

May 25, 2013

**Comments from Germany and Spain on Approval by Mail: Nepal: Endorsement
of Concept for Additional Resources (ADB)**

Dear Andrea,

Pls have it posted to the web site and forwarded to the Nepal team.

Thanks very much

Annette

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Joint Spanish and German Comments

Comments on proposed project: Nepal



SPCR Component 1: Building Climate Resilience of Watersheds in Mountain Eco-Regions (Use of Additional PPCR Resources)

Summary

On 30 June 2011 we have sent our comments on Nepal's Strategic Programme for Climate Resilience. Regarding Component 1 of the SPCR we appreciate that additional resources will be used to implement further subprojects in order to provide additional beneficiaries with water supply (for drinking and irrigation) during the dry months. We welcome how the project proposal builds on findings and key recommendations from the national strategies and plans, e.g. the National Adaptation Programme of Action (NAPA), reports and assessments under relevant conventions, and especially the experiences gained by the Department of Soil Conservation and Watershed Management (DSCWM) of the Ministry of Forests and Soil Conservation. Also, the choice of the six districts in the Lower West Seti and Budhi Ganga watersheds is well suited in order to address the negative impacts of forest and rangeland degradation while using natural infrastructure to increase resilience of communities to climate change. We have no objections to the implementation of the project. We however would like to see our concern regarding the delay in project preparation and some recommendations (see **bold** highlights below) answered or respectively incorporated during project implementation.

Individual Comments on the Proposed Project

We would like to commend the GoN for quickly preparing the proposal, after the approval in nov12 of the allocation of additional resources. On the other hand, we note that the project is significantly delayed. The project is scheduled to be submitted for SC approval in September 13 and is already under the red light. Reasons given are "unforeseen financing plan changes and additional co-financing that had to be sought". At the same time, the Government has decided not to request any PPCR concessional credits. **We would seek clarification** about these unforeseen changes in the financial plan and about the measures that are being taken to increase co-financing. **Furthermore**, it would be interesting to know if the increase in the allocation of funds to this project is expected to cause additional delays in the project submission.

We very much welcome the involvement of relevant stakeholders in the development of the project (government and non-government) as well as the emphasis in generating lessons learned for other areas in and outside the country.

We also welcome the inclusion of the impact indicator "*Livelihoods improved and CC resilient for communities within CC vulnerable watersheds*". **However, we recommend providing**



further information on how this will be measured. Further we recommend that the indicator is also disaggregated by gender. As already mentioned in our previous SPCR comments, **we recommend developing gender-sensitive impact indicators in the preparation phase especially for this Component, as women will be both key target groups and crucial stakeholders for a successful implementation. We consider it important to take into account gender aspects especially regarding the mentioned activity 1.3. “Clarify the roles of watershed stakeholders and their rights in relation to watershed management, and improve watershed management governance”.**

Synergies with other donors – in particular German – Climate Change Related Engagement in the Country / Region

In our comments to the SPCR document we have already highlighted relevant links to the on-going German support in Nepal. Regarding the vulnerability to climate change and variability for livelihoods, we would like to add further information on the Kailash Sacred Landscape Conservation and Development Initiative (KSLCDI) in collaboration with the International Centre for Integrated Mountain Development (ICIMOD). KSLCDI is a long-term collaborative programme around the Kailash Sacred Landscape (KSL) transboundary area in China, India, and Nepal. Its five-year period plan (2012-2016) aims to contribute to the sustainable development of the KSL by applying ecosystem management approaches and building on the strengths of the region while considering climate change impacts. Although the **KSLCDI** is not working in the districts of the PPCR project, **cooperation and exchange of experiences would be useful and might be established in order to optimize the utilization of natural resources from various altitudes** (top of the mountains down to the valleys and plains).