li> <li>- Private Forest Owner-5%</li> <li>- Forest-dependent households not affiliated with user group-5%</li> </ul> </li> <li>• The amount allocated to the forest management authority and user groups should be spent on activities mentioned in the emission reduction program document.</li> </ul>
<p>Enhance the role of the private sector in forestry to promote forest-based enterprises for livelihood and economic development</p>	<ul style="list-style-type: none"> <li>• Out of the 45,549 agriculture and forest-based enterprises in Nepal, 12,591 (around 28%) were forest-based enterprises (Paudyal, 2020).</li> <li>• A total of 9,223 forest-based enterprises were established in the country between 2019 and 2023.</li> <li>• Schedule 48 of the Forest Regulations 2022 has made provisions for the collection, sale, and transportation of 28 timber species, 23 MAPs, and 4 NTFPs as agriculture crops.</li> </ul>
<p>Ensure social and environmental safeguards including environment-friendly development</p>	<ul style="list-style-type: none"> <li>• The Constitution of Nepal has guaranteed the right to environmental justice (Art. 30), the right to equality (Art 18), the right against discrimination (Art. 24), the right to information (Art. 27), Women's right (Art. 38), Dalit's rights (Art. 40), rights to social justice including inclusion and participation (Art 42).</li> <li>• The Environmental Protection Act 2019 and its associated Regulations have incorporated strong environmental safeguards measures through environmental assessment (e.g., IEE/EIA) of the development proposals or forest activities (e.g., banning monocultural plantation or forest conversion without IEE/EIA).</li> </ul>

	<ul style="list-style-type: none"> <li>• As per Section 107(2) of the Forest Regulation 2022, it should be ensured by the entity that there will be no environmental and socio-cultural harm during the development and implementation of Emission Reduction programs.</li> <li>• The MoFE and REDD IC initiated the finalization of the REDD+/ER Program FPIC Guideline to operationalize these domestic legal provisions on FPIC with detailed steps and processes.</li> <li>• Sections 12 and 42 of the Forest Act, 2019 and Chapter 12 (Rules 87-103) of Forest Regulation 2022 have made specific provisions to avoid forest areas in infrastructure development and resettlement and make compulsory provisions for tree planting to compensate for forest areas being cleared.</li> </ul>
<p>Strategy Establish and maintain a robust and well-functioning national forest monitoring system</p>	<ul style="list-style-type: none"> <li>• National Forest Information System (NFIS) and National Forest Database (NFD) system were developed in 2016 to meet one of four designed elements under the UNFCCC (Paragraph 71 Decisions1/CP.16), while in 2024 the NFIS is updated with the data in it.</li> <li>• FRTC is the mandated government agency to operate and update NFMS and carry out forest resource inventory in Nepal supporting and related to REDD+ for which the government is allocating resources for the purpose.</li> <li>• The National Land Cover Monitoring System was developed by the FRTC for Nepal in 2021, which now provides annual land cover maps by using consistent remote sensing dataset from 2000- 2023.</li> <li>• FRTC has completed National Bamboo Resource Assessment, providing information on bamboo distribution, areas and biomass estimates.</li> <li>• Rules 134 and 135 of the Forest Regulation 2022 have given responsibilities to the different levels of forest agencies for the monitoring and reporting of forest data and information from the local to national level.</li> </ul>

Source: Adapted and updated from the NRS Review Report, 2024.

### **15.3 Scope and Scale of REDD+ Activities Implemented (2022–2023)**

#### **15.3.1 Distribution of Activities by Province**

During the monitoring period:

- Bagmati Province implemented activities primarily focusing on green infrastructure development, assisted natural regeneration and restoration, policy and institutional support, and MRV capacity building.
  - Lumbini Province placed strong emphasis on assisted natural regeneration, sustainable forest management, forest fire management, and green infrastructure development.
  - Gandaki Province focused its efforts on green infrastructure development, assisted natural regeneration, policy and institutional support, and MRV-related capacity building.
- This distribution reflects differences in forest conditions, dominant drivers of degradation, and provincial implementation priorities within the accounting area.

### **15.3.2 Implemented Activities**

To operationalize REDD+ priorities specific to the TREES accounting area, 11 Emission Reductions and Removals (ERRs) intervention areas were identified. These intervention areas consolidate government and partner activities implemented through DFO annual workplans and aligned programs. During the 2022–2023 monitoring period, a large number of ERR-contributing activities were implemented across Bagmati, Gandaki, and Lumbini Provinces, disaggregated by intervention type as follows.

The Integrated Implementation Monitoring Report of Interventions consolidates activities that had already been implemented across the TREES accounting area and aligns them retrospectively with the defined ERR intervention areas. The report was designed both as a documentation and alignment tool, reflecting actions implemented during the monitoring period (2022-2023).

The below ERR-contributing activities summarized by intervention areas do not represent the quantified results of emission reductions or removals reported in Section 13. Those results reflect the cumulative impacts of actions undertaken over multiple years, including efforts initiated prior to the monitoring period.

#### *Assisted Natural Regeneration (ANR) and Restoration*

Activities focused on restoring forest landscapes while strengthening community livelihoods and the supply of quality planting materials. Key activities included plantation and replantation in community, leasehold, private, and degraded forests, as well as riverbanks, Chure areas, wetlands, and under transmission lines, using diverse forest species, fruit trees, bamboo, medicinal plants, and other NTFPs. These efforts were supported by fencing, soil and watershed conservation, landslide control, forest rehabilitation, and promotion of natural regeneration through forest protection and patrolling. The intervention also emphasized nursery establishment and improvement, seed collection and management, bamboo propagation, and distribution of seedlings and NTFPs to forest user groups.

#### *Capacity Building for MRV*

Activities strengthened institutional and community capacity for measurement, monitoring,

reporting and verification, including trainings/workshops, coordination meetings, field support and monitoring equipment, mapping and data management activities, and M&E/oversight functions supporting implementation and reporting requirements.

#### *Encroachment Restoration Activities*

These activities targeted rehabilitation and restoration of encroached forest areas and preventive measures, including boundary demarcation and restoration planting, patrolling and enforcement actions, and restoration of degraded/converted sites where implemented by DFOs and partner institutions.

#### *Forest Fire Management Activities*

These activities addressed forest degradation risks from fire through preparedness, prevention, and response, including establishment/maintenance of fire lines, procurement and deployment of fire management equipment, community engagement and trainings, risk-area mapping and planning, awareness campaigns, and restoration of fire-affected sites where applicable.

#### *Grazing Management*

Activities targeted actions to reduce forest degradation from grazing pressure, including site-level measures (as implemented in the accounting area during the monitoring period). (Note: as reflected in the intervention table, grazing management activities were not recorded for Bagmati and Gandaki province due to limited information available).

#### *Green Infrastructure Development*

This was the largest category by number of activities and included nursery establishments, multi-year seedling production and distribution, plantation of timber, fruit, bamboo, grasses, fodder, and medicinal plants in community, leasehold, private, urban, and riverbank areas, and promotion of agroforestry and cluster-based enterprises. Significant investments were made in soil and watershed conservation through landslide stabilization, bioengineering, river and stream channelization, embankments, retaining walls, flood control, irrigation canal protection, and conservation of agricultural, forest and settlement areas. Water-related infrastructure such as conservation ponds, water holes, spring and watershed conservation, wetland management, lake and river restoration was implemented to enhance water security and ecosystem services. Additional targeted action includes establishment of green parks, urban forestry, roadside plantations, eco-clubs, awareness campaigns, trails and eco-tourism infrastructure, forest-based enterprises and processing facilities, and institutional coordination with local governments and communities.

#### *Human–Wildlife Conflict Management Activities*

Activities aimed at reducing risks and impacts related to human–wildlife interactions and strengthening coexistence measures, including preventative measures (e.g., fencing where

applicable), rapid response and rescue support, awareness and community capacity building, and coordination mechanisms implemented within the accounting area.

#### *Policy and Institutional Support*

Activities supported enabling conditions for REDD+ implementation, including planning and coordination workshops; preparation/renewal/support to forest operational plans and implementation arrangements; governance and compliance activities; stakeholder coordination and monitoring; and institutional support functions delivered through DFOs and relevant agencies.

#### *Protected Area Support*

Targeted actions supporting protected area management objectives relevant to forest conservation and ecosystem integrity, including habitat and corridor-related support, conservation management measures, and operational support implemented during the monitoring period.

#### *Sustainable Forest Management (SFM)*

Activities improved forest conservation and management, protection of endangered tree species, promotion of leasehold and community forests, natural regeneration of tree species, and control of invasive species. Complementary measures include piloting forest management activities at the community level, promotion of forest-based enterprises, promotion of income-generating activities for poor households, and awareness campaigns on forest and wildlife, and SFM-aligned actions implemented through DFO and community plans.

#### *Alternative Energy Promotion*

A limited number of activities were recorded under this category during the monitoring period due to limitations in the available information.

#### **Data sources and reporting period alignment**

Activity presented in this section were synthesized from GoN fiscal-year– financial data published from provincial finance ministries, including Division Forest Office (DFO) annual work plans, progress reports, and provincial consolidated reports. For the purposes of this Monitoring Report, fiscal-year data have been mapped and aggregated to align with the ART-TREES monitoring period of 2022–2023, ensuring that only activities implemented during the monitoring period are included. <sup>186</sup>

#### **Traceability of reported activities**

All ERRs contributing activities summarized above represent implementation actions recorded

---

<sup>186</sup> Assumptions and limitations related to the estimation of activities implemented under different intervention types have been documented in the Integrated management report in detail.

in implementing agency documentation. These activities are traceable to underlying records, including DFO annual work plans and implementation reports and minutes, provincial program summaries, and partner program documentation. Supporting records are maintained by the responsible implementing agencies and are available for verification upon request

#### **15.4 Safeguards Implementation During the Monitoring Period**

Safeguards were applied as an integral component of all REDD+-aligned activities implemented during the 2022–2023 monitoring period, in accordance with national legislation, the National REDD+ Strategy (2018), and the safeguard commitments described in the Registration Document and this Monitoring Report (section 7). Safeguards implementation followed a **differentiated approach**, reflecting the nature and scale of activities implemented under the 11 ERR intervention areas.

##### **15.4.1 Differentiated Safeguards Approach**

REDD+ activities implemented during the monitoring period can be broadly categorized into:

- Policy, institutional, and system-level activities, and
- Site-specific, on-the-ground activities.

Safeguards application differed between these categories, while remaining consistent with national safeguard frameworks.

##### **Policy and system-level activities**

Policy and system-level activities included interventions such as policy and institutional support, capacity building for MRV, planning and coordination workshops, forest management plan preparation or renewal, monitoring and reporting system strengthening, and governance and enforcement support.

These activities did not involve physical land-use change or site-specific interventions and therefore did not trigger site-level environmental or social risk. Safeguards for these activities were addressed through:

- compliance with national legal and regulatory frameworks.
- institutional mandates and codes of conduct governing government agencies;
- participatory planning and consultation requirements embedded in forest governance processes;
- oversight through existing grievance redress mechanisms and administrative accountability systems.

##### **Site-specific activities**

Site-specific activities included assisted natural regeneration and restoration, green infrastructure development, sustainable forest management operations, forest fire

management, encroachment restoration, grazing management, protected area support, human–wildlife conflict management, and limited alternative energy promotion.

For these activities, safeguards were applied through:

- implementation under approved forest management or operational plans (e.g. CFUG, LFUG, protected area management plans), which incorporate environmental and social safeguards requirements;
- application of national environmental assessment procedures (IEE/EIA), where required by law;
- participatory planning and decision-making at community and local levels;
- mandatory inclusion and representation provisions under the Forest Act and Forest Regulations;
- monitoring and oversight by Division Forest Offices and relevant authorities.

### **15.5 Contribution to Sustainable Development Goals During the Monitoring Period**

Nepal does not have a standalone national sustainable development framework separate from the United Nations Sustainable Development Goals (SDGs). Accordingly, the contribution of REDD+ activities implemented during the 2022–2023 monitoring period is articulated using the UN SDGs, consistent with Section 15 of the Registration Document and the National REDD+ Strategy (2018).

During the monitoring period, REDD+ activities implemented in the TREES accounting area continued to be guided by the NRS (2018), which was explicitly designed to support Nepal’s contribution to the SDGs through the integration of climate mitigation, sustainable forest management, and inclusive development. The SDG contributions reported below reflect on-the-ground implementation of REDD+-aligned activities during 2022–2023, rather than strategic intent or future commitments.

#### **15.5.1 Climate and Environmental Outcomes**

REDD+ activities implemented during the monitoring period contributed directly to:

- **SDG 13 (Climate Action)** through actions to reduce emissions from deforestation and forest degradation, enhance forest carbon stocks, and strengthen ecosystem resilience. Implemented activities included forest protection, assisted natural regeneration and restoration, sustainable forest management, forest fire management, and strengthening of forest monitoring and MRV systems.
- **SDG 15 (Life on Land)** through sustainable forest management, conservation of forest ecosystems, biodiversity protection, restoration of degraded forest areas, protected area support, and landscape-level green infrastructure interventions.

These outcomes are consistent with the environmental objectives and intervention areas set out in the NRS (2018) and operationalized through DFO work plans and community-based forest management systems.

#### 15.5.2 Sustainable Production and Livelihood Outcomes

REDD+ implementation during the monitoring period also supported:

- **SDG 12 (Responsible Consumption and Production)** through promotion of sustainable harvesting practices, improved forest product management, strengthened forest governance, and enhanced planning and monitoring of forest resource use.
- **SDG 1 (No Poverty)** and **SDG 8 (Decent Work and Economic Growth)** through forest-based livelihood activities, employment associated with restoration, sustainable forest management, green infrastructure development, and forest-based enterprises implemented under community forestry and related regimes.

These contributions reflect the strategy's emphasis on addressing underlying social and economic drivers of forest loss while maintaining forest ecosystem integrity.

#### 15.5.3 Gender Equality, Social Inclusion, and Equity

Consistent with the NRS (2018–2022), REDD+ activities implemented during the monitoring period contributed to:

- **SDG 5 (Gender Equality)** and **SDG 10 (Reduced Inequalities)** through gender-responsive and socially inclusive forest governance arrangements, equitable benefit-sharing mechanisms, and targeted inclusion of women, Indigenous Peoples, Dalits, Madhesis, and forest-dependent communities.

These outcomes were operationalized through community-based forest management, participatory planning processes, mandatory representation provisions under national forest regulations, and safeguards implementation mechanisms applied across REDD+ activities during the monitoring period.

## 16. CHANGES

*Please identify any major program changes since the submission of the last TREES Document (TREES Registration Document or the last TREES Monitoring Report) including changes to Participant or partners, accounting area, and emission reduction and removal rights agreements or plans to achieve rights.*

No major changes against the TRD have been made.