

# Government of Nepal



Ref. No.



Date: 29/11/2019

United Nations Forum on Forests Secretariat  
UN Department of Economic and Social Affairs  
New York

Subject: Submission of Voluntary National Report to UNFF

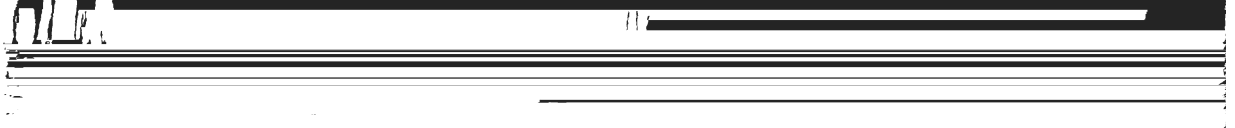
Dear sir/madam,

I am pleased to communicate to you that Ministry of Forests and Environment of Nepal as a country Focal Institution to UNFF has prepared the National Report to UNFF in line with UN Strategic Plan for Forests 2030, the United Nations Forest Instrument and other guidance provided by UNFF Secretariat. The Ministry on November 29, 2019 has decided to submit it to UNFF.

The report is attached herewith.

Any comments and feedback to the Report will be highly appreciated.

Sindhu Prasad Dhungana, B.Ed.



<b>Country</b>	
<b>Date of submission</b>	

**Format for reporting on progress towards the implementation of the United Nations strategic plan for forests 2017–2030, the United Nations forest instrument and voluntary national contributions<sup>1</sup>**



## **Global forest goal 1 and associated targets<sup>2</sup>**

**Reverse the loss of forest cover worldwide through sustainable forest management, including protection, restoration, afforestation and reforestation, and increase efforts to prevent forest degradation and contribute to the global effort of addressing climate change**

*Associated targets*

3

National REDD+ strategy emphasizes on reducing deforestation and forest degradation through sustainable management of forests in Nepal ensuring Ecological, Social and Gender Safeguards.

***List of actions:***

Ministry of Forests and Environment and its departments were restructured in 2018 in line with the new Constitutional mandates.

Ministry of Industry, Tourism, Forests and Environment was established in each Province

***List of actions:***

Allocation of Government (Government of Nepal and Provincial Governments) budget for forestry sector

Provision of conditional grant from the Central Government to Provincial and Local Governments

Forest Research and Training Centre in Collaboration with FAO has been implementing a research project entitled '**building capacities to improve and sustain forest health to enhance the resilience of forest and livelihood of forest dependent community**'.

Nepal prepared and submitted its first National Forest Reference Level to UNFCCC in 2017 and the revised final one in 2018.

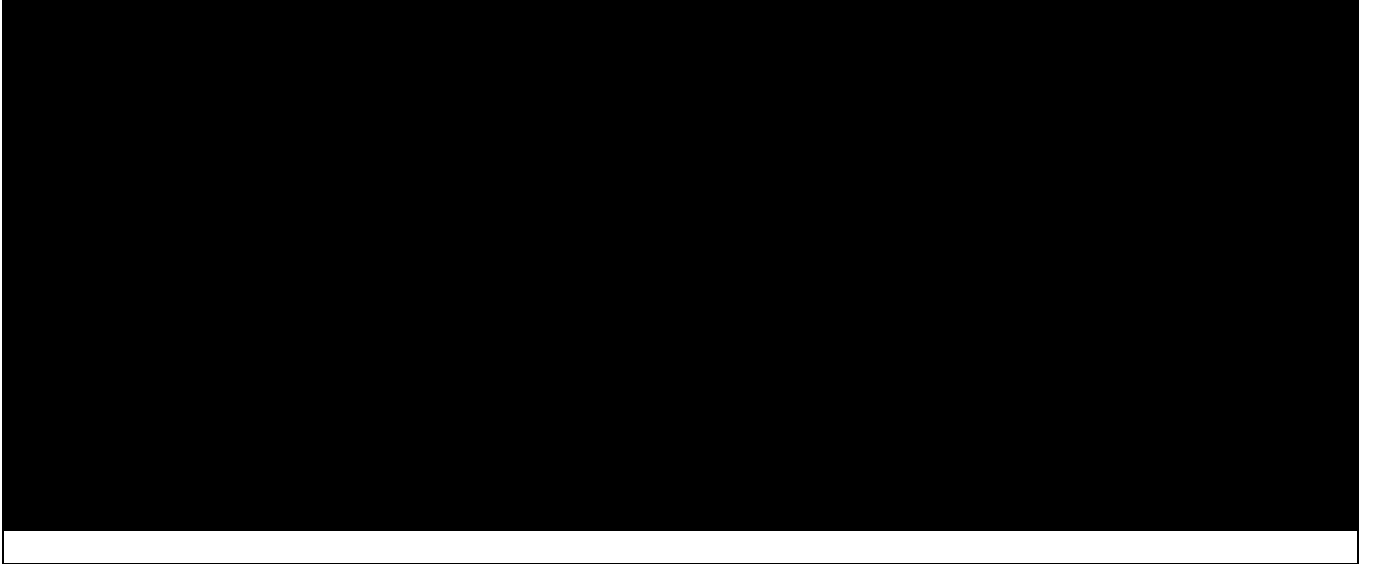
Existing legal, policy and strategic provisions, institutional reforms and financial and technical actions at all levels have long implications on forestry sector. These measures aim at reducing the deforestation and/or forest degradation and supporting for afforestation and/or reforestation activities which support the implementation of UN forest instrument in Nepal.

Coping with negative impacts of climate change on forest ecosystems and biodiversity is a challenge  
Forest degradation due to forest fire, overgrazing and invasive species are other challenges.  
Use of forest land for construction of infrastructures is also a challenge to conserving forests

**Enhance forest-based economic, social and environmental benefits, including by improving the livelihoods of forest-dependent people**

*Associated targets*





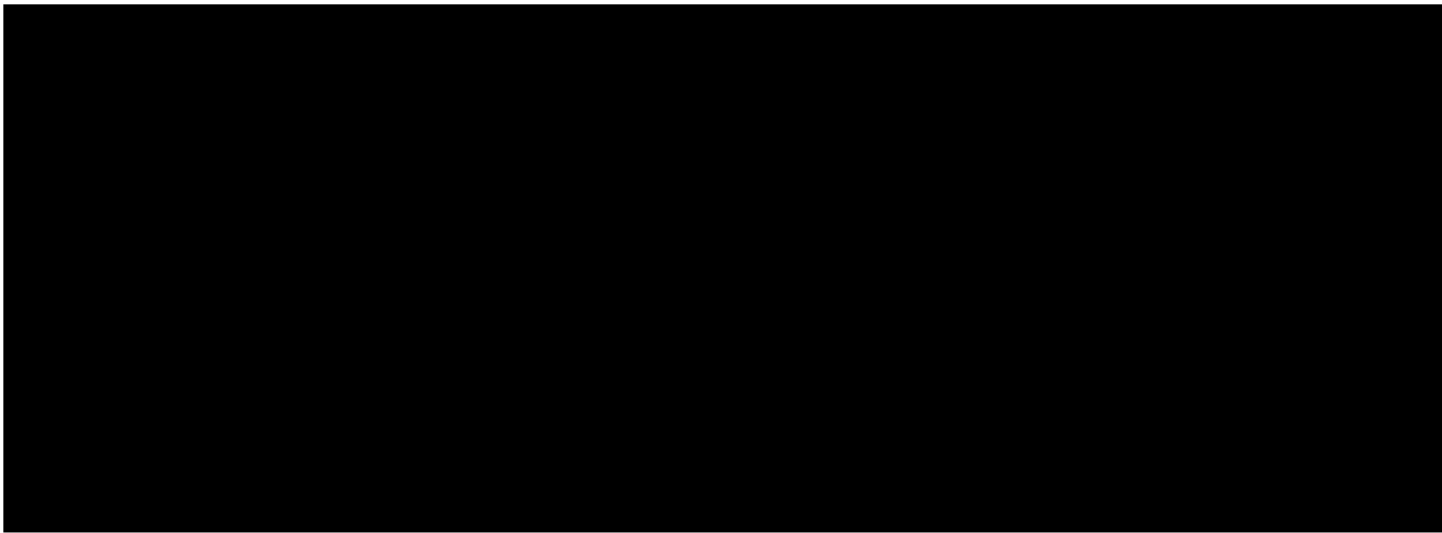
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*List of actions:*

- Restructuring of the Government’s Forestry Institutions (Ministry and Departments)*
- Set up the Provincial Forestry Institutions (Ministry and Forestry Directorate)*
- Upscaling of Herbs Productions and Processing Company Limited (HPPCL)*
- Strengthened forestry related CSOs and networks (FECOFUN, ACOFUN, Community Forestry Coordination Committee) and organizations of private entrepreneurs (e.g. FENFIT, JABAN, NEHPAA, FNCCI-AEC)*

*Description of actions:*

Nepal has restructured forestry governance according to the recent constitutional provisions. Then Ministry of Forests and Soil Conservation has been reorganized as Ministry of Forests and Environment (MoFE) that added Climate



**List of actions:**

*Annual Program and Budget Allocation by Government of Nepal, Provincial and Local Governments*  
*Annual Program and Budget Allocation by Fund of various FUGs (e.g. CFUGs and CFM Funds)*  
*Private Sector Investment*  
*Establishment of Forest Development Fund*  
*Programs and Plans of Development Partners (Donor-funded projects)*

**Description of actions:**

For the first time, the MoFE has envisioned Forestry as an important economic sector that ensures economic, social and environmental benefits. Accordingly, the GoN has immensely increased the program and budget to promote three sub-sectors---forest-based enterprises, ecotourism and plantations since FY 2018/19. The total annual budget in these three sub-sectors has increased to about USD 4.0 million in Fiscal Year 2019/20 compared to USD 1.5 million in Fiscal Year 2018/19. Similarly, all seven provincial governments have increased the fiscal budget in line with this objective.

Average annual income of community-based forestry groups, mainly Community Forest User Groups and Collaborative Forest Management Groups in the past 3 years, have estimated to be over USD 50 million mainly from the sale of timber and non-timber forest products. The Forest Act, 2019 requires that at least 25% (~USD12.5 million) of their income be invested in forest management activities, and 50% (~USD25 million) in poverty reduction, enterprise development and women empowerment.

Private sector has also invested in timber processing and manufacturing, non-timber forest products, ecotourism and bioenergy enterprises.

The Forest Act, 2019 provisions the Forest Development Fund that can be used for the conservation, promotion and development of forests ensuring biodiversity conservation and climate change mitigation. This fund may receive endowment from governments, individual persons and organizations, development partners as well as the set proportion of the revenue generated through the sale of forest products, compensation of forest land provided to infrastructure development projects and Payment for Ecosystem Services.

Various conservation and development partners have been providing technical and financial supports mainly to assist community-based forest management, biodiversity conservation, livelihood promotion and capacity development.

**List of actions:**

*Increase forest productivity through Sustainable Forest Management (SFM)*  
*Assigned the Forest Research and Training Centre (FRTC) for the technical audit of SFM*  
*Use of Remote Sensing and GIS in Forest Resource assessment and wildlife population monitoring*  
*Preparation of species conservation plan for 10 threatened wildlife and five tree species*  
*Capacity building training to government officials and local communities*  
*Establishment of Breeding Seed Orchards, Gene Bank and advanced forest nurseries*

**Description of actions:**

The Ministry of Forests and Environment has set SFM as the priority program aiming to increase forest productivity, ensure sustainability, maintain forest health and vitality, and increase employments and revenue from forestry sector. FRTC is carrying out technical audit of SFM. A number of technical training and workshop have been regularly organized for capacity development of the government officials and communities. The FRTC regularly carries out essential research, development and outreach activities.





## **Global forest goal 3 and associated targets<sup>6</sup>**

**Increase significantly the area of protected forests worldwide and other areas of sustainably managed forests, as well as the proportion of forest products from sustainably managed forests**

*Associated targets*

### **Questions on goal 3**

*Please indicate to which targets the actions relate and briefly describe the results to date (in a maximum of 250 words). For each action, please indicate whether it is continuous, planned, in progress or completed.*

***List of actions:***

National Parks and Wildlife Conservation Act, 1973 (5<sup>th</sup> amendment, 2018)

Enactment of Forest Act, 2019

Formulation of Forest Policy, 2019

Over 7,500 leasehold forest user groups are managing about 43,000 hectare of forest lands in Nepal. Forests are leased

Nepal Army is involved in the protection of national parks and wildlife reserves in Nepal. Community based



**Mobilize significantly increased, new and additional financial resources from all sources for the implementation of sustainable forest management and strengthen scientific and technical cooperation and partnerships**

*Associated targets*

**Questions on goal 4**

Nepal has taken remarkable policy, programmatic and budgetary actions to access to and mobilize financial resources in order to enhance sustainable forest management.

Policy actions: Nepal has endorsed National Forest Policy (2019) that aims to access and mobilize resources from both internal and external sources for sustainable forest management. Fifteenth Periodic Plan of National Planning Commission of the Government (2019-2024) estimates and identifies sources of funding for NRs 43.7 billion ( USD 437 million equivalent) for the first three years (2019-22) in forest and environment related programs out of which nearly 60 percent will be directly spent in Sustainable Forest Management and associated activities

Programmatic and budgetary actions: Emission Reduction Program Document (2018) of the government has allocated US\$182 million for its implementation over the period (2018-2028), out of which US\$ 11 million allocated to SFM, US\$ 4.8 million for handing over community-based forest management and US\$ for a/reforestation, which directly contribute to SFM. The REDD+ program with the World Bank's FCPF targets to receive US\$ 45 million for result-based payment by 2025, which will be, in turn, spent in SFM and other activities related to Forest Goals.

Nepal is also developing Forest Investment Program under Climate Investment Fund with a total amount of US\$ 24 million out of which significant volume will be spent on Sustainable Management of Community-based Forest Management.

Nepal has submitted 2 funding proposals to GCF, one with FAO (US\$ 47 million) and one with IUCN (US\$ 31 million) as accredited agencies. Substantial part of the projects will be used for SFM and forest related activities. The proposal with FAO has been presented in the 24th Board Meeting for approval. Two more GCF proposals are being prepared--one with UNDP and the other with WWF.





## **Global forest goal 5 and associated targets<sup>8</sup>**

**Promote governance frameworks to implement sustainable forest management, including through the United Nations forest instrument, and enhance the contribution of forests to the 2030 Agenda for Sustainable Development**

*Associated targets*

### **Questions on goal 5**

The following actions have been taken to move towards goal 5 and its associated targets:

1. Nepal has integrated forests into the national periodic plans (such as 14th Plan and 15th plan's approach paper) with an aim to increase the forest sector's contribution to the livelihoods of the local people and the national economy while maintaining healthy ecosystems. Similarly, forests have been well integrated into Nepal's plan to achieve Sustainable Development Goals, particularly in Goal 12, Goal 13 and Goal 15 although forestry sector contributes to almost all Goals directly or indirectly.
2. Forest laws have been amended and forest administration has been restructured in line with the federal restructuring of the State. Legal and logistic arrangements have been improved to enhance law enforcement and governance (described in Goal 1 and 2).
3. Forestry programs and activities are being carried out in coordination and collaboration among three tiers of government (Federal, Provincial and Local) and relevant non-government stakeholders. Local communities are managing nearly 40 per cent of the country's forests under community forestry, leasehold forestry, collaborative forestry and other community-based management modalities.
4. A legal provision of environmental assessment for development projects has provided space for the forest sector's engagement in decision making relating to development planning.

Not applicable

**Progress towards target 5.1**

**Progress towards target 5.2**



## **Progress towards target 5.4**

## Questions on goal 6

The following actions have been taken to move towards goal 6 and its associated targets:

1. Conditional budget allocation mechanism allows federal government to allocate budget for the sub-national governments (Province and local level) to implement particular forestry activities that are deemed to be important but may not be in the priority of the sub-national governments.
2. Sustainable forest management has been ensured through sustainable forest management and community forest management guidelines.
3. Participation of all major stakeholders, including women, indigenous peoples and local communities, has been ensured during the making of forest-related policies. The National Forest Policy 2019 and The Nepal National REDD+ Strategy 2018 ensure the participation of these stakeholders in



### **Progress towards target 6.4 (communication and awareness)**

Forest offices, Forest User Groups, Federation of Forest User Groups and NGOs have been involved in creating awareness on sustainable forest management through training, workshop and study tour. National Standards for Forest Certification (under FSC) have been prepared and communicated to key forestry stakeholders.

### **Progress towards target 6.5**

The government has provided policy framework to facilitate participation of major groups, including women, indigenous peoples and local communities in policy making, planning and implementation of forestry activities related to the UN strategic plan for forests 2017-2030. Environmental and Social Management Framework developed for implementing sub-national REDD+ ensures mandatory engagement of women, indigenous peoples, local communities and other marginalized groups in designing, implementing, monitoring and benefit-sharing of REDD+, which basically relies on sustainable forest management for emission reduction.

### **Other questions**

cooperatives The Policy also guides to include 50 percent women in forestry sector organizations.

2. Forest Act, 2019 recognizes the need to allocate minimum 50 percent of incomes from community-based forests (Community Forests and Collaborative Forests) for poverty reduction, enterprise development and women empowerment.

## **Success story 1: Community forestry**

### **Action taken:**

Nepal has transformed about 35 percent of its total forest area to community forests (about 2.3 million hectares out of 6.6 million hectare). By the end of July 2019, there have been formed 22, 266 community forestry user groups comprising of nearly half of the population in the country. Forest Policy, Laws and Guidelines were conducive for community forestry development. Annual programs and budget were allocated for forming user groups, making forest management plans and handing over forests to the user groups. Community forestry has multiple objectives and outcomes, including but are not limited to, forest restoration, sustainable forest management, biodiversity conservation, livelihood improvement of local people, women empowerment, and forest governance improvement.

### **Goals and targets addressed:**

Goal 1, Goal 2 and Goal 3 are mainly addressed, while other 3 Goals are also partially addressed.

### **Outcome and results achieved:**

Due to the program, forest area in the middle hills has been increased by 10% over 15 years, while rate of deforestation has decreased in Siwalik hills from 1.3 to 0.8 percent. Income from forests increased in terms of both volume of harvested forest products and their values in monetary terms. Women empowerment is significant since at least 22,000 women as either chairperson or secretary are leading community forestry governance. As a pilot study, 35 community forests were assessed against FSC certification principles and found to be meeting all the requirements to be certified.

How did this action contribute to the implementation of the United Nations strategic plan for forests 2017-2030?

Increase of forest area, adoption of collective action for sustainable forest management and meeting three out of six Forest Goals contribute to the implementation of the United Nations Strategic Plan for Forests 2017-2030.

### **References:**

1. <http://frtc.gov.np/downloads.php?id=18>
2. <https://www.thecommonsjournal.org/articles/10.18352/ijc.594/>
3. <https://www.mdpi.com/2079-9276/8/2/85/htm>



<i>Indicator</i>	<i>Thematic element</i>	<i>Unit</i>	<i>Tiera</i>	<i>Data supplier</i>	<i>Linkages to globally agreed goals and targets</i>
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<i>Indicator</i>	<i>Thematic element</i>	<i>Unit</i>	<i>Tiera</i>	<i>Data supplier</i>	<i>Linkages to globally agreed goals and targets</i>
<b>Forest area with a designated management objective to maintain and enhance its protective functions</b>					
<b>Employment related to the forest sector</b>					
<b>Number of forest-dependent people in f</b>					

<i>Indicator</i>	<i>Thematic element</i>	<i>Unit</i>	<i>Tiera</i>	<i>Data supplier</i>	<i>Linkages to globally agreed goals and targets</i>
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**Existence of national or subnational forest**