



# NDC CHECKLIST

## Nepal Analysis

WWF'S NDC RATING GRADES

- ✔ NDC We Want
- ⋮ Short Way to Go
- ✍ Some Way to Go
- ✗ Long Way to Go
- ✘ NDC We Don't Want

|                   |   | 2016 NDC  | 2020 NDC   | Analysis  |
|-------------------|---|---|--|---|
| <b>AMBITION</b>   |   |   |  |   |
| <b>MITIGATION</b> |   |   |  |   |
| <b>1</b>          | <b>Strengthened mitigation targets</b>            | The NDC mentions mitigation targets related to sectors of Energy and AFOLU (see section on quantitative sectoral targets below).  | Nepal presents one unconditional target for the energy sector and conditional targets cover the sectors of Energy Generation, Transport, Residential, AFOLU and Waste (see Quantitative Sectoral Targets). | Nepal's 2020 NDC is more ambitious than the previous one as progress has been made by strengthening the energy and AFOLU targets and including targets in the Transport, Residential and Waste sectors. The Climate Action Tracker has estimated the emissions range for Nepal's conditional target and it lands on the "1.5°C Paris Agreement compatible" rating. However, the NDC has been rated as "2°C compatible" given the conditionality of its targets. |
| <b>2</b>          | <b>An economy-wide absolute 2030 target</b>       | The NDC does not present an economy-wide 2030 target. Emission reduction targets are presented for the sectors of Energy and Agriculture, Forestry and Other Land Use (AFOLU) for different timeframes, including by 2020, 2025, 2030, 2040 and 2050. | The NDC does not present an economy-wide 2030 target. Emission reduction targets are presented for the sectors of Energy; Waste; and Agriculture, Forestry and Other Land Use (AFOLU) by 2025 and 2030.    | Both NDCs do not provide an economy-wide target for 2030, but activity-based and policy targets, including emission reduction targets in key sectors. While the first NDC focuses on targets for Energy and AFOLU, the 2020 NDC expands by including mitigation targets in the waste sector.  |
| <b>3</b>          | <b>A 2021-2030 carbon budget aligned to 1.5°C</b> | Not mentioned.  | No carbon budget is presented.   | Both NDCs do not present a carbon budget.   |

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| 4                 | <b>NDC targets aligned to a 2050 or earlier Net-Zero Long-term Strategy</b> | Sectoral targets are presented by 2050, such as achieving 80% electrification through renewable energy sources, having appropriate energy mix; reducing dependency on fossil fuels by 50% through effective mass public transport means, while promoting energy efficient and electrical vehicles.   | The NDC mentions that Nepal is formulating a long-term low greenhouse gas emission development strategy to be launched by 2021; and that the strategy aims to achieve net-zero greenhouse gas emission by 2050.   | Nepal's 2020 NDC advances by presenting an intention to achieve net-zero greenhouse gas emission by 2050, and stating that a long-term strategy will be published by 2021.   |
| <b>ADAPTATION</b> |   |  |   |  |
| 5                 | <b>Clear adaptation objectives</b>  | <p>The NDC mentions that in 2015, Nepal launched a process to formulate and implement a National Adaptation Plan (NAP) to address medium and long-term adaptation needs and reduce climate vulnerabilities.</p> <p>In 2010, the country prepared its National Adaptation Programme of Actions (NAPA) to Climate Change to ensure integration of adaptation and resilience into local to national planning processes. At present, Nepal is implementing local adaptation plans - LAPAs in 90 Village Development Committees and 7 Municipalities – the lowest administrative units in the country. Similarly, about 375 local adaptation plans and nearly 2200 community adaptation plan of action (CAPAs) for community forests have been developed.</p> <p>The NDC also mentions that Nepal will study and understand further loss and damage associated with climate change impacts with the support from scientific and academic communities.</p> | <p>The NDC mentions that Nepal is in the process of developing its National Adaptation Plan (NAP). to implement medium and long-term adaptation needs, including urgent and immediate priorities. Nepal will submit an adaptation communication, which will include its priorities, implementation and support needs, plans and actions through the National Adaptation Plan (NAP). The adaptation priorities cover eight thematic and four cross-cutting areas.</p> <p>The thematic areas are:</p> <ul style="list-style-type: none"> <li>-Agriculture and Food Security;</li> <li>-Forests, Biodiversity and Watershed Conservation;</li> <li>- Water Resources and Energy;</li> <li>- Rural and Urban Settlements;</li> <li>- Industry, Transport and Physical Infrastructure;</li> <li>- Tourism, Natural and Cultural Heritage;</li> <li>- Health, Drinking Water and Sanitation;</li> <li>- Disaster Risk Reduction and Management.</li> </ul> <p>The cross-cutting areas are:</p> <ul style="list-style-type: none"> <li>- Gender Equality and Social Inclusion (GESI), Livelihoods and Governance;</li> <li>- Awareness Raising and Capacity Building;</li> <li>- Research, Technology Development and Extension;</li> <li>- Climate Finance Management.</li> </ul> | <p>Although both NDCs mention the process of formulating the National Adaptation Plan (NAP), the updated submission promises that the NAP will be formulated by 2021. This document will build on existing national policies, such as National Climate Change Policy (2019), and will seek to present goals with different periods of implementation and evaluation.</p> <p>In addition, Nepal identified adaptation priorities and actions across thematic areas that are in line with its National Climate Change Policy (2019).</p> |

| FINANCE                   |   |   |   |  |
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| 6                         | <b>Finance Commitments</b>                              | Nepal is practicing a dedicated climate change budget code in its fiscal planning and budgeting processes to channel funding for climate change and related activities. The Climate Change Policy obliges to channel over 80 percent of the total climate finance to grassroots level activities. Specifically on renewables, Nepal will need technical and financial supports from development partners to provide relevant technologies, and build its capacity to be cleaner and greener while flourishing as one of the top tourism destinations in the world. Nepal requires bilateral and multilateral grant support in the following priority areas to meet both qualitative and quantitative targets. | <p>The NDC mentions that the cost of achieving Nepal's NDC conditional mitigation targets is estimated to be USD 25 billion. The cost of achieving unconditional targets outlined in the NDC is estimated to be USD 3.4 billion. This estimate only covers activity-based targets and does not include the cost of policies, measures and actions.</p> <p>The cost of achieving the adaptation component will be detailed in the upcoming National Adaptation Plan (NAP).</p> | The 2020 NDC advances by presenting cost estimates for conditional and unconditional targets. For example, Nepal aims to increase hydroelectricity generation from the current 1,400MW to 15,000MW by 2030. Of this, 5,000MW is an unconditional target, and the remaining is contingent on funding from the international community.  |
| 7                         | <b>Clear conditional targets</b>                        | Not mentioned.  | The cost of achieving Nepal's NDC conditional mitigation targets is estimated to be USD 25 billion.   | Nepal's 2020 NDC introduces a conditional target, but does not specify which actions and projects will be implemented. In addition, Nepal has been working on the support of the Least Developed Countries Fund (LDCF), multilateral agencies and bilateral support.   |
| 8                         | <b>Moving from conditional to unconditional targets</b> | The NDC mentions that Nepal requires bilateral and multilateral grant support in the following priority areas to meet both qualitative and quantitative targets; but does not specify how much it is expected to be received from these international sources.  | The NDC presents conditional and unconditional targets.   | While the 2016 NDC was not clear about financial commitments, as it refers to both qualitative and quantitative targets without providing specific information about how much is required in terms of international finance and how much would be allocated from domestic funds. The 2020 NDC advances by presenting conditional and unconditional financial estimates to implement the NDC. |
| FOSTERING SYSTEMIC CHANGE |   |   |   |  |
| 9                         | <b>Increased sectoral coverage</b>                      | The NDC covers the sectors of Energy; Agriculture, Forestry and Other Land Use (AFOLU); and Waste.  | The NDC covers the sectors of Energy; Industrial Processes and Product Use (IPPU); Agriculture, Forestry and Other Land Use (AFOLU); and Waste  | Increased sectoral coverage is observed, as Nepal's 2020 NDC has added the IPPU sector. Therefore, the updated NDC presents an economy-wide sectoral coverage.   |

## Quantitative Sectoral targets

The NDC mentions that the Forestry Sector Strategy (2016-2025) aims to i) enhance Nepal's forest carbon stock by at least 5% by 2025 as compared to 2015 level, and to decrease mean annual deforestation rate by 0.05% from about 0.44% and 0.18% in the Terai and Chure respectively; ii) protect 0.2 million ha of forests through the implementation of adaptation plans, and mainstream community/ecosystem-based adaptation by 2025; and maintain 40% of the total area of the country under forest cover.

By 2020 the country intends to i) expand its energy mix focusing on renewables by 20% and diversifying its energy consumption pattern to more industrial and commercial sectors; ii) increase the share of electric vehicle up to 20% from 2010 level; and iii) pilot a sub-national project on REDD+ to reduce about 14 million tons of CO<sub>2</sub>-eq by 2020 by addressing the drivers of deforestation and forest degradation and strengthening governance mechanisms in all types of forests and protected areas.

By 2040, Nepal will develop its electrical (hydro-powered) rail network by 2040 to support mass transportation of goods and public commuting.

By 2050, Nepal will achieve 80% electrification through renewable energy sources having appropriate energy mix; reduce its dependency on fossil fuels by 50%; and decrease its dependency on fossils in the transport sector by 50% through effective mass public transport means, while promoting energy efficient and electrical vehicles.

As for the Energy sector, Nepal is planning to generate clean energy as follows:

- 4,000 MW of hydroelectricity by 2020 and 12,000 MW by 2030;
- 2,100 MW of solar energy by 2030 with arrangements to distribute it through the grid;
- Additional 220 MW of electricity from bio-energy by 2030;
- Additional 50 MW of electricity from small and micro hydropower plants;
- Increase the share of biogas up to 10% as energy for cooking in rural areas; and
- Equip every households in rural areas with smokeless (improved) cooking stoves (ICS) by 2030.

The NDC includes quantitative sectoral targets for the sectors of Energy; AFOLU and Waste.

On Energy (Energy generation), by 2030, the targets include: i) expanding clean energy generation from approximately 1,400 MW to 15,000 MW, of which 5-10% will be generated from mini and micro-hydro power, solar, wind and bio-energy. Of this, 5,000 MW is an unconditional target. The remainder is dependent upon the provision of funding by the international community; and ii) ensuring 15% of the total energy demand is supplied from clean energy sources.

On Energy (Transport), there are targets focused on 2025 and 2030, including:

- Sales of electric vehicles (e-vehicles) in 2025 will be 25% of all private passenger vehicles sales, including two-wheelers and 20% of all four-wheeler public passenger vehicle sales (this public passenger target does not take into account electric-rickshaws and electric-tempo) in 2025. Due to this e-vehicle sales target, fossil fuel energy demand for the transportation sector will decrease from approximately 40 million GJ in the Business As Usual (BAU) scenario in 2025 to 36 million GJ. This would be around a 9% decrease in fossil fuel dependency. This target will reduce emissions from a projected BAU of 2,988 Gg CO<sub>2</sub> eq. in 2025 to 2,734 Gg CO<sub>2</sub> eq., which is around 8% decrease in emissions.
- By 2030, increase sales of e-vehicles to cover 90% of all private passenger vehicle sales, including two-wheelers and 60% of all four-wheeler public passenger vehicle sales (the public passenger target does not take into account electric-rickshaws and electric-tempo). As a consequence, energy demand for fossil fuels will decrease from approximately 48 million GJ in the 2030 BAU scenario to 34.5 million GJ, which is around 28% decrease in fossil fuel dependency. This target will reduce emissions from a projected BAU of 3,640 Gg CO<sub>2</sub> eq. in 2030 to 2,619 Gg CO<sub>2</sub> eq., which is around 28% decrease in emissions.
- By 2030, develop 200 km of the electric rail network to support public commuting and mass transportation of goods.

On Energy (Residential cooking and biogas), the targets focused on 2025 and 2030 include:

- By 2030, ensure 25% of households use electric stoves as their primary mode of cooking.
- By 2025, install 500,000 improved cookstoves, specifically in rural areas.

Nepal's 2020 NDC includes quantifiable targets for the short-term (by 2025) and medium-term (by 2030) for the sectors of energy, waste, and AFOLU.

- By 2025, install an additional 200,000 household biogas plants and 500 large scale biogas plants (institutional/industrial/municipal/community).

On AFOLU (Forestry), the 2030 targets are to: i) maintain 45% of the total area of the country under forest cover (including other wooded land limited to less than 4%); and ii) manage 50% of Tarai and Inner Tarai forests and 25% of middle hills and mountain forests sustainably, including through the use of funding from REDD+ initiatives.

On Waste, by 2025, 380 million litres/day of wastewater will be treated before being discharged, and 60,000 cubic meters/year of faecal sludge will be managed. These two activities will reduce around 258 Gg CO<sub>2</sub> eq. compared to BAU.

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| 11 | <b>Key structural sectors included</b> | Not mentioned.   | The adaptation component includes measures for the sectors of health and education. In addition, tourism is mentioned as part of the conditional targets.   | Nepal's 2020 NDC includes health, education and tourism sectors in the adaptation component.   |
| 12 | <b>Just transition policies</b>        | It is mentioned that Nepal is in the process of finalizing its Low Carbon Economic Development Strategy (LCEDS) to further promote the use of renewable energy and look into the cross-sectoral approaches of the economy where GHGs emissions can be minimized. This pathway will aid Nepal to bolster social and economic developments and ensure environment conservation while achieving the goals of sustainable development by reducing poverty. | Gender Equality and Social Inclusion (GESI) features under cross-cutting areas for adaptation. The development of an Action Plan for integrating GESI in achieving NDC targets is one of the conditional targets.   | Both NDCs mention social policies but do not refer to just transition policies.  |
| 13 | <b>Cross-sectoral approaches</b>       | Not mentioned.   | The NDC mentions that the adaptation priorities cover the following cross-cutting areas: i) Gender Equality and Social Inclusion (GESI); ii) Livelihoods and Governance; iii) Awareness Raising and Capacity Building; iv) Research, Technology Development and Extension; and v) Climate Finance Management. | Nepal's 2020 NDC mentions that the national adaptation plan is being formulated considering four cross-cutting areas, including women and other social approaches. |

## INCLUSIVENESS AND PARTICIPATION

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| 14 | <b>Inclusive process to invite inputs from institutions and citizens in the NDC design</b> | <p>Nepal has prepared its NDC through a broad-based stakeholder consultation processes. the REDD Multi-Stakeholder Forum acts as an outreach and communication platform; and climate change networks managed by civil society organizations also contribute to generate and share knowledge on climate change and its impacts.</p> <p>The country prepared its National Adaptation Programme of Actions (NAPA) to Climate Change in September 2010 through extensive consultative processes to address the most urgent and immediate needs of adaptation.</p> | <p>It is mentioned that the NDC was developed through an inclusive and participatory process, with a series of consultations at national and provincial levels. Nepal's NDC formulation was a country-driven process following the principle of Leave No One Behind (LNOB). A team of experts reviewed overarching and sectoral policies, strategies and programs; and coordinated the process of gathering data and performing analysis. These assessments were later verified through in-person and virtual consultations both at national and provincial levels with line ministries, experts, Local Peoples, women, Indigenous Peoples and youth. The output of the technical work and inputs from consultations were further reviewed and verified by the NDC Working Committee, comprising representatives from government agencies and relevant experts. Furthermore, the NDC was discussed at the Inter-Ministerial Coordination Committee on Climate Change (IMCCCC) and shared with respective line ministries and civil society organizations for formal input. Finally, it was submitted to the Cabinet for approval.</p> | <p>In the 2020 NDC Nepal describes an inclusive process based on the principle of "Leave No One Behind (LNOB)". In-person and virtual consultations took place both at national and provincial levels, with the participation of line ministries, experts, Local Peoples, women, Indigenous Peoples and youth.</p> |
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| 15   | <b>Disclosure of information</b>                   | Not mentioned.   | Not mentioned.   | Although the draft NDC has been uploaded for public review and feedback on the Ministry of Forests and Environment's website with a 10 day notice period before finalization, this was not mentioned in the NDC.   |
| 16   | <b>Reporting back on process</b>                   | Not mentioned.   | Not mentioned.   | No information is provided on reporting back on inputs received in the consultation process.   |
| 17   | <b>Participatory Climate governance structures</b> | The NDC mentions that Nepal has established coordination mechanisms at highest political level for necessary policy guidance and coordination and at local level for implementation on the ground. The establishment of the Climate Change Council, Climate Change Coordination Committee and REDD Coordination and Monitoring Committee at the political levels; the Multi-stakeholder Climate Change Initiatives Coordination Committee and REDD Working Group, chaired by Secretaries of the concerned ministries, provide guidance to ensure coordination and function to align climate change with development activities. The REDD Multi-Stakeholder Forum acts as an outreach and communication platform. The climate change networks managed by civil society organizations also contribute to generate and share knowledge on climate change and its impacts. | The NDC mentions that an implementation framework/roadmap/plan will be developed. One of the key elements will be an Institutional mechanism to implement the NDC through federal, provincial and local governments, in collaboration with other relevant stakeholders including youth, women and Indigenous People. The NDC implementation will be coordinated through the Environment Protection and Climate Change Management National Council, Inter-Ministerial Climate Change Coordination Committee (IMCCCC), Thematic and Cross-Cutting Working Groups, and Provincial Climate Change Coordination Committees. | The 2020 NDC mentions structures with the participation of non-state actors, including the private sector, academia and civil society. It also presents a participatory institutional mechanism as one of the key elements of its implementation framework/roadmap/plan to be developed. |
| <b>CONTRIBUTION TO SUSTAINABLE DEVELOPMENT</b> |  |  |  |  |
| 18   | <b>Linkages with SDGs</b>                          | Nepal is implementing an Environment-Friendly Local Governance (EFLG) Framework with the objectives of mainstreaming environment, climate change adaptation and disaster management in the local planning processes. The Framework also aims to make the local governance system environment-friendly and initiate sustainable development activities at the field level such as household and communities.  | The NDC mentions that Nepal is committed to pursuing and achieving the Sustainable Development Goals (SDGs) by 2030, including the target set by the Sendai Framework on Disaster Risk Reduction. These global ambitions are broadly aligned with the social, economic, environmental and risk reduction aspirations that Nepal has set for itself in its new constitution.  | In the 2020 NDC, Nepal commits to achieving the SDGs by 2030, but no clear links between the NDC targets and the achievement of these goals are presented.   |

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| <p>19</p> | <p><b>Measurable Nature-based Solutions</b></p> | <p>Measurable nature-based solutions have been mentioned, including: i) maintaining 40% of the country's total area under forest cover and productivity and forest products will be increased through sustainable forest management. Emphasis will also be placed on increasing carbon sequestration and forest carbon storage and improving forest governance; and ii) piloting a subnational REDD+ project to reduce around 14 million tons of CO<sub>2</sub>-eq by 2020, addressing the causes of deforestation and forest degradation and strengthening governance mechanisms in all types of forests and protected areas .</p> | <p>Some measurable solutions based on nature have been mentioned as quantitative sectoral targets, such as:</p> <ul style="list-style-type: none"> <li>-By 2030, manage 50% of Tarai and Inner Tarai forests and 25% of middle hills and mountain forests sustainably, including through the use of funding from REDD+ initiatives.</li> <li>- By 2030, maintain 45% of the total area of the country under forest cover (including other wooded land limited to less than 4%).</li> </ul> <p>The following conditional target related to forest management is mentioned: Forests under community-based management will comprise at least 60% of Nepal's forest area; management committees will have 50% women representation and proportional representation of Dalits and Indigenous People in key posts.</p> <p>Other conditional measures related to NbS are presented:</p> <ul style="list-style-type: none"> <li>-Ensure fair and equitable benefits (carbon and non-carbon) from sustainable forest management, watershed management, and biodiversity- conservation among Local Communities, women and Indigenous People.</li> <li>-By 2030, upgrade watershed health and vitality in at least 20 districts to a higher condition category.</li> <li>-By 2030, create an inventory of wetlands in Nepal and sustainably manage vulnerable wetlands.</li> <li>-By 2025, enhance the sink capacity of the land- use sector by instituting the Forest Development Fund (FDF) for compensation of plantations and forest restoration.</li> <li>-Increase growing stock including Mean Annual Increment in Tarai, Hills and Mountains.</li> <li>-Afforest/reforest viable public and private lands, including agroforestry.</li> <li>-Restore and manage degraded forest land, including in the Chure region.</li> </ul> | <p>The NDC has a strong focus on REDD+ and forest-related activities, either as conditional or unconditional targets. Only a few of those are presented with measurable indicators.</p> |
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# TRACKING PROGRESS

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| 20 | <b>A transparent national system to track implementation</b> | The NDC mentions that Nepal will maximize the use of existing monitoring and evaluation mechanisms to realize the state of implementation of the NDCs along with technical and financial support made available for Nepal. | Nepal presents Monitoring, Reporting and Verification (MRV) as a key element of the NDC implementation and commits to promote data-driven tracking of targets along with strengthening of data generation and validation framework. The system should identify best practices while also incorporating lessons learnt and maintain transparency by widely disseminating the methodology and results of the MRV. | Despite Nepal's 2020 NDC presenting plans to establishing an MRV system, it is not clear whether this goal is conditional on receiving external resources to complement national efforts. |
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## WWF checklist for Nepal's 2020 NDC assessment

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| Mitigation                              |  |
| Adaptation                              |  |
| Finance                                 |  |
| Fostering system change                 |  |
| Inclusiveness and Participation         |  |
| Contribution to Sustainable Development |  |
| Tracking progress                       |  |

Nepal's rating grade after assessment:  Short Way to Go

## For more information

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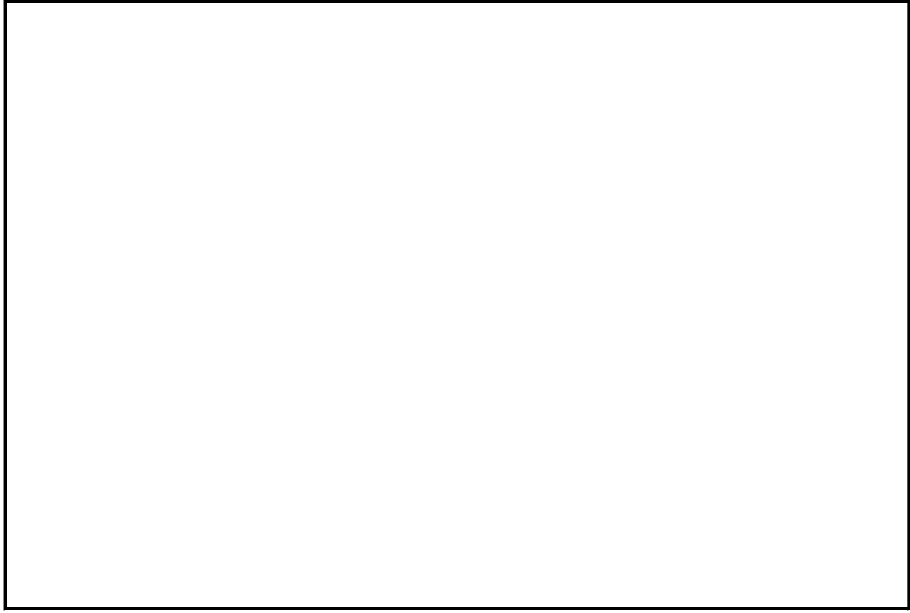
















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