



Concept Environmental and Social Review Summary

Concept Stage

(**ESRS Concept Stage**)

Date Prepared/Updated: 04/05/2024 | Report No: ESRSC04229



I. BASIC INFORMATION

A. Basic Operation Data

Operation ID	Product	Operation Acronym	Approval Fiscal Year
P505651	Investment Project Financing (IPF)	EnABLE	2025
Operation Name	Nepal Enhancing Access to Benefits while Lowering Emissions		
Country/Region Code	Beneficiary country/countries (borrower, recipient)	Region	Practice Area (Lead)
Nepal	Nepal	SOUTH ASIA	Social Sustainability and Inclusion
Borrower(s)	Implementing Agency(ies)	Estimated Appraisal Date	Estimated Board Date
Federation of Community Forestry Users Nepal (FECOFUN), Tharu Welfare Society, National Federation of Indigenous Women , Rastriya Dalit Network, Nepal Federation of indigenous Nationalities (NEFIN), Dalit Alliance for Natural Resources, Nepal (DANAR, Nepal)	Asia Network for Sustainable Agriculture and Bio-Resources		28-Mar-2025
Estimated Concept Review Date	Total Project Cost		
28-Jun-2024	4,000,000.00		

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Proposed Development Objective

The project aims to increase the inclusion of marginalized groups in decision-making processes and access to benefits provided by the Emission Reductions (ER) Program and associated Benefit Sharing Plan (BSP); Marginalized groups



include Indigenous Peoples, Dalit, Madheshi Muslims, Persons with Disabilities (PWDs) and women, in targeted districts and local communities of the Terai Arc Landscape.

B. Is the operation being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?

No

C. Summary Description of Proposed Project Activities

[Description imported from the Concept Data Sheet in the Portal providing information about the key aspects and components/sub-components of the project]

EnABLE is a Global Trust Fund (TF) set up as an important complement to Nepal’s Emissions Reduction Programs (ERP) and a critical part of the Bank’s overall approach to delivering on President Banga’s commitment to social inclusion within high-integrity carbon markets. EnABLE complements the Benefit Sharing Plans established under each ERP by providing direct funding to Indigenous Peoples (IPs), women and vulnerable local communities to ensure their capacity to access the benefits and opportunities provided by the Forest Carbon Partnership Facility (FCPF, Carbon Fund) through the Emissions Reduction Purchase Agreement (ERPA) in eligible countries. The Nepal Country Programming for the Enhancing Access to Benefits while Lowering Emissions (EnABLE) aims to increase the inclusion of marginalized groups in decision-making processes and access to benefits provided by the Emission Reductions Program (ERP) and associated Benefit Sharing Plan (BSP). EnABLE interventions are focused in four ER districts across three provinces: Kanchanpur and Kailali in the Sudurpaschim province, Chitwan in the Bagmati Province, and Nawalpur in the Gandaki province, and target the most marginalized groups including Indigenous Peoples, Dalit, Madheshi Muslims, Persons with Disabilities (PWDs). EnABLE interventions are envisioned to contribute to two broad outcomes; i) enhanced participation of marginalized communities in ERP and their access to carbon and non-carbon benefits ii) improved livelihoods of marginalized communities and their resilience to climate change. The project activities focus on strengthening community and institutional capacity for inclusive ERP processes and access to benefits (Components 1 and 3), supporting low-carbon and climate-resilient livelihoods (Component 2), supporting traditional knowledge and institutions in their contribution to sustainable management of natural resources (Component 3), and increasing community participation in climate actions (Components 2,3 and 4).

D. Environmental and Social Overview

D.1 Overview of Environmental and Social Project Settings

[Description of key features relevant to the operation’s environmental and social risks and opportunities (e.g., whether the project is nationwide or regional in scope, urban/rural, in an FCV context, presence of Indigenous Peoples or other minorities, involves associated facilities, high-biodiversity settings, etc.) – Max. character limit 2,000]

The project will be implemented in the two most disadvantaged regions (Sudurpaschim and Madhesh Province) of the Terai Arc Landscape. However the exact location for the interventions have not been yet identified. All the engagements will be located in the southern part of the country that hosts twenty percent of the country’s forest covers which is characterized by a network of productive forests, biodiversity, wetlands, agricultural lands, and urban/semiurban areas. The Sudurpaschim province constitutes of hilly area and flat land at the southern part.

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Indigenous peoples (IPs) and local communities (LCs) have been living in the project area for generations, and their cultural and traditional values associated with natural resources in forests have contributed to the conservation and protection of forests in that same area. Sudurpaschim and Madhesh Provinces are currently inhabited by the following broad groups of people:

- i) Groups comprised of Hindus and Adhibasi/Janajatis (IPs) of Hill origin who migrated to and settled in the area, particularly after 1950;
- ii) People who have been living in the region for centuries and prefer to be recognized as Adhibasi/Janajatis of the Nepal Terai. These include the Tharus, Dhimals, Tajpuriya, Rajbanshis, Gangai, Majhis, Kumal, Darai and Danuwar.
- iii) People of the Terai Hindu (also known as Madhesi) with a social structure including the Brahmins (Maithili) and untouchables (Dom, Halkhor).
- iv) Muslims.
- v) Others (e.g., the merchant groups of Indian origin such as Marwaris, Bengalis and Sikhs).

These communities have vital dependence on forest based natural resources and play an important role in maintaining forest ecosystems with local knowledge. These people play a significant role in the region’s agriculture and contribute to its cultural diversity. In the Terai region, women play a large role in forest management across all groups but are often excluded from decision-making.

D.2 Overview of Borrower’s Institutional Capacity for Managing Environmental and Social Risks and Impacts

[Description of Borrower’s capacity (i.e., prior performance under the Safeguard Policies or ESF, experience applying E&S policies of IFIs, Environmental and social unit/staff already in place) and willingness to manage risks and impacts and of provisions planned or required to have capabilities in place, along with the needs for enhanced support to the Borrower – Max. character limit 2,000]

The Project will be implemented by a lead Nepal based NGO managing a consortium of key Representational organizations of different marginalized groups. Lead NGO for implementation is not known at this stage. The representative organizations will co-design the TORs for the lead NGO, including the legal accountability mechanisms that will be required for compliance with World Bank fiduciary and E&S requirements. The key representational organizations that have been identified at concept stage include: the Nepal Federation for Indigenous Nationalities (NEFIN), National Federation for Indigenous Women (NIWF), Federation of Community Forest User Groups Nepal (FECOFUN), Rastriya Dalit Network (RDN), Dalit NGO Federation (DNF), Tharu Welfare Society, Nepal Indigenous Disabled Association (NIDA) and National Indigenous Disabled Women Association Nepal (NIDWAN). Selected lead NGO will be responsible for oversight, reporting and compliance with the applicable Environmental and Social Standards of the ESF.

II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC)

Moderate

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A.1 Environmental Risk Rating

Moderate

[Summary of key factors contributing to risk rating, in accordance with the ES Directive and the Technical Note on Screening and Risk Classification under the ESF – Max. character limit 2,000]

This project will support mainly in capacity building of CFUGs in marginalized areas targeted for carbon finance through ERP. The activities will mainly constitute of trainings, mentoring and coaching on the ER-P and BSP, decision making and others. Component 2 in particular envisions to provide grants for tree planting on private landholdings of marginalized IPLC for supporting in livelihood and reducing pressures on firewood, timber and other products. Component 3 will build upon the activities of components 1 and 2 to promote awareness and help facilitate more productive relationships and decision making among key stakeholders in the forestry and IPLC sectors to contribute to broader efforts for locally led climate action. These aforementioned activities are expected to be positive overall, given that the activities are small in scale, limited in scope. The envisaged environmental risks of the project are associated with biodiversity, forests, health and safety, and use of chemicals, herbicides and pesticides. Possible negative impacts from these small-scale investments are expected to be minor, localized, and reversible. Considering, that the scale and type of activities supported are not yet confirmed by the project the environmental risk is moderate. However, the risks will be revised during the appraisal.

A.2 Social Risk Rating

Moderate

[Summary of key factors contributing to risk rating, in accordance with the ES Directive and the Technical Note on Screening and Risk Classification under the ESF – Max. character limit 2,000]

The social risks associated with the project activities at this stage are deemed moderate. Activities with potential adverse risks and impacts on human population is not anticipated. Project will support livelihood activities, private plantation and others but does not envisage construction/civil works that involve physical and economic displacement. With its primary focus on the marginalized groups in forestry sector, project is expected to have positive social impact through improved capacity of these groups to understand and participate in the decision making and mechanisms of benefit sharing related to ERP and, opportunities and benefits provided by the Nepal forest landscape program. Considering the multiple dimensions of exclusion, the project will support a range of targeted interventions/stakeholder engagements to allow/improve inclusive decision making and participation in the larger forest program. While all activities will be targeted on the marginalized group, there is a need for priority setting process that is transparent and inclusive to ensure the most vulnerable among the marginalized have opportunities to participate and benefit from the project and also prevent potential conflict among the IPLCs. The social risks will be assessed during subsequent updates of ESRS and project appraisal.

A.3 Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) Risk Rating

Moderate

[Summary of key factors contributing to risk rating. This attribute is only for the internal version of the download document and not a part of the disclosable version – Max. character limit 2,000]

The project's SEA/SH risk is assessed to be 'moderate' using the World Bank's standard tool on Social Protection. The project's focus on capacity building activities for forest dependent marginalized communities and on private smallholder farmers with subgrants for plantations will involve interactions and exposure of girls and women, leaving them vulnerable to potential SEA/SH risks. The implementation modality through a lead NGO to execute project activities leaves the project with limited mechanism and institutional capacity and skills to manage and potential SEA/SH risks, undermining the project's response to such risks. The project can also be affected by harmful practices in communities e.g. trafficking of girls, domestic violence, witchcraft accusation etc. which is an existing reality in both the project areas. The project will develop SEA/SH mitigation measures with key activities including the mapping of

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service provider, code of conduct, procedure for SEA/SH grievances within GRM, appointment of a GBV focal person. The SEA/SH risk is recommended to be reviewed as more information and details of the project are developed.

B. Relevance of Standards and Policies at Concept Stage

B.1 Relevance of Environmental and Social Standards

ESS1 - Assessment and Management of Environmental and Social Risks and Impacts Relevant

[Optional Explanation - Max. character limit 1,000]

This standard is relevant. The proposed project is expected to have positive and beneficial impacts on the IPLCs in participating provinces/districts as it will support capacity strengthening, knowledge sharing and development of guidelines and standards, communication materials and livelihood strategies including small scale activities is like private tree plantation targeting the marginalized groups in forestry sector. The project will not finance any civil works. The main environmental and social risks related to the project are associated with biodiversity, forests, health and safety, use of chemicals, herbicides and pesticides, solid waste management, cultural heritage, indigenous peoples and vulnerable and disadvantaged groups. Potential E&S risks and impacts associated with the project activities are likely to be predictable, minimal, site-specific and manageable.

ESS10 - Stakeholder Engagement and Information Disclosure Relevant

[Optional Explanation - Max. character limit 1,000]

Given this project is community-based, an effective and continuous participation of IPLCs will be pursued for effective design and implementation of the project. Several consultations have been undertaken with members of CFUGs in the TAL district as well as key organizations at provincial and federal level has also been carried out during ENABLE preparation stage to inform project design. Lead NGO will undertake activities to ensure relevant stakeholders are well informed and engaged throughout project implementation. The Project will also support activities to strengthen the capacity of the marginalized groups, and determine topics of importance such as land and resource tenure rights, forest stewardship roles, and traditional forest management knowledge and systems will be taken up by the federal REDD+ authorities. A Stakeholder Engagement Plan (SEP) will be prepared and will be disclosed prior to appraisal, consistent with the requirements of ESS10.

ESS2 - Labor and Working Conditions Relevant

[Optional Explanation - Max. character limit 1,000]

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This standard is relevant. The Project will require services of direct workers, contracted workers and community workers such as project staff, consultants, firms, community people, etc. to help implement the project activities. For this, the contracts for the consultants, direct workers and community workers will ensure that relevant aspects of ESS2 apply to Project workers, as appropriate, in accordance with the type of workers involved in the Project, including, inter alia, by adopting clear terms and conditions of employment, and adequate occupational, health and safety measures. The lead NGO will also comply with all relevant international laws and regulations for labor and health and safety (GIIP) and national laws and regulations. Labor Management Procedure for direct workers and contractors will also be developed proportional to the risk and will be integrated into the ESCP.

ESS3 - Resource Efficiency and Pollution Prevention and Management Relevant

[Optional Explanation - Max. character limit 1,000]

This standard is relevant. The project will not directly finance the use of pesticides but there is the possibility of herbicides and pesticides being used to protect the planted saplings and eliminate invasive plants and natural vegetation cover, which could impact soil health and human health, while also polluting nearby streams and water bodies. Therefore, ESS3 is relevant. The project will promote integrated pest management (IPM) approaches and minimize the application of pesticides to reduce risks to human health and the environment, particularly in situations when pesticide and herbicide use may increase as a result of the project. The measures and approach for addressing the risks will be included as part of the ESMP.

ESS4 - Community Health and Safety Relevant

[Optional Explanation - Max. character limit 1,000]

This standard is assessed to be relevant to the project as there is a possibility of the local community being affected from the use of hazardous materials like pesticides and insecticides in the project that would expose communities to health and safety risks. The measures for addressing the aforementioned risks will be included as part of the ESMP. This will be further assessed and confirmed during preparation.

ESS5 - Land Acquisition, Restrictions on Land Use and Involuntary Resettlement Not Currently Relevant

[Optional Explanation - Max. character limit 1,000]

ESS6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources Relevant

[Optional Explanation - Max. character limit 1,000]

ESS6 is relevant as the project activities will take place in and around forests, with impacts on terrestrial ecosystems. Over harvesting of timber and other forest resources, and overuse of pesticides and insecticides will likely have a negative impact on the biodiversity, thus leading to decline of resources and lost species. Moreover, tree planting schemes in dedicated plots or in off-reserve areas may have both negative and positive impacts on the associated ecosystems. The measures for addressing the aforementioned risks will be included as part of the ESMP.

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ESS7 - Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities

Relevant

[Optional Explanation - Max. character limit 1,000]

This standard is relevant. ENABLE project will provide direct support to the indigenous peoples in the area. Any activities supported by the project will not have negative impact on IPs. Given the heavy ethnic composition of the project location, IPs (together with vulnerable local communities similar to them) are expected to constitute the overwhelming majority of project beneficiaries, and consequently the elements of an Indigenous Peoples Plan and similar instruments will be incorporated into the project design, including the ESCP, SEP. During preparation, the project will be consulted on more widely with IP representatives at multiple levels, to promote broad support of the ENABLE. All of this will be described in the SEP and Environmental and Social commitment Plan (ESCP) for the project, as appropriate. The project is not expected to support activities that would trigger Free, Prior and Informed Consent (FPIC). This will be further assessed and confirmed during preparation.

ESS8 - Cultural Heritage

Relevant

[Optional Explanation - Max. character limit 1,000]

As there are many examples of tangible and intangible cultural heritage in the project area, and the project implementing entities would have a heightened sensitivity to these forms of cultural heritage, ESS8 is relevant. Given the nature of ENABLE project, adverse impacts on this cultural heritage, which includes sacred trees, religious forests, temples, and so forth, are not expected. Relevant screening, mitigation, management, and monitoring procedures for sites of interest from a cultural heritage perspective will be included in the ESCP prepared for the project.

ESS9 - Financial Intermediaries

Not Currently Relevant

[Optional Explanation - Max. character limit 1,000]

B.2 Legal Operational Policies that Apply

OP 7.50 Operations on International Waterways

No

OP 7.60 Operations in Disputed Areas

No

B.3 Other Salient Features

Use of Borrower Framework

No

[Optional explanation – Max. character limit 1,000]

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Use of Common Approach

No

[Optional Explanation including list of possible financing partners – Max. character limit 1,000]

B.4 Summary of Assessment of Environmental and Social Risks and Impacts

[Description provided will not be disclosed but will flow as a one time flow to the Concept Stage PID – Max. character limit 5,000]

The E&S risk of the project is moderate. Activities with potential adverse risks and impacts on human population and environment are not anticipated. Project will support livelihood activities, private plantation and others but does not envisage construction/civil works that involve physical and economic displacement. With its primary focus on the marginalized groups in forestry sector, project is expected to have overall positive impact through improved capacity of these groups to understand and participate in the decision making and mechanisms of benefit sharing related to ERP and, opportunities and benefits provided by the Nepal forest landscape program.

The main environmental and social risks related to the project are associated with biodiversity, forests, health and safety, use of chemicals, herbicides and pesticides, solid waste management, IPs, vulnerable/disability and cultural heritage. Potential E&S risks and impacts associated with the project activities are likely to be predictable, minimal, site-specific and manageable.

C. Overview of Required Environmental and Social Risk Management Activities

C.1 What Borrower environmental and social analyses, instruments, plans and/or frameworks are planned or required by Appraisal?

[Description of expectations in terms of documents to be prepared to assess and manage the project’s environmental and social risks and by when (i.e., prior to Effectiveness, or during implementation), highlighted features of ESA documents, other project documents where environmental and social measures are to be included, and the related due diligence process planned to be carried out by the World Bank, including sources of information for the due diligence - Max. character limit 3,000]

Prior to appraisal, consistent with the requirements of ESS10, the Borrower needs to prepare and disclose a Stakeholder Engagement Plan (SEP) which will address the needs and interests of IPLC organizations, with particular focus on the marginalized groups involved in forestry in Nepal. Before the appraisal the borrower will prepare and disclose ESCP with actions and measures agreed with the Bank.

III. CONTACT POINT

Contact Point

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IV. FOR MORE INFORMATION CONTACT

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V. APPROVAL

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