

INTEGRATED SAFEGUARDS DATA SHEET

IDENTIFICATION / CONCEPT STAGE

Report No.: ISDSC18644

Date ISDS Prepared/Updated: 24-Aug-2016

I. BASIC INFORMATION

A. Basic Project Data

Country:	Nepal	Project ID:	P160523
Project Name:			
Team Leader(s):	Abdelaziz Lagnaoui, Andrea Kutter		
Estimated Date of Approval:	20-Sep-2016		
Managing Unit:		Lending Instrument:	IPF
Financing (in USD Million)			
Total Project Cost:	0.25	Total Bank Financing:	0
Financing Gap:	0		
Financing Source			Amount
Financing Gap			0.25
Environment Category:	C - Not Required		

B. Project Development Objective(s)

The objective of this project is to support the Government of Nepal with the preparation of Nepal's Forest Investment Plan and enhance its capacity for implementation.

C. Project Description

In March 2015, the Government of Nepal submitted an Expression of Interest (EoI) to participate in the FIP to the FIP Sub-Committee. The EoI provided a description of the country and sector context, forest-related climate change mitigation potential, drivers of deforestation and potential investments needed to address those, as well as the potential to generate enhanced development co-benefits, as required by the FIP. The major barriers for reducing /avoiding deforestation and forest degradation as outlined in the EOI included:

- Lack of political will to take a transformational change in forest governance;
- Inadequate financial resources for intensive implementation of SFM;
- Lack of research needed for strong policy decisions;
- Weak governance (including institutional capacity, and law enforcement)
- Inadequate technical capacity among forest officials, user groups and local institutions;

The information provided in the EoI remains relevant and current. Hence the FIP resources will be used to address the challenges listed above. The main activities to accomplish the objective of this

project will include:

- Review and analysis of national strategies and plans relevant for forests and climate change, including REDD+;
- Identification of the main areas of investment to be co-financed by the FIP;
- Hiring of consultants to prepare thematic studies which will inform the investment plan in accordance with FIP criteria;
- Stakeholder meetings and consultations to discuss the investment plan;
- Finalization of the investment plan and presentation to the FIP Sub-Committee for endorsement in May 2017.

The Government of Nepal is committed to address Nepal's forest challenge and is eager to expand the contribution of forests and trees to the national economy while improving forest governance and private sector engagement. During the preparation of the investment plan, priority areas of action to be co-financed by the FIP will be identified through a consultative process.

The FIP IP is envisaged to position the country to avail of available and potential new financing such as from the Green Climate Fund and other bilateral and multilateral financing sources.

D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

No investments or pilot activities will be undertaken on site. The investment plan will be prepared for the country and will be based on the country's REDD+ Readiness (draft) strategy, the draft forest sector master plan as well as the climate change strategy and will identify potential areas for investment.

E. Borrower's Institutional Capacity for Safeguard Policies

The REDD Implementation Center has been trained on Safeguards issues as they related to Forestry, Indigenous peoples, REDD and FIP processes. Staff of the Center successfully implemented the REDD Readiness preparation project, recently completed as such are familiar with the requirement of the Bank safeguard policies.

The AF to further advance the REDD readiness process supported through the FCPF will revisit and modify the SESA conducted during the original readiness grant and inform the ESMF. The GoN will lead that process. FIP will build on the additional information generated through the additional finance, including the development of a feedback and grievance mechanism.

F. Environmental and Social Safeguards Specialists on the Team

Annu Rajbhandari (GEN06)

Bandita Sijapati (GSURR)

Haddy Jatou Sey (GSU02)

II. SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/ BP 4.01	Yes	This policy and OP4.10 are triggered to indicate that the team acknowledges that the project concepts included in the investment plan are likely to have environmental and social issues

		that need to be addressed during project preparation. However, during plan preparation, activities will only be limited to review and consultations based on the country's existing national forest/climate change strategies and other relevant sectoral policies and strategies. No on-site investments or changes or revisions to forest or other policies will be carried out. If, after the endorsement of the Plan the World Bank agrees to finance one of the projects, then relevant Bank policies and procedures including safeguard policies, will be applied during project preparation. It is proposed that environmental and social screening of proposed investment project concept and the investment plan disclosure and consultation will be carried out per the guidance and requirements of the FIP Design Document and the FIP investment criteria. However, environmental and social screening would be carried out after the investment plan is prepared as the investment plan only include the concepts of investment projects.
Natural Habitats OP/BP 4.04	No	No on-site investments or changes or revisions to forest or other policies will be carried out
Forests OP/BP 4.36	No	No on-site investments or changes or revisions to forest or other policies will be carried out
Pest Management OP 4.09	No	No on-site investments or changes or revisions to forest or other policies will be carried out
Physical Cultural Resources OP/BP 4.11	No	No on-site investments or changes or revisions to forest or other policies will be carried out
Indigenous Peoples OP/BP 4.10	Yes	This policy is triggered to acknowledge that the investment plan may include project concepts that are likely to address indigenous peoples issues. During plan preparation, consultations will be held with several stakeholder groups including Indigenous Peoples groups per FIP guidance on consultations. The investments supported through the FIP will be complemented by a Dedicated Mechanism for Indigenous Peoples and Local Communities. Feedback from all stakeholders will also be obtained by the government during the public disclosure of the draft plan.
Involuntary Resettlement OP/BP 4.12	No	No on-site investments or changes or revisions to forest or other policies will be carried out

Safety of Dams OP/BP 4.37	No	No on-site investments or changes or revisions to forest or other policies will be carried out
Projects on International Waterways OP/BP 7.50	No	No on-site investments or activities that would involve International waterways
Projects in Disputed Areas OP/BP 7.60	No	No on-site investments or activities that would involve Disputed areas

III. SAFEGUARD PREPARATION PLAN

Appraisal stage ISDS required?: No

IV. APPROVALS

Team Leader(s):	Name: Abdelaziz Lagnaoui, Andrea Kutter	
Approved By:		
Safeguards Advisor:	Name: Maged Mahmoud Hamed (SA)	Date: 21-Sep-2016
Practice Manager/ Manager:	Name: Abdelaziz Lagnaoui (PMGR)	Date: 21-Sep-2016

¹ Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) at the InfoShop and (ii) in country, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.