

Developing Climate Resilient Livelihoods in the Vulnerable Watershed in Nepal (DCRL)

Mid Term Review Report

Final version

UNDP Ministry of Forests and Environment, Department of Forests and Soil Conservation

PIMS #5434, GEF ID 6989

GEF Focal Area: Climate Change CCA - I, CCA - 3

MTR Period (November-December, 2022)

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For any lapse or error in this MTR report, the responsibility rests solely with us.

Thank you all.

Disclaimer

The findings, interpretations, and conclusions expressed in this Report are of the MTR Team, hence do not necessarily reflect the official views of donor agency i.e., GEF and Government counterparts as well as UNDP. For more information, please contact MTR team at sabine.s@runbox.com and drrgautam@gmail.com.

Acronyms and Abbreviations

AFS	Agriculture and food security
APR	Annual Progress Report
AWP	Annual Work Plan
BMC	Basin Management Center
CAPA	Community Adaptation Plan of Action
СВО	Community Based Organization
CCA	Climate Change Adaptation
CSO	Civil Society Organization
CFUG	Community Forest User Groups
DCRL	Developing Climate Resilient Livelihoods (Project)
DFO	District Forest Office
DoA	Department of Agriculture
DoHM	Department of Hydrology and Meteorology
DRR	Disaster Risk Reduction
DSCO	District Soil Conservation Office
DoFSC	Department of Forests and Soil Conservation
EbA	Ecosystem-based Adaptation
FOP	End of Project
FECOEUN	Federation of Community Forestry Users Nepal
FBWS	Forests biodiversity and watershed conservation
GAP	Gender Action Plan
GFF	Global Environmental Facility
GESI	Gender Equality and Social Inclusion
GESILG	Gender equality and social inclusion livelihoods and governance
60	Government Organization
ΗΜΑΠ	High Mountain Agribusiness and Livelihood Improvement
INGO	International Non Government Organization
InF	Institute of Forestry
	Integrated Watershed Management
KI	Key Informant
KII	Key Informant Interview
	Letter of Agreement
ΙΔΡΔ	Local Level Adaptation Plan of Action
	Least Developed Countries Fund
MOITEE	Ministry of Industry Tourism Forests and Environment
MoFF	Ministry of Forests and Environment
MSC	Most Significant Change
MTR	Mid Term Review
NGO	Non-government Organization
ΝΔΡ	National Adaptation Plan
NCE	No Cost Extension
NDC	Nationally Determined Contribution
NGO	Non Government Organization
	National Implementation Modality
	National Project Director
	National Project Director
	Natural Resource Management
08M	Operation and Maintenance
	Project Advisory Committee
	Project Advisory Committee
	FIDJELL LACULIVE DUBLU Dayment for Ecosystem Services
r l J	Fayment IUF ELUSYSLEIN SEIVILES

PIR	Project Implementation Report
PMU	Project Management Unit
PRF	Project Results Framework
SDG	Sustainable Development Goal
SFDRR	Sendai Framework for Disaster Risk Reduction
SOP	Standard Operating Procedures
ТоС	Theory of Change
ToR	Terms of Reference
TWG	Technical Working Group
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNDP CO	United Nations Development Programme Country Office
UNDP CP	United Nations Development Programme Country Programme
UNEG	United Nations Evaluation Group
UNFCCC	United Nations Framework Convention on Climate Change
USD	United States Dollars
WRE	Water resources and energy

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1. Executive Summary

1.1 Project Information Table

The essentials of the project to be reviewed are as follows:				
UNDP Project ID (PIMS #): 5434		PIF Approval Date: April 10, 2017		
GEF Project ID (PMIS #): 6989		CEO Endorseme	nt Date: April 17, 2020	
ATLAS Business Unit, Award # Pro	j. ID:	Project Docume	nt (ProDoc) Signature Date (date	
00121535		project began):	November 29, 2020	
Country(ies): Nepal		Date project ma	nager hired: April 2021	
Region: Lower Dudhkoshi Waters	hed	Inception Works	shop date: Sept. 30, 2021	
Focal Area: Climate Change		Midterm Review 2022	v completion date: expected December	
GEF Focal Area Strategic Objective	e:	Planned closing	date: November 29, 2024	
CCA1, CCA3				
Trust Fund [indicate GEF TF, LDCF	, SCCF, NPIF]:	If revised, propo	osed op. closing date:	
GEF LDCF				
Executing Agency/ Implementing	Partner: Ministry	of Forest and Env	ironment, Department of Forest and	
Soil Conservation				
Other execution partners: UNDP				
	at CEO endorser	ment (US\$)	at Midterm Review (US\$)*	
[1] GEF financing:	7,000,0000		1,189,016 ¹	
[2] UNDP contribution: 900,000		457,417 ²		
[3] Government: 34,893,000		15,095,85 ^{1³}		
[4] Other partners: Community			155,654 ⁴	
[5] Total co-financing [2 + 3+ 4]:	35,793,000		15,654,181	
PROJECT TOTAL COSTS [1 + 5]	42,793,000		16,372,076	

1.2 Project Description

The project was designed to safeguard vulnerable communities and their assets from climate change-induced disasters by applying a long-term, multi-hazard approach – with a particular stewardship role for women and marginalized communities. While working with farmers on specific practices, the project is designed as a landscape approach, seeking to revitalize the ecosystem services of the landscape. Its aim is to address the functional integrity of the pilot watershed through capturing the policy, institutional knowledge gaps, adoption of new tools and techniques, and interventions of multiple activities.

The project area is the confluence of Dudhkoshi and Sunkoshi at the boundary between Khotang and Okhadhunga districts in the eastern part of the country in province 1. Project activities are focused on the Lower Dudhkoshi watershed over an area of 844 square kilometers, spanning the districts of Khotang and Okhadhunga and 8 of their municipalities.

The project objective is to be achieved through two outcomes: Outcome 1 - Integrated watershed management framework has been established to address climate change-induced floods and droughts. Outcome 2 -

¹ As of December 26, 2022, data provided by UNDP CO Nepal

² As of December 26, 2022, data provided by UNDP CO Nepal

³ As of December 19, 2022, see Annex 14 for details; NPR 1,997,930,015.00 converted to USD @ exchange rate 1 NR (Nepalese Rupee) = 0.00755439 USD (US Dollar).

⁴ As of December 19, 2022, see Annex 14 for details; 20,562,213.33 NRs converted to USD @ currency exchange rate 1 NR (Nepalese Rupee) = 0.00755439 USD (US Dollar

Integrated watershed management (IWM) practices are introduced and scaled up in 1 watershed covering 844 km² of watershed areas and benefiting 121,606 vulnerable people.

1.3 Project Progress Summary

Despite delays in the early project phase, important milestones for the institutional development objectives of the project have been reached, and collaboration mechanisms/guidelines established at three tiers of government (local, provincial and federal levels).

The Climate Friendly IWM Activities Operationalization Directive adopted by four municipalities identifies principles and strategies for the implementation of IWM,



including upstream downstream linkage of a watershed, DRR, use of sustainable infrastructure development principles on the construction of village roads, GESI and collaboration and cooperation for dryland management.

Another important aspect of the directive is the formulation of IWM Coordination platform within the municipality, a multi stakeholder body including federal and provincial technical capacities. While the full implementation of the directives likely will take time, they create many avenues in terms of leveraging the resources based on Sendai Framework for Disaster Risk Reduction (SFDRR) for resilience-building at the fullest scale.

At national-level, a multi-disciplinary, multi-institutional technical working group (TWG) on climate induced hazards is operational for technical backstopping, and guidance for resilience watershed and evidence-based policy recommendations for IWM with emphasis on multi-hazard including drought.

Important studies to review the project baseline, define entry points for policy support and for developing GESI sensitive livelihood support, and to provide data for climate responsive IWM planning have been completed. The Multi-Hazard Vulnerability and Risk Assessment covering four sub-watersheds forms a prerequisite of data-informed climate responsive local level plans.

A manual for climate-responsive multi hazard risk and vulnerability assessments as an important capacity building and decision-making resource has been drafted. A gap analysis complemented and updated provisions in the project document based on the changes in the policy and institutional context following the government restructuring. An assessment of the status of the *Majhi* community's livelihoods was undertaken to help develop diversified livelihoods options of vulnerable *Majhi* communities that are inter-linked with the traditional practices and stewardship of the watershed.

IWM management plans of four watersheds and respective local governments are due to be finalized by end 2022. A IWM strategy for Province 1 was prepared and is under review by the Provincial Government. The preparation of guidelines for mainstreaming GESI in IWM and of a SoP for the maintenance of watershed management systems are underway.

The implementation of climate-resilient technologies/practices achieved overall about 50 % of the midterm targets due to delays in the early project phase (signing project agreement, two elections, government restructuring, COVID-19 pandemic and related restrictions, and monsoon-based challenges) and challenges of having to implement a large number of activities in difficult terrain and insufficient budget as per prevailing local rates for certain activities. This is compounded by current shortfalls in technical capacity of local governments. With a multitude of new responsibilities in IWM, they are not strengthened sufficiently to implement the

complex project activities. The MTR assesses that activities implementation is not on target to be achieved within the current time frame of the project as per design

Progress in implementing practices includes, among others, 25 catchment ponds, 15 km of contour trenches, 12 water holes, 250 water source protection/restoration works, Conservation farming has been introduced on 300 ha, 303 farmers (19 events) were trained in conservation farming and agroforestry, 10 multi-purpose ponds including 3 multi-purpose ponds constructed in 2 Majhi settlements of Khotang district , 170 NRM groups strengthened (trained on drought, climate change, and disaster risk reduction (DRR), revision of 26 plans of NRM groups incorporating CCA and DRR elements, and completion of a feasibility study of three sites for construction of water use/reuse system (solar water lifting) from Dudh Koshi River for irrigating 96.5 hectare of land. Cultivation of drought tolerant NTFP species (zanthoxylum, cinnamon, Daphne), was undertaken on 121 ha. Rainwater harvesting was enabled for 30 households, 11 persons were trained to construct fuel efficient stoves, an assessment for supporting farmers with gender friendly, labor efficient agriculture tools is ongoing. No progress at time of MTR was achieved in provision of fuel-efficient stoves to households, establishment of networks of groups, and support to 30 cooperatives for implementation of PES

In activity implementation, the project prioritizes a focus on women, marginalized groups, and indigenous climate vulnerable communities. Water management activities supported by the project, such as protection of water sources and creating conservation ponds, have been effective in reducing women's water fetching time. A single source of water benefits 66 women on average. Water fetching time has been reduced by 11.25 minutes per woman beneficiary on average. The improved water source saved a total of 1435.5 hours (about 60 days) of time on each water fetching." (Data provided by PIU to MTR team) Two ponds in the ethnic Majhi community have been improved for multiple use including cleaning, irrigation, cattle feeding, fishery, and groundwater recharge. The ponds provide benefits to eight Majhi households and a further 22 households in the settlement. Achievements on policy level include 30% representation of women expert members and indigenous expert members are represented in the local level IWM coordination platform which was endorsed by four local governments. The project promoted inclusive representation in capacity building, workshops, training, and user committees. Project beneficiaries at mid-term were 52 % percent women ⁵

While sustainability of project results is not secured yet, a foundation has been established at implementation level as benefits for local communities have been realized and local governments provide policy and co-financing support. Implementation of IWM activities with local partners confirms the need to further strengthen technical capacity and human resources.

Measure	MTR Rating	Achievement Description
Project Strategy	N/A	
Progress Towards Results	Objective Achievement Rating Satisfactory	Multi-hazard Vulnerability and Risk Assessment covering four sub- watersheds as prerequisite of data-informed climate responsive local level plans completed. The Climate Friendly IWM Activities Operationalization Directive provides for implementation of several relevant clauses under Local Government Operationalization Act (2017) for the planning, implementation and monitoring of IWM activities through appropriate institutional mechanisms. It identifies principles and strategies for the implementation of IWM, including upstream downstream linkage of a watershed, DRR, use of sustainable infrastructure development principles on the construction of village roads, GESI and collaboration and cooperation for dryland management. Another important aspect of the directive is the formulation of IWM Coordination platform within the local government, a multi stakeholder body including federal and provincial technical capacities. The platform has roles in planning, budgeting,

1.4 MTR Ratings & Achievement Summary Table

⁵ Data provided by PIU to MTR team

		implementation and monitoring, coordination among the project and programs within the municipality, resource mobilization at local, provincial and federal levels, formation of a technical working group (TWG) in the municipality. While its implementation likely will take time, the directive is a key element in the institutional development objectives of the project and an important milestone achieved. The directives will create opportunities to leverage resources based on Sendai Framework for Disaster Risk Reduction (SFDRR) for resilience- building as it emphasises 'public private partnership."
	Outcome 1 Achievement Rating Satisfactory	Collaboration mechanisms/guidelines for multi-institutional IWM platforms have been developed at three tiers of government (local, provincial and federal levels).
		A national-level, multi-disciplinary, multi-institutional TWG on climate induced hazards is operational for technical backstopping, and guidance for resilience watershed and evidence-based policy recommendations for IWM with emphasis on multi-hazard including drought. The TWG members from among academia, policymakers, and practitioners meet quarterly, also expected to introduce innovations, and promote collaboration and coordination.
		One provincial level IWM Plan developed.
		At local level, a directive for institutionalization of inter-disciplinary coordination mechanism endorsed by four local governments will serve as coordination platform on IWM and implementation of IWM related activities.
		The assessment of hydro met stations is a key step towards establishing a functioning network of stations that will enable collection of climate data of the lower Dudhkoshi watershed that are representative to enable planning to address multi-hazards (drought, floods, and landslides).
	Outcome 2 Achievement Rating Moderately Satisfactory	The average achievement rate for outcome 2 targets is 50 %. Though significantly behind schedule, the project has generated direct and tangible benefits in improving availability of and access to water, employment opportunities and micro-enterprise development the project enjoys good support at community level. Achievements include 25 catchment ponds, 15 km of contour trenches, 12 water holes, 250 water source protection/restoration works, Conservation farming has been introduced on 300 ha, 303 farmers (19 events) were trained in conservation farming and agroforestry, 10 multi-purpose ponds including 3 multi-purpose ponds constructed in 2 Majhi settlements of Khotang district , 170 NRM groups strengthened (trained on drought, climate change, and disaster risk reduction (DRR), revision of 26 plans of NRM groups incorporating CCA and DRR elements, and completion of a feasibility study of three sites for construction of water use/reuse system (solar water lifting) from Dudh Koshi River for irrigating 96.5 hectare of land. Cultivation of drought tolerant NTFP species (zanthoxylum, cinnamon, Daphne), was undertaken on 121 ha. Rainwater harvesting was enabled for 30 households, 11 persons were trained to construct fuel efficient stoves, an assessment for supporting farmers with gender friendly, labor efficient agriculture tools is ongoing.
Project	Satisfactory	Oversight and coordination mechanisms established by the project
Implementation & Adaptive Management		reflect the three tiers federal structure. For implementation, the most direct stakeholders, the government agencies with the relevant roles

		and responsibilities in IWM, as well as academic institutions for technical backstopping, have been contracted under LoA agreements. Applying adaptive management approaches, UNDP has provided significant assistance to the project in the preparation of quarterly acceleration plans, by providing vehicles, undertaking high value procurements, and programmatic support and offering required technical backstopping.
Sustainability	Likely	The project is building mechanisms for financial, socio-economic, and governance sustainability, working with local governments, wards, groups, and CBOs that already have been registered and whose management plans are being revised to mainstream IWM practices. Elected leaders of the local governments have committed to providing additional funding in the future to implement agreed plans and to contribute t loc O&M funds. Co-financing realized at the time of MTR confirms financial commitment of government agencies. The Climate Friendly IWM Activities Operationalization Directive opens multiple opportunities for resource mobilization. By concluding the LoA partner arrangements, the project has leveraged partnerships with <u>direct</u> stakeholders that promote the likelihood of sustaining activities beyond the project life. Through generating direct and tangible benefits in improving availability of and access to water, employment opportunities and micro-enterprise development the project enjoys good support at community level; in-kind community contributions and co-finance by local government speak to a good level of local ownership of project activities and goals. Both structural and non-structural support/capacity building at community level established a foundation to sustain practices. The likelihood of sustainability of the project's schemes is enhanced also by the fact that they are low-cost and indigenous knowledge and skills-based.

1.5 Summary of Conclusions

Project design, involving extensive consultations of stakeholders and technical expertise, is based on a thorough analysis of the risk and vulnerability context. The project strategy is built upon a 'Theory of Change' that comprehensively captured barriers, solutions, interventions and objectives and logically addressed both policies and institutional development and implementation of IWM practices in its two outcomes.

The approach of integrating institutional and policy development with the piloting of new practices, integrating upstream and downstream measures in IWM, and supporting resilient livelihoods through innovative farming, local resource and skill based small enterprise development and financial mechanisms is well justified. With expected results to generate scalable models, the project strategy integrates results in livelihood improvement as an important feature to promote tangible benefits and thereby local ownership and sustainability.

Rated as GEN2, project design included a thorough analysis of risks, vulnerabilities and capacities of women and socially excluded groups in the country and project area context, describing how "IWM is a gendered" and arriving at a GESI strategy as a core element of project design.

As the project design stage coincided with the government's restructuring to a federal system, it could not define detailed institutional arrangements and place project activities within an established policy framework. Instead, both institutional and policy development became a major part of project activities.

Project design underestimated the required timeframe to facilitate the processes of institutional and policy development; to assist in defining new roles, responsibilities and coordination mechanisms for IWM; and to implement innovative IWM practices linked to livelihood support while final project's locations depend on the key outcomes of multi-hazard and vulnerability assessments and baseline reviews to target livelihood support in line with the project's GESI objectives.

Project design was ambitious in the first place, with the tasks in institutional and policy development, with the integrated IWM approach and in the targets for the many practices to be implemented.

Already behind schedule after a delay in project agreement signing, the inception and early implementation phase faced major challenges as the COVID-19 pandemic unfolded, stakeholders were unfamiliar with NIM modality procedures, elections⁶ caused further restrictions and required repeated project induction to new leadership in local government, the Forex crisis impacted procurement, and rising costs for goods and services rendered a number of targets unattainable under the budget planned years ago. The unclarity in the power and roles among three tiers of government under federal mechanism also delayed the process.

The year 2021 effectively became a preparation phase, and the project utilized the time to review baselines, commission assessments, built stakeholder collaboration and initiated project's key locations.

Oversight and coordination mechanisms established by the project reflect the three tiers federal structure. For implementation, the most direct stakeholders, the government agencies with the relevant roles and responsibilities in IWM, as well as academic institutions for technical backstopping, have been contracted under LoA agreements.

Applying adaptive management approaches, UNDP has provided significant assistance to the project in the preparation of quarterly acceleration plans, by providing vehicles, undertaking high value procurements, and programmatic support and offering required technical backstopping.

An M&E system is in place, with procedures, budget, milestones, and responsibilities defined and effective in documenting progress under two outcomes and achievements towards GESI targets. PIU and PMU undertake regular field monitoring visits, and UNDP has fielded two missions to implementation sites to assure technical quality of work. The project maintains a comprehensive data base on site specific information, completed activities, and achievements towards all targets.

The key elements of the stakeholder engagement plan have been implemented, with government implementing partners at three tiers of government. By concluding the LoA partner arrangements, the project has leveraged partnerships with <u>direct</u> stakeholders that promote the likelihood of sustaining activities beyond the project life. The project made extra efforts to introduce the project to newly elected local government officials to secure their understanding of and support for the project.

With the commencement of more substantial construction works such as the solar lifting sites at 3 locations and hydrometeorological stations at 7 locations, the project is addressing safeguard issues; an SES expert has been hired to undertake SES screening, develop ESMPs and build SES capacity among implementing partners.

Reporting requirements are fulfilled to standard, and progress and review reports are balanced, covering the issues on strengths and weaknesses, achievements as well as challenges. A communication and visibility strategy guides project activities in public awareness and education for different audiences on the project, IWM, CCA and GESI. The project has established an online presence, sharing updates, background information and educational materials; it has established tools to effectively share knowledge and reach different audiences upon which to build in coming years.

The project has made important contributions under Outcome 1 towards establishing coordination mechanisms for IWM across three tiers of government; capacity building and ongoing facilitation of stakeholder cooperation will be required to operationalize procedures.

Under Outcome 2, though significantly behind schedule, the project has generated direct and tangible benefits in improving availability of and access to water, employment opportunities and micro-enterprise development

⁶ Local election of May 2022 and Federal/Provincial Elections of Nov 2022

the project enjoys good support at community level. In-kind community contributions and co-finance by local government speak to a good level of local ownership of project activities and goals.

Project activities are planned and executed mindful of GESI objectives; participation and representation of women and socially excluded groups in project activities is effectively promoted; women and socially excluded groups are beneficiaries of improved water availability and access. With gender equality as a significant objective, the project has initiated change.

The project is providing critical policy support to develop the institutional framework for IWM in three tiers of government. However, significant barriers exist in the policy framework on forest and rangeland management with regard to CCA; to address these is, however, beyond the scope of the project.

Technical capacity for new IWM responsibilities at local government level not yet fully developed and remaining uncertainties in the allocation of responsibilities and development of framework legislation are another key barrier. Local governments, empowered with authority for IWM and other natural resource management, still lack the capacity to fulfill these responsibilities as they are institutionally nascent Integrating DRR and CCA into the project's activities/IWM Plans is still inadequate in the absence of (i) organized data and information on IWM activities to mainstream DRR and CCA in IWM plans, (ii) required training and orientations to staff working at local governments, and (iii) inadequate refresher training to project's staff."

The project is building mechanisms for financial, socio-economic, and governance sustainability. The project worked in coordination with local governments, wards, groups, and cooperatives. Groups and committees have already been registered with relevant sections of the municipality and providing support. Its key components have been mainstreamed into the plans, policies, and programs of wards and municipalities, a development that will help to continue such programs by leveraging government resources.

Elected leaders of the local governments have committed to providing additional funding in the future to implement the agreed plans and they are also committed to contributing to the operation and maintenance (O&M) fund. Ward offices and municipalities have agreed to allocate budgets for the operationalization of the policies. The Climate Friendly IWM Activities Operationalization Directive opens many avenues in terms of leveraging the resources for resilience-building at the fullest scale

The mixture of software and hardware activities not only encouraged local people to participate in the project's campaigns but also promoted the sustainability of the project's activities. The effectiveness and sustainability of hardware activities (structural, such as constructions of water source protections, contour trenches and others), is solely dependent upon the systematization of software activities (non-structural, such as providing skills and knowledge, awareness, and institutional strengthening of user groups). As both categories of activities are provisioned within the scope of work of the project, that ensured the sustainability of the project's activities. The mixture of both types of activities increases the interest of local actors and beneficiaries in development activities. The project-trained community members and other stakeholders now function as local assets that can be called upon in times of need. The project also strengthened the institutional capacity of women groups, which facilitated community-level activities and advocated for socio-economic change.

Women groups are better operationalized and now act as 'social platforms' for sustainable livelihoods, a development that helped to create awareness about the project's contemporary issues. The likelihood of sustainability of the project's schemes is enhanced also by the fact that they are low-cost and indigenous knowledge and skills-based.

In order to generate the scalable models intended by the project design, these models need to generate demonstrative, measurable changes in the hydrological regime and water availability for communities, as well as tangible benefits for livelihood. "This cannot be achieved by reducing the number of different types of IWM activities. Rather, for some activities targets should be reduced, namely for such activities for which budget allocations are insufficient today due to the rise in costs for goods and services."

For sustainable results, where communities maintain the introduced practices and structures, livelihood development, namely income generating opportunities have to be promoted. Therefore, activities in marketing, value chain are recommended to be strengthened. To enable the project to achieve its objectives, the primary strategy has to be to scale back in size, but not in scope (range) of activities.

1.6 Recommendations Summary Table

The table below provides the main recommendations by the MTR. More details on the rationale of recommendations, on how to put recommendations into practice, and further recommendations are provided in chapter 4.1, 5.3. and Annex 6.

	Recommendation	Responsible
•	Quitcomo 1	Entity
A A 1	Valcome 1	DCDI
A.1	Key Recommendation:	DCKL
	in redundant as coordination platforms are defined by policy desumants. (Consider repairing as	
	"One settionalizing multi-institutional coordination platformer.) Develop Cooling documents ()	
	Operationalizing multi-institutional coordination platforms.) Develop 6 policy documents: 1)	
	National policy on watersned management; 2) revised narmonized climate-risk based sub-watersned	
	vulnerability assessment, prioritization guidelines; 3) guidelines for gender mainstreaming in IWM,4)	
	SoP's for maintenance of watershed management systems 5) revised guidelines for infrastructure, 6)	
	revised SCWM program	
В	Outcome 2	
B.1	Key Recommendation:	DCRL
	Adjust targets for "Drought resistant crop variety promoted on 10% of drought affected area",	
	"Drought Tolerant NTFPs Promotion on shrubland", "Establishment of water use/reuse system	
	(Rainwater harvesting, household roof to root water harvesting)", "Conservation farming adopted on	
	37.63% of all agricultural land", Construction of "Improved Cooking Stoves", "PES Related Activities",	
	Water Source Protection", "Contour Trenches" and "Construction of Catchment Ponds" as justified	
	and detailed in Chapters 4.1, 5.3 and Annex 6. Rename indicator "water source protection" to "water	
	source protection, management and utilization" as water is being used in drinking and cleaning	
	purpose also.	
B.2	Re-allocate resulting cost savings from: reducing targets for Drought Resistant NTFP cultivation (USD	DCRL
	1/5,000), Conservation Farming (USD 3,8/6), PES related activities (USD 52,/00) and Contour	
	Trenches (USD 30,000), totaling USD 261,576 to: rainwater harvesting and solar water lifting (USD	
	140,000), supporting community maintenance groups' (USD 40,000), supporting "Multi-purpose	
	ponds (fish farms) and Livestock Raising Support for Majni Community" (USD 41,576), and	
	Construction of Catchment Ponds (USD 60,000). (See Annex 6 for details).	
B.3	To further develop and support Conservation Farming, I) support livestock - based income generation	DCRL
	activities, ii) support to set up greenhouses, iii) For long term sustainability and to create impactful,	
	scalable models with demonstrative character, support market assessment, value chain analysis to	
	prepare secondary products and sale, iv) Facilitate to provide simple processing and post-narvest	
	elimatic conditions, concernality, the proven experiences of neerly, the local recourses available, and	
	climatic conditions, seasonality, the proven experiences of people, the local resources available, and	
	evaluation of the Micro-enterprises Development Programme (MEDED)/INDD in entropropeurship	
	development for sustainable and market-led livelihood promotion	
В <i>1</i>	Link short-term and quick-impact livelihood schemes with the government's long-term programs	
0.7	such as the Youth Self-Employment Program being implemented at local level	DENE
C	Implementation and Adantive Management	
C 1	Key Recommendation:	
0.1	Key netoninenauton.	

⁷ Based on assessment to form and operationalize community maintenance groups (at ward level) by developing 'standard operating procedures (SOPs)". Ward level groups, to be chaired by ward chair, and registered in ward () to gain legal identity; would be instrumental in supporting O&M of the community infrastructure established with project support.

	Propose/apply to GEF NCE for 6 months from November 29, 2024 onwards in order to allow for a)	
	high quality implementation of on-the ground activities/constructions, and b) the required process	
	orientation in building capacity, coordination mechanisms, and policy development, and c)	
	appropriate time frame regarding disbursements of funds	
C.2	Hire additional project officers for livelihood, forestry and engineering (using UNDP IC modality to	UNDP CO,
	speed up process), and include these capacities under sustainability plans with relevant agencies	DCRL
	after project end.	
C.3	Develop an "Implementation Guidance Note" to share with all implementing partners as a tool to	DCRL
	strengthen a strategic approach to IWM	
C.4	Identify and establish a third-party monitoring mechanism to avoid conflict of interest and add to	DCRL
	quality of work as LoA partners serve both as implementing partners and technical	
	backstopping/oversight in the field. Allocate funds for this monitoring mechanism.	
	Design simple self-monitoring mechanisms at the group and committee levels to use to gauge the	
	changes brought by the project. Use indicator-led monitoring to generate relevant data "Involve local	
	governments in (i) quarterly review-and-reflection sessions, and (ii) jointly develop monitoring	
	mechanisms that will measure changes as a result of the project's interventions."	
	To further enhance accountability and transparency, consider organizing (i) public hearings, (ii) social	
	auditing at least twice, when the project's activity is initiated and close to its completion), and (iii)	
	quarterly learning-cum review meetings to promote the best use of resources without duplication	
	and greatest contributions to value for money	
C.5	Local governments are still prioritizing men over women for capacity building training in on- and off-	DCRL
	farm enterprises in the absence of fixing a women's quota (reserved seat). Therefore, apply	-
	affirmative action for selecting business schemes along with separating some mandatory seats in key	
	decision-making position (apart from Treasurer) in the committees is also needed	
C.6	In order to encourage women farmers to participate in livelihood schemes, provide fellowship for the	DCRL
	best women entrepreneurs so that they will retain their interest in promoting their businesses.	
D	Sustainability	
D.1	Key Recommendation:	DCRL
	Develop exit strategy (sustainability agreements/commitments with implementing partners, identify	
	capacity building needs, ensure hand-over of all roles and responsibilities) and sustainability and	
	replicability plans for all models of "packaged" activities: (discuss O&M funds with local governments	
	and CBOs. consider providing seed funding/negotiate co-finance for O&M funds, already established	
	in few wards). Establish revolving funds with user groups	
D.2	Develop local resource persons (LRPs) through the training of trainers and involve them in relevant	DCRL
	training based on the cascading model. Organize review-and-reflection sessions with LRPs in a	-
	periodic manner so they can share their experiences and cross-fertilize knowledge.	
D.3	Build linkage with local governments authorities during the local governments planning phase to help	DCRL
_	to align local governments plans with the project's priorities. Design livelihood schemes that are	-
	compatible with the agriculture and livestock "pocket areas" that the government has identified in	
	order to foster resource-sharing, synergy, and sustainability.	
D.4	Develop local enterprise around technologies and practices that the project is promoting through (i)	DCRL
	building the technical capacities of community resource groups. (ii) provisioning revolving fund (as	-
	part of monthly savings of group members, and the incentives to be leveraged from the local	
	governments). (iii) supporting in value chain/market analysis of farm commodities, and (iv)	
	automaticing the collection contra of form commedition to ovid unnecessary interference of	
	I SYSTEMATIZIUS THE CONECTION CENTEL OF JALLE COMPLOATIES TO AVOID DUDECESSALS INTELLED E OF	
	middle-person and get a genuine price on farm commodities.	

2. Introduction

2.1. Purpose and Objective of the MTR

The main **purpose** of the MTR was to assess a) progress towards the achievement of the project objectives and outcomes as specified in the Project Document, and b) early signs of project success or failure to identify the necessary changes to be made to set the project on track to achieve its intended results. Further **objectives** of the MTR included i) to review of the project's strategy and its sustainability risks, (ii) to take stock of the project's achievement over the two years (Nov 2020 - Nov. 2022), (iii) to review activities and result indicators as per Project Result Framework (PRF), and (iv) to analyse the extent to which the project is oriented towards attaining targeted outcomes.

The MTR was to identify **lessons learnt** and formulate a set of **recommendations** that are relevant and actionable; it was to pay **particular attention** to progress towards results and to the sustainability of project investments; it was to assess whether further sustainability elements need to be added and whether a project extension is appropriate.

MTRs are a mandatory requirement for all GEF-financed full-sized projects (FSP). An MTR serves to assist in early identification of risks to sustainability, and has an emphasis on supportive recommendations. A Mid Term Review of the project was due as per M&E Plan outlined in the ProDoc. Besides the standard evaluation questions on progress towards results, key remaining barriers, implementation arrangements and adaptive management, and sustainability, it addresses specific questions emphasized in the initial briefing meeting of the MTR mission, whether further sustainability elements need to be added and whether a project extension is appropriate.

The primary audience/users of the review are the project team; the report and recommendations aim at guiding the project team to streamline activities so as to accelerate implementation and achieve project objectives.

The report is organized as per agreed Table of Content, structured into an i) introductory part outlining scope and methodology of the MTR, ii) project description and development context, iii) findings on project design, implementation and adaptive management, and sustainability, iv) conclusions, recommendations, and lessons learnt.

2.2. Scope and Methodology

The **scope** of the MTR covers Project Strategy, Results Framework/log-frame, Progress Towards Planned Results, Project Implementation and Adaptive Management, and Sustainability. The MTR assessed how and to what extent the project is realizing its planned results, with a focus on the "higher" levels of <u>programmatic results so</u> as to develop, jointly with the PMU and implementing partners, and offer practical recommendations for the way forward to achieve the project objective in the rest of the project's tenure. Challenges regarding project design, inception, implementation and sustainability were at the center of discussions/consultations and document reviews, and particular attention was paid to the number and type of activities planned vs current implementation status and the time frame and resources allocated for implementation.

For these purposes, the MTR applied primarily qualitative tools, and quantitative tools as needed to measure achievements towards targets and evaluate field data. Primary data were be collected to address the key MTR questions on Project Strategy, Progress Towards Results, Project Implementation and Adaptive Management, and Sustainability, and to formulate Lessons Learned and Recommendations. The "Sustainable Livelihoods Framework (SLF)" ⁸ was used as the basis to gauge the effectiveness of the project interventions targeting local livelihoods.

⁸ Chambers, R. and Conway, R. (1992). Sustainable rural livelihoods: Practical concepts for the 21st century. IDS discussion paper, No. 296. pp.127-130, and (DfID, 1999).

Qualitative Data Collection

Initial Briefings/Introductory Meetings. Following the initial briefing with representatives of UNDP CO and Project Management Unit (PMU) to clarify key objectives and points to pay particulat attention to, the MTR team had an introductory meeting with the project management team to receive an overview of the project strategy and its development process, inception phase activities and key modifications (if any), current implementation/partnership arrangements, key achievements to date, and key challenges and bottlenecks.

Document Review. The project team made available to the MTR extensive documentation on project design, implementation progress, financial matters/disbursement, risk management, studies/assessment reports, as well as project publications/knowledge products. The full list of documents received and reviewed to date is provided in Annex 1

Key Informant Interviews (KIIs). The MTR team conducted 16 KIIs with representatives of implementing partners at all levels incuding government, academia, CBOs, and UNDP CO. Key informants were identified jointly with the PMU, and UNDP CO suggested further key informants (KIs), to ensure the perspectives and experiences of all key stakeholders would inform the MTR findings. Interviews were semi-structured, and specific questions tailored to the context of the KI's involvement with the project. Questions were drawn from a comprehensive list of evaluative questions and sub-questions (Annex 2) prepared as guidance to cover all topics and gather all required inputs to inform the assessment of the MTR criteria as per the ToR. The list of individuals consulted (a total of 110 individuals participated in KIIs, FGDs and discussions at activity sites) is attached as Annex 3.

Focus Group Discussions (FGDs). A total of six FGDs were organized with project beneficiaries - those groups of people who are involved in the project and receive its benefits/services – to gauge changes made by the project to local livelihoods, based on the SLF. FDGs were conducted with members of ward officials, Community Forest User Groups (CFUGs), User Committees (UCs), and other project beneficiaries using a structured checklist based on the comprehensive list of evaluative questions, and adjusted to the local context, beneficiaries. While selecting FGD members, Gender Equality and Social Inclusion (GESI) and the human rights approach was used to ensure that gender equality and women's empowerment, as well as other cross-cutting issues were incorporated in the discussion. FGDs took place during field work in two districts covering three local governments a) Durchim of Haleshi, and b) Mooli (Manebhanjyang municiaplity-1) where project activities include Conservation pond, Multipurpose Pond, Catchment Pond, Contour trench, improved sheds, conservation farming; c) Taluwa (Siddhicharan Municipality -1), c) and d) Rumjatar (Siddhicharan municipality-4) with project activities on Plantation, and water source protection.

Direct Observation. The MTR team used non-participant observation methods and assessed tangible results generated by some of the small scale physical development during the field visits. Based on the need, the team also discussed with relevant stakeholders to gain a better perspective about such progress.

Most Significant Change (MSC) Technique. The MTR team assessed the project's activities and achievements methodically and compared them against the indicators using elements of the "most significant change⁹" technique. It helped to review the key initiatives and changes brought by those initiatives in the lives and livelihood of resource poor communities.

Case Studies. As part of field activities, during FGDs, meetings with individuals (women and men) and observations at community level, benefits that local communities accrued from the project and visible changes in their lives and livelihoods were documented.

Quantitative Data Collection

⁹ Rick Davies and Jess Dart. The Most Significant Change (MSC) Technique: A Guide to Its Use. 2004. (available at <u>www.mande.co.uSumary</u> <u>k/docs/MSC</u> Guide.htm)

During the desk review, the MTR team compiled quantitative information and recorded data in different tables to be used for validation during KIIs and FGDs. The MTR team also draw on the project's database to calculate progress towards targets for outcome indicators.

Fieldwork at Selected Project Sites

The national consultant undertook a 6-day field mission (November 24 – 29) to Khotang and Okhaldhunga districts and met with local government officials, and key informants, interacted with community members involved in activity implementation and as project beneficiaries, and visited project activity sites. Of the 12 set of schemes/activities implemented by the project, 6 sets¹⁰ had been selected randomly for detailed field work in order to gather data that are representative of the various stages/quality of implementation within the limited timeframe of the field visit. The detailed itinerary of the field work is provided as Annex 4

Data Analysis

The MTR team used a mixed approach for data analysis using quantitative and qualitative data and triangulation of findings from each of these types. For qualitative analysis, a thematic approach was used whereby responses were classified to identify the key issues and concerns expressed by <u>respondents</u>.

<u>Quantitative data were analyzed through Excel tools as required.</u> The qualitative and quantitative data collected using different tools and techniques were then tabulated, synthesized, and analyzed before arriving at conclusions.

Triangulation

To ensure reliability and validity of data, and promote overall "evidence based" MTR findings that are credible, reliable, and useful, triangulation of findings was based on primary information generated through KIIs, FGDs, observations of tangible results at project sites, "most significant change" techniques, and case studies against data/information in documents and shared by the project team.

MTR Question Matrix

The MTR questions matrix (Annex 5) was developed as the framework for the application of the various MTR tools, detailing for each MTR criteria evaluative questions, indicators, sources and methodology.

Performance standards

The standard used to evaluate performance relative to the evaluation questions is based on the rating scales and tables prescribed in the "Guidance for Conducting Midterm Reviews of UNDP supported, GEF financed projects". The MTR team used the 6-point scale to rate the project's progress towards the objective and each project outcome: Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), or Highly Unsatisfactory (HU), and the Sustainability Rating Scale (Likely, Moderately Likely, Moderately Unlikely, Unlikely) according to the process and definitions as laid out in the guidance. Rating scales are attached as Annex 11.

Stakeholder participation

Stakeholders to be consulted by the MTR team were jointly identified with the project team, with additional suggestions by UNDP CO. They included implementing partners at all government levels, LoA partners, as well as community-based organizations involved in activity implementation. In FGDs and other interactions during the field mission, to the extent possible, the MTR team assured to involve both men and women so that their issues and concerns would be well reflected in the findings. The list of all persons consulted is attached as Annex 3.

Ethical considerations

¹⁰ To gather data that are representative of the various stages/quality of implementation, 2 of the 6 selected are from highly performing, 2 from moderately performing, and 2 from least performing schemes.

Before initiating any discussion, interaction, or interview, the MTR team (i) shared the purpose of data/information collection and their use clearly, and (ii) assured to use of such data/information only for this MTR to protect the rights and confidentiality of informants by ensuring the verbal consent from them. The signed forms on Code of Conduct for Evaluations in the UN Systems for MTR team members are attached as Annexes to the MTR report.

Limitations

There were limitations in evaluating on site all activities in all the project implementing sites, and meeting all local stakeholders. In order to evaluate a representative sample of activities the MTR team selected highly, moderately, and least performing project activities using a random sampling method. To gather maximum amount of data for a large number of project schemes within the limited timeframe of the field mission, project staff were asked to provide details of schemes to be visited in written form; information provided by the project team was validated during community consultations, and site visits.

3. Project Description and Context

3.1 Development Context

The project was designed to safeguard vulnerable communities and their assets from climate change-induced disasters by applying a long-term, multi-hazard approach – with a particular stewardship role for women and marginalized communities. While working with farmers on specific practices, the project is designed as a landscape approach, seeking to revitalize the ecosystem services of the landscape. The project is implemented in the Lower Dudhkoshi watershed, a major tributary of the Sunkoshi sub-basin covering 8 local government units¹¹ and 51 wards of Khotang and Okhadhunga districts.

National Policies and Programs. The project strategy is aligned with the objectives of key government programs and policies. It contributes to implementing i) the National Forest Policy through activities in land and water conservation and land productivity improvement through Integrated Watershed Management (IWM); ii) the Forest Sector Strategy, namely its policies on increasing forest production and productivity, integrated conservation and management of water and land to increase the land productivity, and adopting climate change adaptation (CCA) and reduction measures to reduce negative impacts through managing watersheds, climate change mitigation measures and resilience development; iii) the National Climate Change Policy and Nepal's NDC targets under the UNFCCC; iii) National Environment Policy, namely land productivity management through IWM; iv) the Local Government Operation Act through devolving implementation responsibilities and strengthen capacities at local government level for practices in IWM and CCA. Importantly, the project was designed to help put into practice federal alignment policies by connecting three tiers of government through developing policies and multi-institutional platforms for IWM on three tiers of government (local, provincial and federal). The project is (in line with numerous government projects and programs relevant to IWM¹² and livelihood development and is) addressing weaknesses¹³ identified for these.

¹¹ 5 Municipalites in Khotang District: Diktel Rupakot Majhuwagadhi Municipality, Haleshi Tuwachung Municipality, Kaplashgadhi Rural Municipality, Rawabeshi Rural Municipality, Aishelukharka Rural Municipality. 3 Municipalities in Okhadhunga District: Siddhicharan Municipality, Manebhangyang Rural Municipality, and Chisankhugadhi Rural Municipality.

¹² Legislation, policies, strategies and plans that govern watershed management in Nepal include the Soil and Watershed Management Act (1982), Water Resources Strategy (2002), National Climate Change Policy (2019), Forest Policy (2018) and Forest Strategy (2016-2025), Land Use Policy (2015), Disaster Risk Reduction and Management Act (2017), 15th Plan FY 2076/77 – 2080/81, National Biodiversity Strategy and Action Plan (2014-2020), Local Government Operation Act 2074 (2017), Local Level Disaster Risk Management Planning Guideline 2068, National Disaster Risk Reduction Policy 2075 (2018) and National Disaster Risk Reduction Plan 2018-2030 (2018).

¹³ Financial resources allocation from the Government and from the bilateral and multilateral agencies for National Action Programme were inadequate, Sustainable land management and rehabilitation of degraded land received insufficient priority, Inadequate number and capacity of staffs, Inter-sectoral and interagency coordination was weak, Monitoring and evaluation mechanisms not technically robust and

Sustainable Development Goals. The project is designed to contribute towards SDGs, and the PRF defines targets relevant to SDG 5 (Gender Equality), SDG 6 (Clean Water and Sanitation), SDG 10 (Reduced Inequalities), SDG 11 (Sustainable Cities and Communities), SDG 13 (Climate Action) and SDG 15 (Life on Land). The project contributions are particularly relevant for SDG 13 (Climate Action) and its goals on strengthening the resilience and adaptive capacity to climate-related hazards and natural disasters, integrating climate change measures into federal policies, strategies and planning, and promoting mechanisms for raising capacity for effective climate change-related planning and management, including focusing on women, youth and local and marginalized communities. Contributing to SDG 15 (Life on Land) particularly its goals to sustainably manage forests, combat desertification, halt and reverse land degradation, the project has defined (EoP) targets in adopting conservation farming, establishment of water use/resume systems, promotion of drought resistance crops variety, agro-forestry, traditional watershed friendly practices, cultivation of drought tolerant NTFP species and market-based instruments.

UNDAF and UNDP CP. The project is aligned with the UNDAF (2018 - 2022) Outcome 3 "By 2022, environment management, sustainable recovery and reconstruction and resilience to climate change and natural disaster are strengthened at all levels". The project's support to the establishment of legislative and institutional arrangements for IWM practices directly contribute to UNDAF Outcome 3 and its three outputs "understanding and knowledge on environment, CCA and DRR enhanced at national, subnational and community levels to make development risk-informed", "Policy and institutional mechanisms strengthened for integrating gender responsive CCA/DRR and environment management in national and key sector's development planning", and "Capacities of subnational governments and communities strengthened for effective preparedness and response, environment management, CCA/DRR." The project also contributes to the UNDP Strategic Plan Outcome (2018-2021) "Building resilience to crises and shocks, in order to safeguard development gains", namely the signature solutions 3 and 4, "Enhance national prevention and recovery capacities for resilient societies" and "Promote nature-based solutions for a sustainable planet".

3.2 Problems that the Project sought to address

Problem. The mid-mountain watersheds of Nepal are prone to multi hazards (drought, landslides, and floods) and the impacts are magnifying due to its topographic settings, inappropriate anthropogenic activities, recurrent water induced disasters and adverse impacts of climate change. A long-term solution to this climate change problem is to rehabilitate and maintain functional integrity of watersheds that have critical functions of water storage and release, infiltration, drainage control with due emphasis on resilient livelihood development, and to address climate vulnerability of the target communities through adaptive livelihoods and technology options that are nature positive and contribute to watershed restoration and integrated water and land management."

Barriers. Policy and legislative, institutional, capacity, knowledge and awareness, as well as financial barriers to implement these interventions were identified: a) The policy and legislative framework does not entail climate change impact considerations, does not mandate a watershed approach and lacks upstream and downstream coordination for flood and drought risk management; b) Institutional capacity is limited by inadequate financial resources, fragmentation and overlap of mandates, leading to an insufficient coordination, enforcement and local level presence of key institutions; c) Technical capacity and knowledge are limited for climate change hazard, risk and vulnerability assessment for watershed management planning, and for the required multi-disciplinary approach for IWM. IWM planning lacks decision support tools, guidelines that factor in climate change impacts, and inclusion of hydrometeorological risks; d) Awareness of and access to information on watershed functions in flood and drought risk management and their significance for sustaining livelihoods and returning investments among local communities and developers is poor; e) Financial incentives are weak or non-existent to encourage communities to adopt watershed friendly land use and livelihood practices, and climate risk financing is lacking.

in line with requirements, Research and development on land degradation, sustainable land management, soil conservation and watershed management were inadequate, Database and knowledge generation and dissemination were of inadequate quality, ProDoc page 211.

Opportunities. Project design considered important opportunities for the project to seize, namely that local governments are empowered under the new federal system. Local governments, who best understand the local circumstances of the watersheds and its communities, can serve as key implementing partners to sustain activities beyond the project life. Capacity building and developing functional platforms on local government level, enabled to collaborate with higher levels of government, therefore was an important strategic element in project design.

3.3 Project Description and Strategy

The project's aim is to address the functional integrity of the pilot watershed through capturing the policy, institutional knowledge gaps, adoption of new tools and techniques, and interventions of multiple activities at the pilot scale. The proposed objective and aims are to be fulfilled through two outcomes.

Outcome 1 - IWM framework has been established to address climate change-induced floods and droughts has 4 outputs including 1) Watershed condition assessments updated and hydrometeorological hazard, risk, vulnerability and socio-economic model of climate change impacts delivered to underpin watershed management decisions across sectors; 2) Climate change risks addressed in watershed rehabilitation and management framework; 3) Specialized technical training and technology delivered; 4) Enforcement mechanisms for watershed management and land policies embedding climate change considerations, including legal incentives to enable payment for ecosystem services (PES).

Outcome 2 - IWM practices are introduced and scaled up in 1 watershed covering 844 km² of watershed areas and benefiting 121,606 vulnerable people – has 5 outputs including 1) Based on risk and vulnerability assessments, integrated, adaptive sub-watershed management plans developed for four target sub-watersheds to guide investments; 2) Water and drainage control measures implemented at the sub-catchment level, including water retention structures and catchment ponds with groundwater recharge, controlled drainage and with maintenance systems established; 3) Watershed rehabilitation, Conservation farming and integrated agroforestry practices introduced interspersed with fodder and controlled fuel wood production (including efficient stoves) with active involvement of women; 4) Community stewardship programmes established and implemented within the selected sub-watersheds with focus on women and marginal communities; 5) Knowledge management and learning.

The Theory of Change identified as barriers: i) policy and legal framework incomplete, limited institutional capacity and siloed institutional arrangement, ii) Technical capacity and knowledge barrier – climate change impacts are not factored into the guidelines for watershed management prioritization, iii) Poor awareness among communities and developers of essential functions the watershed delivers in flood and drought risk management, and iv) financial barriers including limited/non-existent incentive structures to support communities to adopt watershed friendly land use and livelihood practices.

The project interventions under the two outcomes deliver the solutions of establishing a) IWM approach by making watersheds the unit for planning and creating effective coordinating mechanisms, and b) climate resilient livelihoods by promoting watershed friendly livelihood and land use practices, thereby contributing to the project objective of "Climate resilient community livelihoods through integrated watershed management practices".

3.4 Project Implementation Arrangements

The project is implemented under NIM modality, the implementing partner is the Department of Forests and Soil Conservation (DoFSC) under the Ministry of Forests and Environment of the Government of Nepal. The National Project Director (NPD) is the Deputy Director General of the Department of Forests and Soil Conservation. The PMU is operational and at the time of the MTR, was comprised of National Project Manager (NPM), Senior Technical Advisor, Administrative and Finance Officer, Project Assistant; the Monitoring,

Evaluation, Reporting & Communication Officer left his position while the MTR was ongoing. The project implementation unit (PIU) at the time of MTR was comprised of a Field Coordinator, Administration and Finance Assistant, and Project Officers responsible for Soil and Watershed Management, GESI and Monitoring, and Livelihoods, respectively. The position of project officer for Civil Engineering was vacant. The PIU at the time of MTR was based in Okhaldunga District, in approximately 70-100 km distance from the activity's implementation sites. A project office just had been established¹⁴ nearer to the programmatic concentration in Diktel, District Headquarters of Khotang.

Project implementation partnerships have been established through Letters of Agreement (LoA), thereby engaging technical capacity, from academia and government agencies, and involving provincial level agencies with key functions and capacities in IWM. LoA partners include 1) Institute of Engineering (IoE), Pulchowk for undertaking the Multi-Hazard Vulnerability and Risk Assessment (MHVR) of the project sites which will provide the basis for data informed watershed management plans; 2) Basin Management Centre (BMC) (Federal Office, under DoFSC) to implement soil conservation and watershed management activities for Khotang; 3) the Soil Conservation and Watershed Management office (Provincial office) for soil conservation and watershed management activities in Okhadhunga; 4) Divisional Forest Office Khotang and Okhadhunga for forestry related activities in respective districts; and 5) Institute of Forestry (IoF) for preparation of degraded land restoration strategy.

The project has engaged diverse partners and community-based organizations for field-level activities implementation. The eight local governments of Khotang and Okhaldhunga Districts, the Department of Hydrology and Meteorology (DoHM), and the Department of Agriculture (DoA), have been directly involved in the project through co-financing support for the installation of the hydro-met stations.

Oversight is provided by a Project Executive Board (PEB) which is chaired by the NPD; its members include representatives from ministries, departments, UNDP and the NPM as member secretary. A Project Advisory Committee (PAC) chaired by the Secretary of MoFE is an apex body for oversight of utilization of LDCF resources.

3.5 Project Timing, Milestones and Changing Context

Timing and Milestones

The project started on 1 December 2020 and closing is due November 2024. It met with delays in its initiation phase (PIF Approval in April 2017, CEO Endorsement in April 2020, Project Document Signature November in 2020). The COVID-19 pandemic and related travel and meeting restrictions posed a considerable challenge to establishing implementation arrangements and creating ownership and the required project infrastructure at local level; a task that was already complex as the governance system in the meantime had been transformed to a federal system with 3 tiers of government viz. federal, provincial and local level with roles and responsibilities to be refined.

A NPM was hired in April 2021, 5 months after the Government of Nepal approved the project" and a series of inception meetings was held in September 2021, including an internal meeting, technical experts meeting, local inception meetings and the final national level inception workshop. These inception meetings were organized with the intent to enhance stakeholder engagement and secure their support and ownership, namely on local level, to involve the required technical experts and institutions, and to build overall consensus on objectives, strategic priorities and adaptive management measures that may be appropriate to achieve the project objectives.

The year 2021 therefore was effectively a preparatory phase and the first year of implementation is 2022 in true sense. The project also invested in a thorough review of the baseline, generating detailed information on multi-hazards in the project area, on local livelihoods, and on the institutional and policy framework. The last of these studies are at the finalization stage at the time of MTR (these studies took a bit more time to wrap-up which

¹⁴ Process was initiated in the fourth week of November.

restricted to use of key findings on time). A foundation of baseline data, local ownership, implementation arrangements with LoA Partners, trust with local authorities and local project offices are in place at time of MTR.

Changing Context

The project implementation finds itself in a context that is significantly changed since the project design phase, particularly with regard to the policy, legal and institutional frameworks which are still evolving since the restructuring of the country's government system. The context changes presented some challenges to the project as it had to re-design its implementation arrangements for the provincial coordination mechanism following the transformation of the government to a federal structure as well as help build the entire new institutional framework of roles and responsibilities, and inter-agency coordination mechanisms for IWM on and across three tiers of government. It has to determine new capacity building needs as a multitude of powers has been devolved to local governments as technical capacity remains at provincial level.

The International Development Cooperation Operationalization Policy (2019) and Federal, Province and Local Level (Coordination and Interrelation) Act (2020) now provide the conditions to develop coordination mechanisms across the three tiers of government and support the formation of policy and legislative framework at municipal level, including in (i) conservation of natural and physical resources, and (ii) sustainable management of natural and physical resources and equitable sharing of the benefits.

Policy and legislation: As the policy framework was evolving during project development, project design did not address a number of key policy documents¹⁵: a) The International cooperation coordination Policy (2019), as the first policy which enables federal entities to sign an agreement with local bodies; b) Second Nationally Determined Contribution (NDC) 2020, submitted to the UNFCCC secretariat; the document is relevant to the context of DCRL as it identifies emission reduction measures from land use land cover change, forestry practices, and energy efficiency; c) National Adaptation Plan (NAP, 2020-2021) with priority programmes in the thematic sectors outlined in the National Climate Change Policy (2019). Four priority programs under NAP are of particular relevance to the DCRL project including forests, biodiversity and watershed conservation (FBWS), agriculture and food security (AFS), water resources and energy (WRE), gender equality and social inclusion, livelihoods and governance (GESILG); d) Federal, Province and Local Level (Coordination and Interrelation) Act (2020) which addresses coordination, cooperation and collaboration among the three tiers of government regarding Natural Resources, Sustainable Management of Natural Resource and Equitable Sharing of the Benefit, e) Land Use Act (2019), based on the revised National Land Use Policy, the act categorizes land use in 10 classes, and empowers the local Land Use Council to endorse the land use plan prepared by the local authorities; f) Local Government Operationalization Act (2017) which delegates land use planning authority to the local government. It includes several clauses relevant to IWM on the Act; g) Local level Natural Resources and Environmental Protection Act of which Article 37 highlights the need of watershed conservation and development of environment protection plan for the municipality.

Institutions and Capacities: Based on the Local Government Operationalization Act (2017), more than 50 powers previously under district level line agencies like the District Soil Conservation Office (DSCO) and to some extent under the District Forest Office (DFO) have been devolved to the local government. These include explicit responsibilities in disaster risk management, integrated watershed management, land management at local level, water use, CCA, forest, wildlife, environment and biodiversity management.

However, local governments lack the capacity to fulfill these responsibilities as technical capacity and human resources previously associated with Department of Soil Conservation and Watershed Management (DSCWM) are not reflected in the local government structure, but are placed at provincial level under Ministry of Industry Tourism Forests and Environment (MOITFE). Effectively, the responsibility for water and watershed conservation lies with the local government, but capacity remains at provincial level.

¹⁵ Report on Stock Taking and Adjustment Plan for Developing Climate Resilient Livelihoods in the Vulnerable Watershed (DCRL) in Nepal, Consultant Report by Santosh Mani Nepal, Policy Expert, September 2021

Also, with the restructuring of MoFE after finalization of project design, the power of community-based forest management and community forest handover are with the provincial government. As jurisdiction in forest, environment and water conservation is concurrent with all tiers of government, local governments have to await framework legislation from the federal ministry in order to develop their protocols.

Socio-economic changes: The socio-economic condition in the project landscape is also changing rapidly. Trends include, among others, emerging new infrastructure, planned hydropower development, out-migration (seasonal and permanent), and increase of abandoned agricultural land. These changes bring both challenges such as increased risk of soil erosion through improper road constructions, as well as opportunities for livelihood diversification. Last not least, costs for implementation (goods and services, human resources, transport, etc.) have increased drastically since project planning, including budget allocations were completed, posing a significant challenge to implement activities and reach targets within the allocated budget.

The project's instrumental role in the above-mentioned processes of developing coordination mechanisms at and across government tiers has elevated its relevance and significance for the country, from developing climate resilient livelihoods to contributing to the fulfillment of national obligations and commitments to the UNFCCC framework. However, it has faced and continues to face significant challenges and barriers.

While project design foresaw the need for the processes to develop policies and institutional mechanisms, the allocated time to achieve all expected results is not sufficient. The planned time frame to facilitate the processes would have been challenging in normal circumstances already, but with delays in reaching a consensus for signing the Project Document, restrictions due to the COVID-19 pandemic and local election cycles requiring repeated efforts in engaging local leaders after elections, operating in remote and difficult terrain and within a limited seasonal timeframe due to monsoon compounds the challenges of implementation.

3.6 Main Stakeholders

Key partners and stakeholders involved in project implementation include the MoFE, namely the DoFSC, the LoA partners including IoE, BMC, the Soil Conservation and Watershed Management Office (Provincial office), the Divisional Forest Office Khotang and Okhadhunga, the Institute of Forestry, the DoHM, the DoA, eight local governments of Khotang and Okhaldhunga Districts, and Community Forest User Groups (CFUG) and User Committees (UCs) at the project sites.

4. Findings

4.1. Project Strategy

4.1.1 Project Design

The project was designed to capture the essence of the three-tier government structure under the federal system, and according to the power devolution to the local levels it allocated all the interventions around IWM to be expedited through local governments. The section on "changed context" above has described how project design could not assign the roles and responsibilities of three-tier government in watershed management and climate change and could not consider policies that were in the process of being developed.¹⁶ A major assumption of project design was that project baseline, coordination mechanisms, roles of three-tier governments, stakeholder engagement and implementation modality will be adjusted later based on the context and overall needs.

The project design did not spell out the project's relevance regarding implementing and communicating CCA actions, as the project has opportunity to a) contribute to at least four priority programs of the NAP as well as to reporting on this actions to the UNFCCC through the submission of Nepal's Adaptation Communications, and b) to assist in developing mechanisms of communication and collaboration to introduce CCA actions implemented on the ground to the federal level, so that information can be collated and shared to the UNFCCC Secretariat as part of Nepal's contribution under the UNFCCC.

Project design considered ongoing government programs relevant to IWM to build on and contribute to including High Mountain Agribusiness and Livelihood Improvement (HIMALI), Water Induced Disaster Prevention Programme, Soil Conservation Programme, Forest Decade for 2014-2023, with the 'one house one tree, one village one forest and one town several parks' theme; Rastrapati Chure-Tarai Madhesh Conservation Programme; PAANI/DAI/USAID; Ecosystem-based Adaptation (EbA) in Mountain Ecosystems Project, Community Forestry Programme, and the development and disaster risk reduction efforts in the vulnerable districts and villages, including planning under both Local Level Adaptation Plan of Action (LAPA) and Community Adaptation Plan of Action (CAPA).

In its rationale and logic, the project design is sound in addressing the barriers that were identified. It is based on a Theory of Change (ToC) that lays out objectives, solutions, interventions and barriers. The underlying assumptions of the ToC, however, are very numerous and could be challenged.¹⁷

The project strategy is clearly presented with a hierarchy of outcomes, outputs and activities. It is based on a thorough situation analysis which recognizes that current changes in the climate and its variability directly impact the hydrological cycle and increase the risk for a multitude of climate induced hazards, especially frequency and intensity of floods and droughts that threaten life, safety and livelihood development opportunities in the watersheds of Nepal.

Project design considers the vulnerability to climate-induced flood and droughts in different sectors including infrastructure, water supply, energy, agriculture and tourism, and how socio-economic and anthropogenic

¹⁶ The Stock Taking Report/Gap Analysis (2021) has provided an analysis of the policy framework that emerged after project design, as well as of relevant policies missed by project design.

¹⁷ Assumptions underlying the Theory of Change include: Political stability and security situation is favorable to implement planned activities, Limited loss/transfer of trained technical staff, Institutions established at the community and district level are functional and supportive to operate and maintain the project activities, local governments own the project and facilitate project implementation, The watershed management policy is participatory and prepared in consultation at all level and geographic locations, The Policy and guidelines are endorsed on time, Local governments fully engaged in SWS plan preparation, Municipality own the plan and allocate resources for plan implementation, Municipality operates the newly established hydro -meteorological stations, Municipalities own the plan, put into operation and revise periodically, Climatic risk information used in planning of all watershed activities including crops and farming, Watershed Conservation Centre at Sub-basin level will lead to preparation of the plans, local governments assign staff in the all steps of planning process, local governments takes ownership and allocate adequate resources as matching fund for plan implementation, Local body/community value and support the interventions undertaken by the project, Communities will be able to resolve any disputes over water use right, Skilled labor will be locally available, If intense rainfall occurs for 24 hours the activities and modalities of the current project could be affected.

factors further increase vulnerability of communities; it identified causes of vulnerability in the project area including declining food security as agriculture is declining, land use changes as a key contributing factor, the increasing disaster risk induced from landslides, massive erosion, Glacial Lake Outburst Floods (GLOF), flash flooding, and drought in the selected watersheds.

The project design describes how "management of watersheds is a gendered issue", reminding that "that gender does not mean "women" but denotes gender relations between men and women and how power is distributed between them, what are the incentives and interests of both parties and how it operates." It outlines how inclusion of women and socially excluded groups in decision-making positions, including water resource management, continues to be limited, while women and the marginalized are more vulnerable to the impacts of watershed degradation that results in water scarcity, and related energy and food insecurity.

The project document provides information on the project area population demographics, including ethnic groups. It points at systemic problems that still exist, leaving the marginalized without voice and emphasizes that "GESI has to be analyzed and integrated into watershed management through participatory approaches that ensure that women and the socially excluded group's voices are heard".

A gender analysis and gender action plan provide a gender-related baseline for each output of the project, and gender-specific target indicators. It summarizes five focal areas to ensure mainstreaming of GESI in the project including capacity building; GESI balance; Knowledge sharing, Communications, Advocacy; GESI responsive planning, implementation, monitoring and evaluation; Liaising and working with civil society, I/NGOs,¹⁸ government organizations (GOs) doing similar works. It provides definitions of the "excluded and vulnerable" in Nepal and defines structural barriers experienced by different groups. Additional notes are added on considering GESI in various aspects of watershed management. Budget provisions include GESI expert/staff.

The Social and Environmental Safeguard Procedure (SESP) did not trigger gender issues. The SESP categorizes the project as low risk, it details assessment and management for ten identified social and environmental risks. The project design process, as described in the PPG Report 2018 was highly consultative guided by a committee established by the Government of Nepal. It included extensive field level consultations and national and local level validation workshops to develop the project proposal.

4.1.2 Results Framework/Log Frame

The baseline of the project as compared to the project development stage was thoroughly reviewed in April 2022¹⁹. The PRF captures the essence of project design on its objective and outcomes levels, defining targets in institutional and policy development, numbers of beneficiaries (disaggregated by gender) and measurable targets for implementation of all adaptation practices. It does not measure the impact of practices on livelihoods, income generation, governance or other broader development effects.

Indicators and targets to measure changes in GESI mainstreaming, livelihood improvement, social inclusion, participation in decision making and leadership by women and marginalized groups are defined in the Gender Action Plan (GAP) which also provides an assessment of the gender-related baseline for each output of the project. The indicators in the GAP are SMART and effective to monitor the projects performance towards GESI objectives.

The PRF does not incorporate indicators on capacity development that would document how individual skills and knowledge would be improved through trainings and other project support, based on score cards or other assessments before/after trainings. Indicators only refer to numbers of individuals trained. Likewise, institutional strengthening of CBOs is measured by number of groups revised their plans, number of networks

¹⁸ Chair of the Committee is Joint Secretary and Chief of Foreign Aid Coordination Division (FACD), Ministry of Forests and Soil

Conservation (MFSC), now MoFE. The members of the committee are Chief, Monitoring and Evaluation Division, MFSC; Director General Department of Soil Conservation and Watershed Management (DSCWM), now DoFSC, and ACD of UNDP.

¹⁹ Baseline Report - Review of Project Preparation Grant (PPG) Stage Baseline and stablish a Baseline for Project area to guide the Project Planning and Implementation, 2022.

established, but not capturing how improved group strength may manifest in outcomes. Groups themselves best should develop their own indicators and targets to this end. Similarly, the indicator "Support to 15 cooperatives for implementation of PES" is not clearly defined.

Due to the delays in the early project phase, challenges in implementation and increased costs, a number of EoP targets under Outcome 2 are not achievable. As mentioned earlier, as of December 15, 2022, the average progress towards mid-term targets under Outcome 2 is 50 %. As the project is in the process of site selections for concentrating practices and as IWM plans are being developed, reducing quantitative targets will be conducive to more focus on developing model sites with packages of practices for replication in other dryland areas as is the express intention of the project.

The MTR team has taken into consideration that the assessment of ecosystem services (ES) by the project has only just begun (at time of MTR), that no activities with cooperatives on PES have begun, and that in Nepal, PES is still not even operationalized and institutionalized in well-operated hydropower projects like Mid-Marsyangi of Lamjung district as one of many examples. The Policy Gap Analysis/Stock Taking Report (2021) states that the "Environment Service payment science is at a formative stage".

Given the delays in early implementation and remaining time frame (even with a NCE), the MTR team assesses it unrealistic that the processes to establish PES schemes in the project area can be successfully completed, given that its' operationalization requires a time frame long enough to educate stakeholders, to discuss and negotiate issues among upstream and downstream actors, and accept/reject such negotiations based on the available services.

Moreover, considering the poverty, marginalization, and vulnerability of the project's beneficiaries, more direct ways of livelihood promotion are assessed as the more immediate need. Resource re-allocation from PES to livelihood support is considered to promote the overall project objective twofold by directly developing livelihoods of the most vulnerable in project area, and helping build scalable models with greater demonstrative value as they link IWM and sustainable livelihood development. These tangible benefits will help gain community support and promote replication. This will better contribute to "land use practices established at a scale necessary for transformational change" as the Theory of Change implies.

The MTR team concludes therefore that it is a more effective strategy towards the project objectives if PES related activities are limited to the assessment of ecosystem services in the project area, and thereby contributing to the long-term development of PES schemes in Nepal.

The table below summarizes the proposed changes to indicators and targets. Annex 6 provides details on proposed target changes cost implications and proposed budget re-allocations.

P	Proposed Changes to Indicators and End of Project Targets				
	Indicator	Current EoP Target	Proposed EoP Target	Justification Summary	
0	utcome 1				
	6 policies, guidelines and tools developed ²⁰	6	6	6 policy documents ²¹ . Based on Policy Gap Analysis/Stock Taking Report 2021	
	Multi institutional IWM coordination platforms established at central, province, local levels	6	0	Multi-institutional coordination platforms are implicit in policy documents. Consider renaming the indicator " <u>Operationalizing</u> multi-institutional coordination platforms""	
0	utcome 2				
	Drought resistant crop variety promoted on 10% of drought affected area	20000 ha	0, or some piloting	No Budget allocated in Budget Note	
	Drought Tolerant NTFPs Promotion on shrubland	375 ha	200 ha	Map suggests shrub land area is only 284 ha; 60 - 70% of the available shrubland will be sufficient for plantation. Resources need to be allocated also for bio-fencing or other suitable measures to protect young plants from damage by livestock and adhere to rotational grazing	
	Establishment of water use/reuse system (Rainwater harvesting, household roof to root water harvesting)	1000 ha	600 ha	Budget for rainwater harvesting and solar water lifting systems does not match current rates, market price for all commodities has increased	
	Conservation farming adopted on 37.63% of all agricultural land)	3763 ha	2500 ha	Current costs are higher than budgeted	
	Construction of Improved Cooking Stoves	2500	1,250	At least USD 10 required per unit construction cost at current rate in local areas	
	PES Related Activities	30	1 (Assessment of ES)	 PES operationalization is unlikely to be realized within project time frame. Instead, strengthening livelihood support will promote overall project objective twofold: 1. Directly develop livelihood of most vulnerable in project area; 2. help build scalable models with demonstrative value, linking IWM and sustainable livelihood development. 	
	Water Source Protection	750	600	As per the current local rate of materials and labor Rename indicator "water source protection" to "water source protection, management and utilization" as water is being used in drinking and cleaning purpose also.	
	Contour Trench	50 km	40 Km	Proposed adjustment allows for development of models and demonstrate impact of contour trenches; original target not realistic as not sufficient land is available in the project area	
	Construction of Catchment Ponds	80	100	Increase target from 80 to 100. Catchment ponds are in high demand locally and have proven to be effective.	

²⁰ 1)national policy on watershed management; 2) revised harmonized climate-risk based sub-watershed vulnerability assessment, prioritization guidelines; 3) guidelines for gender mainstreaming in IWM, 4) standard operating procedures (SoP's) for maintenance of watershed management systems established; 5) revised guidelines for "infrastructure, and 6) revised SCWM program."
²¹ 1) Local Municipalities – Climate Friendly Integrated Watershed Management Activities Operationalization Directives; 2) Province level IWM strategy; 3) National Policy on IWM; 4) Guidelines for gender mainstreaming in IWM; 5) SoP's for maintenance of watershed management systems; and 6) Revised guidelines for "infrastructure."

Promote traditional watershed	20	20	"Multi-purpose ponds (fish farms) and Livestock Raising
friendly practices (specifically for			Support for Majhi Community" as Majhi have largely
Majhi community multi-purpose			shifted their livelihoods base from fish farming to
water ponds including fish farms)			livestock raising.
			Per unit cost has doubled since ProDoc planning; target
			of 20 remains the same, funds are re-allocated from PES,
			NTFPs cultivation and conservation farming.

4.2. Progress Towards Results

Progress towards results has been assessed based on data provided in project progress reports (APR, PIR), baseline assessments and consultant reports, field visit/monitoring reports, knowledge sharing products and other documents made available by the project team and UNDP CO (Annex 1) as well as on results verified in the course of the MTR mission, during site visits, FGDs and KIIs as outlined in the methodology description.

Progress towards targets for Outcome 1 is assessed as "satisfactory" as key policy documents and thereby coordination mechanisms have been completed with project support namely the Climate Friendly IWM Operationalization Directive that prescribes a coordination mechanism for IWM at local level, and a IWM strategy at Province level.

Assessments for data informed planning of both climate resilient IWM as well as GESI responsive livelihood support activities have been prepared. A Multi-Hazard Vulnerability and Risk Assessment covering four subwatersheds is completed as prerequisite of data-informed climate responsive local level plans. The assessment was based on historical trends of hazards occurrence, including recorded associated losses and damages and future scenarios of projected change in climate conditions. For the preparation of the assessments, the technical experts worked closely with the project's stakeholders and beneficiaries, which further contributed to the quality as well as building awareness and understanding of multi hazard vulnerability; the accompanying manuals are important tools to build technical capacity at local government level.

"Assessment of the Mahji's Community Livelihoods to promote Traditional Watershed friendly Practices" provides the framework for the project to jointly develop diversified livelihood options with vulnerable Majhi communities that are linked to the traditional practices and stewardship of the watershed. A Stock Taking Report (2021) had undertaken a detailed analysis of the changing policy and institutional framework and provided guidance on entry points for project support in IWM related policies and institutional mechanisms.

The project is currently supporting the development of guidelines for gender mainstreaming in IWM, of a SoP for maintenance of watershed management system, and of an assessment of environmental services in the project's targeted watershed. A Manual prepared for climate-responsive multi hazard risk and vulnerability assessment in 2022, is currently (MTR Nov. 2022) under review by Project, technical working group (TWG) & DoFSC (further details on achievement of outcomes against End-of-Project Targets are provided in the "Progress Towards Results Matrix" in a tabular format).

Despite delays in the early project phase, important milestones for the institutional development objectives of the project have been reached, and collaboration mechanisms and guidelines established at three tiers of government (local, provincial and federal levels) to mainstream climate resilience in IWM. This mainstreaming is extended to community level through supporting revision of operational plans of NRM groups with attention to mainstreaming climate-resilient issues in IWM.

Progress towards targets for IWM practices implementation under Outcome 2 is on average 50 % of the midterm target, and about 25 % of EoP target. The low achievement rate is due in part to described delays (signing of ProDoc, two elections, COVID-19 restrictions); it is exacerbated by the large number of planned activities, missing budget allocations for certain activities (such as for cultivation of drought resistant crops), insufficient budget allocation due to increased costs²², difficult terrain they are implemented in, and inadequate human resources of LoA partners.

Moreover, in order to concentrate activities so as to create the scalable models the project aims for, project team and implementing partners are awaiting completion of IWM plans for final "packaging" of activities at model sites. The project's activities are spread over a large geographical area and therefore may appear "scattered". However, the project is planning to implement "packages" of activities at selected sites to demonstrate "model building". To this end, project activities are focused within micro-watersheds to realize the linkage building among upstream and downstream communities to enhance the tangible benefits and demonstrative value as a basis and thereby the scalability and replicability of such models.

At this stage (during MTR), the concentration of activities is based on the multi-hazard vulnerability assessment carried out by the Institute of Engineering. Water stress management activities were concentrated in the drought prone areas such as in Taluwa of Siddhicharan-1, Okhaldhunga and Mangaltar of Halesi-6, Khotang identified by the MHVR assessment.

Selection criteria for model sites include: a) observation to determine the most drought prone and vulnerable areas in terms of other hazards such as diminishing water sources, degraded land, b) re-confirmation/consent with concerned local governments and stakeholders, c) verbal and written commitments from community and local governments for their contribution and support, in-kind through facilitation and coordination and in co-finance, d) suitability of site for addressing drought through total water management approach, to generate message on drought management tools and techniques that can be scaled up and replicated in other watersheds, e) accessibility and market linkage potentials were also considered as elements to generate a model that demonstrates impacts, and f) availability of resources (land for conservation farming, degraded land for NTFPs, water sources that required protection/conservation work, corrugated galvanized iron (CGI) roofs for rainwater harvesting, suitable area for contour trench and ponds required for implementing project interventions with integrated approach.

Achievements in implementing practices include, among others, 25 catchment ponds, 15 km of contour trenches, 12 water holes, 250 water source protection/restoration works, conservation farming on 300 ha, 303 farmers (through 19 events) trained in conservation farming and agroforestry, 10 multipurpose ponds including 3 multi-purpose ponds constructed in 2 Majhi settlements of Khotang district, 103 NRM groups strengthened (trained on drought, CCA and DRR, revision of 26 plans of NRM groups incorporating CCA and DRR elements, and completion of a feasibility study of three sites for construction of water use/reuse system (solar water lifting) from Dudh Koshi River for irrigating 96.5 ha of land.

A foundation upon which to further build sustainability of project results has been established at implementation level as benefits for local communities have been realized and local governments provide support for policy formulation and co-financing. Further actions required for sustainability include (i) implementing IWM activities with local partners to strengthening their technical capacity, (ii) maximizing role of community forestry groups along with other NRM groups for local enterprise development, iii) supporting value chain analysis, (iv) using local government finance; and (v) fostering partnership among community, local government, and private sector.

In activity implementation, the project prioritizes a focus on women, marginalized groups, and indigenous climate vulnerable communities. Water management activities supported by the project, such as protection of water sources and creating conservation ponds, have been effective in reducing women's water fetching time. Two ponds in the ethnic Majhi community have been improved for multiple use including cleaning, irrigation, cattle feeding, fishery, and groundwater recharge. The ponds provide benefits to eight Majhi households and a further 22 households in the settlement. Achievements on policy level include 30% representation of women expert members and indigenous expert members are represented in the local level IWM coordination platform

²² For details on budgeted vs current unit costs please see Annex 6

which was endorsed by four local governments. The project promoted inclusive representation in capacity building, workshops, training, and user committees. Project beneficiaries at mid-term were 52 % percent women

As of November 26, 2022²³, the project had reached 7,111 households, amounting to a total population of 35,806. Among these, 52 % were female. The breakdown of benefitting households by caste/ethnicity was: 1 % Majhi, 14 % Brahmin Chhetri and Thakuri, 14 % Dalit, 66 % Janajati, and 5 % others.

4.2.1 Progress Towards Results under GAP and GESI Strategy

The project is rated as Gender Marker 2 (GEN2), indicating it has gender equality as significant objective. Empowering women and relying on their stewardship role was envisioned as a core element of the implementation strategy. More specifically, the project objectives regarding GESI are in "improving the participation and decision-making of women in natural resource governance" and "targeting socio-economic benefits and services for women". A Gender Action Plan (GAP) and GESI Strategy provide the framework for the project to plan and implement activities that address the different needs of men and women, facilitate the participation and benefitting of women, socially excluded groups, most-at risk groups, and monitor progress towards GESI related targets.

The GAP identifies eight key challenges: 1) Technical jobs are considered to be a "men's job", 2) 47% of water sources drying up in the last 5 years, 3) Travel takes up to 2.5 hours to fetch water for

which women on average travel up to four times a day Women mostly rely on traditional methods of farming, 4) Women's work drudgery 70% more than men, 5) Women's health issues are comparatively more critical than men, 6) Comparatively less and small enterprises such

as small-scale dairy, personal pig farms, and poultry farm are owned by women, 7) Meaningful participation of women and socially excluded groups in user committees is poor, 8) Insufficient gender-disaggregated data.

12 targets in the GAP include: 1) 54% of women beneficiaries reached, 2) 70% of user committee members represent Dalit and vulnerable groups, 3) 70% of women and vulnerable people trained in technical skills, 4) Gender-friendly agricultural technology and tools introduced, 5)

The average distance traveled to fetch water decreased, 6) Enhanced water availability and quality, 7) Cases of uterine prolapse, backache, and headache in decreased trend, 8) Micro and small enterprises established; 9) 50% owned by women and socially excluded people, 10) Increased average income of women and the people from socially excluded groups through conservation farming practices and NTFPs cultivation, 11) Indicator wise gender-disaggregated data maintained, 12) GESI responsive watershed management policy and guidelines prepared.

In activity implementation, the project prioritizes a focus on women, marginalized groups, and indigenous climate vulnerable communities. Water stress management practices24 such as water source protection, catchment ponds construction, and multi-purpose pond construction work provide benefits directly to the women. They are the main beneficiaries from easier access to water and improved water availability in the ponds to fulfill daily water needs for household use and irrigation of farmyard and agricultural land.

Water management activities supported by the project, such as protection of water sources and creating conservation ponds, have been effective in reducing women's water fetching time. Two ponds in the ethnic Majhi community have been improved for multiple use including cleaning, irrigation, cattle feeding, fishery, and groundwater recharge. The ponds provide benefits to eight Majhi households and a further 22 households in the settlement. Women from the Majhi community are expected to benefit from improved irrigation facilities through income generation from fisheries and vegetable sales; it is therefore important that such livelihood support activities are effectively linked to the water management interventions.

²³ Powerpoint presentation provided by PIU to MTR Team

²⁴ Intensification of monsoon rains, reduction in winter rains, prolonged dry season and increasing temperature are the key climate related phenomenon which have been challenging the existence of water source as the climatic variability is high and phenomenon of climate induced disasters is quite frequent.

A needs assessment among selected farmer and women's groups for agricultural tools has been conducted; the planned distribution of tools is expected to reduce women's word drudgery in agricultural activities. Achievements on policy level include 30% representation of women expert members and indigenous expert members are represented in the local level IWM coordination platform which was endorsed by four local governments.

The project promoted inclusive representation in capacity building, workshops, training, and user committees. The project gathered disaggregated data on beneficiaries based on gender, caste and ethnicity. Where possible, the project has ensured gender-balanced representation in events by prioritizing women and people from marginalized groups as key participants. As a result, the project beneficiaries at mid-term were 52 % percent female25

Stakeholders during the discussion expressed that the project-built capacities for gender equality and justice by carrying out GESI analysis before designing and implementing its activities. GESI were ensured in benefit-sharing, representation in social structures and decision-making forums. It also started to collect baseline data, identify barriers to women's effective participation in trainings and develop action plans. The majority of the trainings were organized within project communities to reduce women's travelling time. Trainings, meetings and review-and-reflection sessions were run between 11:00 am and 3:00 pm (when women are comparatively less busy from the household chores). As of Dec. 15, 2022, project beneficiaries amount to a total population of 35806, 52 % of which are women. 26

Beneficiaries from IWM structures were 1530 total, 1266 men & 264 women. Of these, 111 persons were from Dalit community, 1172 from Janajati community, 229 from BCT community, and 18 from Majhi community. 78 schemes that generated NPR 13,77,000 (1530*NPR 900 per day).

Beneficiaries from conservation farming (on 109 ha in Okhaldhunga district, and on 190 ha in Khotang district) totaled 2368 individuals from 466 households, of which 10 % were Dalit, 52 % were Janajati, 7 % were Majhi, 30 % were BCT, and 1 % others.

Beneficiaries from plantations (121 ha in Okhaldhunga, 50 ha in Khotang) totaled 1363 individuals, of which 95 were Dalit, 1063 Janajati, 43 Majhi, 158 BCT, and 4 others.

Water source protection translates into direct benefits for women. On average, a single source of water benefits 66 women. The project has helped protect 116 water sources to date, from which a total of 2981 households including 14,762 individuals benefitted through improved drinking water access. As a result, water fetching time has been reduced by 11.25 minutes per woman beneficiary on average. The improved water source saved a total of 1435.5 hours (about 60 days) of time on each water fetching. Also, with the assurance of water, disputes over fetching of water have been decreased and time saving in fetching water is being used on productive work targeted to earn additional income.

2,224 individuals (1334 men, 890 women) (participated in 112 capacity building events for strengthening NRM groups, conservation farming and soil fertility management. Of these, 25 % were BCT, 63 % were Janajati, 8 % were Dalit, 3 % were Majhi.

565 individuals (42 % women) participated in 16 workshop and meeting events; among these, 47 % were BCT, 36 % were Janajati, 4 % were Dalit, 8 % Madhesi27, and 5 % others.

Members of 65 user committees involved in activity implementation include 36 % women; 34 % are BCT, 59 % are Janajati, 5 % are Dalit and 2 % are Majhi.

²⁵ Data provided by PIU to MTR team

²⁶ Beneficiaries are from 7711 households (1 % Majhi, 14 % Brahmin Chhetri and Thakuri (BCT), 14 % Dalit, 66 % Janajati, 5 % other). Data provided by PIU to the MTR team.

²⁷ While Madhesi are not resident in the project area, t8 % Madhesi representations is made up by government staff participating in the events.

Decision making positions in 65 IWM user committees are filled to 34 % by women, and to 66 % by men. Chairpersons are 94 % men, Vice chairpersons are 88 % men, secretaries are 73 % men, Vice secretaries are 56 % men, treasurers are 84 % women.

There are still challenges in women's participation in the training. Local governments are still prioritizing men over women for capacity building training in on- and off-farm enterprises in the absence of fixing a women's quota (reserved seat). Affirmative action for selecting business schemes along with separating some mandatory seats in key decision-making position (apart from Treasurer) in the committees is also needed. Involving women in the treasurer position increased their stress as the majority of rural women have limited education and they depend on others to keep the financial records. Though these treasurers have the authority to sign the cheque and involve in financial management-related decision-making, they have some sort of fear on how to keep good record keeping so that they will not face any charge of financial irregularities from group members.

Anecdotal evidence also adds to the body of evidence that the project approach is promoting women's participation, empowerment and leadership. When the first contour trench was to be constructed, women took the lead as men considered the effort too tough for the district pay rate; upon successful construction, men join the efforts of constructing other contour trenches.

4.2.2 GEF Core Indicators

The baseline for the GEF Core Indicators was established and submitted August 18, 2020; a link to the worksheet is referenced²⁸ in Annex B of the Project Document. In the GEF Core Indicator monitoring system, the project is described as covering agriculture (40 %), natural resource management (50%) and climate information services (10%). The Core Indicators and respective targets (at CEO endorsement) that the project reports are:

Core Indicator #	Description	Target at CEO	Status at MTR (as per
		Endorsement	GEF TT received Dec. 27)
1	Total # of direct beneficiaries	121606	29790
	Men	56182	14565
	Women	65424	15225
2	Area of land (ha) managed for	78268	235
	climate resilience		
	Agricultural land (ha)	3,763	235
	Urban landscapes (ha)	74,505	0
3	Total # of policies/plans that will	14	5
	mainstream climate resilience		
4	Total # people trained	665	1507
	Men	300	872
	Women	365	635

4.2.3 Progress towards Outcomes Analysis

The Progress Towards Results Matrix, provided as Annex 7, rates the achievement under Outcome 1 as Satisfactory (S), and the achievement under Outcome 2 as Moderately Satisfactory (MS).

4.2.4 Remaining Barriers to achieving the Project Objective

²⁸https://undpgefpims.org/attachments/5434/216026/1718169/1725076/PIMS%205434%20-%20CCA%20results framework gef7 18%20Feb%202020.xlsx

Remaining barriers to achieving the project objective are related primarily to shortfalls in technical capacity of existing human resources, and remaining uncertainties in the allocation of responsibilities and development of framework legislation. Local governments, empowered with authority for IWM and other natural resource management, still lack the capacity to fulfill these responsibilities as they are institutionally nascent. Technical capacity and human resources previously associated with DSCWM are not reflected in the local government structure, but are placed at provincial level under MOITFE. Effectively, the responsibility for water and watershed conservation lies with the local governments, but capacity remains at provincial level.

A number of barriers are related to the policy framework on forestry and rangeland management. In general, forest policies are gradually improving in terms of integrating the concept and issues of climate change. Climate change related plans and polices have recognized the role of forests in climate change adaptation and mitigation and prioritized forest management activities to some extent. However, it needs improvement in several aspects: for instance, the specific roles of forests in mitigation and adaptation and appropriate measures to be taken should be identified in both forestry and climate change policies. Policies lack specific steps for dealing with climate change from forest management perspective. Although community-based adaptation and mitigation is prioritized, ecosystem-based climate change adaptation and resilience is emphasized. Similarly, polices are almost silent to identify the institutions and procedures for implementation and in most cases, legislations have not been shaped to implement these policies. In summary, major gaps and challenges of some of the notable policies are:

- National Forest Policy (2018) prioritizes forest fire management; however, other impacts of climate change such as invasive species and pest control are not well identified, which is critical while dealing with the adverse climatic conditions and forest management.
- Forest Act (2019) does not provide a comprehensive picture on managing different types of forests, although it states national forests should be managed as government-managed forests, forest protection zones, community forests by protecting, environment, watersheds and biodiversity. The Act is difficult to implement unless a forest regulation is developed.
- Forestry Sector Strategy, (2016-2025) fails to identify programs for managing climate refugia. landscape level management, especially in the north south corridor, could help manage climate refugia, which is missing in the strategy. It is silent on co-benefits of mitigation actions through forest management.
- Rangeland Policy (2012) does not recognize and address the impacts of climate change on productivity and quality of a rangeland. Silent on the practice of shifting rangelands and claiming new rangelands after deforestation. Multiple use of rangelands (e.g., agro-silvo-pastures) is missing in the policy.

Capacity of (i) DCRL PIU staff (working at field level), (ii) LoA's local staff, (iii) government staff working at local governments, and (iv) elected officials at local governments is limited. As a result, their understanding of achieving results is not homogeneous, which warrants planning relevant training for these categories of people. While wards/local governments are taking ownership of IWM, livelihood, and agroforestry/NTFPs activities, progress is challenged by inadequate familiarity with climate resilience, IWM, livelihood, and agroforestry/NTFPs. Technical staff working at local governments are not adequately capable, for example, to identify which drought resilient crop varieties are technically feasible in a given area and why.

It has taken a lot of time to impart knowledge and rationalize IWM and conservation farming-related activities to the project's stakeholders and beneficiaries. The same was true to convince how a contour trench would help to increase the water source at the downstream area of the sub-watershed. Provision of scheme-specific detailed technical training to users' committees and activity-specific implementation guidelines for common understanding would help to alleviate these barriers. As there is a high level of staff turnover among LoA partners and local governments, project staff have to allocate a lot of time to induction to the project's approaches and processes.

While the development of the Climate Friendly IWM Activities Operationalization Directive is an important achievement towards objectives, the operationalizing of such policy directives is challenged by the fact that human resources are inadequate and the technical capacity (human and financial) of local governments

to operationalize IWM Plans, which also entails mainstreaming DRR and CCA, is still inadequate. This gap warrants technical training for officials working in local governments. There is also a need to provide technical human resources and budget to formulate and operationalize multiple-hazard IWM plans. Advocacy and capacity-building efforts are required to convince officials of the rationale behind mainstreaming the risk reduction of multiple hazards. The field mission during the MTR also found that there was inadequate understanding of the rationale for the selection of implementation sites.

LoA partners are faced with the challenge to implement activities over larger areas, in remote and difficult terrain, while being understaffed, therefore they cannot deliver technical assistance as needed. For example, some gaps in water hole construction and cattle shed improvement are a result of the limited monitoring stemming from low staff numbers. For example, in the Provincial Forest Office of Okhaldhunga district (one of the LoAs), only 18 staff are currently available through 44 are provisioned by the government), and only 3 senior officers are actually working now while 9 were planned to work at the office. It shows that human resources at the LOA are very low which directly impacts the quality of the project's work. Strengthening of technical capacity in forestry, livelihood development as well as civil engineering is urgently needed.

The disbursement protocols in place under NIM modality whereby UNDP releases funds in tranches to the project from where installments are made to the LoA partners were experienced by LoA partners as creating bottlenecks for implementation; this can be particularly challenging when works such as plantations need to be implemented on time before monsoon season. The problem is being addressed by UNDP, by planning to reduce the amounts of tranches and increasing the frequency of releasing them. To further alleviate the problem of bottlenecks, advanced work planning of project activities considering seasonality of certain activities should further improve for the remaining implementation time as assessments are completed and IWM planning progresses.

Remaining barriers to achieving the project objective are related primarily to shortfalls in technical capacity of existing human resources, and remaining uncertainties in the allocation of responsibilities and development of framework legislation. Local governments, empowered with authority for IWM and other natural resource management, still lack the capacity to fulfill these responsibilities as they are institutionally nascent. Technical capacity and human resources previously associated with DSCWM are not reflected in the local government structure, but are placed at provincial level under MOITFE.

A high level of staff turnover among local governments, has required project staff have to allocate a lot of time to (re-) induction to the project's approaches and processes. Also, with the restructuring of MoFE after finalization of project design, the power of community-based forest management and community forest handover are with the provincial government. As jurisdiction in forest, environment and water conservation is concurrent with all tiers of government, local governments have to await framework legislation from the federal ministry in order to develop their protocols fully.

Budget allocations to pilot and implement the IWM practices are not sufficient to reach the targets as planned originally. Costs for goods and services have increased drastically since project design, therefore adjustments to targets are appropriate in order to maintain quality of implementation; this is also in line with the intention to concentrate activities to generate replicable models.

In this context the need for additional activities to secure long term results should also be mentioned; for example, conserving and protecting plantation areas will be challenging unless the project has a mechanism to support (i) bio-fences, (ii) rotational grazing, and (iii) the formulation of and adherence to strict rules and regulations for the systematic grazing.

4.3. Project Implementation and Adaptive Management

4.3.1 Management arrangements, adaptive management and work planning

The institutional arrangements for project implementation and oversight reflect a multi-layered engagement mechanism to facilitate quality planning, implementation and oversight.

The Project Executive Board (PEB), chaired by the NPD/Joint Secretary of DoFSC/ MoFE with other members from relevant government agencies and institutions provide overall oversight and guidance. The PEB has played an active role and approved adaptive management measures to overcome implementation challenges including: i) organizing bilateral meetings with government entity that have failed to delivery on their target, ii) mobilizing additional technical experts to facilitate implementation at the local level. iii) facilitating contracting to be initiated by the PMU, and iv) approving to set up a satellite office in Khotang (considering priority of activities in Khotang) to ease staff movement and engagement with the local government. A summary of PEB meetings and key decisions to date (Dec. 15, 2022) is provided in Annex 8.

A Provincial Coordination committee is established under the Secretary of Provincial Ministry of Forest, Environment and Soil Conservation; it has important functions in project planning and oversight. The project holds regular meetings with the committee.

Local level project implementation committee was established in 2021. However, due to changes in leadership due to local elections in 2022, the project is communicating with all 8 local governments about formalizing the local level implementation coordination committee in early January 2023; this will enable endorsement of all plans for the respective municipalities.

The implementation arrangements from federal ministry level to local government and community level are adjusted to the government structure for IWM. At community level, they are linked to CBOS with a track record of natural resource management and an existing institutional framework (groups and networks). However, there are challenges such as high turn-over in the position of NPD (as well as staff turn-over in PMU and PIU). During 2022, three individuals have been holding the position of NPD to date (Dec. 15. 2022), with gaps of approx. 1 - 2 weeks in between appointments.

PMU and PIU are housed within the government implementing partner offices as planned. The distance (approx. 47 - km) of the PIU office in Okhaldhunga district headquarter to the project sites has been a challenge, the newly established office in Khotang district nearer to project activity sites promises more efficient project support on the ground. The project's management structure and style are perceived by stakeholders as highly democratic and appreciated, fostering good cooperation and ownership. However, staff turnover is a challenge to the efficiency and continuity of effective management.

The partnerships with LoA partners are another key element of the implementation structure, engaging relevant government agencies as well as technical expertise from academic institutions. While there are shortcomings in human resources and technical capacity with LoAs, their engagement as government agencies in implementation nevertheless enhances likelihood of long-term implementation and sustainability.

UNDP provides oversight of project execution to ensure that the project is being carried out in accordance with agreed standards and provisions. UNDP's responsibility for the 'project assurance' role of the PEB is an important mechanism to exercise this oversight.

UNDP CO provided crucial support to the project when COVID-19 pandemic, the forex crisis (government ban on imports), elections and political instability hindered progress, including: i) Training/orientation on 'Policy Processes, Financial Management and Procurement' to PMU (Oct. 2020); ii) Transfer of 2 UNDP vehicles to the DCRL Project (fast-tracking of vehicle procurement was attempted but did not succeed due to COVID-19 related manufacturing delays, import ban due to forex crisis due to the war in Ukraine); iii) Recruitment process was
fast-tracked, and internal arrangement to mobilize an Administrative Finance Assistant from CDMRP for the Project Manager at the initial stage of implementation; programmatic support in planning processes, and facilitating agreement on LoA arrangement with the government to kickstart implementation and to support direct engagement of user groups. Under the arrangement, the contract agreement for the current year carries an amount of USD 800,000.

UNDP's programmatic support to the project (CO support to NIM) also included a) request for and support with quarterly acceleration plans with specific monthly activity and financial targets, b) bi-weekly meetings with the NPM and Admin and Finance Officer (AFO) to discuss status of the project delivery, c) prepared result tracker against the annual and quarter work plan, d) monthly catch-up meetings with NPD, e) bi-weekly meetings at the CO, chaired by Deputy Resident Representative, with participation of Programme Analyst and Policy Advisor to discuss and track DCRL's progress.

The project likewise has reacted with adaptive management measures to new information and changes in context, revising baselines and facilitating repeated cycles of stakeholder engagement in response to emerging policy and institutional frameworks and newly elected local government leadership. In coordination with and with support from UNDP, the project has prepared quarterly acceleration plans.

Besides the delays caused by COVID-19 restrictions and delayed project agreement signing, it was also noted²⁹ that a "lack of familiarity of UNDP NIM guidelines amongst the project team and government counterparts" posed challenges in the early implementation phase.

4.3.2 Finance

Financial delivery has been low, rated as 'moderately unsatisfactory' in the PIR (2022). This has also been addressed with adaptive management measures, including the support by UNDP in procurement of high-value and time sensitive goods and services in the amount of USD 350,000.

The delivery rate for GEF funds is at 17% and for UNDP TRAC at 51% as of 26 December 2022. Expenditures for GEF and UNDP TRAC respectively for fiscal years 2020, 2021, and 2022 for a grand total of USD 1,646,434.74 (26 December 2022) are detailed in the table below. These data were provided by UNDP CO on December 26, 2022 to MTR team; all amounts are in USD.

Fiscal Year	UNDP TRAC (4000)	GEF (62160)
2020	2,994.86	-
2021	163,005.35	310,740.41
2022	291,417.65	878,276.47
Total	457,417.86	1,189,016.88

Annex 9 provides the breakdown of expenditures by project year for Outcomes 1 and 2 and for Project Management as of October 2022, against the budget as per Project Document (data provided by PMU to MTR team, Nov. 14, 2022)

The low disbursement rate is another ground for a NCE of 6 months from November 2024 onwards, as an amount of USD 3 million would need to be disbursed in 5 months during 2024 (January to May) under current timeframe. No budget variation has been made to date, but management cost might be revisited for the remaining project period.

UNDP and the Implementing Partner have agreed on further measures to accelerate implementation and disbursement including i) Mobilization of technical staff to support the project on a temporary basis, ii) Review the tranche disbursement under the LoA arrangements and restructure payment schedule if necessary ii). Extend technical support to government entities to facilitate implementation, iii) Review the PMU and PIU staffs to provide additional support to AFO, and iv). Diversify the contract arrangements to implement field activities.

²⁹ PIR 2022, page 28

The request of funds by the Project to UNDP is made on a quarterly basis as per the quarterly workplan approved by PEB. The modality of fund flow from UNDP via project to LoA partners was a common reason for grievances heard during interactions of the MTR team with stakeholders. Remedial action has been initiated by UNDP to change the procedure by making more frequent advances of smaller tranches that are more likely to be disbursed faster so that "waiting times" of LoA partners for the next installment would be shortened.

Fiduciary procedures were not reviewed in detail by the MTR team; however, the MTR team found no indications to doubt that fiduciary compliance is fully functional. A check and balance approach is applied whereby both project and UNDP review invoices provided by LoA partners.

4.3.3 Co-finance

Co-financing letters have been received from all eight local government authorities of the project area. Their contributions, in absolute values and percentage against planned amounts, are: i) Siddicharan Municipality 229,771 USD (30,410,040.00 NR) (91%), ii) Manebhanjyang R. Municipality 84,624 USD (11,199,960.00 NR) (49%), iii) Chisankhugadi R. Municipality 79,600 USD (10,535,040.00 NR) (31%), iv) Diktel Rupakot Majhuwagadhi Municipality 529,782 USD (70,116,120.00) (130 %), v) Halesi Tuwachung Municipality 181,860 USD (24,069,000.00 NR) (69 %), vi) Aiselukharka R. Municipality 123,040 USD(16,284,240.00 NR) (50 %), vii) Kepilasagadhi R. Municipality 137,704 USD (18,225,000.00 NR) (59 %),viii) Rawa Besi R. Municipality 199,103 USD (26,351,160.00 NR) (81 %). A co-financing letter has also been received by the Prime Minister Agriculture Modernization Project (for Khotang and Okhandhunga) over 45,767 USD (6,057,240.00 NR), (22 % of planned).

Other contributions, in absolute amounts and percentage against plan, are reported from i) Ministry of Forests and Environment (MoFE) 3,529,308 USD (467,100,465.00 NR) (100 %) for basin management plan completed, and periodic inputs provided in different fora; ii) Department of Forests and Soil Conservation (DoFSC) 3,429,973 USD (453,953,500.00 NR), (100 %) for NPD, DoFSC focal persons and personnel (gender and program support) along with other officials assigned and actively engaged in project activities as required, providing PMU and PIU office space with facility of electricity, water and parking space for vehicles, iii) Department of Hydrology and Meteorology (DHM) 6,040,316 USD (799,429,800.00 NR), (100 %) for activities on establishment of Hydro-Met Stations, assigning one PEB member, providing data on for MHVR and other assessments, iv) Department of Agriculture (Khotang and Okhaldhunga) 262,816 USD (34,783,450.00 NR) (100 %) for technical inputs on various studies and project activities, and assigning one PEB member.

For several implementing/LoA partners, expenditures are reported as in progress as per Letter of Agreement. These expenditures are included in the total amount stated as government co-finance; they include: i) Basin Management Centre, Koshi56,668 USD (7,500,000.00 NR), ii) Soil Conservation and Watershed Management Office, Okhaldhunga 32,489 USD (4,299,960.00 NR), iii) Divisional Forest Office, Khotang 57,801 USD (7,650,000.00 NR), iv) Divisional Forest Office, Okhaldhunga 59,653 USD (7,895,040.00 NR), v) Institute of Engineering (IoE) 15,640 USD (2,070,000.00 NR). A Letter of Agreement has recently been signed with the Institute of Forestry (IoF) and activities are under progress.

Co-financing data reported to date (Dec. 15, 2022) are summarized in the table below. (Exchange rate used for converting to USD was 1 USD = 132.349 NRs)

	at CEO endorsement (US\$)	at Midterm Review (US\$)
[1] GEF financing:	7,000,0000	717,895.24
[2] UNDP contribution:	900,000	402,998.74
[3] Government:	34,893,000	15,095,851
[4] Other partners: Community		155,654
[5] Total co-financing [2 + 3+ 4]:	35,793,000	15,654,181
PROJECT TOTAL COSTS [1 + 5]	42,793,000	16,372,076

Co-financing data are detailed, with contributions by each government agency and in-kind contributions by communities, in Annex 14.

4.3.4 Project-level monitoring and evaluation systems

The M&E Plan (as per Project Document) addresses and allocates funds for all GEF M&E requirements³⁰. It details responsibilities and methodologies for collection of data to determine progress for each PRF indicator. In addition, the GAP details activities and methods to verify progress towards targets under the GESI strategy. The Inception Workshop, internal and national level, reviewed the milestones for GEF required M&E.

As the reported status of progress in the PIR (2022) report did not reflect the latest achievements towards targets at the time of MTR mission, PMU and PIU staff prepared updated data sets for the MTR team, including gender and caste/ethnicity disaggregated data for all interventions.

The project maintains an online database³¹ capturing progress towards targets for all Outcome 2 practices and policy documents (and related coordination mechanisms) for Outcome 1; the database provides detailed information on plantations and conservation farming, records details of M&E events, workshops, capacity building, and trainings events completed by the project. Data are disaggregated by gender, caste, ethnicity, and organization (government, NGO, CBO).

Capacity building events on M&E included a training workshop on Result-Based Monitoring and Reporting (August 4-5, 2022, 29 participants 24 men/5 women), and two events on GESI mainstreaming for 50 (36 women) wards chairpersons and key community organizations participants in September 2022 in both project districts.

M&E events to date include i) Inception Workshops (internal, national, local) in September 2021, ii) Annual Review Reflection cum Planning (RR&P) Meeting, (Dec 27-29, 2021, Godawari); and iii) Review, Reflection and Planning Meeting (6-Aug-22). Apart from regular monitoring visits by PIU and PMU staff, the following monitoring visits to project sites have taken place: i) UNDP Country Office, 3-5 August 2022, to Halesi Tuwachung Municipality, 4 and 5, and observed water source protection, contour trench, catchment ponds; ii) Joint monitoring (local government and UNDP and PEB members), 18-21 April 2022, to Halesi Tuwachung Municipality-5, Dharapani-Khotang, and observed water source protection, contour trenches, Ruru lake conservation works in Khotang, Diktel Rupakot Majhuwagadhi, Manebhanjyang-5, Farsekhola-Okhaldhunga: Manebhanjyang-7.

A monitoring visit to project implementing sites by NPM and NPD took place during the MTR mission. The M&E officer of the PMU left his position while the MTR was ongoing, the position has been announced as vacant.

Officials of local governments during the MTR field visit referred to DCRL as "their project", indicating a good level of support and local ownership. However, they did request the project to foster accountability and transparency by organizing (i) public hearings, (ii) social auditing at least twice - when the project's activity is initiated and close to its completion), and (iii) quarterly learning-cum review meetings. This would promote the best use of resources without duplication and greatest contributions to value for money.

³⁰Inception Workshop and Report, Standard UNDP monitoring and reporting requirements as outlined in the UNDP POPP, Risk Management, Monitoring of indicators in project results framework, GEF Project Implementation Report (PIR), Lessons learned and knowledge generation, Monitoring of environmental and social risks, and corresponding management plans as relevant, Addressing environmental and social grievances, Stakeholder Engagement Plan, Gender Action Plan, Project Board meetings,, Supervision missions, Oversight missions, GEF Secretariat learning missions/site visits, Mid-term GEF Tracking Tool to be updated, Independent Mid-term Review (MTR) and management response, Terminal GEF Tracking Tool to be updated,

Independent Terminal Evaluation (TE) included in UNDP evaluation plan, and management response, Translation of MTR and TE reports into English.

³¹ https://docs.google.com/spreadsheets/d/1XsBI3sR-8wIzAB4HIA6CFsAhCeYttdPx/edit#gid=2107577321

LoA partners serve both as implementing partners and technical backstopping/oversight in the field. To avoid potential conflict of interest and add to the quality of work, it is advisable to install a third-party monitoring mechanism.

UNDP Risk Log has been maintained, with the latest entries dated Nov. 10, 2022 regarding potential effects of restrictions due to local elections on implementation activities.

4.3.5 Stakeholder engagement

Following the extensive stakeholder engagement throughout the project development phase, facilitation of stakeholder involvement in planning and implementation has continued. The project design process was designed to promote stakeholder involvement, understanding and validation of the project strategy, and to identify the institutional framework for implementation that would be able to appropriately reflect the new federal structure and relevant roles and responsibilities in the key areas of the project objective.

The key elements of the stakeholder engagement plan have been implemented, with government implementing partners at three tiers as outlined above. By concluding the LoA partner arrangements, the project has leveraged partnerships with <u>direct</u> stakeholders that promote the likelihood of sustaining activities, as the LoA partners are government agencies with the same functions they fulfill in the framework of project implementation.

Local governments are engaged as key stakeholders for local planning, implementation and co-finance. On community level, activity implementation is through NRM groups registered with local government and with operational plans. Developing their institutional and technical capacity (revising plans, trainings in IWM knowledge and skills) is integral part of the project activities.

During the field visit and key informant interviews, the support of local and federal government stakeholders for executing the project's objectives was very apparent. Despite challenges in implementation attributed to shortcomings in human resources and technical capacity, LoA partners give project activities high priority and emphasize the significance of project results.

Interactions of the MTR team with stakeholders signaled that project was successful in building a good working relationship with all the relevant stakeholders, from communities to wards to local government s. All the stakeholders are familiar with the project and its activities, and there is good harmony between the project and LoA partners. Beneficiaries, ward chairpersons and Mayors of local governments are all willing to contribute resources in the form of cash, labor, and materials in order to create synergy.

The project's activities addressed people's immediate needs and priorities, and beneficiaries expressed satisfaction, believing that the project will help improve their livelihoods. Indeed, the project has reached previously unreached and unserved sections. The majority of the project's activities address the key challenges of drought and managing water stress through water source protection, contour trenches, conservation ponds, rainwater harvesting, water holes, and the like. Conservation farming has been initiated through cattle shed improvements and planting drought-resistant crops. People's ownership of the project's activities is high because the project has made provisions for both structural and non-structural (capacity building, planning support with groups) support.

As these activities have started to generate local benefits, local people are motivated to engage in the project's activities (particularly site selection, execution, and operation). As the project's LoAs were selected from government entities working in the same programmatic areas, it is likely that additional resources will be allocated for the project's activities even beyond the life of the project. Because LoAs are locally based government agencies, they might allocate resources and run similar schemes in and around the project's communities.

Wards/local governments are taking ownership of IWM, livelihood, and agroforestry/NTFPs activities but progress is challenged by inadequate familiarity with climate resilience, a deficiency which warrants continuous

advocacy and capacity buildings. Local people are taking ownership of DCRL activities through community contributions.

The Federation of Community Forestry Users Nepal (FECOFUN)³², an umbrella organization of community forest user groups, mentioned in the stakeholder engagement plan, was not involved during the project's planning or implementation so far. They have expressed interest that the project to contribute to forest-based micro-enterprise development programs to improve people's livelihoods; this option should be considered and further explored.

4.3.6 Social and Environmental Standards (Safeguards)

UNDP has ensured compliance, mitigating environmental impacts during constructions, which all have a comparatively small footprint. For community level interventions such as conservation ponds, water source protection and contour trenches local mitigation techniques were applied by the community, and technical backstopping provided by experts mobilized by the project and through local government counterparts.

An SES expert has been contracted by the project in August 2022, projected to be under contract until end November 2023. To date (Dec. 15, 2022), the expert had completed SES screening of three solar water lifting sites namely Ghopatar, Hattisar and Mangaltar of Haleshi Tuwachung Municipality of Khotang (see SES screening reports in Annex 10). At the time of MTR, the expert is carrying out SES screening of 7 hydro-met stations and several water stress management structures, with reports forthcoming.

Preparation of Environmental and Social Management Plans (ESMP) is planned for two key constructions works: i) Solar Irrigation Systems (3 locations) and ii) Hydro-Meteorological Stations installations (7 locations). Other tasks to be performed by the expert include i) trainings to local implementing partners are planned for early 2023; ii) making SES reporting against the SESP; and iii) developing a Redress Mechanism with technical support from UNDP CO.

During the MTR field mission, no grievances regarding social safeguards came to the attention of the MTR team member. No new social and/or environmental risks have been identified to date, none of the identified social and environmental risks in SESP have been considered to have become more severe; thus, the project's SESP categorization has not changed.

4.3.7 Reporting

Reporting has been duly undertaken; due to the delayed start in project implementation, a limited number of reports is available at the time of MTR (Nov/Dec 2022). One PIR report (based on mid- year 2022 review) was available. Other available mandatory reports include i) the documentation of inception meetings in September 2021 (internal, local and national), ii) Annual Progress Report (2021); and iii) Minutes of PEB meetings (6). All reporting is in required standard: progress and review reports are balanced, and they covered the issues on strengths and weaknesses, achievements and challenges alike. As mentioned earlier, reporting of progress in the project database is detailed and updated regularly.

4.3.8 Communications & Knowledge Management

The project has established an online presence, sharing project information, stakeholder voices, weekly updates, and has provided trainings to enhance communication skills, as well as knowledge of journalists on IWM. A

³² Mentioned in ProDoc stakeholder engagement plan as "An umbrella organization of community forest user groups registered in government institution, aiming to campaigning, advocacy and empowerment of CFUGs to encourage for proper utilization and equitable sharing of benefits from community forests. Appropriate platform to discuss policy formulation, and evaluation, Basin approach and organization restructuring, PES establishment for sustainable financing"

Communication and Visibility Plan (June 2022) has been prepared which identifies communication needs, outlines approach to deliver information on the project activities and results, and educate different audiences about climate-resilient livelihood practices, IWM practices, and various policies and guidelines related to watershed management. The communication plan is also designed to lobby for the creation and implementation of policies on effective watershed management that consider the local multi-hazards at all levels of government (federal, provincial, and local).

Indicators for measuring progress of implementation of the communication strategy complement indicators in the PRF and GESI strategy, including "Improved awareness, knowledge, and skills on climate-resilient livelihoods, IWM practices to community, CSOs/CBOs, local governments, and various target groups of the project", and setting targets for a variety of knowledge products, for the public and for specific audiences.

Events to support communications on IWM and to enhance stakeholder's communication skills included a "Training to Journalists on Climate Change and Watershed Management" (August 1-2, 2022), and a "Training/Workshop on Result-Based Monitoring and Reporting, Storytelling, and Photography" (August 4-5, 2022).

The Project's website is embedded with the website of the implementing partner to make information on ongoing activities, results and lessons learnt work, and documents available to the public.

The project publishes Weekly Highlights. By Dec. 15, 2022, a total of 14 Weekly Highlights were available online, see link below. "Voices" - Video commentaries by community members/beneficiaries and local stakeholder representatives are shared online.

The project has planned to develop six thematic case studies, and included as deliveries in the Letter of Agreement with Tribhuvan University, Institute of Engineering (IOE). The multidisciplinary and multi-institutional Technical Working Group (TWG) is an important body to support discussions on thematic issues, and facilitate sharing of information, experiences, new knowledge and innovations, and to provide support in ensuring technical standards in the implementation of the project activities. Monitoring visits, periodic reviews, and reflection meetings as mentioned above serve as mechanism for joint discussions and to distill lessons learnt.

Online Sources:

- Project Website: https://dcrl.dofsc.gov.np/
- Website of the implementing partner https://dcrl.dofsc.gov.np/
- Media Coverage: https://dcrl.dofsc.gov.np/category/media-coverage/
- Communications Strategy and Visibility Plan:
- https://pims.undp.org/attachments/5434/216026/1756578/1805988/Comms%20and%20visibility%20plan_DCRL_202 2.pdf
- Weekly Highlights are published at: <u>https://drive.google.com/drive/u/0/folders/1Th7mKHfABJXkDVNvb2Gzy6pSMbPOINjF</u>
- Voices: https://drive.google.com/drive/u/0/folders/1hCsYSdpw2iV3OxmMDbwRFf2gelW9SjLf
- <u>https://www.undp.org/nepal/projects/dcrl</u> (project summary, brochure, progress)

4.4. Sustainability

Project design expected that "the project sustainability lies in the tools, guidelines and practice for climate resilient IWM which will be embedded within the relevant institutions," and that "working with local governments, building capacity to identify measures will address local level capacity deficits. Strengthening natural resource groups, raising awareness, and embedding livelihood benefits at the community level will ensure long-term community resilience to climate-induced hazards." Against this background, the project has successfully initiated processes to build livelihood assets (financial, human, natural, physical and social) and develop institutions and policies that will promote outcomes in reduced vulnerability, more sustainable natural resource utilization and improved household incomes.

4.4.1 Financial sustainability

The project was successful in leveraging resources from the government for various activities. Elected leaders have committed to providing additional funding in the future to implement the agreed plans and they are also committed to contributing to the operation and maintenance (O&M) fund. Women and youths seem very confident about continuing their livelihood schemes. The project's key components have been mainstreamed into the plans, policies, and programs of wards and municipalities, a development which will help to continue such programs by leveraging government resources.

Although groups and committees are institutionally nascent, their considerable enthusiasm and the degree of work they carried out suggest that these groups will continue to act as social platforms for sustainable livelihoods. Sustainability through an economic lens could be further ensured if (i) the revolving funds to be established to meet the demand for loans by group members, (ii) the good record and account-keeping systems of the groups were strengthened, and (iii) revolving fund operational guidelines were formulated.

The Climate Friendly IWM Activities Operationalization Directive opens many avenues in terms of leveraging the resources based on Sendai Framework for Disaster Risk Reduction (SFDRR) for resilience-building at the fullest scale, as it emphasises the 'public private partnership."

4.4.2 Socio-economic sustainability

Infrastructures were constructed to improve social services and reduce disaster risks. The mixture of software and hardware activities not only encouraged local people to participate in the project's campaigns but also ensured the sustainability of the project's activities. Ward offices and municipalities have agreed to allocate financial resources for O&M of community infrastructures and some budgets have already been provisioned in annual plans.

Group-based savings-and-credit schemes have been initiated (though they have to work more in the days to come) to help mobilize group funds to start up small-scale enterprises. Women groups are better operationalized and now act as 'social platforms' for sustainable livelihoods, a development that helped to create awareness about the project's contemporary issues. For the maturity of these initiatives, the project has to facilitate review and revision of groups' rules and regulations for the investment in more lucrative livelihood schemes, redefining fines and punishment against those who default on loans, and exploring other potential on-and-off-farm based livelihood schemes with the most promising potential in the project's areas.

Group members are linked to cooperatives and cooperatives supervise group activities. The trend of taking loans from cooperatives to launch and scale up livelihood initiatives is increasing. The project offered a complete package (training, inputs, and technical backstopping) to operationalize the livelihood schemes.

The project helped to develop human capital/local resource persons through a series of capacity-building efforts. It is commendable that project-trained community members, and other stakeholders now function as local assets that can be called upon in times of need. The project also strengthened the institutional capacity of women groups, which facilitated community-level activities and advocated for socio-economic change. The ward offices are on the frontline in assisting some community groups by providing funding for raising awareness and monitoring initiatives. Each group/committee now meets regularly and makes decisions designed for action, a fact that has strengthened their institutionalization. Because the project creates an enabling environment to express empathy through (i) reflective listening, (ii) avoiding argumentation, (iii) acknowledging and exploring individual resistance to change, and (iv) supporting self-efficacy, change in behaviour will be sustained.

Sustainability in developing human capital could be ensured further if (i) capacity-building events were considered as a means, not an end and comprised practical short training events and refresher training rather than long training events, (ii) simple self-monitoring mechanisms were used to periodically

gauge and track changes, and (iii) municipal sectoral staff were used as resource persons during training events so that rapport could be built with them and government resources accessed.

4.4.3 Institutional framework and governance sustainability

The project worked in coordination with local governments, wards, groups, and cooperatives. Groups and committees have already been registered with relevant sections of the municipality and providing supports. All groups are gender- and socially inclusive. These institutions have gradually assumed a greater role as they have grown more institutionalized. At the time of MTR field visit, members of groups and committees were in the process of drafting operational guidelines (written rules) and *bidhan* (constitutions) which incorporate all the customary rules, regulations, norms, and practices of the communities. It was found that all groups and committees have a good rapport with ward governments. Sustainability through a sociological/institutional lens could be enhanced if (i) the project drafted sustainability and exit plans at the outset and had a mechanism to operationalize such plans, and (ii) groups/committees were institutionalized further.

The project facilitated local governments in formulating policies related IWM. These policies provided guidance to the local governments. The fact that the policies were developed after individuals/officials and local stakeholders were trained ensured their future operationalization. Ward offices and municipalities have agreed to allocate budgets for their operationalization. Sustainability through a legal lens could be enhanced if the project is to be dedicated solely to policy support, institutionalization and consolidation with resource leveraging from government, non-government and private sectors.

4.4.4 Environmental sustainability

The project's implementation of planned activities safeguarded the local environment by using mechanisms protecting small-scale infrastructures. Construction materials such as stone, sand, and wood were extracted or managed from safe areas so that their extraction would not damage the local environment.

Sustainability through an environmental lens could be improved if the project (i) built on environmental safeguards within the project document and implemented those measures in subsequent project phases, and (ii) identified likely environmental risks and measures with the aim of mitigating those risks by mobilizing local skills, knowledge, and technologies.

There are encouraging signs that the practices and policies piloted by the project will be sustained; in several locations – within and beyond the project sites/communities - local stakeholders have begun replication of project experiences, with their own resources. Examples include:

- Siddhicharan-1 of Okhaldhunga has planned to allocate some resources for the O&M of small-scale infrastructures.
- Halesi Tuwachung Municipality ward # 4, 6, 9 are committing co-finance for solar lifting site under discussion.
- Inspired from its benefits in water source protections, Halesi-5 in the Sunkoshi watershed area (outside of the project area) constructed a contour trench with its own resources.
- Some wards, such as Siddhicharan-1 and Manebhanjyang-1 of Okhaldhunga district, have started to renovate their traditional ponds for recharging purposes using their own resources.
- Policy initiatives have been replicated. The IWM Operational Policy Directive developed under DCRL is being replicated by local governments like Halesi, Rawabesi, Diktel and Ainselukharka.
- Learning by watching neighboring communities also inspired communities to join and execute IWM and conservation farming initiatives. *Udhanshil Krishak Samuha* (local farmer group) is one such example of a non-targeted community that learned by watching.
- IWM-related issues are being mainstreamed into the operational plans of NRM groups such as community and/or leasehold forest user groups.

- The formation of a Technical Working Group has been recognised as a good practice and the concept has been replicated by the project "Building a Resilient Churia Region in Nepal (BRCRN)" currently implemented by FAO under the financial assistance of Green Climate Fund.
- Several types of DCRL activities already have been accommodated for the first time in Annual Plans of 8 Local governments, including i) Halesi Tuwachun municipality (conservation farming-banana farming, ponds, water source protection), ii) Diktel Rupakot Majuwagadi municipality (catchment ponds, water source protection, rainwater harvesting), iii) Manebhanjang Rural municipality (source protection, ponds, rain water harvesting, conservation farming), iv) Siddhicharan municipality (conservation farming, compost manure-cattle shed improvements, banana, lemon, water source protection, ponds), v) Kepilashgadi RM (water source protection, ponds), vi) Chisangkhugadi RM (water source protection, ponds), vii) Rawabesi RM (water source protection, ponds).

The likelihood of sustainability of the project's schemes is enhanced also by the facts that they are low-cost and indigenous knowledge and skills-based. The use of locally available construction materials like stones, sand, and boulders, the use of local skilled and unskilled labor and the requirement for community contributions during civil work helped to minimize project's activity costs.

5. Conclusions, Recommendations, Lessons Learnt

5.1 Conclusions

Project design, involving extensive consultations of stakeholders and technical expertise, is based on a thorough analysis of the risk and vulnerability context. The project strategy is built upon a 'Theory of Change' that comprehensively captured barriers, solutions, interventions and objectives and logically addressed both policies and institutional development and implementation of IWM practices in its two outcomes.

The approach of integrating institutional and policy development with the piloting of new practices, integrating upstream and downstream measures in IWM, and supporting resilient livelihoods through innovative farming, local resource and skill based small enterprise development and financial mechanisms is well justified. With expected results to generate scalable models, the project strategy integrates results in livelihood improvement as an important feature to promote tangible benefits and thereby local ownership and sustainability.

Rated as GEN2, project design included a thorough analysis of risks, vulnerabilities and capacities of women and socially excluded groups in the country and project area context, describing how "IWM is a gendered" and arriving at a GESI strategy as a core element of project design.

As the project design stage coincided with the government's restructuring to a federal system, it could not define detailed institutional arrangements and place project activities within an established policy framework. "Instead, complimenting the policy development needs for IWM became a part of project activities."

Project design underestimated the required timeframe to facilitate the processes of institutional and policy development; to assist in defining new roles, responsibilities and coordination mechanisms for IWM; and to implement innovative IWM practices linked to livelihood support while final project's locations depend on the key outcomes of multi-hazard and vulnerability assessments and baseline reviews to target livelihood support in line with the project's GESI objectives.

Project design was ambitious in the first place, with the tasks in institutional and policy development, with the integrated IWM approach and in the targets for the many practices to be implemented.

Already behind schedule after a delay in project agreement signing, the inception and early implementation phase faced major challenges as the COVID-19 pandemic unfolded, stakeholders were unfamiliar with NIM modality procedures, elections caused further restrictions and required repeated project induction to new leadership in local government, the Forex crisis impacted procurement, and rising costs for goods and services

rendered a number of targets unattainable under the budget planned years ago. The unclarity in the power and roles among three tiers of government under federal mechanism also delayed the process.

The year 2021 effectively became a preparation phase, and the project utilized the time to review baselines, commission assessments, built stakeholder collaboration and initiated project's key locations.

Oversight and coordination mechanisms established by the project reflect the three tiers federal structure. For implementation, the most direct stakeholders, the government agencies with the relevant roles and responsibilities in IWM, as well as academic institutions for technical backstopping, have been contracted under LoA agreements.

Applying adaptive management approaches, UNDP has provided significant assistance to the project in the preparation of quarterly acceleration plans, by providing vehicles, undertaking high value procurements, and programmatic support and offering required technical backstopping.

An M&E system is in place, with procedures, budget, milestones, and responsibilities defined and effective in documenting progress under two outcomes and achievements towards GESI targets. PIU and PMU undertake regular field monitoring visits, and UNDP has fielded two missions to implementation sites to assure technical quality of work. The project maintains a comprehensive data base on site specific information, completed activities, and achievements towards all targets.

The key elements of the stakeholder engagement plan have been implemented, with government implementing partners at three tiers of government. By concluding the LoA partner arrangements, the project has leveraged partnerships with <u>direct</u> stakeholders that promote the likelihood of sustaining activities beyond the project life. The project made extra efforts to introduce the project to newly elected local government officials to secure their understanding of and support for the project.

With the commencement of more substantial construction works such as the solar lifting sites at 3 locations and hydrometeorological stations at 7 locations, the project is addressing safeguard issues; an SES expert has been hired to undertake SES screening, develop ESMPs and build SES capacity among implementing partners.

Reporting requirements are fulfilled to standard, and progress and review reports are balanced, covering the issues on strengths and weaknesses, achievements as well as challenges. A communication and visibility strategy guides project activities in public awareness and education for different audiences on the project, IWM, CCA and GESI. The project has established an online presence, sharing updates, background information and educational materials; it has established tools to effectively share knowledge and reach different audiences upon which to build in coming years.

The project has made important contributions under Outcome 1 towards establishing coordination mechanisms for IWM across three tiers of government; capacity building and ongoing facilitation of stakeholder cooperation will be required to operationalize procedures.

Under Outcome 2, though significantly behind schedule, the project has generated direct and tangible benefits in improving availability of and access to water, employment opportunities and micro-enterprise development the project enjoys good support at community level. In-kind community contributions and co-finance by local government speak to a good level of local ownership of project activities and goals.

Project activities are planned and executed mindful of GESI objectives; participation and representation of women and socially excluded groups in project activities is effectively promoted; women and socially excluded groups are beneficiaries of improved water availability and access. With gender equality as a significant objective, the project has initiated change.

The project is providing critical policy support to develop the institutional framework for IWM in three tiers of government. However, significant barriers exist in the policy framework on forest and rangeland management with regard to CCA; to address these is, however, beyond the scope of the project.

Shortfalls in technical capacity of existing human resources, and remaining uncertainties in the allocation of responsibilities and development of framework legislation are another key barrier. Local governments, empowered with authority for IWM and other natural resource management, still lack the capacity to fulfill these responsibilities as they are institutionally nascent. The technical capacity to mainstream DRR and CCA into the project's activities is still inadequate.

The project is building mechanisms for financial, socio-economic, and governance sustainability. The project worked in coordination with local governments, wards, groups, and cooperatives. Groups and committees have already been registered with relevant sections of the municipality and providing support. Its key components have been mainstreamed into the plans, policies, and programs of wards and municipalities, a development that will help to continue such programs by leveraging government resources.

Elected leaders of the local governments have committed to providing additional funding in the future to implement the agreed plans and they are also committed to contributing to the operation and maintenance (O&M) fund. Ward offices and municipalities have agreed to allocate budgets for the operationalization of the policies. The Climate Friendly IWM Activities Operationalization Directive opens many avenues in terms of leveraging the resources for resilience-building at the fullest scale

The mixture of software and hardware activities not only encouraged local people to participate in the project's campaigns but also ensured the sustainability of the project's activities. The project-trained community members and other stakeholders now function as local assets that can be called upon in times of need. The project also strengthened the institutional capacity of women groups, which facilitated community-level activities and advocated for socio-economic change.

Women groups are better operationalized and now act as 'social platforms' for sustainable livelihoods, a development that helped to create awareness about the project's contemporary issues. The likelihood of sustainability of the project's schemes is enhanced also by the fact that they are low-cost and indigenous knowledge and skills-based.

In order to generate the scalable models intended by the project design, these models need to generate demonstrative, measurable changes in the hydrological regime and water availability for communities, as well as tangible benefits for livelihood. This cannot be achieved by reducing the number and types of activities. Rather, targets should be reduced for a number of activities, namely where budget allocations are insufficient due to the rise in costs for goods and services.

For sustainable results, where communities maintain the introduced practices and structures, livelihood development, namely income generating opportunities have to be promoted. Therefore, activities in marketing, value chain are recommended to be strengthened. To enable the project to achieve its objectives, the primary strategy has to be to scale back in size, but not in scope (range) of activities.

5.2 Recommendations

Based on the thorough review of the project's achievements, the following 12 sets of recommendations were formulated in order to improve people's overall lives and well-being through people's resilient livelihood and to meet the overall goal of the project.

a. Capacity Building, Education and Awareness Raising

There is an inadequate understanding on site selection, on IWM concepts, climate resilience and of technical capacity to support IWM practices at local governments level. To enhance local ownership and likelihood of sustainability, and to develop local capacity to provide technical assistance:

- Improve knowledge on climate resilience, IWM, livelihood, and agroforestry/NTFPs, through trainings, review and reflection sessions, learning cum review workshops, learning/study visits to other areas, and other measures.
- Enhance technical capacity to mainstream DRR and CCA into the project's activities, and local plans beyond project life, through technical training for officials working in local governments.
- Enhance understanding of local stakeholders of the rationale for choice of implementation sites (subwatershed), and choice of north facing slopes.

Develop an "Implementation Guidance Note" to share with all implementing partners as a tool to strengthen a strategic approach to IWM planning and implementation, coherence of various activities and a common understanding of the rationale and contribution of individual interventions.

User committees and local governments need improved skills to implement IWM practices. It was also observed that communities did not recognize drought as a hazard as they had limited understanding of slow -onset climate change. To build their capacity and understanding:

- Develop activity-specific implementation guidelines for common understanding.
- Provide scheme-specific detailed technical training to users' committees.
- Make an effort to deliver trainings and institutional capacity building before construction works (balancing software/hardware, nonstructural/structural activities)
- Education/awareness raising sessions on "slow onset" climate change and climate resilient livelihoods.

Conduct capacity needs assessments to identify pertinent gaps and design training curricula to address such gaps. For this:

- Design each session so that it provides enough space for people to express their proven knowledge and ideas.
- Establish a correlation between the nature and duration of trainings and the education level of trainees.
- Consider drills as part of training (where applicable) and allocate resources for refresher training.
- Select participants based on their proven knowledge and evidence of their ability to translate acquired skills and knowledge into practice.
- Design short-duration training based on its level, whether basic, intermediate, or advanced.
- Conduct pre- and post-training evaluations, develop action plans at the end of each training and monitor progress in implementing these plans strictly.
- Use resource persons for the training from the thematic sections of municipalities (as much as possible) to build the high level of rapport needed for technical backstopping and levering the resources even after the life of the project.

b. Human Resources

LoA partners face challenges operating in remote and difficult terrain to reach implementation sites to provide technical assistance and monitoring; this is exaggerated by shortage of staff with the required technical capacity. To support speeding up implementation without compromising quality:

- Hire additional project officers for livelihood, forestry and engineering (using UNDP IC modality to speed up process), and include these capacities under sustainability plans with relevant agencies after project end.
- Increase human resources and budgets to mainstream DRR and CCA, and to enhance capacity to formulate and operationalize multiple-hazard IWM plans at local governments.
- Build the technical capacities of implementing partners such as SWMO and PFO through sharing the technical data and information; organizing review and reflection sessions, and crafting and operationalizing action plans.

c. Project Strategy and Project Results Framework (targets)

Considering the delayed project start and delays through elections, COVID-19, and forex crisis; the number of activities to be implemented, and the required time for policy and institutional development under the new government structure:

- Propose/apply to GEF a 1-year ("no-cost") extension (from June 2024 May 2025) in order to allow for

 a) high quality implementation of on-the ground activities/constructions, and b) the required process
 orientation in building capacity, coordination mechanisms, and policy development.
- Further concentrate activities to create scalable models, namely strengthen linkage of IWM (integrated approach upstream/downstream) activities with livelihood promotion (value chain, post-harvest, and marketing analysis).

Some planned activities had no budget allocation in the budget note, and overall costs for goods and services have drastically increased since project design. Baseline reviews detected errors regarding shrubland areas and agricultural land available for project activity implementation. A policy gap analysis identified key policy documents to support in line with project objectives. To help concentrate activities, and create more streamlined sets of activities with more realistic targets, a number of changes of outcome level targets are proposed (for overview and details in resource re-allocation, please see <u>Table Proposed Adjustment Plan</u>)

Outcome 1:

- The indicator "6 Multi institutional IWM coordination platforms established at central, province, local levels" is redundant as coordination platforms are defined by policy documents. A separate indicator/target does not need to be spelled out explicitly. Consider renaming the indicator ""Operationalizing multi-institutional coordination platforms ".
- 6 policy documents: 1) National policy on watershed management; 2) revised harmonized climate-risk based sub-watershed vulnerability assessment, prioritization guidelines; 3) guidelines for gender mainstreaming in IWM,4) SoP's for maintenance of watershed management systems established; 5) revised guidelines for infrastructure, 6) revised SCWM program

Outcome 2:

- The budget note did not allocate any budget to "Drought resistant crop variety promoted on 10% of drought affected area". Omit this indicator and target, or explore options to allocate some budget adjusted from other activities and pilot activities.
- Baseline study/map suggests that shrub land area covers only 284 ha. Change target from 375 ha to 200 ha for indicator "Drought Tolerant NTFPs Promotion on shrubland."
- It is not realistic to lease 100 % of shrubland, 60 70 % of shrubland is more appropriate for NTFPs promotion, because protection and conservation needs bio-fencing or other suitable initiatives until plants grow up to sufficient height so that they are not damaged by livestock.
- "Establishment of water use/reuse system (Rainwater harvesting, household roof to root water harvesting)." Budget allocation for rain water harvesting and solar water lifting systems is not sufficient with today's costs, as market prices for all commodities have increased. Reduce target from 1000 ha to 600 ha.
- "Conservation farming adopted on 37.63% of all agricultural land." Current costs/ha are higher than budgeted. Therefore, reduce target from 3763 ha to 2500 ha. This is realistic under current market rate.
- <u>Construction of "Improved Cooking Stoves."</u>: At least USD 10 is required per unit construction cost as per prevailing rate in local areas. Therefore, reduce target from 2500 to 1250 to stay within the allocated budget.

- <u>"PES Related Activities"</u>: It is argued that PES related activities are not essential to project objectives, ToC is not compromised if they are reduced³³. Strengthening livelihood support will promote overall project objective twofold: 1) Directly develop livelihood of most vulnerable in project area; and 2) help build scalable models with demonstrative value, linking IWM and sustainable livelihood development. It is recommended to reduce PES activities to feasibility study/assessment of environmental services, and re-allocate remaining funds to O&M of the water stress management structures, and/or to assessments/analysis of values chain of agricultural products, marketing, and post-harvest support activities.
- <u>Water Source Protection</u>. Reduce target from 750 to 600 as per the current local rate of materials and labor and rename indicator to "water source protection, management and utilization" as water is being used in drinking and cleaning purpose also. In ProDoc unit cost was calculated as \$ 1,000; the current unit cost is \$ 1,250). (Please refer to Annex 6 with details on changes in unit costs (from project design to date) and proposed changes in targets and budget re-allocations.)
- <u>Contour Trench.</u> Reduce target from 50 km to 40 km. Proposed adjustment allows for development of models and demonstrate impact of contour trenches; original target not realistic as not sufficient and suitable land is available from local communities.
- <u>Construction of Catchment Ponds.</u> Increase target from 80 to 100. Catchment ponds are in high demand locally and have proven to be effective.
- Indicator "Promote traditional watershed friendly practices (Specifically for Majhi community. Multipurpose water ponds including fish farms)" is proposed to be re-phased to "Multi-purpose Ponds (fish farms) and Livestock Raising Support for Majhi Community" as Majhi have largely shifted their livelihoods base from fish farming to livestock raising. This is following up on the findings of the livelihood assessment of Majhi community. As this is an important activity to support ethnic minority group, and per unit cost has doubled since project design, it is proposed to re-allocate funds from PES, NTFPs cultivation and conservation farming. Target of 20 proposed to remain the same.

d. Budget Re-Allocations (for details please see Table Proposed Adjustment Plan)

<u>Re-allocate resulting cost savings from</u>: reducing targets for Drought Resistant NTFP cultivation (USD 175,000), Conservation Farming (USD 3,876), PES related activities (USD 52,700) and Contour Trenches (USD 30,000), totaling USD 261,576 to: rainwater harvesting and solar water lifting (USD 140,000), supporting community maintenance groups³⁴ (USD 40,000), supporting "Multi-purpose ponds (fish farms) and Livestock Raising Support for Majhi Community" (USD 41,576), and Construction of Catchment Ponds (USD 60,000).

e. Promoting livelihoods and strengthen marketing

Already, the direct benefits generated by project activities have provided support and ownership among beneficiaries. To further strengthen the link between IWM and livelihoods, and to create enabling conditions for beneficiaries to build on the achievements of conservation farming and other practices with diversification, processing and value addition, and reaching markets. To this end, explore options to:

• Support livestock - based income generation activities; grass and fodder need to be planted on sloping lands, thereby both meeting the demand for grass for livestock feed and conserving the soil.

³³Policy Gap Analysis concluded: "the Environment Service payment science is at a formative stage". The complexity of required stakeholder engagement to work out PES schemes, and the timeframe of the project that is already under stress from a multitude of activities, does not warrant to pursue PES activities. They are not essential to the project objectives, reducing them to the feasibility study (just completed as MTR is ongoing) is justified. Resource re-allocation into direct livelihood promotion activities that complement ongoing IWM activities will be better utilization of funds; strengthening livelihood support will promote overall project objective twofold: 1. Directly develop livelihood of most vulnerable in project area; 2. help build scalable models with demonstrative value, linking IWM and sustainable livelihood development. This will generate tangible benefits, gain community support and promote replication.
³⁴ Based on assessment to form and operationalize community maintenance groups (at ward level) by developing 'standard operating procedures (SOPs)". Ward level groups, to be chaired by ward chair, and registered in ward () to gain legal identity; would be instrumental in supporting O&M of the community infrastructure established with project support.

- Include animal health camp that provides information on the symptoms and treatments of livestock diseases and offers livestock vaccinations.
- Support the rearing of pigs and other suitable livestock so that farmers can reap maximum benefits.
- To make animal husbandry a success, expand the plantation of improved grass varieties. Plant soil-binding plants such as broom, Napier grasses, agave and sabai, *stylo, bhatmase*, NB-21and bamboo along the edges of terraces and good indigenous farming practices.
- Support to set up greenhouses, which can protect vegetables from frost and dew, using transparent and black plastic sheets. Plastic tunnels and bio-shades protect delicate vegetables like tomatoes from bad weather.
- Cultivate crop varieties that tolerate extreme weather conditions and resist commonly found insects and diseases. These include turmeric, sweet potatoes, ginger, taro, pineapples, gram, peanuts, and pulses, in order to reap maximum benefit. Design livelihood schemes to match micro-climatic conditions, seasonality, the proven experiences of people, the local resources available, and guaranteed market infrastructures determined by a thorough assessment.
- Promote a mechanism to ensure internal and external coherence by mapping the agencies and actors working in the project areas to promote the idea- and resource-sharing and synergy. While designing livelihood schemes, use the years-long experience of the Micro-enterprises Development Programme (MEDEP)/UNDP in entrepreneurship development for sustainable and market-led livelihood promotion.
- Support plantation of NTFPs to improve livelihoods and at the same time reduce the pressure on natural forests and increase carbon sequestration.
- Link short-term and quick-impact livelihood schemes with the government's long-term programs such as the Youth Self-Employment Program being implemented at local level.
- For long term sustainability and to create impactful, scalable models with demonstrative character, support market assessment, value chain analysis to prepare secondary products and sale. Facilitate to provide simple processing and post-harvest technologies that add value to primary products. For example, solar dryers would be beneficial for drying because they are a cheap, women-friendly technology that cost little to run (and, with subsidies, to buy) and have many uses and benefits including the reduction of drudgery.

f. Sustainability and Replication

- Develop exit strategy (sustainability agreements/commitments with implementing partners, identify capacity building needs, ensure hand-over of all roles and responsibilities) and sustainability plans (discuss O&M funds with local governments and CBOs, consider providing seed funding/negotiate co-finance for O&M funds, already established in few wards).
- Support groups and committees in their roles as social platforms and for sustaining results, namely: (i) establish the revolving funds to meet the demand for loans by group members, (ii) strengthen the good record and account-keeping systems of the groups, and (iii) formulate revolving fund operational guidelines to reduce likely disputes among the members.
- Document models and share, document local replication with local resources/without project support, identify local "champions" (individuals or groups) and support as resource persons to share experiences in other areas.
- Develop local resource persons (LRPs) through the training of trainers and involve them in relevant training based on the cascading model. Organize review-and-reflection sessions with LRPs in a periodic manner so they can share their experiences and cross-fertilize knowledge.
- Work with most vulnerable local communities/members to engage their interest in long-terms results on livelihood improvement rather than only short-term benefits from the project's activities.
- Build linkage with local governments authorities during the local governments planning phase to help to align local governments plans with the project's priorities. Design livelihood schemes that are compatible with the agriculture and livestock "pocket areas" that the government has identified in order to foster resource-sharing, synergy, and sustainability.

- Considering the multiple hazards in the project's communities and their likely adverse impacts in the future, facilitate the establishment of O&M funds (or strengthen emerging initiatives on O&M funds) by mobilizing resources from the project and annual budgets of wards and municipalities to resume services even during small-scale emergencies. Craft detailed O&M resource-leveraging plans and lay out the underlying rationale for such plans to convince agencies of their necessity. Allocate at least 2-3% of the total project cost for O&M funds to ensure the sustainability of its schemes.
- Develop local enterprise around technologies and practices that the project is promoting through (i) building the technical capacities of community resource groups, (ii) provisioning revolving fund (as part of monthly savings of group members, and the incentives to be leveraged from the local governments), (iii) supporting in value chain/market analysis of farm commodities, and (iv) systematizing the collection center of farm commodities to avoid unnecessary interference of middle-person and get a genuine price on farm commodities. "

g. Stakeholder Engagement, Institutions and Coordinating Mechanisms

Engage with Federation of Community Forest Users' Groups of Nepal (FECOFUN) local chapters as they were not involved during the project's planning or implementation. Discuss possibility to contribute to forest-based micro-enterprise development programs to improve people's livelihoods.

<u>h. M&E</u>

- Identify and establish a third-party monitoring mechanism to avoid conflict of interest and add to quality of work as LoA partners serve both as implementing partners and technical backstopping/oversight in the field. Allocate funds for this monitoring mechanism.
- Make sufficient budgetary provisions to involve local governments in (i) quarterly review-and-reflection sessions and (ii) joint monitoring visits.
- Review project M&E system and procedures, align with M&E systems and procedures of local governments and LoA partners so progress made by DCRL and activity implementation beyond project is monitored.
- Design simple self-monitoring mechanisms at the group and committee levels to use to gauge the changes brought by the project. Use indicator-led monitoring to generate relevant data.
- To further enhance accountability and transparency, consider organizing (i) public hearings, (ii) social auditing at least twice, when the project's activity is initiated and close to its completion), and (iii) quarterly learning-cum review meetings to promote the best use of resources without duplication and greatest contributions to value for money

i. Strengthening/Maintaining Impact of Activities/Practices, and Safeguards

- Water quality tests and water safety plans as people are fetching water to drink from water source protection areas (though originally water source protection was for only irrigation purpose).
- Protection of safety fences around waterholes, rainwater harvesting ponds, and multi-purpose ponds to prevent children from drowning. Consider additional conservation measures (such as streambank stabilization support (i) bio-fences, (ii) rotational grazing, and (iii) the formulation of and adherence to strict rules and regulations for grazing regimes to conserve and protect plantation areas. Where necessary for soil conservation, enforcement of zero grazing by crafting rules and regulations for the protection of plants.
- "Follow-up on reviewer's comments on SES reports of three solar water lifting schemes to ensure projects are in compliance with environmental impact assessment and reporting procedures."

j. Mainstreaming GESI approach into the project

- Mainstream the GESI approach into groups and committees to ensure that the rights and needs of poor, marginalized, and vulnerable populations benefit from projects' initiatives and to distribute the benefits of the project to all people, irrespective of their gender and caste/ethnicity in each project phases i.e., collecting baseline data, designing, implementing and monitoring the project.
- In a holistic fashion, mainstream cross-cutting issues such as GESI; climate change, environment into training curricula.
- Conduct barrier analysis (building on background provided in GESI strategy and GAP) to ensure that marginalized populations, too, benefit from the project's services. In order to encourage women farmers to participate in livelihood schemes, provide fellowship for the best women entrepreneurs so that they will retain their interest in promoting their businesses.
- There are still challenges in women's participation in the training. Local governments are still prioritizing men over women for capacity building training in on- and off-farm enterprises in the absence of fixing a women's quota (reserved seat). Apply affirmative action for selecting business schemes along with separating some mandatory seats in key decision-making position (apart from Treasurer) in the committees is also needed. Involving woman in Treasurer position increased their stress as the majority of rural women have limited education and they depend on others to keep the financial records.

k. Knowledge Management

- Allocate quality time to develop and showcase success/failure stories, good practices, and lessons learned and share this material with relevant agencies. Carry out detailed documentation of good practices and lessons learned as many innovations are already in place and could be replicated in new areas so that other agencies could also benefit.
- Explore mechanisms to share CCA actions implemented on the ground to the federal level, so that information can be collated and shared to the UNFCCCC secretariat as part of Nepal's contribution under the framework.

5.3 Lessons Learnt and Good Practices

Lessons Learned and Good Practices generated by project approaches to stakeholder engagement, capacity building, knowledge sharing, mainstreaming GESI and facilitating community participation include:

Capacity Building

- Short training sessions followed by refresher training along with drills can dispel misconceptions and foster people's interest and learning. Learning increases when capacity-building initiatives are seen as a process, not an event, and are tailor-made to suit participants' needs and interests.
- When the capacity of local government was enhanced through a series of capacity-building initiatives, they
 developed a sense of ownership of the project and managed disputes and conflicts that arose at the source
 amicably. Capacity-building also helped the project to leverage the technical and financial resources need
 to mature good initiatives. It also helped to mobilize technicians from thematic units of local governments
 to serve as "local resource persons" during the project's implementation.

Knowledge Sharing

- Disseminating media knowledge products is instrumental in raising awareness. FM radios are effective tools to impart knowledge if (i) radio programs include jingles, and (iii) jingles are broadcast in the morning and evening when people can listen.
- Hoarding boards, public audits, IEC materials, and media coverage all helped to maintain transparency and accountability but at the same time also increased the demands of non-targeted communities.

Stakeholder Engagement and Community Participation

• Working with existing social platforms such as NRM groups, women's groups, and cooperatives sped up the progress and saved time and resources, and also helped to reduce duplication of the project's resources.

- Selecting demand-driven activities of local people ensured greater participation in the activities and contributions in kind and materials from community members.
- Involvement of multiple stakeholders, including municipalities, and CBOs/NGOs, in the selection of
 activities, eliminated conflicts among beneficiaries, promoted local ownership, and reduced the chance of
 work being duplicated.
- Transparency and accountability are necessary to win the trust of communities and local governments. Policies like "do-not-harm" and "political neutrality" help win the trust of project stakeholders, as do social auditing and public hearing. Sharing plans, mandates, and budgets with communities and local-government stakeholders before implementation helped win their trust and that trust promoted coordination with relevant stakeholders and thereby helped to achieve programmatic synergy through resource-sharing.
- Conducting community meetings and review-and-reflection sessions helped NRM group members to understand local-level issues, particularly their root causes and effects, as well as possible solutions in a participatory way in the 'review-action-reflection-action' model.
- The formation of a Technical Working Group has been recognized as a good practice and the concept has been replicated by the project "Building a Resilient Churia Region in Nepal (BRCRN)" currently implemented by FAO under the financial assistance of Green Climate Fund.
- Small technical and financial support along with community participation and interest and ownership brings better results.
- Problem, Interest, and Need (PIN) of community together make the activities successful and effective.
- As there was no any other cost, it was very difficult for the PIU to mobilize the cooperative and local government personnel in the conservation farming work. Thus, there should have provision for certain management cost if the group is registered and well recognized.
- Community consultation including periodic review and reflection sessions with ward representative and their commitment is very necessary for the smooth implementation of the work
- The sustainability of the project's schemes is likely as they are low-cost and indigenous knowledge and skillsbased. Nature-based solutions were sometimes not able to meet people's demands, however. For example, a dry-stone wall around a pond doesn't prevent seepage, as is necessary for fishery promotion. The use of locally available construction materials like stones, sand, and boulders, the use of local skilled and unskilled labor and the requirement for community contributions during civil work helped to minimize costs.

GESI

- Selecting gender-friendly livelihood schemes encouraged the involvement of women and fostered "we can do" notion. The selection of a training site and venue at the community or ward helped increase the number of poor and marginalized people who took part.
- Women-led users' committees were effective and efficient in completing high-quality work on time compared to committees led by men.

Livelihood Development

- The interventions implemented generated short-term employment and long-term livelihood options through conservation farming and NTFP cultivation.
- Plantation of NTFPs would improve livelihoods and at the same time reduce the pressure on natural forest, promote greenery, decrease possible landslides and increase carbon sequestration.
- Skill development for the Majhi community on fisheries is critical to connecting with livelihood opportunities. As Majhi communities are skilled in fishing but not in fish farming.

Annexes

Annex 1: Documents reviewed/consulted

- ProDoc Project Document (2020), Developing Climate Resilient Livelihoods in the Vulnerable Watershed in Nepal (DCRL in VWN)
- Inception Workshop Report (2021), and Annexes
- Report on Local Level Inception Meetings (2021)
- Project Provisions and Proposed Adjustment Plan, PPT, 2021,
- Stocktaking and Adjustment Plan, PPT
- Stakeholder Engagement Plan
- Minutes of Project Board Meetings
- Risk Log
- PRF Target Vs Progress_MTR
- Gender Action Plan
- Annual Progress Report (APR), 2021 (draft and final)
- PIR 2022 (2022-GEF-PIR-PIMS5434-GEFID6989_Final)
- GESI Fact Sheet
- LDCF Nepal _5434_-SESP-August 2018
- Multi Hazard Vulnerability and Risk Assessment (MHVR) in Lower Dudhkoshi Watershed, 2ND FIELD STUDY REPORT (31 Mar-14 Apr, 2022)
- Multi Hazard Vulnerability and Risk Assessment (MHVR) in Lower Dudhkoshi Watershed, INTERIM REPORT(May 2022)
- MHVRA in Lower Dudhkoshi Watershed, Degraded Land Assessment [Draft Report], March May 2022
- Multi Hazard Vulnerability and Risk Assessment (MHVR) in Lower Dudhkoshi Watershed, INCEPTION REPORT, January 2022
- Multi Hazard Vulnerability and Risk Assessment (MHVR) in Lower Dudhkoshi Watershed, *TRAINING MANUAL, June 2022*
- *Baseline Report* REVIEW OF PROJECT PREPARATION GRANT (PPG) STAGE BASELINE AND ESTABLISH A BASELINE FOR PROJECT AREA TO GUIDE THE PROJECT PLANNING AND IMPLEMENTATION, 2022
- GEF Focal Area Core Indicators/Tracking Tools (baseline)
- Assessment Reports:
 - o Mapping of NRM Institutions in Lower Dudhkoshi Watershed, 2022
 - Assessment of the Majhi Community's Livelihoods to Promote Traditional Watershed Friendly Practices
- Stock Taking Report (final) Institutional Policy Review, Gap Analysis
- Project Communication and Visibility Plan (2022)
- Database (Excel file)
- Weekly Highlights published by the project
- Local IWM Policies (local language)
- Newsletters, Issues 1,2
- <u>Co-financing letters (8)</u>
- Project Progress Briefing (PPT), Nov. 14, 2022
- PPT provided by PIU on progress, Dec. 4, 2022

- Online Sources:
 - Project Website: https://dcrl.dofsc.gov.np/
 - Website of the implementing partner https://dcrl.dofsc.gov.np/
 - Media Coverage: https://dcrl.dofsc.gov.np/category/media-coverage/
 - Communications Strategy and Visibility Plan: <u>https://pims.undp.org/attachments/5434/216026/1756578/1805988/Comms%20and%20vis</u> <u>ibility%20plan_DCRL_2022.pdf</u>
 - Weekly Highlights are published at: <u>https://drive.google.com/drive/u/0/folders/1Th7mKHfABJXkDVNvb2Gzy6pSMbPOINjF</u>
 Voices:
 - https://drive.google.com/drive/u/0/folders/1hCsYSdpw2iV30xmMDbwRFf2gelW9SjLf
 - <u>https://www.undp.org/nepal/projects/dcrl</u> (project summary, brochure, progress)

Annex 2: Evaluative Questions – Guide

This is a comprehensive list used by the MTR team to gather the required information for all criteria to be evaluated; questions were selected and adjusted to the context of the interview/discussion. **Introductory Questions**

- What is your involvement, role and responsibility with the project?
- How long have you been involved? Were you involved in the design process?
- From your perspective, what are key achievements, and key challenges for implementation and sustainability?

1. PROJECT STRATEGY

1.1. Project Design

- How relevant were the overall design and approaches of the project?
- Were lessons from other relevant projects properly incorporated into the project design?
- Have the ways of working with the partner and the support to the partner been effective and did they contribute to the project's achievements?
- To what extent was the project able to address the needs and priorities of the target groups, watersheds, and communities?
- How does the project addresses country priorities? Was the project concept in line with the national sector development priorities and plans of the country ?
- How relevant are the project interventions to support all the three spheres of government on watershed management policy support?
- To what extend is project ownership realized at all levels of government?
- Are the assumptions underlying the project design valid and unchanged? If not, what was/is the effect on achieving project results?
- Has the context changed?
- To what extent were gender issues addressed in project design?
- To what extent were relevant gender issues (e.g. the impact of the project on gender equality in the programme country, involvement of women's groups, engaging women in project activities) raised in the Project Document?
- To what extent were perspectives of those who would be affected by project decisions, those who could affect the outcomes, and those who could contribute information or other resources to the process, taken into account during project design processes?
- To what extent is the project the best route towards expected results?

1.2. Project Results Framework/Logframe

• To what extent are how the midterm and end-of-project targets are (Specific, Measurable, Attainable, Relevant, Time-bound) "SMART"?

- Are amendments, revisions to the targets and indicators necessary ?
- Are the project's objectives and outcomes or components clear, practical, and feasible within its time frame?
- Are broader development and gender aspects of the project being monitored effectively?
- Do M&E procedures include sex-disaggregated indicators and indicators that capture development benefits
- Has progress so far led to or could in the future catalyze beneficial development effects (i.e. income generation, gender equality and women's empowerment, improved governance etc...) that should be included in the project results framework and monitored on an annual basis.

2. PROGRESS TOWARDS RESULTS

- To what extent have the expected outcomes and objectives of the project been achieved thus far? Against mid term and end of project targets?
- To what extent did the intervention bring benefits to climate vulnerable people, ultra poor, women, and people from marginalized community, particularly Majhi and Dalits ?
- How/Does the project contribute to outcome 1?
- (Integrated watershed management framework established to address climate changeinduced floods and droughts)
- To what extent were the output level results under outcome 1 achieved ?
- Were there any unintended positive or negative results? Under outcome 1?
- How/Does the project contribute to outcome 2?
- (integrated watershed management practices are introduced and scaled up in 1 watershed covering 782.68 km² of watershed areas and benefiting 121,606 vulnerable people
- To what extent were the output level results under outcome 2 achieved ?
- Were there any unintended positive or negative results? Under outcome 2
- To what extent have issues of gender and marginalised groups been addressed in the design, implementation and monitoring of the project?
- How effective has the project been in responding to the needs of the beneficiaries, and what results were achieved?
- Are Core Indicators (GEF Tracking Tool) measured/recorded? What is the progress/change?
- Are there significant barriers (which ones) in achieving the project objectives?
- How/can they be overcome?
- What aspects of the project have already been successful? How/can they be further expanded ?

3. PROJECT IMPLEMENTATION AND ADAPTIVE MANAGEMENT

3.1. Management Arrangements

- Has project management as outlined in the Project Document been effective? Have changes been made and are they effective?
- Are responsibilities and reporting lines clear? Is decision-making transparent and undertaken in a timely manner?
- How efficiently were the resources including human, material and financial resources used to achieve results/ in a timely manner?
- To what extent was the existing project management structure appropriate and efficient in generating the expected results?
- What is the quality of support provided by the GEF Partner Agency (UNDP)

- Do the Executing Agency/Implementing Partner and/or UNDP and other partners have the capacity to deliver benefits to or involve women? If yes, how?
- Is execution by the Executing Agency/Implementing Partner(s) effective? What have been challenges? Have changes been made?
- What is the gender balance of project staff? What steps have been taken to ensure gender balance in project staff?
- What is the gender balance of the Project Board? What steps have been taken to ensure gender balance in the Project Board?
- To what extent has the project implementation been able to adapt to any changing conditions thus far?

3.2. Work Planning

- Were there delays in project start-up and implementation? What were the causes, have they been resolved?
- Are work-planning processes results-based?
- To what extent/how is the PRF/logframe used as a management tool?
- Have changes been made to it since project start?

3.3. Finance and Co-Finance

- Were there changes to fund allocations as a result of budget revisions? Were the revisions appropriate and relevant?
- Are there appropriate financial controls, including reporting and planning, that allow management to make informed decisions regarding the budget and allow for timely flow of funds?
- Is co-financing being used strategically to help the objectives of the project?
- Is the Project Team meeting with all co-financing partners regularly in order to align financing priorities and annual work plans?

3.4. Project-level Monitoring and Evaluation Systems

- Do the monitoring tools currently used provide the necessary information?
- Do they involve key partners?
- Are they aligned or mainstreamed with national systems?
- Do they use existing information?
- Are they efficient?
- Are they cost-effective?
- Are additional tools required?
- Could they be made more participatory and inclusive?
- Are sufficient resources being allocated to monitoring and evaluation? Are these resources being allocated effectively?
- To what extent are project-level monitoring and evaluation systems, reporting, and project communications supporting the project's implementation?

3.5. Stakeholder Engagement

- Has the project developed and leveraged the necessary and appropriate partnerships with direct and tangential stakeholders?
- Do local and national government stakeholders support the objectives of the project? Do they continue to have an active role in project decision-making that supports efficient and effective project implementation?
- To what extent has stakeholder involvement and public awareness contributed to the progress towards achievement of project objectives?

• How does the project engage women and girls? Is the project likely to have the same positive and/or negative effects on women and men, girls and boys? Identify, if possible, legal, cultural, or religious constraints on women's participation in the project. What can the project do to enhance its gender benefits?

3.6. Social and Environmental Safeguards

- To what extent has progress been made in the implementation of social and environmental management measures?
- Have there been changes to the overall project risk rating and/or the identified types of risks as outlined at the CEO Endorsement stage?
- Are the risks identified in the project's most current SESP valid/capture all risks?
- Are risks ratings valid? Are any revisions needed?
- This applies in particular to those risks rated as "moderate". ³⁵
- To what extent have the project's social and environmental management measures as outlined in the SESP been implemented, (if any, if applicable)? Were there revisions to those measures?

(what was the version of UNDP's safeguards policy at time of project approval)

3.7. Reporting

- To what extent/how have adaptive management changes been reported by the project management and shared with the Project Board?
- How well do the Project Team and partners undertake and fulfil GEF reporting requirements (i.e. how have they addressed poorly-rated PIRs, if applicable?)
- To what extent/how have lessons derived from the adaptive management process been documented and shared with key partners, and internalized by partners?

3.8. Communications and Knowledge Management

- (internal project communication) Is communication with stakeholders regular and effective?
- Are there key stakeholders left out of communication? Are there feedback mechanisms when communication is received? Does this communication with stakeholders contribute to their awareness of project outcomes and activities and investment in the sustainability of project results?
- (external project communication) Are proper means of communication established or being established to express the project progress and intended impact to the public ?
- Website and other online presence?
- Did the project implement appropriate outreach and public awareness campaigns?
- What knowledge management activities have been undertaken?
- What knowledge products have been developed/published?
- In line with knowledge management approach in project design/ProDoc?

4. SUSTAINABILITY

• To what extent are the benefits of the projects likely to be sustained after the completion of this project?

³⁵ Risk 7 - Unexpected extreme flood during the project implementation may cause serious damage of the watershed and challenge the activities of the project towards relief and restoration. Risk 8 – Construction of water retention ponds, drainage control trenches, and flood defense gabions may destabilize the land and aggravate erosion processes worsening watershed conditions. Risk 9 – Operation of adaptation technologies introduced by the project might fail due to inadequate maintenance arrangements during the project and post project phases.

- How were capacities strengthened at the individual and organizational level (including contributing factors and constraints)?
- To what extent are the social and environmental safeguard measures adopted in project implementation, and <u>how effective are they?</u>
- To what extent are there financial, institutional, socio-economic, and/or environmental risks to sustaining long-term project results?
- Are risks identified in the Project Document, Annual Project Review/PIRs and the ATLAS Risk Register the most important risks, and are the current risk ratings appropriate and up to date?
- What changes should be made, if any?
- What are key project contributions to sustainable development benefits, as well as global environmental benefits?
- What are the key factors that may require attention to enhance sustainability of project outcomes and the potential for replication of the approach?

4.1. Financial sustainability

- What is the likelihood of financial and economic resources being/not being available once the GEF assistance ends to sustain project outcomes?
- What are potential funding sources, including from public and private sectors, income generating activities, and other funding?

4.2. Socio-economic sustainability

- Are there any social or political risks that may jeopardize sustainability of project outcomes?
- Is stakeholder ownership (government and other) sufficient to sustain project outcomes/benefits?
- To what extent consider key stakeholders it in their interest that project benefits will continue to flow?
- Is there sufficient public and stakeholder awareness in support of the long-term objectives of the project?
- Are lessons learned being documented by the Project Team on a continual basis and shared/ transferred to appropriate parties who could learn from the project and potentially replicate and/or scale it in the future?

4.3. Institutional and Governance sustainability:

- Do the legal frameworks, policies, governance structures and processes support (or jeopardize) sustenance of project benefits?
- Are the required systems, mechanisms for accountability, transparency, and technical knowledge transfer in place?

4.4. Environmental sustainability

• Are there any environmental risks that may jeopardize sustenance of project outcomes? (relates to identified risks 7, 8, 9)

Annex 3: List of people consulted during the MTR mission

National level stakeholders LoA Partners

Name of the participant	Position
1. Mr. Uddhaw Bahadur Ghimire	Province Secretary of Lumbini Province in
	Nepal's Ministry of Forests and Environment,
	former NPD
2. Mr. Gyanendra Kumar Mishra,	Under Secretary, Ministry of Forests and
	Environment, Foreign Aid Coordination Division/
	PEB member
3. Dr. Buddhi Sagar Poudel,	Joint Secretary of Climate Change Division of
	Ministry of Forest and Environment
Name of participant	Position
Prof. Dr. Vishnu Pandey	Institute of Engineering-Tribhuvan University
Dr. Sanjeev Kumar Rai,	Province Secretary, Ministry of Forests,
	Environment and Soil Conservation-Province-1
Mr. Ram Krishna Rajthala	Basin Management Center, Koshi
Mr. Top Bahadur Shrestha	Soil Conservation and Watershed Management
	office, Okhaldhunga

UNDP

Name of participant	Position
Mr Pragyajan Yalamber Rai,	UNDP CO Nepal, Portfolio Manager
Mr. Bernardo Cocco	UNDP CO Nepal, Deputy Resident
	Representative

DCRL

A. PMU		
Name of	the participant	Position
4.	Prem Prasad Paudel	National Project Manager
5.	Binay Kumar Jha	Senior Technical Advisor
6.	Laxman Raj Shrestha	Administration and Finance Officer
7.	Prerana Lama	Project Assistant

B. PIU

Name of the participant	Position
1. Dinesh Kumar Shah	Field Coordinator
2. Line Jha	Project Officer-Soil Conservation/WM
3. Goma Sigdel	Project Officer-Livelihood
4. Reena Chaudhary	GESI and Monitoring Officer
5. Diwash Neupane	Administration and Finance Assistant

KHOTANG

C. Multi-purpose ponds (Kalika Devi Krishi Samuha)	
Name of the participant	Position

1.	Mr. Bhim Bahadur Majhi	Chairperson
2.	Ms. Meena Karki	Treasurer
3.	Mr. Megh Bahadur Majhi	Member of User Committee
4.	Mr. Kancha Karki	Member of User Committee
5.	Mr. Sujya Bahadur Majhi	Member of User Committee
6.	Mr. Tanka Bahadur Majhi	Member of User Committee

D. Halesi Municipality

Name of the participant	Position
1. Ms. Bimla Rai	Mayor

E. Contour Trench, Water holes, Source Protection (Hamro Sano Kishan Sahakari Sanstha)

Name of the participant	Position
1. Mr. Man Kumar Rai	Chairperson
2. Mr. Jash Bahadur Rai	Member
3. Mr. Rupendra Rai	Member
4. Mr. Ganga Bahadur Rai	Member
5. Mr. Min Kumar Rai	Member
6. Mr. Keshi Raj Rai	Member
7. Mr. Kumar Rai	Member
8. Mr. Indra Kopil Rai	Member
9. Mr. Narayan Nepali	Member
10. Mr. Hem Raj Rai	Member
11. Mr. Sarbadhan Rai	Member
12. Mr. Ambar Bahadur Rai	Member
13. Mr. Tham Bahadur Rai	Member
14. Mr. Amrit Bahadur Rai	Member

F. Conservation Farming, Shed Improvement, Source Protection

Name of the participant	Position
1. Mr. Gun Rai	Ward Chairperson
2. Mr. Dal Bahadur Karki	Ward Member
3. Mr. Tanka Kumar Rai	Ward Member
4. Ms. Hima Kumari Thapa Magar	Ward Member
5. Ms. Dhanlakshmi Kami	Ward Member
6. Mr. Sitaram Basnet	Member
7. Mr. Dinesh Kumar Jha	Member
8. Mr. Yuvraj Ale	Member
9. Mr. Narayan Singh Rai	Member
10. Mr. Khamb Raj Karki	Manager, Sadameshwor Sana Kishan Sahakari Sanstha Ltd.
11. Mr. Chitra Bahadur Basnet	Member
12. Mr. Man Kumar Rai	Member
13. Mr. Rabindra Rai	Member
14. Mr. Nar Kumar Karki	Member
15. Mr. Subash Karki	Member
16. Mr. Padam Bahadur Basnet	Member
17. Mr. Yuva Raj Pariyar	Member
18. Mr. Rabindra Rai	Member
19. Ms. Maina Pariyar	Member
20. Ms. Yam Kumari Ale	Member
21. Ms. Shree Kumari Ale	Member
22. Ms. Dhana Kumari Thapa	Member
23. Ms. Kalpana Basnet	Member
24. Ms. Chahana Rai	Member
25. Ms. Kum Maya Thapa Magar	Member

26. Ms. Lakshmi Thapa Magar	Member
27. Mr. Buddha Bahadur Thapa	Member
28. Ms. Sarkeni Pariyar	Member
29. Ms. Kumari Pariyar	Member
30. Mr. Ganesh Bishwakarma	Member
31. Mr. Navaraj Ghatani	Member
32. Ms. Juna Magar	Member
33. Ms. Naina Kumari Magar	Member
34. Ms. Hira Thapa	Member
35. Ms. Chandrakala Thapa	Member
36. Ms. Arimata Thapa	Member
37. Mr. Dak Bahadur Raut	Member
38. Ms. Garima Thapa Magar	Member
39. Ms. Prabina Pulami	Member
40. Ms. Lila Pariyar	Member
41. Ms. Khila Maya Thapa Magar	Member
42. Ms. Sabitra Rai	Member
43. Ms. Gopi Rai	Member
44. Ms. Pabitra Karki	Member
45. Ms. Jhamku Maya Ale	Member
46. Ms. Ganga Kumari Basnet	Member
47. Ms. Bhamadevi Thapa	Member
48. Mr. Bhumiraj Rai	Member

OKHALDHUNGA

G. Rainwater Harvesting, Source Protection, Shed Improvement, Conservation Farming

Name of the participant	Position
1. Mr. Tirtha Bahadur Ghimire	Ward Chairperson
2. Mr. Kumar Pariyar	Member
3. Mr. Samir Pariyar	Member
4. Mr. Bikash Pariyar	Member
5. Mr. Peshal Pariyar	Member
6. Mr. Bhupendra Pariyar	Member
7. Mr. Narayan Shrestha	Member

H. Conservation Pond, Multipurpose Pond, Contour trench

Name of the participant	Position
1. Raj Kumar Rumdali Rai	Chairperson

I. Plantation

Name of the participant	Post
1. Mr. Sunil Gurung	Chairperson of CFUG
2. Mr. Kalyan Rai	Member
3. Ms. Mitra Kumari Gurung	Treasurer
4. Mr. Thankar Pokhrel	Forest Guard

J. Divisional Forest Office, Okhaldhunga

Name of the participant		Post
1.	Krishna Dev Yadav	AFO
2.	Pramesh Adhikari	Forester
3.	Satya Narayan Saruniyar	AFO
4.	Kishor Ghimire	Forester

Annex	4	: Field	Work	Itinerary
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S	Date	Ra	Municipa	Schemes/Acti	Locatio	Contact	Contac	Tentativ	Remarks
n		nk	lity	vities	n	person	t no.	e time	Traval
I	24- Nov- 22	L	Halesi-I	Multipurpose ponds	Jayramgh at	Bhim Majhi	9867980 013	5 min from road head	from KTM to Halesi (Night Stay at Halesi)
				Kamere Panni- Source protection	Badhare	Hari Bahadur	9860606	I.30 hr from first site	
2		м	Halesi-4	Karkale-Source protection	Badhare	Basnet	098	20 min from 2nd site	
-				Solar water lift sites	Ghopatar	Som Bahadur Majhi	9863843 410	30 min from 3rd site	
				Cattle Shed Improvements	Ghopatar	Som Bahadur Majhi	9863843 410	30 min from 3rd site	
				Dharapani- Source protection	Chhapda da			2 hrs from Halesi-4	
3	25- Nov- 22	н	Halesi-5	Contour Trench	Chhapda da			10 min from Dharapan i water source	
				Water Holes	Tarakhas e Bhir	Man Kumar Rai	9862122 401	40 min from Dharapan i water source	One full day field visit including interview
				Pagri Kuwa- Source protection	Mangaltar	-	9842974 718	1.30 hrs from Halesi municipali ty	with ward chairperso n
	25-	- M	M Halesi-6	Dhapri Kuwa- Source protection	Mangaltar	Nir Kumar Rai			Night Stay at Halesi
4	Nov- 22			Gairegaun Kuwa-Source protection	Mangaltar				
				Proposed solar lift site	te Mangaltar				
				Conservation farming/ shed improvements	Mangaltar				
				Padhero Gaira	Salle	Tara Gaimer	9842804	1.30 hrs from	
5		М	Halesi-9	Khochilipa Conservation Pond	Salle	Dipendra Rai	9842858 031	Halesi municipali ty	
				Malagiri Source	Kharpa	Disale	9862819	Í	
			Rawabesi	Pipaldada kuwa/source protection	Kharpa	Bhom Magar	9844435 803	I hrs from	
6			2 & 3	Bhadare zero- point source protection	Lamidand a	Aayush Magar	9869032 795	Hattitar, Halesi-9	
				Aahale source protection	Lamidand a	Indra Shrestha	9862891 774		

7	26- Nov- 22	L	Manebhanj yang-1	Conservation pond, Multipurpose Pond, Catchment Pond, Contour trench	Mooli	Raj Kumar Rumdali Rai (Ward chairperson)	9862628 415	2 hrs from Okhaldhu nga headquar ter (30 min from Siddhicha ran-1)	Interview with Mayor in Halesi (Morning) Halesi to Manaebha njyang- visits/com munity Interaction -Travel from Manebhanj yang to Siddiharan Night Stay at Siddicharan
8	27- Nov- 22	н	Siddhichar an-I	Source protection Contour trench, Rainwater harvesting, Conservation farming	Talluwa	I.Kumar Pariyar 2.) Gyan Kr Niraula 3.)Tirtha Bhadur Ghimere (Ward chairperson)	1.) 97469928 54 2.) 97622238 73 3.) 98428575 94	Ihrs 45 min from Okhaldhu nga headquar ter	Night stay at Siddicharan
9		Μ	Manebhanj yang-5	Source protection	Dhimile	Som Bahadur Shrestha	9866455 276	From Ramilo danda to Manebha njyang 5	
I 0	28- Nov- 22	М	Siddhichar an-4	Plantation, Source protection	Rumjatar	I. Bhola Kr Phuyal 2. Sunil Gurung (for plantation) 3. Ratna Bdr. Gurung (ward chairperson)	1. 9823048 999 2. 9862919 157 3. 9842973 718	l hrs from Okhaldhu nga headquar ter	Field visit/Com munity Interaction , interview Night Stay at Siddicharan
	29- Nov- 22	Trave	el back to Kat	nmandu					
1		М	Chisankug adhi-6	Catchment pond	Bhadaure	Bhoj raj Khatiwda (ward-6),	9852850 000 (ward-6)	1.5 hrs from Okhaldhu nga headquar ter	
 2		М	Chisankug adhi-3	Catchment pond	Diyale	Tek bhadur Thapa (ward- 3)	9849046 093 (ward-3)	1.5 hrs from Okhaldhu nga headquar ter	

Note

• H: Highly performing schemes/activities, M: Moderately performing schemes/activities, L: Least performing schemes/activities

• Out of the 12 set of schemes/activities, six set of schemes/activities were selected randomly for the detaiedl field work (selected schemes/activities are highlighted with green shadow). Of the six selected schemes, two schemes are from highly performing, two from moderately performing and two from least performing in order to generate findings representative across the spectrum of implementation progress.

Annex 5: MTR Evaluation Matrix

EVALUATION OUE	Εναιματίον ομεστίον ματριχ				
Mid Term Review					
Developing Climate R	esilient Livelihoods in the Vulnerable V	Natershed in Nenal (DCRI)			
		SOURCES	METHODOLOGY		
OUESTIONS	INDICATORS	30011223	MEMODOLOGI		
QUESTIONS					
PROJECT STRATEGY					
How relevant are ove	rall design and approaches of the pro	oject?	-		
To what extent does	Level of coherence with GEF	Project documents	Document		
the project support	strategies and outputs	GEF programmatic	review		
the objectives of the		documents	Interviews		
GEF Focal Area		Stakeholders, project staff			
strategies and					
programs, namely					
for SLM and Climate					
Change Adaptation					
Is the project in-	Level of coherence between	UNDAF	Desk review		
line with UNDP	project objective and design	UNDP Country Program	Interviews with		
priorities and	with UNDAF, and UNDP Country	UNDP country office	project, UNDP		
strategies for	Program and its Theory of	staff	CO, national		
Nepal ?	Change, SDGs		government		
			agencies		
			representatives		
To what extent	Level of coherence between	Local stakeholders	Local level		
does the project	project objective and stated	Document review of	interviews		
objective align	priorities of local stakeholders	local development	Desk review		
with the priorities		strategies,			
of local		environmental policies,			
communities,		etc.			
farmers, user					
committees, and					
other NRM					
groups?					
To what extent does	Level of coherence between	Local stakeholders	Local level field		
the project objective	project objective and stated	Document review of local	visitinterviews		
align with the	priorities of local stakeholders	development strategies,	Desk review		
development		environmental policies,			
priorities of local		etc.			
governments in the					
project areas?					
To what extent does	Level of coherence with ongoing	Project documents	Desk reviews		
the project align	development policies and needs.	Project staff	Stakeholder		
with national	Level of fit with evolving	Local stakeholders in	interviews		
priorities and	Institutional framework	government and	Interviews with		
contribute to key	Level of integration with or	community/private	project staff		
government	Influence on local	sector			
programs, namely in	economic/livelihood development	Key national policy			
climate change		documents ³⁶			

³⁶ These include the Soil and Watershed Management Act (1982), Water Resources Strategy (2002), National Climate Change Policy (2019), Forest Policy (2018) and Forest Strategy (2016-2025), Land Use Policy (2015), Disaster Risk Reduction

adaptation and watershed			
management Was the allocation of financial resources and planned time frame realistic for the number and type of activities to be implemented?	Level of progress towards targets. Status of implementation of activities/practices on the ground. Status of preparation of policy documents, establishment of coordination platforms.	Project progress reports, PIR, APR, Project staff, local, provincial, national implementing partners. Consultants/technical experts.	Interviews, document reviews, site visits,
Were lessons from other relevant projects incorporated into the project design?	Existing knowledge, best practices, are part of overall strategy, activities, or implementation arrangements	ProDoc, Project Progress Reports Project Publications	Interviews with project team, implementing partners, local community groups
To what extent was the project concept and implementation arrangements developed with in-depth stakeholder consultations at all levels and with active community participation?	Level of involvement of local and national stakeholders in project design and implementation (meetings, planning approaches, outreach, number of stakeholders/meetings, Knowledge and awareness of stakeholders and beneficiaries of project design, implementation and benefits)	Project staff Local and national stakeholders Project documents	Interviews with project staff and consultants/ex perts Stakeholder interviews, community interaction/FGs Desk review
To what extent did project design, and namely the newly introduced IWM management practices meet the needs and interests of diverse stakeholders?	Knowledge and level of involvement of target beneficiaries in implementation, benefits to local household livelihood and natural resource conservation/restoration	Progress reports, M&E, stakeholders	Document review, interviews and group discussions with stakeholders
Are the assumptions underlying the project design valid and unchanged? If not, what was/is the effect on achieving project results? Has the context changed? Project Results Frame	Level of coherence of planning and actual implementation context	Stakeholders, implementing partners, Project team, policy documents	Document review, interviews with stakeholders, implementing partners and project team, UNDP CO
Is the PRF suitable to Is the PRF used effect	capture progress towards targets? ively as a planning and management	tool?	

and Management Act (2017), 15th Plan FY 2076/77 – 2080/81, National Biodiversity Strategy and Action Plan (2014-2020), Local Government Operation Act 2074 (2017), Local Level Disaster Risk Management Planning Guideline 2068, National Disaster Risk Reduction Policy 2075 (2018) and National Disaster Risk Reduction Strategic Action Plan 2018-2030 (2018)

Are the midterm and end-of-project targets SMART ? (Specific, Measurable, Attainable, Relevant, Time- bound) Are amendments, revisions to the targets and indicators necessary in this regard?	Quality, relevance of M&E reporting; coherence with observations; Quality/feasibility of measuring progress	M&E records/reports Project progress reports (PIR/APR) Database M&E officer, staff responsible for M&E at implementing partners	Document review Interviews
Were quality, reliable baselines established ?	Existence of data/baseline assessments/reports Quality/feasibility of measuring progress meaningful.	Baseline reports/assessments Project team Consultants	Document review Interviews
Were changes made to the PRF? Which ones? Why? Should further changes be made? Which ones? Why?	Changes recorded/reported in Inception Report	Inception report, ProDoc, PIRs Project team	Document review Interviews
PROGRESS TOWARDS	RESULTS		
To what extent have	outcomes and objectives been achiev	/ed?	
To what extent have targets been achieved ?	Progress toward mid term targets	Project documents M&E data Project staff Project stakeholders	Stakeholder and project team interviews Document review Site visits
To what extent have newly introduced practices and coordination mechanisms/platfor ms been adopted effectively ³⁷	Acceptance, knowledge of and support for newly introduced practices. Achievements towards targets) Policies adopted. Governance mechanisms adopted. Roles and responsibilities included in job descriptions, mandated for duty bearers	Project documents M&E data Project staff Project stakeholders	Stakeholder interviews Document review
What factors ³⁸ and/or innovations contributed to	Level of documentation of and preparation for project risks, assumptions and impact	Project documents Project staff Project stakeholders	Stakeholder interviews Document

³⁷ legally, public awareness, planning procedures, institutional framework, inter-agency coordination, community acceptance/benefits

³⁸ in terms of implementation arrangements, oversight mechanism, engaging experts, adaptive management, planning approaches (preparing annual work plans), involving stakeholders, facilitating community participation,

communicating project objectives and successes to public, M&E, and others

achievements and good project progress towards targets			
What lessons learnt and best practices for effective implementation did the project generate?	Scaling up of practices, documentation of best practices	Project documents Project staff Project stakeholders	Stakeholder interviews project staff interviews Document review
To what extent did the intervention bring benefits to climate vulnerable people, ultra poor, women, and people from marginalized community, particularly Majhi and Dalits ?	Changes to access, participation, information, livelihoods, status, local NR status.	Beneficiaries M&E Local stakeholders, local government records/statistics Project reports and publications	Document review, Site visits/observation s, interviews, meetings; site visits/observation S
Are Core Indicators (GEF Tracking Tool) measured/recorded ? What is the progress/change?	GEF tracking tool values	GEF tracking tool baseline and updates	Review Tracking tool
Are there significant barriers (which ones) in achieving the project objectives? How/can they be overcome?	Level of (under) achievement of project targets.	Project progress reports Project team and implementing partners	Interviews, site visits, document review
PROJECT IMPLEMENT	ATION AND ADAPTIVE MANAGEMEN	іт	
To what extent is the To what extent are M Finance and Co-Finan Project-level Monitor Stakeholder Engagem Social and Environme Reporting, Communi	project being implemented efficientl lanagement Arrangements and Work ce – Efficiency and Realization ing and Evaluation Systems – Efficien lent – Efficiency ntal Safeguards – Implementation of cations and Knowledge Management	y? Planning Efficient? hcy and Utilization Measures, updating t – Efficiency	
Is the project implementation cost- effective?	Financial management procedures (aligned with UNDP, national norms) Actual/planned disbursement rate Project management costs compared to overall costs (%)	Project documents Project team members	Document review Interviews with project team members
Are financial management procedures and reports in line with government and	Cost of project inputs and outputs relative to norms and standards for donor projects in Nepal	Project documents Project staff	Desk review Interviews with project staff

UNDP/GEF			
procedures			
Are project implementation approach, arrangements efficient for delivering the planned project results?	Adequacy of implementation structure and mechanisms for coordination and communication Planned and actual level of human resources available Extent and quality of engagement with relevant partners /partnerships Quality and adequacy of project monitoring mechanisms (oversight bodies' input, quality and timeliness of reporting, etc.)	Project documents National and local stakeholders Project staff	Desk review Interviews with project staff Interviews with national and local stakeholders
Is Project implementation on schedule?	Project milestones/targets reached. Disbursement rate. Required project adaptive management measures related to delays	Project documents Project staff Implementing partners	Document review Interviews with project staff and implementing partners
Have co-financing contributions in cash and in-kind to project implementation been made?	Actual cash and in- kind co- financing compared to commitments as per ProDoc	Project documents Project staff	Document review Interviews with project staff
To what extent has the project implementation been able to adapt to any changing conditions thus far?	Level of progress towards targets Activities/adjustments reported to adapt Changes reported in documents and by stakeholders	Project documents Project team Stakeholders beneficiaries	Document reviews Interviews/discuss ions
Have there been changes to the overall project risk rating and/or the identified types of risks as outlined at the CEO Endorsement stage?	Recorded ratings in risk rating	PIR, Risk Log Project Manager, UNDP CO	Document review Interviews
Were there delays in project start-up and implementation? What were the causes, have they been resolved?	Reported, observed delays in implementation	Project progress reports, PIR Inception Report Project Team, UNDP CO	Document review Interviews Site visits
Were there changes to fund allocations as a result of budget revisions? Were the revisions appropriate and relevant?	Reported changes to fund allocations	Financial reports Project team	Document review Interviews

Are monitoring tools currently used aligned or mainstreamed with national systems? Are additional tools required?	Monitoring protocols, data records at project and at government agencies	Project M&E, Database Project M&E officer	Document review Interviews	
Aresufficientresourcesbeingallocatedtomonitoringandevaluation?	Standard of M&E data collection and recording	Project M&E, Database Project M&E officer	Document review Interviews	
Is communication with stakeholders regular and effective?	Level of engagement with stakeholders, stakeholder awareness/knowledge/support/o wnership	Stakeholders Communication procedures established at project level Records of communications/interacti ons	Document reviews Stakeholder interviews Project team interviews	
Are proper means of communication established or being established to express the project progress and intended impact to the public ?	Level of public awareness and knowledge about the project Number of publications, broadcasts, online presence	Stakeholders and beneficiaries Publications Online sources	Document review Interviews, stakeholders, public,	
SUSTAINABILITY				
To what extent are there financial, institutional, socio-political, and/or environmental risks to sustaining long-term project results?				
Have all costs related to newly introduced IWM practices been considered in budget planning at different levels/with relevant stakeholders? Will financial resources be available to	Financial requirements for maintenance of project benefits Level of expected financial resources available to support maintenance ofproject benefits Potential for additionalfinancial resources to support maintenance of project benefits	Project documents Project staff Project stakeholders Planning procedures and documents	Field visit interviews Desk review Stakeholder interviews	
sustain project results after end of GEF support?				
Is the degree of ownership at all levels/among all stakeholders	Level of initiative and engagement of relevant stakeholders in project activities and results	Project documents Project staff Project stakeholders	Field visit interviews Desk review Stakeholder	

results? Are all roles and responsibilities for implementing practices/mecha nisms at all levels agreed, clarified with all stakeholders? Are they reflected in job and competency descriptions? Are responsibilities mandated?			
Are livelihood opportunities and NRM conservation, restoration benefits for local communities sufficient as incentives to sustain their active participation in implementing practices ?	Attitude of community members Evidence of improved livelihood, resilience, NRM status	Project documents Local government records Community members, Beneficiaries	Desk review Interviews Site Visits to local communities, enterprises, households
Are M&E and enforcement procedures for the new practices and mechanisms strengthened, capacities built and resources available	Ongoing M&E and enforcement effective, records available, responsibilities clear, routine budget planning,	Project documents, Planning documents Stakeholders	Document reviews Interviews
Are indicators used by the project in line with stakeholder/govern ment indicators? (were they in line from the onset or brought in line/incorporated at project end)?	Project supported results are reflected and maintained in local and central government M&E procedures and records.	Project documents	Desk reviews Stakeholder interviews
Do relevant stakeholders have the necessary technical capacity to ensure that project benefits are maintained?	Level of technical capacity of relevant stakeholders relativeto level required to sustain projectbenefits	Project documents Project staff Project stakeholders	Stakeholder interviews Desk review
To what extent could sustainability of project achievements be linked to socio- political factors?	Existence of socio-political risks to project benefits	Project documents Project staff Project stakeholders	Stakeholder interviews Desk review
---	--	---	--
Have the new approaches, practices and mechanisms been communicated widely in the public, in online, broadcast, print media? Has public awareness been built?	Level/number of publications, media mentions. Evidence of public awareness/knowledge of project introduced innovations	Project documents/outputs. Project staff Local stakeholders	Stakeholder interviews Desk review
Are there any environmental risks that can undermine the future flow of project impacts and Global Environmental Benefits?	Existence of environmental risks to project benefits	Project documents Project staff Project stakeholders	Stakeholder Interviews Desk review
To what extent are the benefits of the projects likely to be sustained after the completion of this project?	Level of capacities to implement practices Number of policies supporting IWM practices, national policy framework supporting IWM, capacity/level of functioning of coordinating platforms, public awareness on IWM,	Policy documents Project reports Reports on trainings/capacity assessments	Document reviews Interviews
What are the prospec	cts for Financial Sustainability of Proje	ect Outcomes?	
Whatisthelikelihoodoffinancialandeconomic resourcesbeing/notbeingavailableonce theGEF assistance endstosustainprojectoutcomes?Whatare potentialfundingsources,includingfrompublicandprivatesectors,incomegeneratingactivities,and otherfunding?To what extent has Sectors	Level of co-financing committed and realized. Potential funding sources being examined, piloted Government budget planning to sustain outcomes	Co-financing, parallel financing records Project reports Policy documents ct outcomes been built?	Document/data review Interviews
Are there any social	Level of support for and awareness	Stakeholders	Document
or political risks that may jeopardize	ot long term project objectives among stakeholders	Documents on Lessons Learnt	Reviews

sustainability of			Interviews with
project outcomes?	Documentation of Lessons Learnt		nroject team
ls stakeholder	Documentation of Lessons Learne		stakeholders
ownorshin	Scaling up of practicos boyond the		stakenolders
(government and	project region is occurring		
(government and	project region is occurring		
ouner) suncient to			
sustain project			
outcomes/benefits?			
To what extent			
consider key			
stakeholders it in			
their interest that			
project benefits will			
continue to flow?			
Is there sufficient			
public and			
stakeholder			
awareness in			
support of the long-			
term objectives of			
the project?			
Are lessons learned			
being documented			
by the Project Team			
on a continual basis			
and shared/			
transferred to			
appropriate parties			
who could learn			
from the project and			
notentially replicate			
and/or scale it in the			
futuro?			
To what extent has in	estitutional and Governance Sustainal	hility been promoted (strengt	thened?
Do the legal	Approved policies and legislation	Policy documents	Document/report
framoworks	Established (operational	Policy documents	roviows
nalicios governance	coordination platforms and	montings (decisions of	Interviews
structures, governance	activity	coordinating	stakeholders
structures and	delivity	coordinating	Stakenoluers
processes support	Implementation/coordination		Sile visits
(or jeopardize)	Improvement in NR status		
sustenance of			
project benefits?			
To what extent is env	ironmental sustainability of project o	outcomes likely ?	
Are there any	Level of occurrence or likelihood of	Reports/records of	Document/record
environmental risks	extreme flood during the project	relevant government	s review
that may jeopardize	implementation.	agencies	interviews
sustenance of	Level of aggravating erosion	Project reports	government
project outcomes?	processes due to Construction of	Experts/consultants	agencies,
(relates to identified	water retention ponds, drainage	Local stakeholders and	Experts/consultan
risks 7, 8, 9) ³⁹		beneficiaries	ts

³⁹ Risk 7 - Unexpected extreme flood during the project implementation may cause serious damage of the watershed and challenge the activities of the project towards relief and restoration. Risk 8 – Construction of water retention ponds, drainage control trenches, and flood defense gabions may destabilize the land and aggravate erosion processes worsening

	control trenches, and flood	project team	Local stakeholders
	defense gabions		and heneficiaries
	Level/lack of maintenance of		nroject team
	adaptation tochnologies		project team
	introduced by the project		
	introduced by the project		
Gender Equality			
Were equal rights, r	esponsibilities and opportunities of v	vomen and men considered?	
Were the interests,	needs and priorities of women and m	nen taken into consideration	in project design,
implementation and	M&E? Was project design and impler	mentation gender responsive	?
Was the project	coherence with national policies	Project documents	Desk review
aligned with		Project staff	stakeholder
national policies		stakeholders	interviews
and strategies on			Project staff
gender equality?			interviews
Was the UNDP	Gender analysis confirms/coherent	Project doc/gender	Desk review
Gender Marker	with rating	analysis	
rating assigned to			
the project			
document realistic			
and backed by the			
findings of the			
gender analysis?			
To what extent were	Number, type, scope of meetings/	Project documents	Desk reviews
mechanisms	events with women participants	Project staff	Interviews with
developed and		Local stakeholders	project staff
applied for separate		local women womens	Field visit
consultations with		organizations	interviews and
women?		organizations	focus group
women:			discussions
To what extent	Womons' participation in and	Project decuments	Dock roviowc
did activities to	bonofite from income generation	Project documents	Desk reviews
ulu activities to	activities		niterviews with
promote income	activities		
generation,		local women, womens	Field Visit
livelinood		organizations	interviews and
strategies target			focus group
women?			discussions
	1 1,1 I I		
was the project	conerence with national policies	Project documents	Desk review
aligned with		Project staff	stakeholder
national policies		stakeholders	interviews
and strategies on			Project staff
gender equality?			interviews
Was the UNDP	Gender analysis confirms/coherent	Project doc/gender	Desk review
Gender Marker	with rating	analysis	
rating assigned to			
the project			
document realistic			
and backed by the			
findings of the			
gender analysis?			

watershed conditions. Risk 9 – Operation of adaptation technologies introduced by the project might fail due to inadequate maintenance arrangements during the project and post project phases.

To what extent were mechanisms developed and applied for separate consultations with women?	Number, type, scope of meetings/ events with women participants	Project documents Project staff Local stakeholders local women, womens organizations	Desk reviews Interviews with project staff Field visit interviews and focus group discussions
To what extent did activities to promote income generation, livelihood strategies target women?	Womens' participation in and benefits from income generation activities	Project documents Project staff Local stakeholders local women, womens organizations	Desk reviews Interviews with project staff Field visit interviews and focus group discussions
To what extend were women's organizations involved and supported in project activities?	Number of womens organizations involved in activities	Project documents Project staff Local stakeholders local women, womens organizations	Desk reviews Interviews with project staff Field visit interviews and focus group discussions
Was project M&E gender disaggregating? How were perspectives of women and men involved and affected by the project monitored and assessed?	Disaggregated information on gender (men and womens' participation in project activities) Disaggregated information on gender (men and womens' participation in project activities)	Project M&E data Project M&E officer Project M&E data Project M&E officer	Desk review Interviews with project staff Desk review Interviews with project staff
To what extent did the project encourage/facilitate the participation of women in all activities (planning, capacity building, income generation, access to resources)	Level of womens participation in activities, represention in planning/co-management committees, increased income for women	Project documents Project staff Local stakeholders local women, womens organizations	Desk reviews Interviews with project staff Field visit interviews and focus group discussions
To what extent was gender balance achieved/promoted in all project related activities, employment?	number of women/men participants and employees	Project documents Project staff Project stakeholders	desk reviews Interviews of project staff
What real changes in gender equality did the project generate, pilot or contribute to? Access to/control of resources Access to	Changes in access to/control of resources, access to information, decision making power, influence, division of labor, workload, income generation, social status, membership in organizations, for women and men	Project documents, M&E Local government M&E Community Women/Womens'Organiz ations	Desk reviews Interviews with project staff Local stakeholder interviews, namely women and womens' organizations

	-		
information,			
Decision making			
power/influence,			
Division of labor,			
workload,			
Income			
generation, social			
status			
membershin to			
organizations			
To what extent	Level of progress of gender action	Project documents	Desk review
did the project	plan and gender indicators in	Project staff	interviews field
contribute to	results framework	Project stakeholders	visits
gender equality			10100
and women's			
empowerment?			
To what extend and	Existence of logical linkages	Project documents	Desk review
in what ways did the	hetween gender results and	Project staff	interviews field
nroject's gender	project outcomes and impacts	Project stakeholders	visits
results advance or	project outcomes and impacts		VISICS
contribute to the			
project's			
hindiversity			
outcomes?			
To what extend	Number of womens organizations	Project documents	Desk reviews
were women's	involved in activities	Project staff	Interviews with
organizations		local stakeholders	nroject staff
involved and		local women womens	Field visit
supported in project		organizations	interviews and
activities?		organizations	focus group
activities:			discussions
Was project M&F	Disaggregated information on	Project M&E data	Deck review
gender	render (men and womens'	Project M&E officer	Interviews with
disaggregating?	participation in project activities)		nroject staff
uisaggi egatilig:	participation in project activities)		project start

Annex 6: Detailed Table on Proposed Adjustments of PRF Targets and Budget Re-Allocations

PRF Targets, B	Budget Al	location, P	roDoc	Propos	ed Adjustments	djustments MTR		Dropood De	
Indicators/A ctivities	Quan tity	Unit Cost \$	Total Cost \$	Quan tity	Unit Cost \$	Total Cost \$	Justification Summary	allocations	
OUTCOME 1									
6 policies, guidelines and tools developed ⁴⁰	6			6			6 policy documents.	n.a.	
Multi institutional IWM coordination platforms established at central, province, local levels	6	n.a.	n.a.	0	n.a.	n.a.	Multi-institutional coordination platforms are implicit in policy documents. Consider renaming the indicator "Multi-institutional IWM coordination platforms across local, provincial, national levels operationalized"	n.a.	
OUTCOME 2									
Drought resistant crop variety promoted on 10% of drought affected area	2000 0 ha	n.a.	n.a.	0	n.a.	n.a.	No Budget allocated in Budget Note	n.a.	
Drought Tolerant NTFPs Promotion on shrubland	375 ha	1,000	375,000	200 ha	1,000	200,000	Map suggests shrub land area is only 284 hac; 60 - 70% of the available shrubland will be sufficient for plantation. Resource allocation needed for bio-fencing or other measures to protect young plants from livestock damage	balance of USD 175,000	

⁴⁰ 1) national policy on watershed management; 2) revised harmonized climate-risk based sub-watershed vulnerability assessment, prioritization guidelines; 3) guidelines for gender mainstreaming in IWM,4) SoP's for maintenance of watershed management systems established; 5) revised guidelines for infrastructure, 6) revised "SCWM program"

	Establishmen t of water use/reuse system (Rainwater harvesting, household roof to root water harvesting)	1000 ha	1,000	1,000,000	600 ha	1,900	1,140,000	Budget for rainwater harvesting and solar water lifting systems does not match current rates, market price for all commodities has increased	USD 140,000 saved from NTFPs cultivation will be used for water use/reuse
5	Conservation farming adopted on 37.63% of all agricultural land)	3763 ha	300	1,128,876	2500 ha	450	1,125,000	Current costs are higher than budgeted	Fund balanced of USD 3,876
6	Construction of Improved Cooking Stoves	2500	5	12,500	1,250	10	12,500	At least USD 10 required per unit construction cost at current rate in local areas	No cost implications
7	PES Related Activities	30		62,700		1 (Assessment of ES)	52,700	 PES operationalization is unlikely to be realized within project time frame. PES related activities are not essential to project objectives, ToC is not compromised if they are reduced. Strengthening livelihood support will promote overall project objective twofold: 1. Directly develop livelihood of most vulnerable in project area; 2. help build scalable models with demonstrative value, linking IWM and sustainable livelihood development. 	USD 10,000 will be spent for ongoing feasibility study on PES, USD 40,000 will be used to support community maintenance groups, and USD 12,700 will be added to Majhi community multi-purpose pond
	Water Source Protection	750	1,000	750,000	600	1250	750,000	As per the current local rate of materials and labor	No cost Implication
	Contour Trench	50 km	3,000	150,000	40 Km	3,000	120,000	Proposed adjustment allows for development of models and demonstrate impact of contour trenches; original target not realistic as not sufficient land is available from local communities	Fund balance of USD 30,000

	Construction of Catchment Ponds	80	3,000	240,000	100	3,000	300,000	Increase target from 80 to 100. Catchment ponds are in high demand locally and have proven to be effective.	USD 60,000 costs will be covered from the balanced fund of Contour trench and NTFPs farming (30,000\$ each)
1 2	Promote traditional watershed friendly practices (Specifically for Majhi community multi- purpose water ponds including fish farms),	20 nos	1,000	20,000	20	2,000	40,000	"Multi-purpose Ponds (fish farms) and Livestock Raising Support for Majhi Community" as Majhi have largely shifted their livelihoods base from fish farming to livestock raising Per Unit cost has doubled since ProDoc planning; target of 20 remains the same, funds are re-allocated from PES, NTFPs cultivation and conservation farming.	Deficit USD 20,000 will be fulfilled from balanced fund of Conservation farming (USD 3,876), PES (USD 12,700) and NTFPs cultivation (USD 5,000)

Annex 7 : Progress Towards Results Matrix

Progress Towards Results Matrix –	Dbjective Level				
Project Strategy	Indicator	Baseline Level	October 31, 2022	Midterm Target	End-of-project Target
Objective To safeguard vulnerable communities and their physical and economic assets from climate change induced disasters	#1 Number of municipalities with data-informed climate responsive policies, plans and institutions in place to reduce the physical and economic losses from climate induced disasters and strengthen social cohesion (Strategic Plan Output Indicator 2.3.1.2).	0	0 (0%) 4 (100 %)	 4 data-informed climate responsive local level plans 4 inter-disciplinary coordination mechanisms at the local level 	 8 data-informed climate responsive local level plans 8 inter-disciplinary coordination mechanisms at the local level
	#2 # direct project beneficiaries	0	35806 (52 % women)	60,803 (28,091 men, 32, 712 women)	121,606 (56, 182 men, 65, 424 women)
Midterm Level & Assessment	IWM management plans of four watersheds and respect On Target to be Achieved The Climate Friendly IWM Activities Operationalization I Khotang, 2) Halesi Tuwachung Municipality-Khotang, 3). Khotang in December 2021. Endorsement of the	ctive local g Directive has Aiselukharak directives	overnments a been approve a Rural Munic by all four	re under preparation, to k ed for 1) Diktel Rupakot Ma ipality-Khotang, and 4) Rav Local Governments is c	be finalized by end 2022. ajuwagadhu Municipality- vabesi Rural Municipality- committed within 2022.
	35806 (52 % women) Not	on Target to	o be Achieved		
Achievement Rating	Satisfactory				
Justification for Rating	Multi-hazard Vulnerability and Risk Assessment covering level plans completed.	four sub-wa	atersheds as pr	erequisite of data-informe	d climate responsive local
	The Climate Friendly IWM Activities Operationalization Government Operationalization Act (2017) for the plar institutional mechanisms. It identifies principles and stra- of a watershed, DRR, use of sustainable infrastructu	Directive pro ining, impler tegies for the re developr	ovides for imp mentation and e implementat nent principle	lementation of several rele I monitoring of IWM activi ion of IWM, including upstr s on the construction of	evant clauses under Local ities through appropriate ream downstream linkage village roads, GESI and

collaboration and cooperation for dryland management. Another important aspect of the directive is the formulation of IWM
Coordination platform within the local government, a multi stakeholder body including federal and provincial technical capacities. The
platform has roles in: programme planning, budgeting, implementation and monitoring; coordination among the project and programs
within the municipality; resource mobilization at local, provincial and federal levels; formation of a technical working group (TWG) in
the municipality, incorporation of climate resilient livelihoods and DRR options on the program of IWM; formulation of procedures and
guidelines necessary for the effective implementation of IWM actions on the municipality.
While its implementation likely will take time, the directive is a key element in the institutional development objectives of the project
and an important milestone achieved. These directives will create many avenues in terms of levering the resources based on Sendai
Framework for Disaster Risk Reduction (SFDRR) for resilience-building at the fullest scale, as it emphasises the 'public private
partnership."

Progress Towards End of Pr	oject Results Matrix – Outcome 1	L			
Project Strategy	Indicator	Baseline Level	October	Midterm Target	End-of-project Target
			31, 2022		
Outcome 1 ⁴¹ Integrated watershed management framework has been established to address climate change induced floods and droughts	#3 Number of policies, guidelines and plans developed and strengthened to identify and integrate climate change adaptation strategies and measures.	Missing IWM Policy, no guidelines for gender mainstreaming in IWM, No harmonized watershed prioritization tool, no CR guidelines for infrastructure development, outdated SCWM programme	0	3 policies, guidelines and tools developed	6 policies, guidelines and tools developed 1)national policy on watershed management; 2) revised harmonized climate-risk based sub-watershed vulnerability assessment, prioritization guidelines; 3) guidelines for gender mainstreaming in IWM, 4) Sod's for maintenance of
					 4) SOP's for maintenance of watershed management systems established; 5) revised guidelines for infrastructure, 6) revised SCWM program

⁴¹ Outcomes are short to medium term results that the project makes a contribution towards, and that are designed to help achieve the longer-term objective. Achievement of outcomes will be influenced both by project outputs and additional factors that may be outside the direct control of the project.

	#4 Institutional arrangements to lead, coordinate and support the integration of climate change adaptation into relevant policies, plans and associated processes. (Multi-institutional IWM coordination platforms established at central, provincial and local levels)	No cross-institutional platforms for IWM Missing or incomplete policies, guidelines on IWM Insufficient hydrometric equipment to monitor climate variables in the target watersheds	1 (33 %) 0	At least 3 Multi- institutional IWM coordination platforms established at central, provincial and local levels 2 hydrological stations, 5 meteorological stations and 2 drones purchased and installed	At least 6 Multi-institutional IWM coordination platforms established at central, provincial and local levels 2 hydrological stations, 5 meteorological stations and 2 drones purchased and installed		
Midterm Level & Assessment	 n Level & IWM Strategy for Province 1 prepared (May 2022), currently under review by Provincial Government. A National and sub-National level stock-taking and review on IWM Policy (2021) was completed; findings were shared during Workshop, and used to inform programming. Multi-Hazard Vulnerability and Risk Assessment covering four sub-watersheds completed - as prerequisite of data-informer responsive local level plans A Manual prepared for climate-responsive multi hazard risk and vulnerability assessment in 2022, is currently (MTR Nov. 20 						
 Achievements towards establishing multi-institutional IWM platforms: A national-level, multi-disciplinary, multi-institutional TWG on climate induced hazards is operational for technical backst guidance for resilience watershed and evidence-based policy recommendations for IWM with emphasis on multi-haza drought. The TWG members from among academia, policymakers, and practitioners meet quarterly, also expected to innovations, and promote collaboration and coordination. One provincial level IWM Plan developed. At local level, a directive for institutionalization of inter-disciplinary coordination mechanism endorsed by four local gove serve as coordination platform on IWM and implementation of IWM related activities. Achievements towards establishing and sustaining hydro met stations network: Preparatory meeting with Department of Hydrology and Meteorology (DoHM) about assessment of hydro met stations huitial assessment on hydro met station undertaken in collaboration with DoHM to take stock of existing hydro-met stations project site, determine upgrading possibility/options, and identify installation sites to expand the network of stations 							
Achievement Rating	Satisfactory						
Justification for Rating	Collaboration mechanisms/guid	elines established at three tiers of gove	ernment (lo	cal, provincial and federal le	vels).		

Assessment of hydro met stations is a key step towards establishing a functioning network of stations that will enable collection of climate data
of the lower Dudhkoshi watershed that are representative to enable planning to address multi-hazards (drought, floods, and dandslides).

Progress Towards End of Project Results Matrix – Outcome 2								
Project Strategy	Indicator	Baseline Level	October	Midterm Target	End-of-project Target			
			31, 2022					
Outcome 2	Types and extent of assets	30% of waters	34 (73	Design and construction of 40	Construction of 80 catchment			
	strengthened and/or better	sources dried up	%)	catchment ponds	ponds			
Integrated watershed	managed to withstand the							
management practices	effects of climate change		14.25 km	Design and Construction of 25km				
introduced and scaled up in 1			(53 %)	of contour trench	Design and Construction of 50km			
watershed covering 844 km2			10		of contour trench			
of watershed areas and				Construction of 12 Water holes				
benefiting 121,606 vulnerable			218 (32		Construction of 25 Water holes			
people.			%)	Protection of 350 water sources				
					Protection of 700 water sources			
	Extent of adoption of climate-	Non-climate	235 ha	Conservation farming adopted on	Conservation farming adopted on			
	resilient technologies/practices	resilient land use		20% of all agricultural land) 2000	37.63% of all agricultural land)			
		practices leading		ha	3763 ha			
		to land						
		degradation						
			0	Establishment of water use/reuse	Establishment of water use/reuse			
				system (Rainwater harvesting,	system (Rainwater harvesting,			
				household roof to root water	household roof to root water			
				harvesting) on 500 ha	harvesting) on 1000 ha			
			0	Drought resistant crop variety	Drought resistant crop variety			
				promoted on 5% of drought	promoted on 10% of drought			
				affected land (10,000 ha).	affected land (20,000 ha).			
			292	At least 625 farmers trained on	At least 1250 farmers trained on			
				conservation farming and	conservation farming and			
				agroforestry	agroforestry			

	0	Support farmers with gender friendly, labor efficient agriculture tools, provided to 75 groups (1 group=10 HH)	Support farmers with gender friendly, labor efficient agriculture tools, provided to 125 groups (1 group=10 HH)
	2	Promote traditional watershed friendly practices (Specifically for Majhi community multi-purpose water ponds including fish farms), in 5 communities	Promote traditional watershed friendly practices (Specifically for Majhi community multi-purpose water ponds including fish farms), in 10 communities
	121	Cultivation of drought tolerant NTFP species (zanthoxylum, cinnamon, Daphne). Shrubland	Cultivation of drought tolerant NTFP species (zanthoxylum, cinnamon, Daphne). Shrubland will be provided to the poor on
	11	will be provided to the poor on long term lease to practice agro- silvipastoral system, on 188ha	long term lease to practice agro- silvipastoral system, on 375ha
	0	5 persons trained in construct fuel efficient stoves	10 persons trained in construct fuel efficient stoves
	65	fuel efficient stoves provided to	fuel efficient stoves provided to 2500 households
			800 NRM groups strengthened
	U	400 NKM groups strengthened 4 Networks of NRM groups established	8 Networks of NRM groups established
	0	75 NRM groups operational plans revised	150 NRM groups operational plans revised
			Support to 30 cooperatives for implementation of PES
		Support to 15 cooperatives for implementation of PES	

Midterm Level & Assessment	25 catchment ponds constructed to ensure water availability for agriculture and support ground water recharge and increase the upper wield at the downstream
(by end December 2022)	 15 km of contour trenches constructed at 8 sites prone to drought which enhanced water retention/recharge. A preliminary assessment of water holes construction took place in August 2022 (after monsoon) that helped to identify/prioritize drought prone areas. 10 water holes completed by Dec. 2022 which contributed in recharge water and maintain soil moisture. 250 water source protection/restoration works completed that assisted in using water in multiple purpose. Not on target to be achieved
	 Conservation farming has been introduced on 299 ha which contributed in promoting greenery and generating income. Feasibility study of three sites for construction of water use/reuse system (solar water lifting) from DudhKoshi River for irrigating 96.5 hectare of land is completed. An agreement related to co-financing by the Local Governments has been finalized. 297 farmers (19 events) were trained in conservation farming and agroforestry. It helped to translate knowledge into action. Need assessment for agriculture tools completed and 10 user groups identified for distribution. Strategy to promote Majhi Community's Livelihoods through traditional watershed friendly practices finalized. Three multi-purpose ponds constructed in 2 Majhi settlements of Khotang district to support the community in irrigation and fisheries which assisted in livelihood improvement plan. Community consultations organized to identify and prioritize NTFP species and plantation sites. Plantations in July - August 2022, led by Forest Offices. 121 hectares completed. Fuel efficient stoves training in September 2022. 11 persons trained. No stoves provided yet to households. 103 NRM groups strengthened (trained on drought, climate change, and disaster risk reduction.) O Networks of groups were established. NRM groups operational plan revision training to rangers was provided aiming to integrate climate change and disaster risk into the operational plan. The operational plan revisions have been supported in both Okhaldhunga and Khotang districts, a total of 26 plans have been revised which created many avenues to retrofit CCA and DRR in plans and programs. The feasibility study on PES has just been undertaken Not on Target to be achieved
Achievement Rating	Moderately Satisfactory
Justification for Rating	The average achievement rate for outcome 2 targets is 50 %. This is due to delays in the early project phase (signing project agreement, two elections, government restructuring, COVID-19 pandemic and related restrictions, and monsoon-based challenges) and challenges of having to implement large number of activities, in difficult terrain, with lack of human resources/technical capacity and insufficient budget for certain activities.
	However, the project used adaptive management approaches, namely prioritized building enabling conditions to implement activities and to enhance sustainability. This includes training to rangers to assist in revising operational plans of NRM groups, community consultations

organized to identify and prioritize NTFP species and plantation sites, needs assessment among user groups before providing agricultural tools, developing a strategy to promote Majhi Community's livelihoods through traditional watershed friendly practices before constructing multi-use ponds, feasibility study of three sites for construction of water use/reuse system (solar water lifting) completed before scaling up the activity.
The approach taken by the project is deemed appropriate, to build a foundation for implementation of practices, await policy formulation, develop community participation and foster local ownership; build capacity and institutional strengthening, and undertaking needs assessments. However, the MTR assesses that activities implementation is not on target to be achieved within the current time frame of the project as per design (i.e., May 2024).

Annex 8 : Summary of PEB meetings and key decisions to date (Dec. 15,2022)

Meeting	Date	Key decision made by PEB	#Of decisions turned into action	Outstanding issues (if any)
1	23 Dec	Approval of AWP for 2020, AWP 2021, HR plan and Procurement plan		
	2020	Approval of First Quarter workplan and budget		
2	20	Approval of LMBIS for 2022, Second quarter workplan, Bank account	Bank account opened	
	May	opening of the project, Proposed inception workshop for Mid-June	Local and National Workshop conducted	
	2021			
3	13 Dec	Approval of inception report and proposed project adjustment plan	Evaluation committee formed	
	2021	and inception report, Fourth Quarter Work plan, LoA partnership with		
		IOE, Formation of evaluation committee for RPA, MCG/LVG and other		
		partnership as per UNDP rules and guidelines.		
4	24 Jan	Approval of proposed AWP for 2022 and First quarter workplan 2022,	LOA partnership with SWMO, BMC Koshi and DFOs	
	2022	LOA with SWMO, BMC Koshi, DFOs (Okhaldhunga, Khotang), RPA with	(Okhaldhunga, Khotang) carried out for the field level	
		IWMI, RFP for the assessment of multiple use, reuse of water, water	interventions	
		lifting technology		
5	13	Approval of second quarter workplan along with procurement plan,		
	April	revised AWP for 2022 and multi-year work plan		
	2022			
6	3 Aug	Approval of revised/adjusted AWP for 2022 with adaptive plan,	Office support staffs at PMU, PIU and site offices (3 nos)	
	2022	proposed third QWP, office support staffs at PMU, PIU and site offices	were hired	
		(3 nos), amendment of existing LOA		

7	28	Approval of AWP adjustment/revision with adaptive plan, fourth QWP,	Endorsement of progress of 3 rd quarter, approval of plan
	Nov	third quarter progress, LOA with IOF, TU and continuity of LOA	of 4 th quarter, LoA with Institute of Forestry endorsed,
	2022	agreement with BMC Koshi, SCWMO, DFOs (Khotang and	approval for continuing LoA with BMC-Koshi, SWMO
		Okhaldhunga) for 2023	Okhaldhunga and DFOs (Okhaldhunga and Khotang)

Annex 9 : Break down of expenditures by project year for Outcomes 1 and 2 and for Project Management

	Budget as ner					
Outcome/Fund	ProDoc	2020 2021		Oct 2022	Total Expenditure	Progress %
Outcome 1: Integrated Watershed Management Framework has been established to address Climate Change Induced Floods and Droughts	1,242,537.00	-	41,473.35	123,332.61	164,805.96	13.26%
TRAC Fund	255,000.00		2,999.00	27,658.57	30,657.57	12.02%
GEF Fund	987,537.00		38,474.35	95,674.04	134,148.39	13.58%
Outcome 2: Integrated watershed management practices introduced and scaled up in 1 watershed covering 782.68km2 of watershed areas and benefiting 121,606 vulnerable people.	5,681,746.00	-	28,692.89	427,507.99	456,200.88	8.03%
TRAC Fund	-			8,728.74	8,728.74	
GEF Fund	5,681,746.00		28,692.89	418,779.25	447,472.14	7.88%
Project Management Cost	975,717.00	13,536.49	227,653.46	244,328.91	485,518.86	49.76%
TRAC Fund	645,000.00	12,761.74	158,273.74	192,886.65	363,922.13	56.42%
GEF Fund	330,717.00	774.75	69,379.72	51,442.26	121,596.73	36.77%
Exchange (Gain)/Loss	-	0.22	1,377.51	12,990.55	14,368.28	
TRAC Fund		0.22	(309.92)		(309.70)	
GEF Fund			1,687.43	12,990.55	14,677.98	
Grand Total	7,900,000.00	13,536.71	299,197.21	808,160.06	1,120,893.98	14.19%
TRAC Fund	900,000.00	12,761.96	160,962.82	229,273.96	402,998.74	44.78%
GEF Fund	7,000,000.00	774.75	138,234.39	578,886.10	717,895.24	10.26%

Provided by PMU November 14, 2022

Annex 10 : SES screening reports of three solar water lifting sites

Social and Environmental Screening Ghopatar Solar Water Lifting Scheme

The completed template, which constitutes the Social and Environmental Screening Report, must be included as an annex to the Project Document at the design stage. Note: this template will be converted into an online tool. The online version will guide users through the process and will embed relevant guidance. Template Version: 2021 v1

Project Information

Pro	oject Information	
1.	Project Title	Ghopatar Solar Water Lifting Scheme
2.	Project Number (i.e. Atlas project ID, PIMS+)	
3.	Location (Global/Region/Country)	Nepal (Province 1, District Khotang, Halesi Tuwachung Municipality, Ward No. 4, Ghopatar)
4.	Project stage (Design or Implementation)	Design
5.	Date	14 September, 2022

Part A. Integrating Programming Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Programming Principles in Order to Strengthen Social and Environmental Sustainability?

Briefly describe in the space below how the project mainstreams the human rights-based approach

- Project has ensured that rights of beneficiaries or the indigenous affected are properly heard.
- Consultation with the scheme's Chief Technical Advisor (CTA) indicates women and disadvantaged groups (DAG) will be included in the user committee.
- Consultation with the scheme's CTA and informal focus group discussion (FGD) with the community indicates that the beneficiaries were consulted during the project initiation.

Briefly describe in the space below how the project is likely to improve gender equality and women's empowerment

• Gender Action Plan (GAP) has been developed to mainstream GESI in DCRL projects.

Briefly describe in the space below how the project mainstreams sustainability and resilience

- Operation and Management (O&M) Guidance is in place.
- Proportionate fund collection is done based on land owned.
- Maintenance fund and warden will be assigned.
- Detailed feasibility/project report with soil analysis is done.

Briefly describe in the space below how the project strengthens accountability to stakeholders

• Community involved and consulted in every stages in the project lifecycle: initiation, need assessment, design.

Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks? Note: Complete SESP Attachment 1 before responding to Question 2.	QUESTION 3: What is the level of significance of the potential social and environmental risks? <i>Note: Respond to Questions 4 and 5 below before proceeding to</i> <i>Question 6.</i>			QUESTION 6: Describe the assessment and management measures for each risk rated Moderate, Substantial or High.
Risk Description (broken down by event, cause, impact)	Impact and Likelihood (1-5)	Significance (Low, Moderate Substantial, High)	Comments (optional)	Description of assessment and management measures for risks rated as Moderate, Substantial or High
Risk 1: Non-hazardous waste during construction and operation	I = 1 L = 4	Low	Construction debris, of non- hazardous nature, will be produced during construction. Management and maintenance of damaged solar panels during the operation phase will need special considerations.	 Waste management plan for Local Government and communities for managing any wastes during construction and operational phase activities, will be developed and implemented. Users Committee in coordination with local governments plan to properly dismantle, store and manage solar panels after their life span of solar (of about 25 years) shall be made. Add vegetative cover over the exposed earth areas e.g. after filling up the trenches.
Risk 2: Insufficient stakeholder engagement process	I = 2 L = 2	Low	Majhis (fishermen) community is a marginalized ethnic community living in the area. Communities have requested for an increased level of consultation with them by the project team.	Sharing of updated information to the communities periodically will be useful in having enhanced levels of ownership of the project deliverables.
Risk 3: Occupational Health and Safety (OHS) Risks	l = 3 L =2	Moderate	Construction involves working in large rivers and steep terrain as well as solar panels. Possible	OHS Guidelines and practices, as recommended by Government of Nepal and ILO provisions should be strictly followed and monitored. The workers should be oriented on this prior to the construction works.

	risks include accidents whe	n OHS				
	measures are not considere		Safety measures during construction and operation should be followed.			
			Ine	contractor should ensure that the workers	s involved are	well protected
			hoot	is and other safety practices should be st	rictly nut into	nractice
OUESTION 4: What is the	overall project risk catego	orizatio	n?	is, and other safety practices should be se		practice.
Note: Project categorization	is determined by the highest	t level o	of sian	ificance of identified risks across all pote	ential risk are	as (as rated in
Question 3).	, 5		, ,			,
Low Pick		_				
LOW NISK			A + 1 -	and 1 minly (Binly 2) in Ourantian 2 in mandam		
ivioaerate kisk		M	At le	ast 1 risk (Risk 3) in Question 3 is modera	ite.	
Substantial Risk						
High Risk						
QUESTION 5: Based on th	e identified risks and risl	< categ	orizat	tion, what requirements of the SES	are triggere	d? (check all
that apply)						
Question only required for M	oderate, Substantial and Hig	h Risk p	roject	S.		
Is assessment required? (che	ock if "ves")				Status?	(completed,
is assessment requirea. Tene					planned)	
if yes, indicate overall type an	nd status		$\mathbf{\nabla}$	Targeted assessment(s)		
				ESIA (Environmental and Social Impact Assessment)		
				SESA (Strategic Environmental and		
				Social Assessment)		
Are management plans requ	ired? (check if "yes)					
If yes, indicate overall type			V	Waste Management	Planned	
				Plan OHS Guidelines and Plan		
				ESMP (Environmental and Social		
				Management Plan)		
				ESMF (Environmental and Social		
				Management Framework)		
Based on identified <u>risks</u> , wh	ich Principles/Project-level		Com	aments (not required)		
standurus triggereu?						
Overarching Principle: Leave	No One Behind					
Human Rights						

Gender Equality and Women's Empowerment		
Accountability		
1. Biodiversity Conservation and Sustainable Natural Resource Management		
2. Climate Change and Disaster Risks	Ø	
3. Community Health, Safety and Security		
4. Cultural Heritage		
5. Displacement and Resettlement		
6. Indigenous Peoples		
7. Labour and Working Conditions		
8. Pollution Prevention and Resource Efficiency		

Final Sign Off Final Screening at the design-stage is not complete until the following signatures are included.

Signature	Date	Description			
QA Assessor		UNDP staff member responsible for the project, typically a UNDP Programme Officer. Final signature confirms they have			
		hecked" to ensure that the SESP is adequately conducted.			
QA Approver		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident			
		Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature			
		confirms they have "cleared" the SESP prior to submittal to the PAC.			
PAC Chair		UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was			
		considered as part of the project appraisal and considered in recommendations of the PAC.			

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental <u>Risks</u> <u>INSTRUCTIONS</u>: The risk screening checklist will assist in answering Questions 2-6 of the Screening Template. Answers to the checklist questions help to (1) identify potential risks, (2)

determine the overall risk categorization of the project, and (3) determine required level of assessment and management measures. Refer to the <u>SES toolkit</u> for further guidance on addressing screening questions.

Overarching Principle: Leave No One Behind				
Huma	n Rights			
P.1	Have local communities or individuals raised human rights concerns regarding the project (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No		
P.2	Is there a risk that duty-bearers (e.g. government agencies) do not have the capacity to meet their obligations in the project?	No		
P.3	Is there a risk that rights-holders (e.g. project-affected persons) do not have the capacity to claim their rights?	No		
Would	the project potentially involve or lead to:			
P.4	adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No		
P.5	inequitable or discriminatory impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups, including persons with disabilities? ⁴²	No		
P.6	restrictions in availability, quality of and/or access to resources or basic services, in particular to marginalized individuals or groups, including persons with disabilities?	No		
P.7	exacerbation of conflicts among and/or the risk of violence to project-affected communities and individuals?	No		
Gende	er Equality and Women's Empowerment			
P.8	Have women's groups/leaders raised gender equality concerns regarding the project (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No		
Would	the project potentially involve or lead to:			
P.9	adverse impacts on gender equality and/or the situation of women and girls?	No		
P.10	reproducing discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No		

⁴² Prohibited grounds of discrimination include race, ethnicity, sex, age, language, disability, sexual orientation, gender identity, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender and transsexual people.

P.11	limitations on women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services?	No
	For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being	
P.12	exacerbation of risks of gender-based violence?	Yes
	For example, through the influx of workers to a community, changes in community and household power dynamics, increased exposure to unsafe public places and/or transport, etc.	
Susta	nability and Resilience: Screening questions regarding risks associated with sustainability and resilience are encompassed by the Standard-specific questions below	
Accou	ntability	
Would	t the project potentially involve or lead to:	
P.13	exclusion of any potentially affected stakeholders, in particular marginalized groups and excluded individuals (including persons with disabilities), from fully participating in decisions that may affect them?	No
P.14	grievances or objections from potentially affected stakeholders?	No
P.15	risks of retaliation or reprisals against stakeholders who express concerns or grievances, or who seek to participate in or to obtain information on the project?	No
Proje	xt-Level Standards	
Stand	ard 1: Biodiversity Conservation and Sustainable Natural Resource Management	
Would	t the project potentially involve or lead to:	
1.1	adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services?	No
1.2	activities within or adjacent to critical habitats and/or environmentally sensitive areas, including (but not limited to) legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	No
1.3	changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No
1.4	risks to endangered species (e.g. reduction, encroachment on habitat)?	No
1.5	exacerbation of illegal wildlife trade?	No
1.6	introduction of invasive alien species?	No
1.7	adverse impacts on soils?	Yes

1.8	1.8 harvesting of natural forests, plantation development, or reforestation?		
1.9	significant agricultural production?	Yes	
1. 10	1. 10 animal husbandry or harvesting of fish populations or other aquatic species?		
1.11	significant extraction, diversion or containment of surface or ground water?	No	
	For example, construction of dams, reservoirs, river basin developments, groundwater extraction		
1.12	handling or utilization of genetically modified organisms/living modified organisms? ⁴³	No	
1.13	utilization of genetic resources? (e.g. collection and/or harvesting, commercial development) ⁴⁴	No	
1.14	adverse transboundary or global environmental concerns?	No	
Stand	ard 2: Climate Change and Disaster Risks		
Would	the potentially involve or lead to:		
2.1	areas subject to hazards such as earthquakes, floods, landslides, severe winds, storm surges, tsunami or volcanic eruptions?	No	
2.2	outputs and outcomes sensitive or vulnerable to potential impacts of climate change?	Yes	
	For example, through increased precipitation, drought, temperature, salinity, extreme events		
2.3	direct or indirect increases in vulnerability to climate change impacts or disasters now or in the future (also known as maladaptive practices)?	No	
	For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding		
2.4	increases of greenhouse gas emissions, black carbon emissions or other drivers of climate change?	No	
Stand	ard 3: Community Health, Safety and Security		
Would	the potentially involve or lead to:		
3.1	construction and/or infrastructure development (e.g. roads, buildings, dams)? (Note: the GEF does not finance projects that would involve the construction or rehabilitation of large or complex dams)	No	
3.2	air pollution, noise, vibration, traffic, injuries, physical hazards, poor surface water quality due to runoff, erosion, sanitation?	No	
3.3	harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?	No	

 ⁴³ See the <u>Convention on Biological Diversity</u> and its <u>Cartagena Protocol on Biosafety</u>.
 ⁴⁴ See the <u>Convention on Biological Diversity</u> and its <u>Nagoya Protocol</u> on access and benefit sharing from use of genetic resources.

3.4	4 risks of water-borne or other vector-borne diseases (e.g. temporary breeding habitats), communicable and noncommunicable diseases, nutritional disorders, mental No health?					
3.5	transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)? No					
3.6	adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?	No				
3.7	influx of project workers to project areas?	No				
3.8	engagement of security personnel to protect facilities and property, or to support project activities?	No				
Stand	ard 4: Cultural Heritage					
Would	d the project potentially involve or lead to:					
4.1	activities adjacent to or within a Cultural Heritage site?	No				
4.2	significant excavations, demolitions, movement of earth, flooding or other environmental changes?	No				
4.3	adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No				
4.4	alterations to landscapes and natural features with cultural significance?	No				
4.5	utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	No				
Stand	ard 5: Displacement and Resettlement					
Would	d the project potentially involve or lead to:					
5.1	temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?	No				
5.2	economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No				
5.3	risk of forced evictions? ⁴⁵	No				
5.4	impacts on or changes to land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No				
Stand	ard 6: Indigenous Peoples					

⁴⁵ Forced eviction is defined here as the permanent or temporary removal against their will of individuals, families or communities from the homes and/or land which they occupy, without the provision of, and access to, appropriate forms of legal or other protection. Forced evictions constitute gross violations of a range of internationally recognized human rights.

Would the project potentially involve or lead to:				
6.1	areas where indigenous peoples are present (including project area of influence)?	Yes		
6.2	6.2 activities located on lands and territories claimed by indigenous peoples?			
6.3	impacts (positive or negative) to the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? If the answer to screening question 6.3 is "yes", then the potential risk impacts are considered significant and the project would be categorized as either Substantial Risk	No		
	or High Risk			
6.4	the absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No		
6.5	the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No		
6.6	forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No		
	Consider, and where appropriate ensure, consistency with the answers under Standard 5 above.			
6.7	adverse impacts on the development priorities of indigenous peoples as defined by them?	No		
6.8	risks to the physical and cultural survival of indigenous peoples?	No		
6.9	impacts on the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices? Consider, and where appropriate ensure, consistency with the answers under Standard 4 above.	No		
Stand	ard 7: Labour and Working Conditions			
Would	I the project potentially involve or lead to: (note: applies to project and contractor workers)			
7.1	working conditions that do not meet national labour laws and international commitments?	No		
7.2	working conditions that may deny freedom of association and collective bargaining?	No		
7.3	use of child labour?	No		
7.4	use of forced labour?	No		
7.5	discriminatory working conditions and/or lack of equal opportunity?	No		
7.6	occupational health and safety risks due to physical, chemical, biological and psychosocial hazards (including violence and harassment) throughout the project life- cycle?	Yes		

Standard 8: Pollution Prevention and Resource Efficiency					
Would the project potentially involve or lead to:					
8.1	the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No			
8.2	the generation of waste (both hazardous and non-hazardous)?	Yes			
8.3	the manufacture, trade, release, and/or use of hazardous materials and/or chemicals?	No			
8.4	the use of chemicals or materials subject to international bans or phase-outs?	No			
	For example, DDT, PCBs and other chemicals listed in international conventions such as the <u>Montreal Protocol</u> , <u>Minamata Convention</u> , <u>Basel Convention</u> , <u>Rotterdam</u> <u>Convention</u> , <u>Stockholm Convention</u>				
8.5	the application of pesticides that may have a negative effect on the environment or human health?	No			
8.6	significant consumption of raw materials, energy, and/or water?	No			

Social and Environmental Screening Hattisar Solar Water Lifting Scheme

The completed template, which constitutes the Social and Environmental Screening Report, must be included as an annex to the Project Document at the design stage. Note: this template will be converted into an online tool. The online version will guide users through the process and will embed relevant guidance. Template Version: 2021 v1

Project Information

Project Information		
1.	Project Title	Hattisar Solar Water Lifting Scheme
2.	Project Number (i.e. Atlas project ID, PIMS+)	
3.	Location (Global/Region/Country)	Nepal (Province 1, District Khotang, Halesi Tuwachung Municipality, Ward No. 9, Hattitar)
4.	Project stage (Design or Implementation)	Design
5.	Date	13 September, 2022

Part A. Integrating Programming Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Programming Principles in Order to Strengthen Social and Environmental Sustainability?

Briefly describe in the space below how the project mainstreams the human rights-based approach

- Project has ensured that rights of beneficiaries or the indigenous affected are properly heard.
- Consultation with the scheme's Chief Technical Advisor (CTA) indicates women and disadvantaged groups (DAG) will be included in the user committee.
- Consultation with the scheme's CTA and informal focus group discussion (FGD) with the community indicates that the beneficiaries were consulted during the project initiation.

Briefly describe in the space below how the project is likely to improve gender equality and women's empowerment

• Gender Action Plan (GAP) has been developed to mainstream GESI in DCRL projects.

Briefly describe in the space below how the project mainstreams sustainability and resilience

- Operation and Management (O&M) Guidance is in place.
- Proportionate fund collection is done based on land owned.
- Maintenance fund and warden will be assigned.
- Detailed feasibility/project report with soil analysis is done.

Briefly describe in the space below how the project strengthens accountability to stakeholders

• Community involved and consulted in every stage in project lifecycle: initiation, need assessment, design.

Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks? Note: Complete SESP Attachment 1 before responding to Question 2.	QUESTION 3: What is the level of significance of the potential social and environmental risks? <i>Note: Respond to Questions 4 and 5 below before proceeding to</i> <i>Question 6.</i>			QUESTION 6: Describe the assessment and management measures for each risk rated Moderate, Substantial or High.
Risk Description (broken down by event, cause, impact)	Impact and Likelihood (1-5)	Significance (Low, Moderate Substantial, High)	Comments (optional)	Description of assessment and management measures for risks rated as Moderate, Substantial or High
Risk 1: Some Majhi households not included as project beneficiary	I =3 L =3	Moderate	Some Majhi (fishermen HHs might be left behind to harvest the water from the project. The reason behind this is their settlement is just above the topmost water reservoir tank of the project.	Project design should be reviewed so that water can reach the settlements of those Majhi HHs.

Risk 2: Right-holders not having capacity to claim their rights	I = 2 L = 2	Low	Majhis (fishermen) considered marginalized in of their low socio-eco status in our society. D which, there is a possibl that their concerns could l behind in the entire project	are terms nomic ue to le risk be left cycle.	Empl proje comi	hasis should be made to include Majh ect cycle. They should be proportionately mittees based on their population size.	is during all phases of the / represented in water user
Risk 3: Insufficient consultation with project stakeholders	I = 2 L =2	Low	Villagers exp dissatisfaction over inadequate consultation them by the project team.	ressed the with	The adeq proje	project team should make sure tha uately consulted during different phases ect ownership.	t stakeholders should be of project cycle to increase
Risk 4: Conflicts among project stakeholders	I = 2 P = 2	Low	The owner of the land, when project structures are men- be built, have verbally agre- provide their lands for project. However, the p- has not done any for paperwork with them for donation.	ere the ant to eed to r the project formal r land	Prop the p be do	er paper works between the project tea oroject structures are supposed to be built one.	m and land owners (Where t) for land acquisition should
	QUESTION 4 Note: Project Question 3).	I: What is the categorization	overall project risk catego is determined by the highes	orizatio t level c	o n? of sign	ificance of identified risks across all pote	ential risk areas (as rated in
	Low Risk						
	Moderate Ris	sk			Cons iden cons wou	idering the moderate impact and pr tified above, the overall risk level is ultations, documentation on the land and Id be useful to further minimize the risk l	obability of the key risks moderate. However, more d project benefit sharing etc evels.
	Substantial R	isk					
	High Risk						
	QUESTION 5: Based on the identified risks that apply)			k categ	orizat	tion, what requirements of the SES	are triggered? (check all
	Question only	required for M	oderate, Substantial and Hig	h Risk p	roject	S.	
	<u>Is assessmen</u>	t required? (che	<u>ck if "yes")</u>				Status? (completed, planned)
	if yes, indicat	e overall type an	d status		$\mathbf{\nabla}$	Targeted assessment(s)	

				ESIA (Environmental and Social
				Impact Assessment)
				SESA (Strategic Environmental and
				Social Assessment)
	Are management plans required? (check if "yes)			
	If yes, indicate overall type			Waste Management
				Plan
				OHS Guidelines and Plan
				ESMP (Environmental and Social
				Management Plan)
				ESMF (Environmental and Social
				Management Framework)
	Based on identified risks, which Principles/Project-level			
	Standards triggered?		Com	iments (not required)
	Overarching Principle: Leave No One Behind			
	Human Rights	N		
	Conder Equality and Momen's Empowerment	_		
	Gender Equality and Women's Empowerment	Ц		
	Accountability	V		
	1. Biodiversity Conservation and Sustainable Natural			
	Resource Management	_		
	2. Climate Change and Disaster Risks			
	2 Community Health Safety and Socurity		<u> </u>	
	5. Community Health, Sujety and Security	M		
	4. Cultural Heritage			
-				
	5. Displacement and Resettlement			
	6. Indigenous Peoples	V		
	7. Labour and Working Conditions			
	8. Pollution Prevention and Resource Efficiency			
			•	

Final Sign Off

Final Screening at the design-stage is not complete until the following signatures are included.

Signature	Date	Description
QA Assessor		UNDP staff member responsible for the project, typically a UNDP Programme Officer. Final signature confirms they have
		"checked" to ensure that the SESP is adequately conducted.
QA Approver		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident
		Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature
		confirms they have "cleared" the SESP prior to submission to the PAC.
PAC Chair		UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was
		considered as part of the project appraisal and considered in recommendations of the PAC.

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Checklist Potential Social and Environmental <u>Risks</u>

INSTRUCTIONS: The risk screening checklist will assist in answering Questions 2-6 of the Screening Template. Answers to the checklist questions help to (1) identify potential risks, (2) determine the overall risk categorization of the project, and (3) determine required level of assessment and management measures. Refer to the <u>SES toolkit</u> for further guidance on addressing screening questions.

Overarching Principle: Leave No One Behind			
Huma	Human Rights		
P.1	Have local communities or individuals raised human rights concerns regarding the project (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No	
P.2	Is there a risk that duty-bearers (e.g. government agencies) do not have the capacity to meet their obligations in the project?	No	
P.3	Is there a risk that rights-holders (e.g. project-affected persons) do not have the capacity to claim their rights?	Yes	
Would	d the project potentially involve or lead to:		
P.4	adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	Yes	
P.5	inequitable or discriminatory impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups, including persons with disabilities? ⁴⁶	No	
P.6	restrictions in availability, quality of and/or access to resources or basic services, in particular to marginalized individuals or groups, including persons with disabilities?	No	
P.7	exacerbation of conflicts among and/or the risk of violence to project-affected communities and individuals?	No	
Gend	er Equality and Women's Empowerment		
P.8	Have women's groups/leaders raised gender equality concerns regarding the project (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No	
Would	Would the project potentially involve or lead to:		
P.9	adverse impacts on gender equality and/or the situation of women and girls?		
P.10	P.10 reproducing discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?		

⁴⁶ Prohibited grounds of discrimination include race, ethnicity, sex, age, language, disability, sexual orientation, gender identity, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender and transsexual people.

P.11	limitations on women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services?	No
	For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being	
P.12	exacerbation of risks of gender-based violence?	Yes
	For example, through the influx of workers to a community, changes in community and household power dynamics, increased exposure to unsafe public places and/or transport, etc.	
Susta	inability and Resilience: Screening questions regarding risks associated with sustainability and resilience are encompassed by the Standard-specific questions below	
Acco	untability	
Woul	d the project potentially involve or lead to:	
P.13	exclusion of any potentially affected stakeholders, in particular marginalized groups and excluded individuals (including persons with disabilities), from fully participating in decisions that may affect them?	Yes
P.14	grievances or objections from potentially affected stakeholders?	No
P.15	risks of retaliation or reprisals against stakeholders who express concerns or grievances, or who seek to participate in or to obtain information on the project?	No
Proje	ct-Level Standards	
Stand	Jard 1: Biodiversity Conservation and Sustainable Natural Resource Management	
Would the project potentially involve or lead to:		1
	ld the project potentially involve or lead to:	
1.1	Id the project potentially involve or lead to: adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services?	 No
1.1	ld the project potentially involve or lead to: adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes	 No
1.1	Id the project potentially involve or lead to: adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes activities within or adjacent to critical habitats and/or environmentally sensitive areas, including (but not limited to) legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	 No No
1.1 1.2 1.3	Id the project potentially involve or lead to: adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes activities within or adjacent to critical habitats and/or environmentally sensitive areas, including (but not limited to) legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities? changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	 No No No
1.1 1.2 1.3 1.4	Id the project potentially involve or lead to: adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes activities within or adjacent to critical habitats and/or environmentally sensitive areas, including (but not limited to) legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities? changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5) risks to endangered species (e.g. reduction, encroachment on habitat)?	 No No No
1.1 1.2 1.3 1.4	Id the project potentially involve or lead to: adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes activities within or adjacent to critical habitats and/or environmentally sensitive areas, including (but not limited to) legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities? changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5) risks to endangered species (e.g. reduction, encroachment on habitat)? exacerbation of illegal wildlife trade?	 No No No No
1.1 1.2 1.3 1.4 1.5 1.6	Id the project potentially involve or lead to: adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes activities within or adjacent to critical habitats and/or environmentally sensitive areas, including (but not limited to) legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities? changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5) risks to endangered species (e.g. reduction, encroachment on habitat)? exacerbation of illegal wildlife trade? introduction of invasive alien species?	 No No No No No No

1.8	harvesting of natural forests, plantation development, or reforestation?		
1.9	significant agricultural production?		
1. 10	0 animal husbandry or harvesting of fish populations or other aquatic species?		
1.11	1 significant extraction, diversion or containment of surface or ground water?		
	For example, construction of dams, reservoirs, river basin developments, groundwater extraction		
1.12	 handling or utilization of genetically modified organisms/living modified organisms?⁴⁷ 		
1.13	3 utilization of genetic resources? (e.g. collection and/or harvesting, commercial development) ⁴⁸		
1.14	4 adverse transboundary or global environmental concerns?		
Standard 2: Climate Change and Disaster Risks			
Would the potentially involve or lead to:			
2.1	areas subject to hazards such as earthquakes, floods, landslides, severe winds, storm surges, tsunami or volcanic eruptions?		
2.2	outputs and outcomes sensitive or vulnerable to potential impacts of climate change?	No	
	For example, through increased precipitation, drought, temperature, salinity, extreme events		
2.3	direct or indirect increases in vulnerability to climate change impacts or disasters now or in the future (also known as maladaptive practices)?	No	
	For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding		
2.4	increases of greenhouse gas emissions, black carbon emissions or other drivers of climate change?	No	
Standard 3: Community Health, Safety and Security			
Would	the potentially involve or lead to:		
3.1	construction and/or infrastructure development (e.g. roads, buildings, dams)? (Note: the GEF does not finance projects that would involve the construction or rehabilitation of large or complex dams)	No	
3.2	air pollution, noise, vibration, traffic, injuries, physical hazards, poor surface water quality due to runoff, erosion, sanitation?	No	
3.3	harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?		

 ⁴⁷ See the <u>Convention on Biological Diversity</u> and its <u>Cartagena Protocol on Biosafety</u>.
 ⁴⁸ See the <u>Convention on Biological Diversity</u> and its <u>Nagoya Protocol</u> on access and benefit sharing from use of genetic resources.

3.4	risks of water-borne or other vector-borne diseases (e.g. temporary breeding habitats), communicable and noncommunicable diseases, nutritional disorders, mental health?	Yes
3.5	transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	
3.6	adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?	
3.7	influx of project workers to project areas?	No
3.8	engagement of security personnel to protect facilities and property, or to support project activities?	No
Stand	ard 4: Cultural Heritage	
Would	d the project potentially involve or lead to:	
4.1	activities adjacent to or within a Cultural Heritage site?	No
4.2	significant excavations, demolitions, movement of earth, flooding or other environmental changes?	No
4.3	adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.4	alterations to landscapes and natural features with cultural significance?	No
4.5	utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	No
Stand	ard 5: Displacement and Resettlement	
Would	d the project potentially involve or lead to:	
5.1	temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?	No
5.2	economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	risk of forced evictions?49	No
5.4	impacts on or changes to land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
Stand	ard 6: Indigenous Peoples	
Would	d the project potentially involve or lead to:	

⁴⁹ Forced eviction is defined here as the permanent or temporary removal against their will of individuals, families or communities from the homes and/or land which they occupy, without the provision of, and access to, appropriate forms of legal or other protection. Forced evictions constitute gross violations of a range of internationally recognized human rights.

6.1	areas where indigenous peoples are present (including project area of influence)? Yes	
6.2	activities located on lands and territories claimed by indigenous peoples?	
6.3	impacts (positive or negative) to the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? If the answer to screening question 6.3 is "yes", then the potential risk impacts are considered significant and the project would be categorized as either Substantial Risk	No
	or High Risk	
6.4	the absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources? Consider, and where appropriate ensure, consistency with the answers under Standard 5 above.	No
6.7	adverse impacts on the development priorities of indigenous peoples as defined by them?	No
6.8	risks to the physical and cultural survival of indigenous peoples?	No
6.9	impacts on the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices? Consider, and where appropriate ensure, consistency with the answers under Standard 4 above.	No
Stand	ard 7: Labour and Working Conditions	
Would	d the project potentially involve or lead to: (note: applies to project and contractor workers)	
7.1	working conditions that do not meet national labour laws and international commitments?	No
7.2	working conditions that may deny freedom of association and collective bargaining?	No
7.3	use of child labour?	No
7.4	use of forced labour?	No
7.5	discriminatory working conditions and/or lack of equal opportunity?	No
7.6	occupational health and safety risks due to physical, chemical, biological and psychosocial hazards (including violence and harassment) throughout the project life-cycle?	Yes
Stand	ard 8: Pollution Prevention and Resource Efficiency	
Would	d the project potentially involve or lead to:	

8.1	the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	
8.2	the generation of waste (both hazardous and non-hazardous)?	
8.3	the manufacture, trade, release, and/or use of hazardous materials and/or chemicals?	
8.4	the use of chemicals or materials subject to international bans or phase-outs?	
	For example, DDT, PCBs and other chemicals listed in international conventions such as the <u>Montreal Protocol</u> , <u>Minamata Convention</u> , <u>Basel Convention</u> , <u>Rotterdam</u> <u>Convention</u> , <u>Stockholm Convention</u>	
8.5	the application of pesticides that may have a negative effect on the environment or human health?	No
8.6	6 significant consumption of raw materials, energy, and/or water?	

Social and Environmental Screening

Mangaltar Solar Water Lifting Scheme

The completed template, which constitutes the Social and Environmental Screening Report, must be included as an annex to the Project Document at the design stage. Note: this template will be converted into an online tool. The online version will guide users through the process and will embed relevant guidance. Template Version: 2021 v1

Project Information

Project Information		
1.	Project Title	Mangaltar Solar Water Lifting Scheme
2.	Project Number (i.e. Atlas project ID, PIMS+)	
3.	Location (Global/Region/Country)	Nepal (Province 1, District Khotang, Halesi Tuwachung Municipality, Ward No. 6, Mangaltar)
4.	Project stage (Design or Implementation)	Design
5.	Date	12 September, 2022

Part A. Integrating Programming Principles to Strengthen Social and Environmental Sustainability

QUESTION 1: How Does the Project Integrate the Programming Principles in Order to Strengthen Social and Environmental Sustainability?

Briefly describe in the space below how the project mainstreams the human rights-based approach
- Project has ensured that rights of beneficiaries or the indigenous affected are properly heard.
- Consultation with the scheme's Chief Technical Advisor (CTA) indicates women and disadvantaged groups (DAG) will be included in the user committee.
- Consultation with the scheme's CTA and informal focus group discussion (FGD) with the community indicates that the beneficiaries were consulted during the project initiation.

Briefly describe in the space below how the project is likely to improve gender equality and women's empowerment

• Gender Action Plan (GAP) has been developed to mainstream GESI in DCRL projects.

Briefly describe in the space below how the project mainstreams sustainability and resilience

- Operation and Management (O&M) Guidance is in place.
- Proportionate fund collection is done based on land owned.
- Maintenance fund and warden will be assigned.
- Detailed feasibility/project report with soil analysis is done.

Briefly describe in the space below how the project strengthens accountability to stakeholders

• Community involved and consulted in every stages in project lifecycle: need assessment, design.

Part B. Identifying and Managing Social and Environmental <u>Risks</u>

QUESTION 2: What are the Potential Social and Environmental Risks? Note: Complete SESP Attachment 1 before responding to Question 2.	QUESTION : potential so Note: Respon Question 6.	3: What is the icial and enviro d to Questions 4	level of significance of the onmental risks? and 5 below before proceeding to	QUESTION 6: Describe the assessment and management measures for each risk rated Moderate, Substantial or High.
Risk Description (broken down by event, cause, impact)	Impact and Likelihood (1-5)	Significance (Low, Moderate Substantial, High)	Comments (optional)	Description of assessment and management measures for risks rated as Moderate, Substantial or High
Risk 1: Some Dalit households not included as project beneficiary	I = 3 P = 3	Moderate	Some Dalit (untouched in Hindu caste system) HHs might be left behind to harvest the water from the project. The reason behind this is their settlement is just above the Birendra Pokhari (Aahal Danda) – the topmost water reservoir tank of the project.	Project design should be reviewed so that water can reach to the settlements of those Dalit HHs.

Risk 2: Restrict availability of community	l = 2	Low	The topmost water res	ervoir	DCRI	Project team should ensure an alternat	ive location for	or the pond in
resources	P = 2		tank has been designed	to be	cons	ultation with the local community.		
			built at Birendra Pokhari	(Aahal				
			Danda) which was prev	viously				
			built by the locals durin	g the				
			Panchavata period for y	arious				
			purposes. This pokhari (village				
			pond) is currently being up	sed by				
			villagers including	Dalits				
			(untouched in Hindu	caste				
			system) and Janaiati (indig	enous				
			people) to keep their cattl	e cool				
			and hydrated during summ	ners.				
Risk 3: Exclusion of project stakeholders	1 = 2	Low	Villagers exp	ressed	The	project team should make sure that	t stakeholde	rs should be
	P = 2	-	dissatisfaction over	the	adeo	uately consulted during different phases	of project cvo	cle to increase
			inadequate consultation	with	proje	ect ownership.	.,	
			them by the project team.			·		
Risk 4: Conflicts among project stakeholders	= 3	Moderate	The owner of the land, whe	re the	Prop	er paper works between the project tea	m and land o	wners (Where
	P = 3		project structures are me	ant to	then	project structures are supposed to be buil	t) for land acqu	uisition should
	_		be built. have verbally agr	eed to	be d	one.	-,	
			provide their lands fo	r the				
			project. However, the r	roiect				
			has not done any	formal				
			paperwork with them fo	r land				
			donation.					
		1. What is the	overall project risk catego	orizatio	n?			
	Note: Project	categorization	is determined by the highes	t level c	of sian	ificance of identified risks across all note	ential risk area	as (as rated in
	Question 3).	categorization	is determined by the highes		, sign			
	Low Risk			П				
	Moderate Ris	sk						
	Substantial R	lisk						
	High Risk	iisk						
		C. Rocod on th	a identified ricks and ric	l cotes	l	tion what requirements of the SEC	ara triggere	d2 (shack cll
	that apply)	5. Daseu oli ti		k categ	Uliza	tion, what requirements of the SES	are triggered	ur (check all
	Question only	y required for M	Ioderate, Substantial and Hig	h Risk p	roject	S.		
	ls assessmen	t required? (che	eck if "yes")				Status? planned)	(completed,
	if yes, indicat	e overall type ar	nd status		V	Targeted assessment(s)	. ,	

			ESIA (Environmental and Social	
			Impact Assessment)	
			Secial Assocsment)	
Are management plans required? (check if "yes)			Social Assessment)	
Are munagement pluns required: (check ij yes)				Discond
ıf yes, indicate overdil type			Plan	Planned
			OHS Guidelines and Plan	
			ESMP (Environmental and Social	
			Management Plan)	
			ESMF (Environmental and Social Management Framework)	
Based on identified risks, which Principles/Project-level				
Standards triggered?		Com	iments (not required)	
Overarching Principle: Leave No One Behind				
Human Rights	Ŋ			
Gender Equality and Women's Empowerment				
Accountability				
1. Biodiversity Conservation and Sustainable Natural Resource Management				
2. Climate Change and Disaster Risks	V			
3. Community Health, Safety and Security				
4. Cultural Heritage				
5. Displacement and Resettlement				
6. Indigenous Peoples				
7. Labour and Working Conditions	Ø			
8. Pollution Prevention and Resource Efficiency				

Final Sign Off

Final Screening at the design-stage is not complete until the following signatures are included.

Signature	Date	Description
QA Assessor		UNDP staff member responsible for the project, typically a UNDP Programme Officer. Final signature confirms they have
		"checked" to ensure that the SESP is adequately conducted.
QA Approver		UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident
		Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature
		confirms they have "cleared" the SESP prior to submittal to the PAC.
PAC Chair		UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was
		considered as part of the project appraisal and considered in recommendations of the PAC.

SESP Attachment 1. Social and Environmental Risk Screening Checklist

Chec	klist Potential Social and Environmental <u>Risks</u>	
INSTRU detern screen	<u>UCTIONS</u> : The risk screening checklist will assist in answering Questions 2-6 of the Screening Template. Answers to the checklist questions help to (1) identify potentia nine the overall risk categorization of the project, and (3) determine required level of assessment and management measures. Refer to the <u>SES toolkit</u> for further guidance on a ing questions.	ıl risks, (2) addressing
Overa	arching Principle: Leave No One Behind	Answer (Yes/No)
Huma	n Rights	
P.1	Have local communities or individuals raised human rights concerns regarding the project (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No
P.2	Is there a risk that duty-bearers (e.g. government agencies) do not have the capacity to meet their obligations in the project?	No
P.3	Is there a risk that rights-holders (e.g. project-affected persons) do not have the capacity to claim their rights?	No
Would	the project potentially involve or lead to:	
P.4	adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
P.5	inequitable or discriminatory impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups, including persons with disabilities? 50	No
P.6	restrictions in availability, quality of and/or access to resources or basic services, in particular to marginalized individuals or groups, including persons with disabilities?	No
P.7	exacerbation of conflicts among and/or the risk of violence to project-affected communities and individuals?	No
Gende	er Equality and Women's Empowerment	

⁵⁰ Prohibited grounds of discrimination include race, ethnicity, sex, age, language, disability, sexual orientation, gender identity, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender and transsexual people.

P.8	Have women's groups/leaders raised gender equality concerns regarding the project (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No
Would	the project potentially involve or lead to:	
P.9	adverse impacts on gender equality and/or the situation of women and girls?	No
P.10	reproducing discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
P.11	limitations on women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services?	No
	For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being	
P.12	exacerbation of risks of gender-based violence?	Yes
	For example, through the influx of workers to a community, changes in community and household power dynamics, increased exposure to unsafe public places and/or transport, etc.	
Sustai	nability and Resilience: Screening questions regarding risks associated with sustainability and resilience are encompassed by the Standard-specific questions below	
Accou	ntability	
Would	the project potentially involve or lead to:	
P.13	exclusion of any potentially affected stakeholders, in particular marginalized groups and excluded individuals (including persons with disabilities), from fully participating in decisions that may affect them?	No
P.14	grievances or objections from potentially affected stakeholders?	No
P.15	risks of retaliation or reprisals against stakeholders who express concerns or grievances, or who seek to participate in or to obtain information on the project?	No
Projec	ct-Level Standards	
Stand	ard 1: Biodiversity Conservation and Sustainable Natural Resource Management	
Would	t the project potentially involve or lead to:	
1.1	adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services?	No
	For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes	
1.2	activities within or adjacent to critical habitats and/or environmentally sensitive areas, including (but not limited to) legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	No
1.3	changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No

1.4	risks to endangered species (e.g. reduction, encroachment on habitat)?	No
1.5	exacerbation of illegal wildlife trade?	No
1.6	introduction of invasive alien species?	No
1.7	adverse impacts on soils?	Yes
1.8	harvesting of natural forests, plantation development, or reforestation?	No
1.9	significant agricultural production?	Yes
1. 10	animal husbandry or harvesting of fish populations or other aquatic species?	No
1.11	significant extraction, diversion or containment of surface or ground water?	No
	For example, construction of dams, reservoirs, river basin developments, groundwater extraction	
1.12	handling or utilization of genetically modified organisms/living modified organisms? ⁵¹	No
1.13	utilization of genetic resources? (e.g. collection and/or harvesting, commercial development) ⁵²	No
1.14	adverse transboundary or global environmental concerns?	No
Stand	ard 2: Climate Change and Disaster Risks	
Would	d the potentially involve or lead to:	
2.1	areas subject to hazards such as earthquakes, floods, landslides, severe winds, storm surges, tsunami or volcanic eruptions?	No
2.2	outputs and outcomes sensitive or vulnerable to potential impacts of climate change?	Yes
	For example, through increased precipitation, drought, temperature, salinity, extreme events	
2.3	direct or indirect increases in vulnerability to climate change impacts or disasters now or in the future (also known as maladaptive practices)?	No
	For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding	
2.4	increases of greenhouse gas emissions, black carbon emissions or other drivers of climate change?	No
Stand	ard 3: Community Health, Safety and Security	
Would	d the potentially involve or lead to:	

 ⁵¹ See the <u>Convention on Biological Diversity</u> and its <u>Cartagena Protocol on Biosafety</u>.
 ⁵² See the <u>Convention on Biological Diversity</u> and its <u>Nagoya Protocol</u> on access and benefit sharing from use of genetic resources.

3.1	construction and/or infrastructure development (e.g. roads, buildings, dams)? (Note: the GEF does not finance projects that would involve the construction or rehabilitation of large or complex dams)	No
3.2	air pollution, noise, vibration, traffic, injuries, physical hazards, poor surface water quality due to runoff, erosion, sanitation?	No
3.3	harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?	No
3.4	risks of water-borne or other vector-borne diseases (e.g. temporary breeding habitats), communicable and noncommunicable diseases, nutritional disorders, mental health?	No
3.5	transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.6	adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?	No
3.7	influx of project workers to project areas?	No
3.8	engagement of security personnel to protect facilities and property, or to support project activities?	No
Stand	ard 4: Cultural Heritage	
Would	d the project potentially involve or lead to:	
4.1	activities adjacent to or within a Cultural Heritage site?	No
4.2	significant excavations, demolitions, movement of earth, flooding or other environmental changes?	No
4.3	adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.4	alterations to landscapes and natural features with cultural significance?	No
4.5	utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	No
Stand	ard 5: Displacement and Resettlement	
Would	d the project potentially involve or lead to:	
5.1	temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?	No
5.2	economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	risk of forced evictions?53	No

⁵³ Forced eviction is defined here as the permanent or temporary removal against their will of individuals, families or communities from the homes and/or land which they occupy, without the provision of, and access to, appropriate forms of legal or other protection. Forced evictions constitute gross violations of a range of internationally recognized human rights.

5.4	impacts on or changes to land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
Stand	ard 6: Indigenous Peoples	
Woul	d the project potentially involve or lead to:	
6.1	areas where indigenous peoples are present (including project area of influence)?	Yes
6.2	activities located on lands and territories claimed by indigenous peoples?	Yes
6.3	impacts (positive or negative) to the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)? If the answer to screening question 6.3 is "yes", then the potential risk impacts are considered significant and the project would be categorized as either Substantial Risk or High Risk	No
6.4	the absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources? Consider, and where appropriate ensure, consistency with the answers under Standard 5 above.	No
6.7	adverse impacts on the development priorities of indigenous peoples as defined by them?	No
6.8	risks to the physical and cultural survival of indigenous peoples?	No
6.9	impacts on the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices? Consider, and where appropriate ensure, consistency with the answers under Standard 4 above.	No
Stand	ard 7: Labour and Working Conditions	
Woul	d the project potentially involve or lead to: (note: applies to project and contractor workers)	
7.1	working conditions that do not meet national labour laws and international commitments?	No
7.2	working conditions that may deny freedom of association and collective bargaining?	No
7.3	use of child labour?	No
7.4	use of forced labour?	No
7.5	discriminatory working conditions and/or lack of equal opportunity?	No

7.6	occupational health and safety risks due to physical, chemical, biological and psychosocial hazards (including violence and harassment) throughout the project life-cycle?	Yes
Stand	ard 8: Pollution Prevention and Resource Efficiency	
Would	d the project potentially involve or lead to:	
8.1	the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
8.2	the generation of waste (both hazardous and non-hazardous)?	Yes
8.3	the manufacture, trade, release, and/or use of hazardous materials and/or chemicals?	No
8.4	the use of chemicals or materials subject to international bans or phase-outs? For example, DDT, PCBs and other chemicals listed in international conventions such as the <u>Montreal Protocol</u> , <u>Minamata Convention</u> , <u>Basel Convention</u> , <u>Rotterdam</u> <u>Convention</u> , <u>Stockholm Convention</u>	No
8.5	the application of pesticides that may have a negative effect on the environment or human health?	No
8.6	significant consumption of raw materials, energy, and/or water?	No

Annex 11: Rating Scales based on UNDP Guidance for conducting MTR54

Progress Towards Results Rating Scale

Highly Satisfactory	The objective/outcome is expected to achieve or exceed all its end-of-project targets, without major
(HS)	shortcomings. The progress towards the objective/outcome can be presented as "good practice".
Satisfactory (S)	The objective/outcome is expected to achieve most of its end-of-project targets, with only minor
	shortcomings.
Moderately	The objective/outcome is expected to achieve most of its end-of-project targets but with significant
Satisfactory (MS)	shortcomings.
Moderately	The objective/outcome is expected to achieve its end-of-project targets with major shortcomings.
Unsatisfactory (MU)	
Unsatisfactory (U)	The objective/outcome is expected not to achieve most of its end-of-project targets.
Highly Unsatisfactory	The objective/outcome has failed to achieve its midterm targets, and is not expected to achieve any of its
(HU)	end-of-project targets.

Sustainability Rating Scale

Likely (L)	Negligible risks to sustainability, with key outcomes on track to be achieved by the project's closure and expected to continue into the foreseeable future
Moderately Likely	Moderate risks, but expectations that at least some outcomes will be sustained due to the progress
(ML)	towards results on outcomes at the Midterm Review
Moderately Unlikely	Significant risk that key outcomes will not carry on after project closure, although some outputs and
(MU)	activities should carry on
Unlikely (U)	Severe risks that project outcomes as well as key outputs will not be sustained

Implementation & Adaptive Management Rating Scale

Rating	Ratings for Project Implementation & Adaptive Management: (one overall rating)					
6	Highly Satisfactory	Implementation of all seven components – management arrangements, work planning, finance				
	(HS)	and co-finance, project-level monitoring and evaluation systems, stakeholder engagement,				
		reporting, and communications – is leading to efficient and effective project implementation				
		and adaptive management. The project can be presented as "good practice".				
5	Satisfactory (S)	Implementation of most of the seven components is leading to efficient and effective project				
		implementation and adaptive management except for only few that are subject to remedial				
		action.				
4	Moderately	Implementation of some of the seven components is leading to efficient and effective project				
	Satisfactory (MS)	implementation and adaptive management, with some components requiring remedial action.				
3	Moderately	Implementation of some of the seven components is not leading to efficient and effective				
	Unsatisfactory (MU)	project implementation and adaptive, with most components requiring remedial action.				
2	Unsatisfactory (U)	Implementation of most of the seven components is not leading to efficient and effective				
		project implementation and adaptive management.				
1	Highly Unsatisfactory	Implementation of none of the seven components is leading to efficient and effective project				
	(HU)	implementation and adaptive management.				

Annex 12: Co-Financing Data as provided by PMU to MTR team, December 19, 2022

⁵⁴ GUIDANCE FOR CONDUCTING MIDTERM REVIEWS OF UNDP-SUPPORTED, GEF-FINANCED PROJECTS

Developing Climate Resilient Livelihoods in the Vulnerable Watershed in Nepal (DCRL)						
Co-financing details till December 2022						
Agency Name	Progress (NRs.)	Plan (NRs.)	Variance	Remarks		
Siddicharan Municipality	30,410,040.00	33,604,350.00	9.51%	Co-financing letter received		
Manebhanjyang R. Municipality	11,199,960.00	22,992,450.00	51.29%	Co-financing letter received		
Chisankhugadi R. Municipality	10.535.040.00	33.604.350.00	68.65%	Co-financing letter received		
Diktel Rupakot Majhuwagadhi Municipality	70,116,120.00	54,238,600.00	-29.27%	Co-financing letter received		
Halesi Tuwachung Municipality	24,069,000.00	34,783,450.00	30.80%	Co-financing letter received		
Aiselukharka R. Municipality	16,284,240.00	32,425,250.00	49.78%	Co-financing letter received		
Kepilasagadhi R. Municipality	18,225,000.00	30,656,600.00	40.55%	Co-financing letter received		
Rawa Besi R. Municipality	26,351,160.00	32,425,250.00	18.73%	Co-financing letter received		
Ministry of Forests and Environment (MoFE)	467,100,465.00	467,100,465.00	0.00%	Basin Management Plan Prepared; Periodic inputs provided in different forums;		
Department of Forests and Soil Conservation (DoFSC)	453,953,500.00	453,953,500.00	0.00%	NPD, DoFSC Focal persons and personnels (gender and Program Support) along with other officials as per requirement are assigned and actively engaged in project activities, providing PMU and PIU office space with facility of electricity, water and parking space for vehicles.		
Basin Management Centre, Koshi	7,500,000.00			Expenditure is in progress as per Letter of Agreement (LoA)		
Soil Conservation and Watershed Management Office, Okhaldhunga	4,299,960.00			Expenditure is in progress as per Letter of Agreement (LoA)		
Divisional Forest Office, Khotang	7,650,000.00			Expenditure is in progress as per Letter of Agreement (LoA)		
Divisional Forest Office, Okhaldhunga	7,895,040.00			Expenditure is in progress as per Letter of Agreement (LoA)		
Department of Hydrology and Meteorology (DHM)	799,429,800.00	799,429,800.00	0.00%	Closely working for establishment of Hydro-Met Station; One PEB member is from DHM, Data on hydro-met station are being used by Project for HVR and other relevant assessments.		
Department of Agriculture (Khongand and Okhaldhunga)	34,783,450.00	34,783,450.00	0.00%	Receiving technical inputs for various studies and activities; assigned PEB member		
Prime Minister Agriculture Modernization	6,057,240.00	27,119,300.00	77.66%	Co-financing letter received		

Project (for				
Khotang and				
Okhandhunga)				
Institute of				Expanditura is in progress as par latter of
Engineering (IoE)	2,070,000.00			Agreement (LoA)
Institute of				Recently Letter of Agreement (LoA) is signed
Forestry (IoF)				and activities are under progress
Sub Total	1,997,930,015.00	2,057,116,815.00		
Total				
(Community)	20,562,213.33			
Grand Total	2,018,492,228.33	2,057,116,815.00	1.88%	

Annex-13: ToR for MTR

INTRODUCTION

This is the Terms of Reference (ToR) for -the Midterm Review (MTR) of the *full*-sized UNDP-supported GEF financed project titled *Developing Climate Resilient livelihoods in the Vulnerable Watershed in Nepal (DCRL)* (PIMS 5434) implemented through the *Department of Forests and Soil Conservation (DFSC), Ministry of Forests and Environment,* which is to be undertaken in 2022. The project started on 29 November 2020 and is in its second year of implementation. This ToR sets out the expectations for this MTR. The MTR process must follow the guidance outlined in this TOR and in the document *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects*.

PROJECT BACKGROUND INFORMATION

The Mid Mountain watersheds of Nepal are prone to multi-hazards (drought, landslides, and floods) and the impacts are magnifying due to its topographic settings, inappropriate anthropogenic activities, and adverse impacts of climate change. Climate change is intensifying the monsoon rainfall and is causing accelerated snow and glacial melt rates. The disastrous trends are increasing and contributing to more multihazard problems causing damages to agricultural land, physical assets, economic properties, and ecosystem services.

At the other extreme, water scarcity and climate-induced drought hazards have been emerging as one of the major challenges in the mid-hill watersheds in Nepal. The drought stresses in combination with other hazards and socio-economic conditions of local communities, the problem is exacerbating and making society more vulnerable, and sometimes becoming environmental causes of displacement. The temporal and spatial variability of rainfall and runoff is intensifying the problem of excess water during the monsoon and water scarcity during the dry season creating a serious threat to the farming system, and food security.

A long-term solution to this climate change problem is to rehabilitate and maintain the functional integrity of watersheds that have critical functions of water storage and release, infiltration, drainage control with due emphasis on resilient livelihood development. Nepal is transferred into the federal system and the constitution of Nepal is giving the roles and responsibilities among three spheres of government for managing the natural resources, disaster risk, and climate change issues. The coordination and harmonization of policy and institutional frame, adoption of adaptive innovative technology, and building community stewardship are becoming critically important to address these multifaceted problems. To address this, a pioneering initiative is taken through Global Environment Facility (GEF)-Least Developed Country Fund (LDCF) project "Developing climate-resilient livelihoods in the vulnerable watershed in Nepal". The project is being implemented at the pilot scale in the Lower Dudhkoshi watershed, a major tributary of the Sunkoshi sub-basin, located in the eastern part of Nepal.

Project Objective: This project focuses on safeguarding vulnerable communities and their assets from climate change-induced disasters by applying a long-term, multi-hazard approach – with a particular stewardship role for women and marginalized communities. The project also aims to address the functional integrity of the pilot watershed through capturing the policy, institutional knowledge gaps, adoption of new tools and techniques, and integrity of multiple activities at the pilot.

tools and techniques, and interventions of multiple activities at the pilot scale.

Project Working Area: The project area is the confluence of Dudhkoshi and Sunkoshi at the boundary between Khotang and Okhadhunga districts in the eastern part of the country in province 1. The project will focus on activities in the Lower Dudhkoshi watershed that comprises 844 km2, 8 local government units "palikas" (5 at Khotang and 3 at Okhaldhunga), and 51 wards. The other adjoining watersheds Molung, Likhu, Sunkoshi canyon are being considered for watershed assessment.

Project Outcomes: The DCRL project has two outcomes;

Outcome 1: Integrated watershed management framework has been established to address climate changeinduced floods and droughts. Under this outcome; four outputs results are envisioned as follows; Output 1.1: Watershed condition assessments updated, and hydrometeorological hazard, risk, vulnerability, and socio-economic



Figure: The project area (Lower Dudhkoshi watershed)

model of climate change impacts delivered to underpin watershed management decisions across the sectors.

Output 1.2: Climate change risks addressed in watershed rehabilitation and management framework.

Output 1.3: Specialized technical training and technology delivered

Output 1.4: Enforcement mechanisms for watershed management and land policies embedding climate change considerations, including legal incentives to enable PES.

Outcome 2: Integrated watershed management practices introduced and scaled up in 1 watershed covering 844 km2 (84,400 ha) of watershed areas and benefiting 121,606 vulnerable people.

Output 2.1: Based on risk and vulnerability assessments, integrated, adaptive sub-watershed management plans developed for four target sub watersheds to guide investments.

Output 2.2: Water and drainage control measures implemented at the sub-catchment level, including water retention structures and catchment ponds with groundwater recharge, controlled drainage, and with maintenance systems established.

Output 2.3: Watershed rehabilitation, Conservation farming, and integrated agroforestry practices introduced interspersed with fodder and controlled fuelwood production (including efficient stoves) with the active involvement of women.

Output 2.4: Community stewardship programmes established and implemented within the selected sub-watersheds with a focus on women and marginal communities. Output 2.5: Knowledge management and learning.

Timeframe: The project start day is 1 December 2020 and the end date is 30 November 2024.

Budget and Co-financing: The total budget of the project is 42,793,000 USD including parallel cofinancing. The details of the budget are tabulated as follows;

Fund Source	Budget (USD)
GEF LDCF	7,000,000
UNDP TRAC Resources	900,000
Total budget Administered by UNDP (A)	7,900,000
Government Co-financing (B)	34,893,000
Grand-Total (A+B)	42,793,000

Institutional Arrangement: The implementing partner for this project is the Department of Forests and Soil Conservation (DFSC) under the Ministry of Forests and Environment of the Government of Nepal. The project has devised a multi-layered engagement mechanism for ensuring quality implementation, monitoring, and reporting of the results in close collaboration with government agencies and other stakeholder at all levels.

At the federal level, an inter-ministerial Project Advisory Committee (PAC) has been established under the leadership of the Secretary of MoFE. The Project Executive Board (PEB) is formed under the leadership of the Joint Secretary of DFSC/ MoFE with other members from relevant government agencies and other institutions.

At the Provincial level, the inter-ministerial Project Coordination Committee (PCC) is formed under the leadership the of Province Secretary of the Ministry of Forests, Environment and Soil Conservation of Province-1. At the local level, eight Local Level Implementation Committee (LLIC) are formed under the leadership of Mayors or Chairpersons of concerned Urban or Rural municipalities respectively.

To ensure effective coordination among the stakeholders, the project organizes regular meetings of PAC, PEB, PCC, and LLIC in line with the stakeholder's engagement plan.

UNDP is accountable to the GEF for the implementation of this project. This includes oversight of project execution to ensure that the project is being carried out in accordance with agreed standards and provisions. UNDP is responsible for delivering GEF project cycle management services comprising project approval and start-up, project supervision and oversight, and project completion and evaluation. UNDP is also responsible for the Project Assurance role of the Project Board/Steering Committee.

The project organizational structure is as follows;



MTR PURPOSE

The MTR will assess progress towards the achievement of the project objectives and outcomes as specified in the Project Document, and assess early signs of project success or failure with the goal of identifying the necessary changes to be made in order to set the project on track to achieve its intended results. The MTR will also review the project's strategy and its risks to sustainability.

The MTR will take stock of the DCRL project achievement over the two-year period from 29 November 2020 to 30 November 2022, which marks the mid-term of the four-year project. The MTR will review activities, result indicators as per Project Result Framework (PRF), and analyze the extent to which the project is oriented towards attaining targeted outcomes. The findings of the MTR will guide the project for improving the project performance and results as per the PRF.

MTR APPROACH & METHODOLOGY

The MTR report must provide evidence-based information that is credible, reliable, and useful.

The MTR team will review all relevant sources of information including documents prepared during the preparation phase (i.e. PIF, UNDP Initiation Plan, UNDP Social and Environmental Screening Procedure/SESP), the Project Document, project reports including annual PIRs, project budget revisions, national strategic and legal documents, and any other materials that the team considers useful for this evidence-based review. ⁵⁵ The MTR team will review the baseline GEF focal area Core Indicators/Tracking Tools submitted to the GEF at CEO endorsement, and the midterm GEF focal area Core Indicators/Tracking Tools that must be completed before the MTR field mission begins. The MTR team is expected to follow a collaborative and participatory approach⁵⁶ ensuring close engagement with the Project Team, government counterparts (the GEF Operational Focal Point), the UNDP Country Office(s), the Nature, Climate and Energy (NCE) Regional Technical Advisor, direct beneficiaries, and other key stakeholders.

Engagement of stakeholders is vital to a successful MTR. Stakeholder involvement should include interviews with stakeholders who have project responsibilities, including but not limited to the Ministry of Forests and Environment, Department of Forests and Soil Conservation, watershed and landslide management division, Department of Hydrology and Meteorology, River Basin office, Ministry of Forests, Environment and Soil Conservation, Province-1, Soil and Watershed Management Office, Division Forest Offices, Urban and Rural Municipalities, ward offices, user committees, United Nations Development Programme (UNDP); executing agencies, senior officials and task team/ component leaders, key experts and consultants in the subject area, Project Board, project stakeholders, academia, local government,

⁵⁵ These documents will be made available by UNDP

⁵⁶ For ideas on innovative and participatory Monitoring and Evaluation strategies and techniques, see <u>UNDP Discussion Paper</u>: <u>Innovations in Monitoring & Evaluating Results</u>, 05 Nov 2013.

and CSOs, etc. Additionally, the MTR team is expected to conduct field missions to project-working municipalities of Khotang and Okhaldhunga districts of Province-1, including the project sites.

The specific design and methodology for the MTR should emerge from consultations between the MTR team and the above-mentioned parties regarding what is appropriate and feasible for meeting the MTR purpose and objectives and answering the evaluation questions, given the limitations of budget, ,time and data. The MTR team must use gender-responsive methodologies and tools and ensure that gender equality and women's empowerment, as well as other cross-cutting issues and SDGs are incorporated into the MTR report.

The final methodological approach including interview schedule, field visits, schedule of work and data to be used in the MTR must be clearly outlined in the Inception Report and be fully discussed and agreed between UNDP, implementing partner and the MTR team.

The final MTR report must describe the full MTR approach taken and the rationale for the approach making explicit the underlying assumptions, challenges, strengths and weaknesses about the methods and approach of the review.

DETAILED SCOPE OF THE MTR

The MTR team will assess the following four categories of project progress. See <u>Guidance For Conducting Midterm Reviews of UNDP-</u> <u>Supported, GEF-Financed Projects</u>⁵⁷ for extended descriptions.

i. Project Strategy

Project design:

Review the problem addressed by the project and the underlying assumptions. Review the effect of any incorrect assumptions or changes to the context to achieving the project results as outlined in the Project Document.

Review the relevance of the project strategy and assess whether it provides the most effective route towards expected/intended results. Were lessons from other relevant projects properly incorporated into the project design?

Review how the project addresses country priorities. Review country ownership. Was the project concept in line with the national sector development priorities and plans of the country (or of participating countries in the case of multi-country projects)?

Review decision-making processes: were perspectives of those who would be affected by project decisions, those who could affect the outcomes, and those who could contribute information or other resources to the process, taken into account during project design processes? Review the extent to which relevant gender issues were raised in the project design. See Annex 9 of *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for further guidelines.

Were relevant gender issues (e.g. the impact of the project on gender equality in the programme country, involvement of women's groups, engaging women in project activities) raised in the Project Document?

If there are major areas of concern, recommend areas for improvement.

Results Framework/Logframe:

Undertake a critical analysis of the project's logframe indicators and targets, assess how "SMART" the midterm and end-of-project targets are (Specific, Measurable, Attainable, Relevant, Time-bound), and suggest specific amendments/revisions to the targets and indicators as necessary.

Are the project's objectives and outcomes or components clear, practical, and feasible within its time frame?

Examine if progress so far has led to, or could in the future catalyse beneficial development effects (i.e.

income generation, gender equality and women's empowerment, improved governance etc...) that should be included in the project results framework and monitored on an annual basis.

Ensure broader development and gender aspects of the project are being monitored effectively. Develop and recommend SMART 'development' indicators, including sex-disaggregated indicators and indicators that capture development benefits.

Progress Towards Results

Progress Towards Outcomes Analysis:

Review the logframe indicators against progress made towards the end-of-project targets using the Progress Towards Results Matrix and following <u>Guidance For Conducting Midterm Reviews of UNDP-Supported, GEFFinanced Projects</u>; colour code progress in a "traffic light system" based on the level of progress achieved; assign a rating on progress for each outcome; make recommendations from the areas marked as "Not on target to be achieved" (red).

Table. Progress Towards Results Matrix (Achievement of outcomes against End-of-project Targets)

⁵⁷ http://web.undp.org/evaluation/documents/guidance/GEF/mid-term/Guidance_Midterm%20Review%20_EN_2014.pdf

Project Strategy	Indicator ⁵⁸	Baseline Level ⁵⁹	Level in 1 st PIR (self- reported)	Midterm Target ⁶⁰	End- ofproject Target	Midterm Level & Assessment ⁶¹	Achievement Rating ⁶²	Justification for Rating
Objective:	Indicator (if applicable):							
Outcome	Indicator 1:							
1:	Indicator 2:							
Outcome	Indicator 3:							
2:	Indicator 4:							
	Etc.							
Etc.								

Indicator Assessment Key

Green= Achieved

Yellow= On target to be achieved

Red= Not on target to be achieved

In addition to the progress towards outcomes analysis:

- Compare and analyse the GEF Tracking Tool/Core Indicators at the Baseline with the one completed right before the Midterm Review.
- Identify remaining barriers to achieving the project objective in the remainder of the project.
- By reviewing the aspects of the project that have already been successful, identify ways in which the project can further expand these benefits.

iii. Project Implementation and Adaptive Management Management Arrangements:

- Review overall effectiveness of project management as outlined in the Project Document. Have changes been made and are they effective? Are responsibilities and reporting lines clear? Is decisionmaking transparent and undertaken in a timely manner? Recommend areas for improvement.
- Review the quality of execution of the Executing Agency/Implementing Partner(s) and recommend areas for improvement.
- Review the quality of support provided by the GEF Partner Agency (UNDP) and recommend areas for improvement.
- Do the Executing Agency/Implementing Partner and/or UNDP and other partners have the capacity to deliver benefits to or involve women? If yes, how?
- What is the gender balance of project staff? What steps have been taken to ensure gender balance in project staff?
- What is the gender balance of the Project Board? What steps have been taken to ensure gender balance in the Project Board?

Work Planning:

- Review any delays in project start-up and implementation, identify the causes and examine if they have been resolved.
- Are work-planning processes results-based? If not, suggest ways to re-orientate work planning to focus on results?
- Examine the use of the project's results framework/ logframe as a management tool and review any changes made to it since project start.

Finance and co-finance:

- Consider the financial management of the project, with specific reference to the cost-effectiveness of interventions.
- Review the changes to fund allocations as a result of budget revisions and assess the appropriateness and relevance of such revisions.
- Does the project have the appropriate financial controls, including reporting and planning, that allow management to make informed decisions regarding the budget and allow for timely flow of funds?

⁵⁸ Populate with data from the Logframe and scorecards

⁵⁹ Populate with data from the Project Document

⁶⁰ If available

⁶¹ Colour code this column only

⁶² Use the 6 point Progress Towards Results Rating Scale: HS, S, MS, MU, U, HU

• Informed by the co-financing monitoring table to be filled out by the Commissioning Unit and project team, provide commentary on co-financing: is co-financing being used strategically to help the objectives of the project? Is the Project Team meeting with all co-financing partners regularly in order to align financing priorities and annual work plans?

Sources of Co-financing	Name of Cofinancer	Type of Cofinancing	Co-financing amount confirmed at CEO Endorsement (US\$)	Actual Amount Contributed at stage of Midterm Review (US\$)	Actual % of Expected Amount
Donor Agency	UNDP	Grants	900,000	250,117	28
Recipient Government	Ministry of Forests and Environment (MoFE)	Grants	7,923,000	0	
Recipient Government	Department of Soil Conservation and Watershed Management (DSCWM)	Grants	7,700,000	0	
Recipient Government	Department of Hydrology & Meteorology (DHM)	Grants	13,560,000	0	
Recipient Government	Department of Agriculture (for Khotang and Okhandhunga)	Grants	590,000		
Recipient Government	Prime Minister Agriculture Modernization Project (for Khotang and Okhandhunga)	Grants	460,000	7,192	2
Recipient Government	Ainselukharka Rural Municipality (Khotang)	Grants	550,000	135,702	25
Recipient Government	Halesi Tuwachung Municipality (Ainselukharka, Khotang)	Grants	590,000	200,575	34
Recipient Government	Kepilasgadhi Rural Municipality (Baksila, Khotang)	Grants	520,000	151,875	29

Recipient Government	Rawa Besi Rural Municipality (Haramtar Kubhinde, Khotang)	Grants	550,000	219,593	40
Recipient Government	Diktel Rupakot Majhuwagadhi Municipality (Diktel, Khotang)	Grants	920,000	584,301	64
Recipient Government	Manebhanjhang Rural Municipality (Okhaldhunga)	Grants	390,000	93,333	24
Recipient Government	Siddihicharan Municipality (Okhaldhunga)	Grants	570,000	253,417	44
Recipient Government	Chisanlhugadhi Rural Municipality (Okhaldhunga)	Grants	570,000	87,792	15
		TOTAL	35,793,000	1,983,897	

• Include the separate the <u>GEF co-financing template</u> (filled out by the Commissioning Unit and project team) which categorizes each co-financing amount as 'investment mobilized' or 'recurrent expenditures. (This template will be annexed as a separate file.)

Project-level Monitoring and Evaluation Systems:

- Review the monitoring tools currently being used: Do they provide the necessary information? Do they involve key partners? Are they aligned or mainstreamed with national systems? Do they use existing information? Are they efficient? Are they cost-effective? Are additional tools required? How could they be made more participatory and inclusive?
- Examine the financial management of the project monitoring and evaluation budget. Are sufficient resources being allocated to monitoring and evaluation? Are these resources being allocated effectively? Review the extent to which relevant gender issues were incorporated in monitoring systems. See Annex 9 of <u>Guidance For Conducting Midterm</u> <u>Reviews of UNDP-Supported, GEF-Financed Projects</u> for further guidelines.

Stakeholder Engagement:

- Project management: Has the project developed and leveraged the necessary and appropriate partnerships with direct and tangential stakeholders?
- Participation and country-driven processes: Do local and national government stakeholders support the objectives of the project? Do they continue to have an active role in project decision-making that supports efficient and effective project implementation?
- Participation and public awareness: To what extent has stakeholder involvement and public awareness contributed to the progress towards achievement of project objectives?
- How does the project engage women and girls? Is the project likely to have the same positive and/or negative effects on women and men, girls and boys? Identify, if possible, legal, cultural, or religious constraints on women's participation in the project. What can the project do to enhance its gender benefits?

Social and Environmental Standards (Safeguards)

- Validate the risks identified in the project's most current SESP, and those risks' ratings; are any revisions needed?
- Summarize and assess the revisions made since CEO Endorsement/Approval (if any) to:

- \odot The project's overall safeguards risk categorization. o The identified types of risks 63 (in the SESP).
- The individual risk ratings (in the SESP).
- Describe and assess progress made in the implementation of the project's social and environmental management measures as outlined in the SESP submitted at CEO Endorsement/Approval (and prepared during implementation, if any), including any revisions to those measures. Such management measures might include Environmental and Social Management Plans (ESMPs) or other management plans, though can also include aspects of a project's design; refer to Question 6 in the SESP template for a summary of the identified management measures.

A given project should be assessed against the version of UNDP's safeguards policy that was in effect at the time of the project's approval.

Reporting:

- Assess how adaptive management changes have been reported by the project management and shared with the Project Board.
- Assess how well the Project Team and partners undertake and fulfil GEF reporting requirements (i.e. how have they addressed poorly-rated PIRs, if applicable?)
- Assess how lessons derived from the adaptive management process have been documented, shared with key partners and internalized by partners.

Communications & Knowledge Management:

- Review internal project communication with stakeholders: Is communication regular and effective? Are there key
 stakeholders left out of communication? Are there feedback mechanisms when communication is received? Does this
 communication with stakeholders contribute to their awareness of project outcomes and activities and investment in the
 sustainability of project results?
- Review external project communication: Are proper means of communication established or being established to express the project progress and intended impact to the public (is there a web presence, for example? Or did the project implement appropriate outreach and public awareness campaigns?)
- For reporting purposes, write one half-page paragraph that summarizes the project's progress towards results in terms of contribution to sustainable development benefits, as well as global environmental benefits.
- List knowledge activities/products developed (based on knowledge management approach approved at CEO Endorsement/Approval).

iv. Sustainability

- Validate whether the risks identified in the Project Document, Annual Project Review/PIRs and the ATLAS Risk Register are the most important and whether the risk ratings applied are appropriate and up to date. If not, explain why.
- In addition, assess the following risks to sustainability:

Financial risks to sustainability:

• What is the likelihood of financial and economic resources not being available once the GEF assistance ends (consider potential resources can be from multiple sources, such as the public and private sectors, income generating activities, and other funding that will be adequate financial resources for sustaining project's outcomes)?

Socio-economic risks to sustainability:

Are there any social or political risks that may jeopardize sustainability of project outcomes? What is the risk that the level
of stakeholder ownership (including ownership by governments and other key stakeholders) will be insufficient to allow
for the project outcomes/benefits to be sustained? Do the various key stakeholders see that it is in their interest that the
project benefits continue to flow? Is there sufficient public / stakeholder awareness in support of the long-term objectives
of the project? Are lessons learned being documented by the Project Team on a continual basis and shared/ transferred
to appropriate parties who could learn from the project and potentially replicate and/or scale it in the future?

Institutional Framework and Governance risks to sustainability:

⁶³ Risks are to be labeled with both the UNDP SES Principles and Standards, and the GEF's "types of risks and potential impacts": Climate Change and Disaster; Disadvantaged or Vulnerable Individuals or Groups; Disability Inclusion; Adverse Gender-Related impact, including Gender-based Violence and Sexual Exploitation; Biodiversity Conservation and the Sustainable Management of Living Natural Resources; Restrictions on Land Use and Involuntary Resettlement; Indigenous Peoples; Cultural Heritage; Resource Efficiency and Pollution Prevention; Labor and Working Conditions; Community Health, Safety and Security.

• Do the legal frameworks, policies, governance structures and processes pose risks that may jeopardize sustenance of project benefits? While assessing this parameter, also consider if the required systems/ mechanisms for accountability, transparency, and technical knowledge transfer are in place.

Environmental risks to sustainability:

• Are there any environmental risks that may jeopardize sustenance of project outcomes?

Conclusions, Recommendations and Lessons Learned

The MTR team will include a section in the MTR report for evidence-based conclusions, in light of the findings.

Additionally, the MTR consultant/team is expected to make recommendations to the Project Team. Recommendations should be succinct suggestions for critical intervention that are specific, measurable, achievable, and relevant. A recommendation table should be put in the report's executive summary. See the <u>Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-</u><u>Financed Projects</u> for guidance on a recommendation table.

The MTR team should make no more than 15 recommendations total.

The MTR will also include a separate section with a concise and logically articulated set of lessons learned (new knowledge gained from the project, context, outcomes, even evaluation methods; failures/lost opportunities to date, what might have been done better or differently, etc.). Lessons should be based on specific evidence presented in the report and can be used to inform design, adapt and change plans and actions, as appropriate, and plan for scaling up.

The MTR report's findings, conclusions, recommendations and lessons learned need to consider gender equality and women's empowerment and other cross-cutting issues.

Ratings

The MTR team will include its ratings of the project's results and brief descriptions of the associated achievements in an *MTR Ratings & Achievement Summary Table* in the Executive Summary of the MTR report. See Annex E for ratings scales. No rating on Project Strategy and no overall project rating is required.

Measure	MTR Rating	Achievement Description
Project Strategy	N/A	
Progress Towards Results	Objective Achievement Rating: (rate 6 pt. scale)	
	Outcome 1 Achievement Rating: (rate 6 pt. scale)	
	Outcome 2 Achievement Rating: (rate 6 pt. scale)	
	Etc.	
Project Implementation & Adaptive Management	(rate 6 pt. scale)	
Sustainability	(rate 4 pt. scale)	

Table. MTR Ratings & Achievement Summary Table for (Developing Climate Resilient Livelihoods in the Vulnerable Watershed in Nepal)

TIMEFRAME

The total duration of the MTR will be approximately **30** working days over a time period of **8** weeks between Mid-September 2022 to November 2022 and shall not exceed five months from when the consultant(s) are hired. The tentative MTR timeframe is as follows:

ΑCTIVITY	NUMBER OF WORKING DAYS	COMPLETION DATE
Document review and preparing MTR Inception Report (MTR Inception Report due no later than 2 weeks before the MTR mission)	4 days	(20 September) 2022
MTR mission: stakeholder meetings, interviews, field visit s	12 days	(17 October 2022)
Presentation of initial findings- last day of the MTR mission	1 day	(20 October 2022)
Preparing draft report (due within 3 weeks of the MTR mission)	10 days	(1 November 2022)
Finalization of MTR report/ Incorporating audit trail fron feedback on draft report (due within 1 week of receiving UNDP comments on draft	3days	(15 November 2022)

Options for site visits should be provided in the Inception Report.

MIDTERM REVIEW DELIVERABLES

#	Deliverable	Description	Timing	Responsibilities
1	MTR Inception Report	MTR team clarifies objectives and methods of Midterm Review	20 September 2022	MTR team submits to the Commissioning Unit and project management
2	Presentation	Initial Findings	End of MTR mission 20 October 2022	MTR Team presents to project management and the Commissioning Unit
3	Draft MTR Report	Full draft report (using guidelines on content outlined in Annex B) with annexes	Within 3 weeks of the MTR mission By 1 November 2022	Sent to the Commissioning Unit, reviewed by RTA, Project Coordinating Unit, GEF OFP
4	Final Report* + Audit Trail	Revised report with audit trail detailing how all received comments have (and have not) been addressed in the final MTR report	Within 1 week of receiving UNDP comments on dr By 15 November 2022	Sent to the Commissioning Unit

*The final MTR report must be in English. If applicable, the Commissioning Unit may choose to arrange for a translation of the report into a language more widely shared by national stakeholders. The summary of the key MTR findings must be shared in the Nepali language.

MTR ARRANGEMENTS

The principal responsibility for managing this MTR resides with the Commissioning Unit. The Commissioning Unit for this project's MTR is UNDP Country Office-Nepal.

The Commissioning Unit will contract the consultants and ensure the timely provision of per diems and travel arrangements within the country for the MTR team and will provide an updated stakeholder list with contact details (phone and email). The Project Team will be responsible for liaising with the MTR team to provide all relevant documents, set up stakeholder interviews, and arrange field visits.

TEAM COMPOSITION

A team of two independent consultants will conduct the MTR - one team leader (with experience and exposure to projects and evaluations in other regions globally) and one team expert, usually from the country of the project. The team leader will lead the MTR task including the overall designing of the methodologies and approaches, coordination and management of the assignment with concerned stakeholders, writing the MTR report, etc. The team expert will technically assist the Team Leader, assess emerging trends with respect to project result frameworks, budget allocations, capacity building, work with the Project Team in developing the MTR itinerary, conducting field visits, ensuring technical components of the projects are well integrated into the MTR, coordination with the stakeholder as needed, etc.

The consultants cannot have participated in the project preparation, formulation, and/or implementation (including the writing of the Project Document) and should not have a conflict of interest with the project's related activities.

The selection of consultants will be aimed at maximizing the overall "team" qualities in the following areas: <u>Education</u>

• A Master's degree in Forestry, Environmental Science, Natural Resource Management, Climate Change, Watershed Management or other closely related field.

Experience

- Relevant experience with result-based management evaluation methodologies;
- Experience applying SMART indicators and reconstructing or validating baseline scenarios;
- Competence in adaptive management, as applied to Climate Change and Land Degradation;
- Experience in evaluating projects;
- Experience working in Asia region preferably in Nepal;
- Experience in relevant technical areas for at least 10 years;
- Demonstrated understanding of issues related to gender and Climate Change; experience in gender sensitive evaluation and analysis.
- Excellent communication skills;
- Demonstrable analytical skills;
- Project evaluation/review experiences within United Nations system will be considered an asset.

<u>Language</u>

- Fluency in written and spoken English.
- Fluency in written, and spoken Nepali (At least one member of the MTR team)

ETHICS

The MTR team will be held to the highest ethical standards and is required to sign a code of conduct upon acceptance of the assignment. This MTR will be conducted in accordance with the principles outlined in the UNEG 'Ethical Guidelines for Evaluation'. The MTR team must safeguard the rights and confidentiality of information providers, interviewees and stakeholders through measures to ensure compliance with legal and other relevant codes governing collection of data and reporting on data. The MTR team must also ensure security of collected information before and after the MTR and protocols to ensure anonymity and confidentiality of sources of information where that is expected. The information, knowledge and data

gathered in the MTR process must also be solely used for the MTR and not for other uses without the express authorization of UNDP and partners.

PAYMENT SCHEDULE

- 20% payment upon satisfactory delivery of the final MTR Inception Report and approval by the Commissioning Unit
- 40% payment upon satisfactory delivery of the draft MTR report to the Commissioning Unit
- 40% payment upon satisfactory delivery of the final MTR report and approval by the Commissioning Unit and RTA (via signatures on the TE Report Clearance Form) and delivery of completed TE Audit Trail

Criteria for issuing the final payment of 40%¹⁰:

- The final MTR report includes all requirements outlined in the MTR TOR and is in accordance with the MTR guidance.
- The final MTR report is clearly written, logically organized, and is specific for this project (i.e. text has not been cut & pasted from other MTR reports).
- The Audit Trail includes responses to and justification for each comment listed.

APPLICATION PROCESS¹¹

Recommended Presentation of Proposal:

- a) Letter of Confirmation of Interest and Availability using the <u>template¹²</u> provided by UNDP;
- b) **CV** and a **Personal History Form** (<u>P11 form</u>¹³);
- c) **Brief description of approach to work/technical proposal** of why the individual considers him/herself as the most suitable for the assignment, and a proposed methodology on how they will approach and complete the assignment; (max 1 page)
- d) Financial Proposal that indicates the all-inclusive fixed total contract price and all other travel related costs (such as flight ticket, per diem, etc), supported by a breakdown of costs, as per template attached to the <u>Letter of Confirmation of Interest template</u>. If an applicant is employed by an organization/company/institution, and he/she expects his/her employer to charge a management fee in the process of releasing him/her to UNDP under Reimbursable Loan Agreement (RLA), the applicant must indicate at this point, and ensure that all such costs are duly incorporated in the financial proposal submitted to UNDP.

All application materials should be submitted to the address (UNDP Nepal Country Office, Pulchowk, Kathmandu) in a sealed envelope indicating the following reference "Consultant for (Developing Climate Resilient Livelihoods in the Vulnerable Watershed in Nepal (DCRL) Midterm Review" or by email at the following address ONLY: (UNDP online submission) by (29/08/2022). Incomplete applications will be excluded from further consideration.

Criteria for Evaluation of Proposal: Only those applications which are responsive and compliant will be evaluated. Offers will be evaluated according to the Combined Scoring method – where the educational background and experience on similar assignments will be weighted at 70% and the price proposal will weigh as 30% of the total scoring. The applicant receiving the Highest Combined Score that has also accepted UNDP's General Terms and Conditions will be awarded the contract.

Annex-14: Signed UNEG Code of Conduct Forms

Annex 2: United Nations Evaluation Group Code of Conduct for Evaluation in the UN System
Evaluation Consultants Agreement Form
To be signed by all consultants as individuals (not by or on behalf of a consultancy company) before a contract can be issued.
Agreement to abide by the Code of Conduct for Evaluation in the UN System
Name of Consultant: ______ Dhruba Gautam
Name of Consultancy Organisation (where relevant): ______

I confirm that I have received and understood and will abide by the United Nations Code of Conduct for Evaluation. Signed at (place) on (date) Kathmandu, September 10, 2022

Signature:

Ulaanbaatar, Nov-9-2022

Pabuie Idenid

Signature: _

Annex 15: MTR Clearance Form

MTR Report Clearance Form (to be completed by the Commissioning Unit and UNDP-GEF RTA and included in the final document)

Midterm Review Report Reviewed and Cleared By:

Commissioning Unit

Name: Bernardo Cocco; Deputy Residence Representative; UNDP Nepal

DocuSigned by: Bons _____Date: 28/12/2022 Signature: 6DDBE95E4E9B4E9

UNDP-GEF Regional Technical Advisor

Name: Keti Chachibaia; Regional Technical Advisor