



OPERATIONAL PHASE 8 (OP8)

2025-2028

SGP COUNTRY PROGRAMME STRATEGY (CPS)

**NEPAL**



Tinau River

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## Contents

|  |    |
|--|----|
| 1. INTRODUCTION .....  | 2  |
| 2. COUNTRY PROGRAMME SUMMARY: Key results and achievements (1 page) .....                      | 3  |
| 3. COUNTRY PRIORITIES AND STRATEGIC ALIGNMENT (2 pages) .....                                  | 4  |
| <b>3.1 Alignment with national priorities</b> .....  | 4  |
| <b>3.2 Gaps and opportunities</b> .....  | 5  |
| <b>3.3 OP8 strategic priorities of the SGP Country Programme</b> .....                         | 7  |
| 4. OP8 PRIORITY LANDSCAPES/SEASCAPES & STRATEGIC INITIATIVES (4 pages) .....                   | 10 |
| <b>4.1 Grantmaking within the priority landscape</b> .....                                     | 10 |
| <b>4.2 CSO-government-private sector dialogue platforms</b> .....                              | 13 |
| <b>4.3 Promoting social Inclusion, including gender equality and women’s empowerment</b> ..... | 14 |
| <b>4.4 Knowledge Management</b> .....  | 15 |
| 5. COMMUNICATION PLAN (1/2 page) .....   | 15 |
| 6. RESOURCE MOBILIZATION AND PARTNERSHIP PLAN (1 page) .....                                   | 16 |
| 7. PARTNERSHIP OPPORTUNITIES (1/2 page) .....  | 17 |
| 8. RISK MANAGEMENT PLAN (1/2 page) .....   | 17 |
| 9. MONITORING AND EVALUATION PLAN (8 pages) .....  | 19 |
| <b>9.1 Monitoring approaches at project and country levels</b> .....                           | 20 |
| <b>9.2 CPS Results Framework</b> .....   | 23 |
| 10. NATIONAL STEERING COMMITTEE ENDORSEMENT .....  | 25 |



**OP8 Financial Resources - SGP Country Programme (estimated US\$)<sup>1</sup>**

|  |                      |
|--|----------------------|
| Total SGP Grants to date since Country Programme start date (28April 2025) | <b>USD 1,159,318</b> |
| OP8 GEF Core Funds   | <b>USD 456,818</b>   |
| OP8 GEF STAR Funds   | <b>USD 335000</b>    |
| Other funds (secured) GSI ICCA   | <b>USD 200000</b>    |
| Other funds (expected/to be mobilized)                                     | <b>USD</b>           |

**1. INTRODUCTION**

The Eighth Operational Phase of the Small Grants Programme (SGP OP8) builds on 30 years of successful experience of empowering local civil society organizations (CSOs) and community-based organizations (CBOs) for design and leadership of community driven initiatives targeted to build household wellbeing and peoples livelihood, augment environment and enhance resilience to risks while safeguarding global environmental benefits. Increasing pressure to generate economic returns from natural resources on short term is usually associated with rising inequalities resulting into further marginalization of the local communities, particularly the most vulnerable and disadvantaged groups. In lack of adaptive capacity they are unable to cope with stress caused by ecosystem degradation, biodiversity loss and climate change. Lessons learned from previous SGP implementation between Operational Programme Phase 6 to 7 have demonstrated that integrated landscape approaches are effective in mobilizing multi stakeholders, linking CSOs/CBOs with service providers and development actors and achieving mutually -reinforcing livelihood and environmental outcomes at scale.

Globally, the objective of the SGP OP8 is to engage the local CSOs/CBOs in landscape-seascape approaches across the world to enhance their social well-being and economic livelihood while conserving the local environment and protecting the global environmental benefits through access to knowledge and skills and capacities built for implementation of proven tailored environmental solutions. The program funds grants of up to \$75,000 directly to the civil society organisation and community based organisation. SGP also provides a maximum of \$150,000 for strategic projects.

Strategies to meet the OP8 objective reflect the key features of GEF Small Grants Programme 2.0, including the new approaches to support youth, women and Indigenous Peoples, linking up with complementary mechanisms, such as the Microfinance Initiative and CSO Challenge Programme, cooperating with other GEF Agencies, and leveraging opportunities with overall GEF strategies, including the delivery of the GEF-8 Integrated Programmes. In addition, OP8 will facilitate opportunities for innovation and scaling up, catalyze multi-stakeholder alliances to test new approaches through CSOs, and leverage its dialogue platforms towards greater impact. OP8 will also align and contribute to the UNDP Strategic Plan (2022-2025).

In nutshell, the strategic direction for OP8 represents a continuation and refinement of the programme’s evolutionary approach, guided by the global SGP framework of “3i” - innovation, impact, and inclusion. A fundamental element of the OP8 strategy is the adoption of a focused geographic approach (Landscape Approach), which represents a strategic evolution informed by lessons learned from previous phases. This approach aims to maximize impact by concentrating resources across high-priority landscapes. The programme’s strategic intent is to

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<sup>1</sup> The level of SGP OP8 resources is an estimated total of: (a) the GEF8 core grant allocation; (b) approved STAR resources; as well as (c) other sources of cost sharing & co-financing (country, regional and/or global levels). SGP countries with remaining OP7 balances that have not been pipelined will be expected to use these balances in line with the OP8 strategic approach in order to be coherent in terms of SGP programming and results expected.



align local action firmly with global goals, including the pivotal Kunming-Montreal Global Biodiversity Framework (KMGBF).

## 2. COUNTRY PROGRAMME SUMMARY: Key results and achievements

The GEF Small Grants Programme in Nepal has evolved over decades of implementation since 1998 following seven operational phases and demonstrated consistent growth in scope, strategic focus, and impact. The programme has invested over USD 10 million as grant across 298 projects and mobilized an additional USD 11.6 million in co-financing,

The **Foundation phase (OP1-OP4, 1998-2010)** established crucial precedents for community-led environmental actions across 131 projects with total GEF-SGP grants of USD 4,443,963. OP1 introduced the flagship Ghodaghodi Lake conservation project, establishing community-led model and creating a "Model Eco-village" through biogas and Improved Cook Stoves (ICS) for the Tharu community. OP2 expanded significantly, conserving over 3,450 hectares across 12 critical wetlands and 5,293 hectares of biodiverse mid-hill forests, while promoting innovative renewable energy solutions, bamboo eco-houses and bio-briquettes. OP3 focused on alpine ecosystem conservation and endangered species protection, establishing an impactful Community Managed Vulture Restaurant in Kawasoti, which was later replicated in other areas of Nepal. OP4 continued wetland conservation efforts, empowered local women's groups at Jagadishpur reservoir to establish micro-credit systems, contributed to amending the National Wetland Policy, and achieved the significant milestone of successfully advocating for the national ban of Endosulfan (a persistent organic pollutant) in 2013.

The **Transition phase (OP5, 2011-2014)** marked a shift towards adopting a cluster-based approach targeting three core GEF focal areas (Biodiversity, Climate Change and Land Degradation) with priorities in NTFP management, wetland conservation, and sustainable agriculture through 74 projects with USD 2,441,254 in grants. Key achievements included conserving five endangered species, rehabilitating 800 hectares of degraded forest land, avoiding 300 tons of CO<sub>2</sub> emissions, and increasing communities' incomes by 15% through agroforestry practices.

The **Consolidation Phase (OP6-OP7, 2015-2023)** observed a strategic evolution through 93 projects with USD 3,662,006 in combined grants. OP6 introduced the focused "landscape approach," allocating 70% of funding to five priority landscapes (Kailali-Bardia, Lumbini, Panchase, Chitwan-Makwanpur, Morang-Jhapa-Ilam) and emphasizing social inclusion, gender mainstreaming, and CSO-Government Dialogue Platforms to influence policy. However, this phase revealed important lessons about weak CSO capacities in new intervention areas, particularly in Kailali-Bardiya and Morang-Jhapa-Ilam landscapes. OP7 refined the landscape approach to three concentrated areas (Lumbini, Panchase, Chitwan-Makwanpur) to maximize collective impact and foster synergies for scaling, while demonstrating programme's adaptive management capacity based on lessons learned.

**Cumulative achievements across OP1-OP7** demonstrate the programme's transformative impact and strategic evolution. Environmental results include restoration of 1,200+ hectares of degraded slash-and-burn land, conservation of 1,500+ hectares of riverbanks and pasturelands, protection of 20+ critical wetlands covering 6,300 hectares, and support for recovery of endangered species including vultures, hornbills, sarus cranes, and Gangetic dolphins. The programme has contributed significantly to policy influence, most notably through the Government of Nepal's adoption of Mercury-Free Health Care Services driven by SGP advocacy. Social inclusion achievements include 38 women-led projects, 8 projects through indigenous peoples' organizations, and indigenous peoples as primary beneficiaries in over 60% of all projects. The programme's grantees have earned 48 major awards, including 13 global accolades, affirming SGP's innovation and impact. Key challenges identified during implementation include local administrative complexities and policy delays, deep-seated social inequalities limiting inclusive participation, funding sustainability challenges given short duration of SGP projects in a competitive donor environment, and weak local CSO capacities particularly in new geographical areas, to scale the project results with local governments and other partners —lessons that have directly informed the strategic design of OP8.



### 3. COUNTRY PRIORITIES AND STRATEGIC ALIGNMENT

#### 3.1 Alignment with national priorities

Table 1. List of relevant conventions and national/regional plans or programmes

| Conventions + national planning frameworks                                      | Date of ratification / completion   |
|---|---|
| GEF-8 National Dialogues  | Not specified in source   |
| Convention on Biological Diversity (CBD)<br>Global Biodiversity Framework (GBF) | Ratified in 1993. K-MGBF adopted in 2022.   |
| CBD National Biodiversity Strategy and Action Plan (NBSAP)                      | Nepal has submitted six National Reports to the CBD (1 <sup>st</sup> through 6 <sup>th</sup> ). The 6 <sup>th</sup> National Report assessed progress toward the 2011–2020 Aichi Biodiversity Targets. Currently, the 7 <sup>th</sup> National Report is under preparation with UNDP support; it is expected to be submitted in 2025 and will cover progress toward the 2030 Global Biodiversity Framework goals. |
| Nagoya Protocol on Access and Benefit-Sharing (ABS)                             | Adopted in 2010, Ratified in 2014. In 2019, Nepal became a full party to the Protocol.  |
| UN Framework Convention on Climate Change (UNFCCC)                              | Ratified in 1994.   |
| UNFCCC National Communications  | Nepal submitted its first and second National Communications to the UNFCCC in 2004 and 2014, respectively. The Third National Communication (TNC) was submitted in 2021. So the row should read something like: First NC (2004); Second NC (2014); Third NC (2021).   |
| UNFCCC Nationally Appropriate Mitigation Actions (NAMA)                         | The Paris Agreement, adopted at COP21 in 2015, shifted the global climate action framework to focus on Nationally Determined Contributions (NDCs). Nepal has submitted three NDCs to the UNFCCC: First NDC (2016), Second NDC (2020) & Third NDC (2025)   |
| UNFCCC National Adaptation Plans of Action (NAPA)                               | Completed and submitted in September 2010. Following the NAPA process, Nepal initiated its National Adaptation Plan (NAP) process in 2015 to address medium- and long-term adaptation needs. The NAP (2021–2050) was approved by the Council of Ministers on 28 October 2021.   |
| UN Convention to Combat Desertification (UNCCD)                                 | Signed on 12 Oct, 1995; Ratified on 15 Oct, 1996; Entered into force on 13 Jan, 1997  |
| UNCCD National Action Programmes (NAP)  | Developed in 2004. Nepal has since aligned its NAP with the UNCCD 10-Year Strategy (adopted 2007). Nepal also submitted national reports under the UNCCD reporting process and contributed to Voluntary Land Degradation Neutrality (LDN) target-setting, which was committed in 2016.  |
| Stockholm Convention (SC) on Persistent Organic Pollutants (POPs)               | Signed on 05 Apr. 2002; Ratified on 06 Mar. 2007.   |
| SC National Implementation Plan (NIP)   | Prepared in 2017.   |
| Minamata Convention (MC) on Mercury   | Signed in 2013.   |
| UN 2030 Sustainable Development Goals (SDGs)                                    | Since 2015.   |



|   |   |
|---|---|
| Voluntary National Reviews (VNRs) for the UN SDGs   | First VNR: Presented in 2017; Second VNR: Presented in 2020, & Third VNR: Presented in July 2024.   |
| Strategic Action Programmes (SAPs) for shared international waterbodies (IW)                | Not specified in source   |
| Others (list) as relevant   | 16 <sup>th</sup> Five Year Plan (2025-2029). UNDP Country Programme Document (CPD) Output 3. World Heritage Convention, CITES, and Ramsar Convention. |
| Poverty Reduction Strategy Paper (The Tenth Plan 2002-2007)                                 | Prepared and approved on 16 Oct, 2003.  |
| GEF National Capacity Self-Assessment (NCSA)  | Assessment completed and reports prepared in 2008.  |
| National Wetlands Policy  | Nepal signed the Ramsar Convention on 17 December 1987; Revised the 2003 policy in 2012.  |
| Convention on Wetlands on International Importance Especially as Waterfowl Habitat (Ramsar) | Entered into force on 17 Apr,1988   |
| World Heritage Convention   | Adopted in Paris on 16 Nov, 1972; Entered into force on 20 Sep, 1978  |
| CITES   | Adopted on 03 Mar, 1973; Acceded by Nepal on 18 Jun, 1975; Entered into force on 16 Sep, 1975   |
| Nature Conservation National Strategic Framework for Sustainable Development                | Approved by Cabinet in Jul, 2015  |
| 16 <sup>th</sup> Five year plan   | 2025-2029 theme "Good Governance, Social Justice, and Prosperity,"  |

### 3.2 Gaps and opportunities

#### *Gaps and challenges (Informing OP8 design):*

- Local administrative complexities and policy delays: Frequent changes in local -level leadership and bureaucratic procedures have caused delays in project approvals and disbursements, disrupting the continuity of community-level interventions.
- Deep-seated social inequalities: Caste-based discrimination, gender disparities, and marginalization of Indigenous Peoples and Persons with Disabilities persist, limiting their equitable access to resources, decision-making processes, and project benefits.
- Challenges in funding sustainability: The short duration of SGP project cycles (typically 1–2 years) makes it difficult to achieve lasting impact, while a competitive donor landscape reduces opportunities for sustained or follow-on funding.
- Weak local Civil Society Organization (CSO) capacities: Many CSOs in newly targeted geographic areas lack the technical, financial management, and organizational skills needed to design, implement, and scale up environmental projects effectively.

#### *OP8 Opportunities:*

- Integrated and landscape programming: OP8 leverages the adoption of the K-MGBF and the 16<sup>th</sup> Five Year Plan (2025-2029) to strategically position integrated projects within high-priority landscapes. By concentrating resources across the BudhiGandaki-KaliGandaki, Tinau-Resunga-Rampur, and Jumla-Mugu landscapes, OP8 aligns community-led conservation with Nepal’s national commitments to the 30x30 biodiversity target, NDC implementation, and OECM advancement. This landscape approach enables multi-focal area programming that simultaneously delivers biodiversity conservation, climate resilience,



sustainable livelihoods, and land degradation neutrality outcomes within a coherent geographic framework.

- Risk management: Embed a robust, four-category risk management framework (social and environmental, climate, operational, and policy/institutional) with adaptive programming to navigate the complexities of working across three diverse landscapes and emerging OECM sites. Annual risk reassessments aligned with AMR preparation will ensure that mitigation measures remain current, while decentralized monitoring through local partners and community-based organizations will provide early warning of implementation challenges.
- Social inclusion: Shift from mere ‘mainstreaming’ to a ‘Deep Inclusion’ approach that actively designs projects to empower vulnerable groups, secure their rights, and ensure meaningful participation. This entails targeted interventions for women (40% women-led projects target), Indigenous Peoples through FPIC-based engagement and land rights formalization, youth through green livelihood skills addressing out-migration, and Persons with Disabilities through accessibility assessments. In the context of OECMs, inclusion means ensuring that indigenous communities—Gurung, Magar, Tamang in BGKGL; Tharu, Kumal in TRRL; Kham, Limi in JML—are recognized as primary governance authorities of community-conserved areas.
- Innovative financing: Strengthen the “Grantmaker Plus” role by building partnerships with government agencies, private sector, and development partners to attract additional financing. Support the piloting and demonstration of innovative mechanisms such nature based solution, community trust funds, and OECM-related conservation finance that can be scaled through government and partner investment. Nepal’s OECM recognition creates avenues for accessing global finance mechanisms such as GEF and GCF, while community-managed forests, ICCAs, and wetlands within the OP8 landscapes can serve as demonstration sites for results-based financing linked to biodiversity outcomes. Capacity building: Prioritize upfront, comprehensive capacity building for local CSOs and Indigenous Peoples’ organizations in new OP8 landscapes, equipping them with technical skills in project design, financial management, OECM site assessment, environmental monitoring, and FPIC-based community engagement.
- **Resource mobilization:** Systematically leverage co-financing from provincial and local governments, the private sector, and bilateral donors to complement GEF core and STAR allocations. Pursue strategic partnerships with ongoing UNDP programmes, and ICIMOD landscape initiatives operating in the same geographies. Mobilize in-kind contributions from community forest user groups, cooperatives, and indigenous institutions to maximize the reach of limited grant resources.
- **Network creation:** Build and strengthen multi-stakeholder networks linking CSOs, community-based organizations, local governments, private sector actors, and academic institutions across the three priority landscapes. Establish landscape-level CSO alliances for knowledge exchange, collective advocacy, and joint monitoring. Connect SGP grantees with FECOFUN, NEFIN, and ICCA networks to amplify community voices in national OECM and biodiversity policy processes, and facilitate South-South cooperation with SGP programmes in the Hindu Kush Himalayan region.
- **AI-based technology for climate-smart farming:** Pilot affordable AI-enabled tools such as mobile-based crop disease diagnostics, soil health monitoring, and weather-responsive advisory services to support climate-smart agriculture in the three landscapes. Deploy AI-assisted species identification and biodiversity monitoring in OECM sites to strengthen community-based ecological surveillance. These innovations will be designed for low-connectivity environments and delivered through local language interfaces accessible to smallholder farmers and community conservation groups.
- **E-technologies for market linkage and value addition:** Leverage digital platforms to connect community producers of NTFPs (medicinal herbs, essential oils, handmade crafts) and organic farm products directly with domestic and international buyers, reducing middleman dependency. Support digital traceability and certification systems for products such as Jumli Marshi rice, Timur, jatamansi, and yarsagumba to enable organic and geographic indication branding. Facilitate e-commerce training for women’s cooperatives and youth-led enterprises to unlock value addition and sustainable market opportunities from landscape-based livelihoods.



- **Social entrepreneurship:** Nurture a cadre of community-based social entrepreneurs—particularly women and youth—who combine environmental stewardship with viable business models. Support green enterprises in ecotourism, sustainable NTFP processing, waste-to-resource ventures, and renewable energy services that generate local employment while delivering conservation outcomes. Link social entrepreneurs with incubation support, seed financing, mentorship from the private sector, and access to the SGP innovation grants to address the critical challenge of youth out-migration by creating viable green livelihood pathways within the landscapes.

### 3.3 OP8 strategic priorities of the SGP Country Programme

Building on 25+ years of implementation experience and lessons learned from previous operational phases, SGP Nepal has strategically prioritized specific OP8 Strategic Initiatives that address the country's most pressing environmental challenges while maximizing opportunities for impact and sustainability. The selection of these priorities is informed by comprehensive landscape analysis, stakeholder consultations, national policy frameworks, and demonstrated potentials for complementarity with ongoing programmes. The following table presents Nepal's alignment with global SGP OP8 Strategic Initiatives and identifies key partnerships for collaboration and co-financing.

Table 2. SGP Country Programme's alignment with SGP OP8 Strategic Initiatives (SI) and country priorities/projects/programmes

| SGP OP8 Strategic Initiatives - Global  | SGP Country Programme's OP8 Priorities   | SGP Country Programme's complementarity with GEF, UNDP, and other projects/programmes   |
|---|--|---|
| <p>Community-based conservation of threatened ecosystems and species</p> <ol style="list-style-type: none"> <li>1) Improve effectiveness of biodiversity and ecosystem conservation through equitable governance systems by recognizing rights of Indigenous Peoples and local communities.</li> <li>2) Improve community-led biodiversity friendly practices (agriculture, fisheries, forestry, tourism, etc.).</li> <li>3) Enhance community led actions for protection of threatened species.</li> </ol> | <ol style="list-style-type: none"> <li>1) Strengthen ICCA model in Madi-Marsyangdi (BudhiGandaki-KaliGandaki) with TEK integration.</li> <li>2) Support community-based conservation of endangered species: Pangolin, Snow Leopard, Sarus Crane, vultures.</li> <li>3) Develop eco-tourism and NTFP value chains as conservation-based livelihoods.</li> <li>4) Address Human-Wildlife Conflict through community-led approaches.</li> </ol> | <ul style="list-style-type: none"> <li>• National Parks and Wildlife Conservation Department</li> <li>• WWF Nepal Conservation Programs</li> <li>• IUCN Nepal Country Office</li> <li>• Bird Conservation Nepal</li> </ul>  |
| <p>Sustainable agriculture and fisheries, and food security</p> <ol style="list-style-type: none"> <li>1) Increase efficiency and effectiveness of overall food production and value chain, including in vulnerable ecosystems.</li> <li>2) Increase diversification and livelihood improvement.</li> <li>3) Remove deforestation from supply chain and expand restoration of degraded lands.</li> </ol>  | <ol style="list-style-type: none"> <li>1) Implement Climate-Smart Agriculture (CSA) in selected landscape.</li> <li>2) Promote SALT (Sloping Agricultural Land Technology) for degraded land restoration.</li> <li>3) Develop organic farming and agroforestry models.</li> <li>4) Support NTFP value chains (medicinal herbs, NTFPs including yarsagumba sustainable harvesting).</li> </ol>  | <ul style="list-style-type: none"> <li>• Ministry of Agriculture and Livestock Development</li> <li>• UNDP Climate Smart Agriculture initiatives</li> <li>• FAO Nepal programs</li> <li>• ICIMOD High-altitude agriculture programs</li> <li>• Provincial agriculture development programs</li> </ul> |



|   |   |  |
|---|---|--|
| <p>Low-carbon energy access co-benefits<br/>Support implementation of Paris Agreement and NDCs</p> <ol style="list-style-type: none"> <li>1) Promote renewable and energy efficient technologies providing socio-economic benefits.</li> <li>2) Promote off-grid energy service needs in rural and urban areas.</li> </ol>  | <ol style="list-style-type: none"> <li>1) Promote Improved Cook Stoves (ICS) to reduce firewood dependency and indoor air pollution.</li> <li>2) Support biogas and solar energy systems in remote communities.</li> <li>3) Implement low-carbon solutions in Jumla-Mugu high-altitude areas.</li> </ol>  | <ul style="list-style-type: none"> <li>• Alternative Energy Promotion Centre (AEPC)</li> <li>• Nepal's NDC Implementation Plan</li> <li>• GIZ Renewable Energy programs</li> <li>• World Bank Nepal Energy Access programs</li> </ul>  |
| <p>Local to global coalitions for chemicals and waste management</p> <ol style="list-style-type: none"> <li>1) Reduce and promote alternative to mercury use.</li> <li>2) Promote plastics/solid waste management and circular economy.</li> <li>3) Reduce/remove use of chemicals in agriculture.</li> <li>4) Enhance local to global coalitions on chemicals, waste and mercury management.</li> </ol>  | <ol style="list-style-type: none"> <li>1) Pilot innovative waste management solutions in urban areas (TRRL).</li> <li>2) Promote organic farming to reduce agricultural chemical use.</li> <li>3) Build on Mercury-Free Health Care advocacy success from OP7.</li> </ol>   | <ul style="list-style-type: none"> <li>• Ministry of Health (Mercury-free initiatives)</li> <li>• Municipal solid waste management programs</li> <li>• Stockholm Convention NIP implementation</li> <li>• UNIDO POPs management programs</li> </ul>  |
| <p>Catalyzing sustainable urban solutions</p> <ol style="list-style-type: none"> <li>1) Improve capacities to promote community-driven, socially inclusive solutions for low-emission urban development.</li> <li>2) Demonstrate innovative urban solutions (waste, energy, watershed protection, ecosystem services).</li> <li>3) Implement public-private partnership for low carbon energy access for marginalized urban communities.</li> </ol> | <ol style="list-style-type: none"> <li>1) Pilot "green city" concepts in urban cities (TRRL) addressing rapid urbanization.</li> <li>2) Address solid waste management.</li> <li>3) Restore urban-adjacent wetlands and ecological corridors.</li> </ol>  | <ul style="list-style-type: none"> <li>• Butwal Sub-Metropolitan City</li> <li>• UNDP Provincial and Local Governance Strengthening Programme (PLGSP)</li> <li>• ADB Urban Development programs</li> <li>• Municipal environmental management initiatives</li> </ul>                         |
| <p>CSO-government-private sector policy and planning dialogue platforms</p> <ol style="list-style-type: none"> <li>1) Promote/enhance community voices and participation in global and national policy, strategy development related to global environment and sustainable development issues.</li> </ol>   | <ol style="list-style-type: none"> <li>1) Establish multi-stakeholder platforms at federal, provincial, and local levels.</li> <li>2) Facilitate CSO participation in NBSAP updates, NDC implementation.</li> <li>3) Mainstream successful models into national policies.</li> <li>4) MoUs with local governments for long-term sustainability.</li> </ol>  | <ul style="list-style-type: none"> <li>• Ministry of Forests and Environment</li> <li>• Provincial governments (Gandaki, Lumbini, Karnali)</li> <li>• Federation of Community Forestry Users Nepal (FECOFUN)</li> <li>• Nepal Federation of Indigenous Nationalities (NEFIN)</li> </ul>      |
| <p>Enhancing social inclusion (mandatory)</p> <ol style="list-style-type: none"> <li>1) Promote inclusive targeted initiatives.</li> <li>2) Mainstream social inclusion in all projects (women/girls, Indigenous Peoples, youth, persons with disabilities).</li> </ol>   | <p>Mandatory SI - Nepal Priorities</p> <ol style="list-style-type: none"> <li>1) Promote targeted inclusive initiatives with Deep Inclusion approach.</li> <li>2) Mainstream social inclusion in all projects.</li> <li>3) Gender equality: Women's groups, cooperatives, TEK recognition, and leadership development.</li> <li>4) IPLC empowerment: Meaningful engagement, FPIC, land rights advocacy</li> </ol> | <ul style="list-style-type: none"> <li>• National Foundation for Development of Indigenous Nationalities (NFDIN)</li> <li>• National Women Commission</li> <li>• National Federation of Disabled Nepal</li> <li>• UN Women Nepal</li> <li>• Youth-led environmental organizations</li> </ul> |



|   |  |  |
|---|--|--|
|   | <p>(Gurung, Magar, Tamang, Tharu, Kham communities).</p> <p>5) Youth engagement: Skills development, leadership programs to address out-migration.</p> <p>6) Disability inclusion: Accessibility assessments, targeted interventions, PWD partnerships.</p>  |  |
| <p>Knowledge Management (KM) (mandatory)</p> <p>1) Capture knowledge and lessons from projects and activities.</p> <p>2) Improve capacities of CSOs/CBOs.</p> <p>3) Conduct South-South Exchanges to promote technology transfer and replication of good practices.</p>   | <p>Mandatory SI - Nepal Priorities</p> <p>1) Capture knowledge and lessons from all projects through systematic documentation.</p> <p>2) Improve capacities of CSOs/CBOs through training and technical assistance.</p> <p>3) Conduct South-South Exchanges to transfer successful models (SALT, ICS, vulture restaurants).</p> <p>4) Document and integrate Traditional Ecological Knowledge (TEK).</p> <p>5) Develop knowledge products: case studies, technical briefs, videos, peer-reviewed publications.</p> | <ul style="list-style-type: none"> <li>• ICIMOD Knowledge Management Platform</li> <li>• SGP Global Knowledge Platform</li> <li>• Academic institutions (Tribhuvan University, Kathmandu University)</li> <li>• Regional South-South cooperation networks</li> </ul> <p>The PANORAMA platform -- a global knowledge exchange initiative partnered by IUCN, GIZ, UNDP, UNEP, and others -- will be used to document and promote SGP Nepal's tested, replicable solutions for biodiversity conservation and sustainable development.</p> |
| <p>Results Management, Monitoring &amp; Evaluation (M&amp;E) (mandatory)</p> <p>1) Administer new M&amp;E strategy in Country Programme and project design, implementation and overall decision making using participatory mechanisms.</p>  | <p>Mandatory SI - Nepal Priorities</p> <p>1) Administer M&amp;E strategy with three-level framework: project, country, and global.</p> <p>2) Track GEF-8 Core Indicators and national development indicators.</p> <p>3) Ensure participatory monitoring with community involvement.</p> <p>4) Maintain sex-disaggregated data and gender-responsive monitoring.</p> <p>5) Conduct annual CPS reviews aligned with AMR submissions (May-July).</p>  | <ul style="list-style-type: none"> <li>• SGP Global Database and CPMT guidance</li> <li>• UNDP Country Office M&amp;E systems</li> <li>• GEF Secretariat reporting requirements</li> <li>• Third-party monitoring agencies as needed</li> </ul>  |
| <p>Global ICCA Support Initiative (ICCA GSI Phase 2) (with BMUV IKI funding)</p> <p>1) Work Package 1: Provide national level ICCA small grants.</p> <p>2) Work Package 2: Provide legal and governance assistance to ICCAs.</p> <p>3) Work Package 3: Network exchange and knowledge management for ICCAs.</p> | <p>Applicable to Nepal</p> <p>1) Support ICCA small grants in Madi-Marsyangdi.</p> <p>2) Provide legal support for ICCA recognition and governance strengthening.</p> <p>3) Facilitate ICCA network exchanges and knowledge sharing nationally and regionally.</p>   | <ul style="list-style-type: none"> <li>• ICCA Consortium</li> <li>• Community Forest User Groups (CFUGs)</li> <li>• Indigenous Peoples' organizations</li> <li>• K-MGBF Target 3 implementation</li> </ul>   |



#### 4. OP8 PRIORITY LANDSCAPES/SEASCAPES & STRATEGIC INITIATIVES

##### 4.1 Grantmaking within the priority landscape

The OP8 strategy focuses resources on an integrated Landscape Approach, concentrating substantial resources across three unique, high-priority landscapes.

###### a) Process for selecting priority landscapes

The selection of strategic landscapes for OP8 represents a fundamental evolution in SGP Nepal's geographic focus, building systematically on the landscape approach successfully initiated during OP6-OP7 implementation. The three selected areas have been chosen through comprehensive multi-criteria GIS-based analysis combined with extensive stakeholder consultations to address specific, high-priority environmental and socio-economic challenges.

Selection Methodology:

- 1) Strategy consultations and landscape selection: Rigorous multi-criteria GIS-based analysis scoring and weighting factors including topography, land use, climate, ecology, biodiversity significance (Hotspots, Key Biodiversity Areas), areas of forest/land degradation, high poverty/low HDI, and presence of vulnerable groups and CSOs/CBOs. This technical analysis was combined with multi-stakeholder consultation workshops.
- 2) Landscape baseline assessment: Deep understanding developed through desk review and field assessments using participatory rural appraisal methods. The Socio Ecological Production Landscape and Seascape (SEPLS) Resilience Indicator Toolkit assessed ecological, social, economic, and governance dimensions with special attention to gender and vulnerable groups.
- 3) Strategy development and finalization: Draft strategy underwent rigorous stakeholder review and validation workshops to ensure broad ownership. Final strategy includes detailed implementation plans leveraging Nepal's federal structure and local institutions.

Resource allocation: Approximately 70% of OP8 grantmaking resources (GEF core, STAR allocation for the biodiversity focal area, and co-financing) will be focused on these three priority landscapes, with up to 30% allocated for other innovative projects outside the landscapes.

###### b) Selected Socio Economic Production landscapes (SEPL) for OP8

Three distinct SEP landscapes are selected based on strategic convergence of high-impact conservation potential, extreme climate vulnerability, and opportunities for deep social inclusion and poverty reduction:

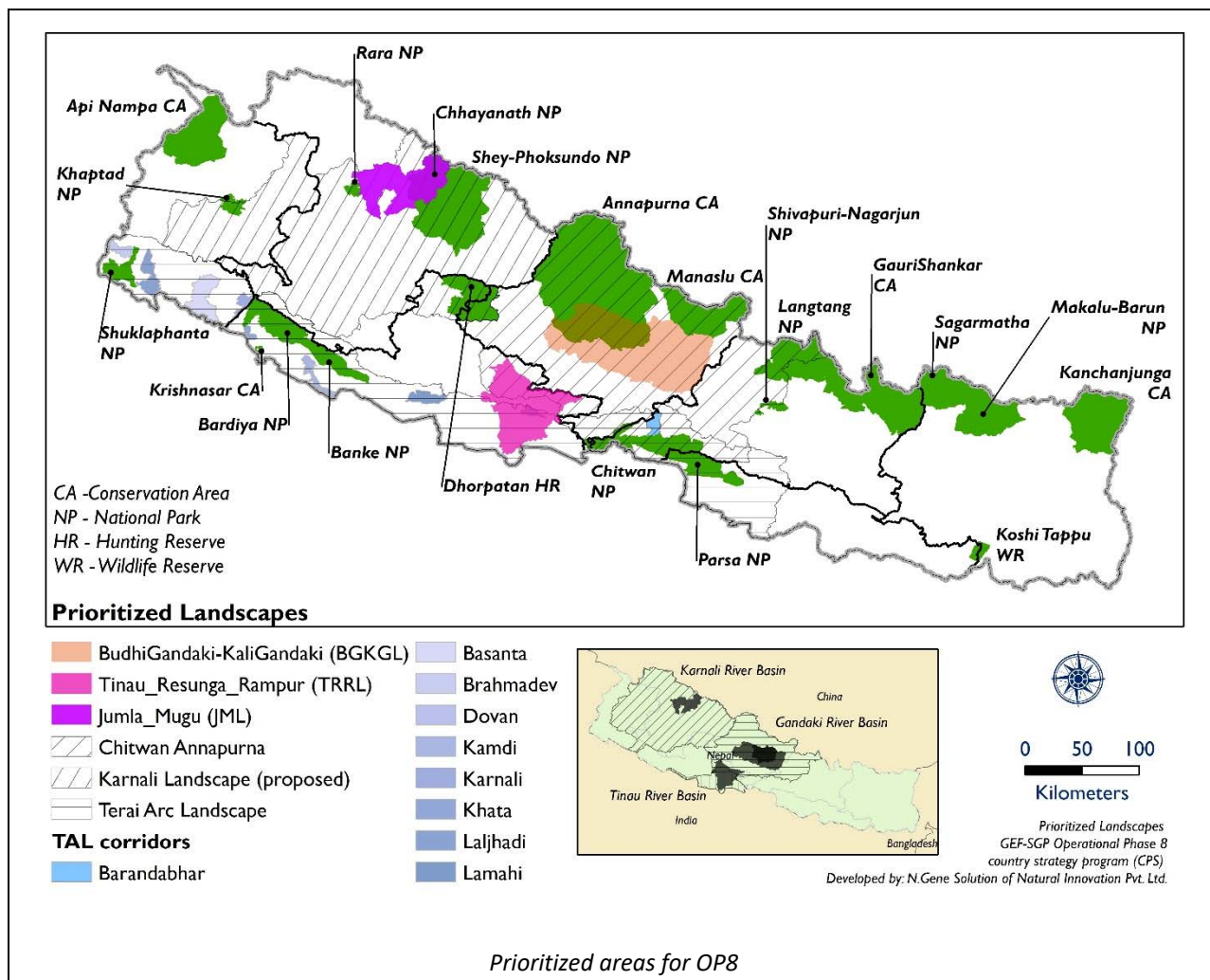
|             | <b>BudhiGandaki-KaliGandaki SEPL (BGKGL)</b>   | <b>Tinau-Resunga-Rampur SEPL (TRRL)</b>   | <b>Jumla-Mugu SEPL (JML)</b>  |
|-------------|--|---|---|
| Location    | Spans seven districts in Gandaki Province (Gorkha, Kaski, Lamjung, Myagdi, Parbat, Syangja, Tanahu), covering 30 R/Municipalities and 277 wards. (Annex 1) | Spans four districts in Lumbini Province (Palpa, Gulmi, Arghakhanchi, and Rupandehi), covering 35 R/Municipalities and 235 wards. (Annex 2) | Spans two districts in Karnali Province (Jumla and Mugu), covering three R/Municipalities and 25 wards. (Annex 3) |
| Coordinates | 28°21'N - 28°18'N, 83°33'E - 84°91'E   | 27°30'N - 28°00'N, 83°15'E - 83°45'E  | 29°00'N - 29°45'N, 81°45'E - 82°30'E  |
| Total area  | ~5,970 km <sup>2</sup>   | ~2,840 km <sup>2</sup>  | ~2,230 km <sup>2</sup>  |
| Typology    | A critical north-south ecological linkage connecting trans-Himalayan rain-shadow   | Urban-rural interface with wetlands and forest corridors; Western mid-hills to Tarai  | Alpine/high-altitude ecosystem; elevation 1,500-5,000m; critical headwater region of Karnali River                |



|                    |  |   |  |
|--------------------|--|---|--|
|                    | zones to subtropical lowlands; elevation 340 to above 4000m; encompasses 4 ecoregions and 7 forest types.  | interface; elevation 100-2,000m; spans three ecological zones (Mahabharat, Siwalik, Tarai); sal, riverine, mixed oak-rhododendron forests; TAL corridors are part of the landscape  | Basin (KRB); alpine meadows, dwarf rhododendron, glaciers providing critical ecosystem services; anchored by Chhayanath National Park (Rara)   |
| Indigenous peoples | Gurung (Tamu), Magar, Dura, Tamang, Newar, and river-dependent Bote/Majhi and Kumal communities.   | Magar, Tharu, Kumal (potters), Bote Majhi (fishers), Chudara (artisans), Dalit communities  | Kham (Mugu majority), Limi, Kami (blacksmiths), Dalit communities; extremely limited land rights formalization; traditional subsistence livelihoods under severe climate pressure  |
| Key biodiversity   | Critical ecological corridor linking ACAP and MCA, and a part of ACAP; Flora: 3,430+ species; 22 indigenous millet varieties and high-value NTFPs (Timur, Allo, and wide range of medicinal and aromatic plants). Fauna: Clouded Leopard, Snow Leopard, Red Panda, Indian Pangolin, and 9 species of vultures.           | Critical ecological corridor linking Chitwan and Banke National Parks; Ramsar-designated wetlands (Jagadishpur Lake, Satyabati Lake); Resunga Forest Reserve biodiversity hotspot; 200+ bird species including endangered Sarus Crane (VU), Giant Hornbill (VU - ~50 in Resunga), 6 vulture species (Egyptian: CR; White-rumped: CR; Slender-billed: CR); large mammals including Swamp Deer (VU) | Global biodiversity hotspot; Flora: Alpine medicinal herbs - yarsagumba ( <i>Ophiocordyceps sinensis</i> , high-value traded), jatamansi ( <i>Nardostachys grandiflora</i> , EN), kutki ( <i>Neopicrorhiza scrophulariiflora</i> , VU), morel ( <i>Morchella esculenta</i> ); Fauna: Snow Leopard (VU), Blue Sheep (VU), Musk Deer (EN), Tibetan Wild Ass (VU), Wild Yak (VU); Black Eagle (EN), Lammergeier/Bearded Vulture (VU)                                    |
| Conservation model | Revitalizing Customary Governance through the Tamu Nalsabha (territorial assemblies) and Thiti (customary rules), integrated into formal CFUG operational plans.   | Urban-rural integration: Corridor connectivity + Ramsar wetlands + secondary city greening; unique model addressing urbanization pressures alongside rural degradation  | Alpine headwater protection: Community-based conservation linked to climate-smart livelihoods; indigenous land rights formalization; climate adaptation frontline approach   |
| Primary challenge  | (1) Severe HWC particularly in agriculture sector;<br>(2) Declining agricultural production, e.g. orange<br>(2) 1,200 MW BGHEP displacement who are looking for alternative livelihood, e.g. short duration farming and quick return;<br>(3) High rate of out-migration; and<br>(4) Acute urban waste crisis in Pokhara. | (1) Rural degradation: Uncontrolled slash-and-burn, overgrazing, forest clearance, riverbank erosion, corridor fragmentation; (2) Urban pressures: Butwal rapid growth (5-7% annual), solid waste ~50 tons/day, chemical pollution, water extraction exceeding sustainable yield, wetland encroachment; (3) Ranked 6 <sup>th</sup> nationally for climate vulnerability                           | (1) Climate change: Glacier retreat, extreme precipitation variability, altitude temperature sensitivity; Ranked 5 <sup>th</sup> nationally for climate vulnerability (NAPA 2021); (2) Biodiversity threats: Unsustainable NTFPs harvesting, poaching (musk deer), habitat degradation, overgrazing; (3) Livelihood collapse: Traditional pastoralism unsustainable, agriculture increasingly unviable, 60%+ youth out-migration; Mugu has Nepal's lowest HDI (0.34) |
| SGP experience     | Building on OP6-OP7 foundations to transition from reactive compensation to proactive, community-led   | Past successful projects at Jagadishpur Lake (OP4-7); municipal government engagement; private sector   | (1) Convergence imperative: Extreme climate vulnerability + deep poverty + global alpine biodiversity = unique justification;  |



|                       |  |   |   |
|-----------------------|--|---|---|
|                       | "Innovation, Impact, and Inclusion" models.  | interest in green enterprises; reduces implementation risk  | (2) Headwater protection: Water security implications for 50M+ people (Nepal and India); (3) Equity principle: OP8 cannot ignore Nepal's least-developed regions  |
| OP8 Expected outcomes | SALT-Plus restoration implemented; waste diversion in Pokhara; 1 functional Nalsabhas; and income increase for 200 households via green enterprises. | 1,50 households in green livelihoods; 50 tons plastic waste diverted from landfill; Butwal municipal green building code adopted; one wetland area improved and restored; 50 youth employed in waste management/NTFP enterprises; ecological corridor connectivity assessment completed | 40 households with CSA adoption; 50+ jobs in medicinal plant enterprises; alpine pasture restored using SALT; 20 community members trained in snow leopard monitoring and community based conservation; Kham/Limi indigenous land rights formalization initiated; Solar energy access in 15+ mountain hamlets |





#### c) OP8 Strategic Initiatives in the landscapes

The following initiatives will be implemented across all three landscapes in an integrated, multi-focal approach to maximize synergies and achieve greater collective impact:

- *Community-based conservation of threatened ecosystems and species:* ICCA strengthening (BGKGL), corridor restoration (TRRL), alpine ecosystem protection (JML); threatened species programs for Pangolin, Snow Leopard, vultures, Sarus Crane.
- *Sustainable agriculture and food security:* Climate-Smart Agriculture in all landscapes; SALT technology for degraded land restoration; organic farming and agroforestry; NTFP value chains including medicinal herbs.
- *Low-carbon energy access:* Improved Cook Stoves and biogas (BGKGL, TRRL); solar energy systems for remote communities (JML); waste-to-energy pilots (TRRL).
- *Chemicals and waste management:* Innovative solid waste management in Butwal (TRRL); organic farming to reduce agricultural chemicals; circular economy approaches.
- *Catalyzing sustainable urban solutions:* "Green city" concepts in Butwal (TRRL); urban wetland restoration; municipal environmental governance strengthening.

#### **Grantmaking outside the priority landscapes**

Up to 30% of OP8 resources will be allocated for innovative projects outside the three priority landscapes. These resources will be utilized for:

- *Innovative pilot projects:* Testing new approaches that can later be scaled to priority landscapes, including new renewable energy technologies, innovative conservation financing mechanisms, and emerging community-based adaptation strategies.
- *Replication of proven models:* Scaling successful SGP approaches (SALT, vulture restaurants, ICS, etc.) to new geographic areas with high potential for impact.
- *Shaping National policies:* Strategic initiatives that support national environmental policy development and implementation, building on SGP's track record of policy influence.

Knowledge management and capacity building: Cross-landscape learning exchanges, documentation of best practices, and strengthening CSO networks nationally.

#### **4.2 CSO-government-private sector dialogue platforms**

SGP Nepal will establish and strengthen multi-stakeholder dialogue platforms at the federal, provincial, and local levels to promote community voices in environmental governance and policy development. Building on successful experiences from previous operational phases, these platforms will create bridges linking grassroots communities to policy-makers for sustainable policy influence.

Platform objectives:

- Promote the role of CSOs in environmental governance and sustainable development
- Facilitate uptake of good practices and community-based innovations into policy
- Enhance communications between communities, government, and private sector
- Support national implementation of international environmental commitments

Key policy processes for SGP engagement:

- NBSAP (2025-2030) and K-MGBF implementation: Facilitate CSO participation for understanding about Nepal's National Biodiversity Strategy and Action Plan aligned with the Kunming-Montreal Global Biodiversity Framework, particularly Target 3 (30x30) through community-conserved areas.



- NDC and NAP implementation: Facilitate CSO participation for understanding about Nepal's 3rd Nationally Determined Contributions (NDC 3) and National Adaptation Plan (NAP) priorities and support community-led actions in the areas of renewable energy access, sustainable land management, and climate adaptation contributing to NDC and NAP implementation
- Provincial environmental governance: Work with Gandaki, Lumbini, and Karnali provincial governments to integrate landscape-level conservation into provincial development planning.
- Local government partnerships: Sign MoUs with local governments for long-term sustainability of SGP interventions and mainstreaming successful models (nature based solution, ICCA governance, waste management).

Relevant networks and coalitions:

- Federation of Community Forestry Users Nepal (FECOFUN)
- Nepal Federation of Indigenous Nationalities (NEFIN)
- National Indigenous Women Forum (NIWF)

#### 4.3 Promoting social inclusion, including gender equality and women's empowerment

SGP Nepal's social inclusion strategy moves beyond "mainstreaming" to a "Deep Inclusion" approach that actively designs projects to empower vulnerable groups, secure their rights, and ensure meaningful participation in decision-making. The Country Programme has designated NSC focal points for gender, Indigenous Peoples, youth, and disability inclusion.

(a) Women's empowerment and gender equality:

Women in the selected landscapes face significant barriers including limited land ownership, restricted access to financial services, and underrepresentation in decision-making. SGP will:

- Support women's groups and cooperatives as primary grantees (target: 40% of projects women-led)
- Provide technical training in enterprise development, financial literacy, and leadership
- Recognize and integrate women's Traditional Ecological Knowledge in project design
- Address women's practical needs (ICS reducing drudgery, clean energy, nearby water sources)
- Promote women's participation in landscape governance platforms and NSC

(b) Indigenous Peoples and Local Community (IPLCs) empowerment:

The three landscapes are home to diverse IPLCs - Gurung, Magar, Tamang in BGKGL; Tharu, Kumal, Bote Majhi in TRRL; Kham, Limi in JML. SGP will:

- Ensure meaningful engagement and Free, Prior and Informed Consent (FPIC) for all projects affecting IPLCs
- Build capacity of Indigenous Peoples' organizations to access and manage grants
- Document and integrate Traditional Ecological Knowledge in conservation approaches
- Support advocacy for indigenous land rights formalization, particularly in JML
- Strengthen ICCAs as mechanisms for IP-led conservation governance

(c) Youth empowerment:

Youth out-migration is a critical challenge in all landscapes (60%+ in JML). SGP will:

- Develop skills training programs in green enterprises, eco-tourism, and renewable energy
- Support youth-led environmental organizations and innovation initiatives
- Create employment opportunities through landscape-based enterprises



- Engage youth in conservation monitoring and citizen science programs

(d) Disability inclusion:

- Conduct accessibility assessments for all project activities
- Develop targeted interventions addressing needs of Persons with Disabilities
- Partner with National Federation of Disabled Nepal and disability rights organizations
- Ensure PWD representation in community decision-making processes

#### 4.4 Knowledge Management

SGP Nepal's knowledge management strategy aims to capture lessons learned, facilitate replication of successes, and inform policy at local, national, and international levels. Building on 25+ years of implementation experience, the Country Programme has a strong track record of developing replicable models that have been scaled nationally and shared through South-South cooperation.

Knowledge generation:

- All grantees will document best practices and lessons learned using standardized templates
- Participatory monitoring will engage communities in defining and tracking results
- Traditional Ecological Knowledge documentation integrated into all landscape projects
- Independent evaluations and case studies for flagship initiatives

Knowledge products:

- Case studies and technical briefs on successful models
- Video documentation and photo essays for storytelling
- Peer-reviewed publications in partnership with academic institutions
- Policy briefs for government and development partners

Knowledge dissemination:

- Knowledge fairs bringing together grantees, government, and partners
- Demonstration site visits for peer-to-peer learning
- Cross-landscape exchanges within Nepal
- Digital platforms and social media for wider reach
- Contributions to SGP Global Knowledge Platform

#### 5. COMMUNICATION PLAN

The communication strategy aims to promote understanding of global environmental issues, foster partnerships, raise awareness, and mobilize resources. Key messages will align with SGP's global communication strategy emphasizing the "3i" framework. Target audiences include CSOs/CBOs, local communities, government agencies, donors, private sector, and media. Activities include storytelling and visual media (success story videos, photo essays), website and social media engagement, stakeholder events and knowledge fairs, reports and publications, and newsletters. The plan will articulate SGP's contribution to national priorities, GEF programming, and UNDP strategies.



## 6. RESOURCE MOBILIZATION AND PARTNERSHIP PLAN

The SGP's primary sustainability strategy focuses on developing and strengthening strategic partnerships with local government, international agencies, and the private sector to attract non-GEF resources and ensure continuity.

### a) Secured and planned cash and in-kind co-financing

SGP Nepal has a strong track record of mobilizing co-financing, having leveraged USD 10.047 million across OP1-OP7, demonstrating sustained national commitment and community ownership. For OP8, the programme will build on established partnerships to secure both cash and in-kind contributions at project, landscape, and country levels.

*Project-level co-financing:* All grantees will be required to mobilize cash and in-kind contributions. Community contributions include labour, local materials, land, and traditional knowledge. Local government matching funds and technical support from partner organizations will be actively pursued.

*Landscape-level co-financing:* Strategic partnerships within the three priority landscapes will leverage resources from provincial governments (Gandaki, Lumbini, Karnali), municipal governments, and ongoing programmes including UNDP's Provincial and Local Governance Strengthening Programme (PLGSP), ICIMOD's landscape initiatives, and WWF Nepal conservation programmes.

*Country-level co-financing:* Secured partnerships include UNDP Country Office for technical support, government in-kind contributions through National Steering Committee participation and policy support, and collaboration with ongoing GEF projects including the UNDP-GEF Snow Leopard and Ecosystem Conservation Project.

### b) Co-financing opportunities

**GEF and non-GEF resources:** SGP will actively seek co-financing from multilateral and bilateral donors including GIZ (renewable energy and climate programmes), JICA (rural development initiatives), Swiss Development Cooperation (governance and natural resource management), World Bank (climate resilience and forest programmes), and Asian Development Bank (urban development and climate adaptation). Foundation partnerships will be explored with organizations supporting community-based conservation and indigenous rights.

**Cost recovery for non-grant costs:** The programme will also pursue UNDP resources for Country Programme coordination, office space and administrative support, seek government contributions for NSC operations and policy engagement activities, and explore bilateral donor support for capacity building and knowledge management activities that complement grant-making.

**Delivery mechanism opportunities:** SGP will position itself as an effective delivery mechanism for UNDP Country Programme Output 3 (environmental management and climate resilience), GEF-8 Integrated Programmes requiring community-level implementation, national programmes including the 16<sup>th</sup> Five Year Plan initiatives and provincial environmental programmes, and global co-financing partnerships including the Global ICCA Support Initiative (GSI) Phase 2 funded by German BMUV IKI, targeting ICCA strengthening in Madi-Marsyangdi within BudhiGandaki-KaliGandaki SEP Landscape.

**Private sector funding opportunities:** The programme will facilitate private sector engagement through corporate social responsibility programmes focused on environmental sustainability, impact investment in



successful sustainable enterprises developed through SGP support (NTFP value chains, eco-tourism, renewable energy), supply chain sustainability initiatives linking producers with ethical buyers, and innovative financing mechanisms with private sector participation. Specific opportunities include eco-tourism operators in BudhiGandaki-KaliGandaki, waste management enterprises in Butwal (Rupandehi), and medicinal plant value chains in Jumla-Mugu. The programme will provide technical assistance to help enterprises obtain the certifications and standards required for market access, while ensuring equitable benefit-sharing with communities.

## 7. PARTNERSHIP OPPORTUNITIES

The SGP country team, NSC, and Technical Advisory Groups (TAGs) will leverage their networks to assist communities and CSOs in developing proposals for other donors and funding facilities. Concrete activities include: providing technical assistance for proposal development, facilitating connections with municipal and provincial government programs, supporting access to private sector partnerships and impact investment, and building capacity for innovative financing mechanisms including carbon markets.

## 8. RISK MANAGEMENT PLAN

The implementation of the OP8 Country Programme Strategy faces several key risks identified through SGP Nepal's 25+ years of experience, comprehensive landscape assessments, and alignment with emerging national conservation frameworks including Other Effective Area-Based Conservation Measures (OECMs). These risks are organized into four categories: (1) social and environmental risks, including weak CSO capacities in new areas and deep-seated social inequalities; (2) climate risks, particularly in the Jumla-Mugu SEPL ranked 5<sup>th</sup> nationally for climate vulnerability; (3) operational risks, including administrative complexities, funding sustainability challenges, and access constraints in remote areas; and (4) policy and institutional risks arising from the nascent OECM recognition process and fragmented sectoral policies. All identified risks are framed around the three "I"s—Impact, Inclusion, and Innovation—and will be tracked through annual CPS reviews aligned with AMR preparation. During these reviews, the degree and probability of risks will be reassessed, mitigation measures adjusted, and new risks added or resolved risks removed as needed. The National Steering Committee will maintain oversight, with high-risk areas monitored through decentralized local partners and in coordination with the national OECM steering process.

Social and Environmental Safeguards: UNDP SESP Implementation

In line with the OP8 Environmental and Social Management Framework (ESMF), SGP Nepal will implement UNDP's Social and Environmental Standards (SES) through its Social and Environmental Screening Procedure (SESP) at both the country programme and individual project levels. At the country level, the CPS has been screened against UNDP's eight SES Standards: (1) Biodiversity Conservation and Sustainable Natural Resource Management; (2) Climate Change and Disaster Risks; (3) Community Health, Safety and Security; (4) Cultural Heritage; (5) Displacement and Resettlement; (6) Indigenous Peoples; (7) Labour and Working Conditions; and (8) Pollution Prevention and Resource Efficiency.

Table 3. Description of risks identified in OP8



| Describe identified risk  | Degree of risk (low, medium, high) | Probability of risk (low, medium, high) | Risk mitigation measure foreseen  |
|---|------------------------------------|---|---|
| <p>Civil Society Organizations (CSOs) and Indigenous Peoples (IP) groups may lack technical, managerial, or financial capacity to implement interventions in new and complex social and environmental contexts—including areas identified as potential OECMs such as community forests, ICCAs, and wetlands within the selected landscapes—which could slow down delivery, reduce quality, or limit sustainability.</p> | <p>Medium</p>                      | <p>Medium</p>                           | <p>Prioritize upfront capacity building through training, mentorship, and institutional strengthening for local CSOs and IP organizations in new landscapes. Build capacity for OECM site assessment, governance documentation, and FPIC-based community engagement aligned with Nepal’s national OECM guideline.</p>                               |
| <p>Shifting political priorities, bureaucratic delays, and inadequate coordination among federal, provincial, and local agencies can obstruct project implementation and delay OECM acknowledgement processes.</p>  | <p>Medium</p>                      | <p>Medium</p>                           | <p>Integrate robust risk management framework, adaptive programming, build strong relationships with local authorities, and ensure continuous stakeholder engagement. Align with the national OECM steering committee process and leverage existing multi-stakeholder platforms at provincial and local government levels.</p>                      |
| <p>Structural inequalities (gender, caste, ethnicity, disability) can marginalize vulnerable groups, limiting their participation and benefits, and undermining inclusivity and long-term impact of conservation initiatives including OECM governance.</p>   | <p>High</p>                        | <p>Medium</p>                           | <p>Apply Deep Inclusion approach ensuring participatory design empowering women, Indigenous Peoples, and Persons with Disabilities (PWDs). Ensure at least 33% women’s representation in conservation committees, FPIC-based engagement of indigenous communities, and accessible participation pathways for PWDs in OECM governance processes.</p> |
| <p>Relying too much on donor funding may disrupt projects and weaken sustainability. Short SGP project cycles make it difficult to achieve lasting impact in complex landscape-level and OECM-related interventions.</p>  | <p>Medium</p>                      | <p>High</p>                             | <p>Strengthen Grantmaker role to mobilize resources from diversified funding sources including bilateral OECM-related financing. Leverage OECM recognition to access global conservation finance mechanisms and develop sustainable community-based financing models.</p>   |
| <p>Rising temperatures, erratic rainfall, floods, and droughts directly threaten project outcomes, especially in agriculture, forestry, and water management. Alpine ecosystems in JML and critical watersheds identified as potential OECMs (e.g., Sinja Valley, Thakurjyu Patan) are particularly vulnerable.</p>   | <p>High</p>                        | <p>High</p>                             | <p>Mainstream climate adaptation into all projects, prioritize climate-resilient approaches like livelihood diversification, and ecosystem-based adaptation strategies. Leverage OECM-designated watersheds and high-value forest areas as nature-based solutions for climate resilience.</p>   |



|   |               |               |  |
|---|---------------|---------------|--|
| <p>Bad roads and weak connectivity make it hard to monitor, deliver services, and involve people in remote areas, particularly in the Jumla-Mugu SEPL and high-altitude OECM sites.</p>   | <p>Medium</p> | <p>High</p>   | <p>Leverage local networks and community-based organizations. Use digital tools and local partners for monitoring and communication. Engage community forest user groups and indigenous conservation committees as decentralized monitoring nodes for both SGP projects and OECM site assessments.</p>   |
| <p>OECM policy and governance gaps</p> <p>Nepal’s OECM framework is nascent, with fragmented sectoral policies (forestry, wetland, rangeland) and inadequate coordination across federal, provincial, and local levels. Indicative OECM sites within the OP8 landscapes—such as Panchase FCA, ACAP-Dordi-MCAP cluster (BGKGL); Resunga Forest Area, Madane FCA, Khaireni Forest Rampur, Thaple Satyabati FCA (TRRL); and Sinja Valley, Thakurjyu Patan (JML)—lack formal acknowledgement status, and consent processes with indigenous peoples and local communities remain incomplete.</p> | <p>Medium</p> | <p>Medium</p> | <p>Advocate for explicit OECM provisions across forestry, wetland, and rangeland policies. Support the establishment of a national OECM steering committee and expert panel. Pilot FPIC-based OECM site assessments in at least 3 indicative sites within OP8 landscapes, documenting governance models and indigenous stewardship. Facilitate CSO participation in Nepal’s OECM acknowledgement process through multi-stakeholder dialogue platforms.</p>   |
| <p>Inadequate integration of the three “I”s (Integration, Inclusion, Innovation)</p> <p>The OP8 programme risks siloed implementation if integration across biodiversity conservation, climate adaptation, and livelihood improvement is not systematically pursued. Achieving meaningful inclusion of women, Indigenous Peoples, youth, and PWDs requires proactive design. Innovation in conservation financing, OECM governance, and digital monitoring demands enabling institutional conditions that may be weak in new intervention areas.</p>  | <p>Medium</p> | <p>Medium</p> | <p>Embed the three “I”s as cross-cutting design criteria in all grant calls and project appraisals. Require integrated landscape plans linking biodiversity outcomes (including OECM contributions to 30x30 targets) with climate resilience and livelihood targets. Establish innovation grants for testing new approaches (e.g., community-based OECM monitoring, digital TEK documentation). Track inclusion indicators through disaggregated M&amp;E data at project and portfolio levels.</p> |

## 9. MONITORING AND EVALUATION PLAN

The OP8 Monitoring and Evaluation (M&E) Plan has been developed in accordance with the SGP M&E Country Programme Guidelines (2019) and reflects the programme's commitment to evidence-based management, participatory monitoring, and systematic documentation of results. The M&E framework operates at three interconnected levels: project level (tracking individual grantee progress), country level (aggregating and analyzing portfolio-wide results), and global level (contributing to SGP worldwide reporting and GEF-8 indicators).

Key M&E Principles:



- *Synergizing with indicators:* SGP projects select from the Project Roster of Indicators guided by SGP Country Programme M&E guidelines. At project conclusion, these indicators are reported in SGP project mid-term and final progress reports, ensuring alignment with GEF-8 Core Indicators.
- *M&E budget:* Each project invests 4-6% of the total grant amount on project-level M&E. These funds support progress report submissions, monitoring of GEF-8 indicators, and project evaluations where included in grantee M&E plans.
- *Impact reviews:* An Impact Review will be conducted during OP8 for evidence-based knowledge production covering the entire operational phase, including specific results on social inclusion, broader adoption (scaling up, replication, mainstreaming, and policy influence), and delivery mechanisms.

## 9.1 Monitoring approaches at project and country levels

### ***Project level monitoring***

Progress at project level will be tracked through a comprehensive monitoring system that ensures accountability, facilitates learning, and generates credible data for aggregation at the country programme level. Each grantee will develop a project-specific M&E plan during the project design phase, identifying indicators, baselines, targets, and data collection methods aligned with the SGP Project Roster of Indicators and GEF-8 Core Indicators.

#### *Project monitoring components:*

- **Baseline information:** All projects will establish baselines for key indicators during the inception phase, including quantitative environmental indicators (hectares, species counts, emissions), socio-economic indicators (beneficiaries, income changes), and gender-disaggregated participation data.
- **Progress reports:** Grantees will submit mid-term and final progress reports using standardized SGP formats, documenting achievements against indicators, challenges encountered, lessons learned, and financial utilization.
- **Field monitoring visits:** Each project will receive at least one monitoring visit during its lifecycle, with frequency adjusted based on project complexity, risk level, and geographic accessibility. For the three priority landscapes, cluster-based monitoring visits will be organized to maximize efficiency and facilitate cross-project learning.
- **Financial monitoring:** Regular financial reporting and spot-checks will ensure compliance with SGP financial management requirements and verify appropriate utilization of grant funds.

### ***Country programme level monitoring***

Results from individual projects will be aggregated and analyzed at the Country Programme portfolio level to assess overall progress toward CPS objectives, identify patterns and trends, and inform adaptive management decisions. The Country Programme Coordination Office will maintain systematic oversight of the portfolio through regular data compilation, analysis, and reporting.

#### *Data quality assurance:*

- Standardized data collection templates and reporting formats across all projects
- Verification of reported data through field monitoring visits and documentation review
- Cross-checking of quantitative data with qualitative assessments and stakeholder feedback
- Regular data cleaning and validation before entry into SGP database

#### *SGP database management:*

All project and Country Programme data will be systematically recorded in the SGP global database as an ongoing undertaking. The National Coordinator and Programme Assistant will ensure timely data entry, quality assurance,



and completion of all required fields prior to the annual monitoring cycle (May-June each year). This includes project details, financial information, indicator data, and results documentation.

### ***Strengthening M&E capacities of SGP grantees***

Building M&E capacity of grantees is critical to ensure participatory, representative, and credible data. The SGP country team will implement a comprehensive capacity building approach:

- **M&E inception workshop:** At the start of OP8, the SGP country team will organize an M&E inception workshop convening all grantees to build capacities on the new M&E strategy, introduce reporting requirements, and establish common understanding of indicators and data collection methods.
- **Technical assistance:** Ongoing technical support will be provided to grantees for M&E plan development, indicator selection, data collection methodology, and report preparation.
- **Peer learning:** Cross-project learning sessions will enable grantees to share M&E experiences, challenges, and solutions, fostering a community of practice around results monitoring.
- **Joint monitoring partnerships:** To enhance cost-effectiveness and learning, the SGP will explore joint monitoring partnerships with other grant-makers, foundations, academic institutions (e.g. Lumbini Buddhist University), and ICIMOD for shared monitoring activities.

### ***Monitoring visit frequency and approach:***

Monitoring visits will be organized on a cluster basis within each landscape to maximize efficiency:

- **Budhi Gandaki-Kali Gandaki SEP Landscape (BGKGL):** Quarterly cluster visits given accessibility and existing SGP presence
- **Tinau-Resunga-Rampur SEP Landscape (TRRL):** Quarterly cluster visits leveraging municipal government partnerships
- **Jumla-Mugu SEP Landscape (JML):** Semi-annual visits (pre-monsoon and post-monsoon) due to accessibility constraints; supplemented by decentralized monitoring through local partners
- **Projects outside landscapes:** At least one visit during project lifecycle, with additional visits based on project needs and risk assessment

A third-party monitoring agency may be engaged for projects in remote areas where direct SGP team access is limited, in consultation with CPMT guidance. This is particularly relevant for the Jumla-Mugu Landscape where access challenges require innovative monitoring approaches.

### ***Participatory monitoring and ethical guidelines***

Participatory monitoring is a fundamental characteristic of SGP M&E, ensuring community ownership of results and accountability to local stakeholders. All monitoring activities will adhere to ethical guidelines including:

- **Do no harm approach:** All monitoring activities will be designed and implemented to avoid negative impacts on communities, ecosystems, and vulnerable groups.
- **Free, Prior and Informed Consent (FPIC):** Monitoring in Indigenous Peoples' communities will follow FPIC principles, with clear communication about purposes, methods, and use of information collected.
- **Cultural sensitivity:** Due regard will be given to the welfare, beliefs, and customs of communities involved, acknowledging cultural influences within and across groups (particularly relevant for Gurung, Magar, Tharu, and Kham communities in the three landscapes).
- **Conflict of interest:** Any potential conflicts of interest will be disclosed and managed transparently.

### ***Community Participation in Monitoring:***



- Defining results: Local stakeholders, including women, Indigenous Peoples, youth, and persons with disabilities, will participate in defining project results during the design phase through participatory planning workshops.
- Community-owned monitoring: Each project will establish community monitoring committees that meet quarterly to review progress, validate data, and identify emerging issues. These committees will include representation from vulnerable groups.
- Progress reporting: Project progress will be reported back to communities through village-level meetings (at least annually), ensuring transparency and accountability to local stakeholders.
- Citizen science: Where appropriate, community members will be trained and engaged in data collection for biodiversity monitoring (e.g., snow leopard monitoring in JML, bird counts in TRRL, pangolin surveys in BGKGL).

Table 4. M&E Plan at the Country Programme level

| M&E Activity                                | Purpose   | Responsible Parties   | Budget Source  | Timing   |
|---|---|---|--|--|
| Country Programme Strategy Elaboration      | Framework for action including identification of community projects in priority landscapes  | NC, NSC, country stakeholders, grantees   | SGP planning grant to engage consultants for OP8 CPS update      | At start of OP8  |
| Annual CPS Review (as part of NSC meetings) | Assess effectiveness of projects and country portfolio; learning; adaptive management. Ensure CPS is on track and make evidence-based modifications as needed.                        | NC, NSC, UNDP Country Office. Final deliberations shared with CPMT.                     | Staff time, Country Operating Budget                             | At least once per year (May-July, aligned with AMR)              |
| Annual Monitoring Report (AMR) Survey       | Enable efficient reporting to CPMT and GEF. Primary tool to record and analytically present results to donors.  | NC/PA in close collaboration with NSC. CPMT provides guidance and receives submissions. | Staff time   | Once per year (June-July)  |
| Country Portfolio Review / Impact Review    | Methodological results capture of impact and broader adoption (scaling up, replication, mainstreaming, policy influence). Support reporting, learning, and strategic CPS development. | NC, NSC   | SGP planning grant for consultants; Global M&E technical support | Once per operational phase (Year 3-4 of OP8)                     |
| SGP Database Management                     | Ensure recording of all project and Country Programme inputs in SGP database for global reporting and analysis.   | NC, PA  | Staff time   | Throughout OP8; quality assurance before annual cycle (May-June) |
| Audit                                       | Ensure compliance with project implementation/management standards and norms.   | External/independent auditors. NC/PA provide support.                                   | Global Operating Budget  | Annually for selected countries on risk-assessment basis         |



## 9.2 CPS Results Framework

The CPS Results Framework defines indicators and targets aligned with SGP OP8 global indicators while incorporating country-specific measures based on landscape baseline assessments. The framework tracks contributions across GEF-8 Core Indicators and national development priorities.

Table 5: Results Framework of SGP OP8 Country Programme Strategy

| <p><b>Alignment with SDGs</b><br/> SDG 1: No Poverty - Sustainable livelihoods through conservation enterprises<br/> SDG 2: Zero Hunger - Climate-smart agriculture and food security<br/> SDG 5: Gender Equality - Women's empowerment and leadership<br/> SDG 7: Affordable and Clean Energy - Renewable energy access<br/> SDG 12: Responsible Consumption - Waste management, circular economy<br/> SDG 13: Climate Action - Adaptation and mitigation<br/> SDG 14: Life below water- wetland biodiversity<br/> SDG 15: Life on Land - Biodiversity conservation, land restoration<br/> SDG 17: Partnerships - Multi-stakeholder collaboration</p> |   |   |
|--|---|---|
| <p><b>Synergy with UNDP Country Programme Document (CPD):</b><br/> Output 3: Strengthened environmental management, sustainable recovery, and resilience to climate change and natural disasters</p>   |   |   |
| <p><b>OP8 SGP Programme Goal:</b> Engage local CSOs/CBOs in landscape-seascape approaches across the world, providing them access to knowledge and information, capacitating them through learning-by-doing, skills development, and delivering technical and grant assistance for interventions that enhance wellbeing and socioeconomic conditions and generate global environmental benefits.</p>   |   |   |
| OP8 SGP CPS Strategic Initiatives  | CPS Indicators and Targets  | Means of Verification   |
| <p>Strategic Initiative 1:<br/> Community-based conservation of threatened ecosystems and species<br/> Focus: ICCA strengthening, HWC mitigation, threatened species protection</p>  | <ul style="list-style-type: none"> <li>• 100 hectares of landscapes under improved practices (GEF CI 4.1, 4.3)</li> <li>• 2 threatened species with maintained/improved conservation status (Pangolin, Sarus Crane, vultures species, Musk Deer)</li> <li>• 20% reduction in HWC incidents in project area</li> </ul>           | <ul style="list-style-type: none"> <li>• Project mid-term and final reports</li> <li>• Baseline assessment comparison</li> <li>• AMR, SGP global database</li> <li>• Species monitoring data</li> <li>• Country Programme Review</li> </ul> |
| <p>Strategic Initiative 2:<br/> Sustainable agriculture and fisheries, and food security<br/> Focus: CSA, SALT, agroforestry, NTFP value chains</p>  | <ul style="list-style-type: none"> <li>• 100 hectares of land under restoration (GEF CI 3.1)</li> <li>• 500 households adopting CSA practices (JML)</li> <li>• 5 ha alpine pasture restored using SALT (JML)</li> <li>• 5 partnerships advancing sustainable agriculture</li> <li>• 2 NTFP value chains strengthened</li> </ul> | <ul style="list-style-type: none"> <li>• Project reports</li> <li>• AMR, SGP database</li> <li>• SEPLS resilience indicators</li> <li>• Country Programme Review</li> </ul>   |
| <p>Strategic Initiative 3:<br/> Low-carbon energy access co-benefits<br/> Focus: ICS, biogas, solar, NDC contribution</p>  | <ul style="list-style-type: none"> <li>• 100 tons CO<sub>2</sub> emissions mitigated/avoided (GEF CI 6)</li> <li>• 5 kW increase in renewable energy capacity</li> <li>• 200 households with improved clean energy access</li> <li>• 500 ICS installed across landscapes</li> </ul>   | <ul style="list-style-type: none"> <li>• Project reports with CO<sub>2</sub> calculations</li> <li>• AMR, SGP database</li> <li>• Energy access surveys</li> <li>• Country Programme Review</li> </ul>                                      |



|   |  |   |
|---|--|---|
| <p>Strategic Initiative 4:<br/>Local to global coalitions for chemicals and waste management<br/>Focus: Waste management, organic farming, circular economy</p> | <ul style="list-style-type: none"> <li>• Significant amount of plastic waste diverted from landfill (TRRL)</li> <li>• 25 hectares under organic farming (reduced chemical use)</li> <li>• 1 circular economy models piloted</li> </ul>   | <ul style="list-style-type: none"> <li>• Project reports</li> <li>• Municipal waste data</li> <li>• AMR, SGP database</li> <li>• Country Programme Review</li> </ul>                              |
| <p>Strategic Initiative 5:<br/>Catalyzing sustainable urban solutions<br/>Focus: Green city concepts, urban wetlands, municipal governance</p>                  | <ul style="list-style-type: none"> <li>• 1 community-based sustainable urban solutions demonstrated (TRRL)</li> <li>• 10 hectares of wetland restored</li> <li>• 25 youth employed in urban green enterprises</li> </ul>   | <ul style="list-style-type: none"> <li>• Project reports</li> <li>• Municipal records</li> <li>• AMR, SGP database</li> <li>• Country Programme Review</li> </ul>                                 |
| <p>Strategic Initiative 6:<br/>CSO-Government-Private Sector Policy and Planning Dialogue Platforms</p>   | <ul style="list-style-type: none"> <li>• 1 CSO-government-private sector dialogues formed/strengthened</li> <li>• 1 policy changes associated with community participation</li> <li>• 100 representatives from social inclusion groups in dialogue platforms</li> </ul>                                  | <ul style="list-style-type: none"> <li>• Project reports</li> <li>• Meeting records</li> <li>• AMR, SGP database</li> <li>• Country Programme Review</li> </ul>                                   |
| <p>Strategic Initiative 7<br/>(Mandatory):<br/>Enhancing social inclusion<br/>Focus: Gender equality, IP empowerment, youth, PWDs</p>                           | <ul style="list-style-type: none"> <li>• 3,000 people benefitting (50% women) (GEF CI 11)</li> <li>• 10-20% of projects women-led/focused</li> <li>• 8 projects with IP engagement models</li> <li>• 2 youth-led/youth-focused projects</li> <li>• 30% of grant funding to women/women groups</li> </ul> | <ul style="list-style-type: none"> <li>• Sex-disaggregated project data</li> <li>• Grant portfolio analysis</li> <li>• AMR, SGP database</li> <li>• Country Programme Review</li> </ul>           |
| <p>Strategic Initiative 8<br/>(Mandatory):<br/>Monitoring &amp; Evaluation and Knowledge Management</p>   | <ul style="list-style-type: none"> <li>• 100% of projects with community M&amp;E meetings</li> <li>• 2 knowledge exchange events with community participation</li> <li>• SGP Nepal knowledge repository updated</li> <li>• 1 South-South exchanges (national/international)</li> </ul>                   | <ul style="list-style-type: none"> <li>• Project reports</li> <li>• Event documentation</li> <li>• Knowledge products</li> <li>• AMR, SGP database</li> <li>• Country Programme Review</li> </ul> |



## ANNEXES

### Annex A

**A1** : The Baseline Assessment for BudhiGandaki-KaliGandaki Socio Ecological Production Landscape

**A2**: The Baseline Assessment for Tinau-Resunga-Rampur Socio Ecological Production Landscape

**A3**: The Baseline Assessment for Jumla-Mugu Socio Ecological Production Landscape

**Annex B**: Strategy for Indigenous and Community Conservation Area (ICCA) Global Support Initiative

**Annex B 1**: The Baseline Assessment for the Madi-Marsyangdi sub Landscape (MMSL) for ICCA GSI Phase 2

**Annex C**: Landscape coverage by district and Municipality