

GREEN CLIMATE FUND READINESS PROGRAMME

Stakeholder Engagement Framework in GCF Process in Nepal

July 2017

ACRONYMS

| | |
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| BAN | Bankers Association of Nepal |
| CCC | Climate Change Council |
| CFSC | Climate Finance Steering Committee |
| CFU | Climate Finance Unit |
| CCNN | Climate Change Network Nepal |
| DAE | Direct Access Entities |
| GCF | Green Climate Fund |
| GCF - RP | Green Climate Fund Readiness Programme |
| CFCC | Climate Finance Coordination Committee |
| FNCCI | Federation of Nepalese Chambers of Commerce and Industries |
| GoN | Government of Nepal |
| IECCD | International Economic Cooperation Coordination Division |
| MIE | Multilateral Implementation Entity |
| MoAD | Ministry of Agriculture Development |
| MoF | Ministry of Finance |
| MoFALD | Ministry of Federal Affair and Local Development |
| MoFSC | Ministry of Forests and Soil Conservation |
| MoPE | Ministry of Population and Environment |
| MoHA | Ministry of Home Affairs |
| MoH | Ministry of Health |
| Moi | Ministry of Irrigation |
| MoUD | Ministry of Urban Development |
| NAPA | National Adaptation Programme of Action |
| NAP | National Adaptation Plan |
| NDA | National Designated Authority |
| NPC | National Planning Commission |
| PMU | Project Management Unit |
| SH | Stakeholders |
| TC | Technical Committee |
| ToR | Terms of Reference |
| UNDP | United Nations Development Programme |
| UNFCCC | United Nations Framework Convention on Climate Change |
| UNEP | United Nations Environment Programme |

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1. INTRODUCTION

The Green Climate Fund (GCF), as an operating entity of the financial mechanism of the United Nations Framework Convention on Climate Change (UNFCCC), is providing support to the developing countries to promote paradigm shift towards low-emission and climate-resilient development pathways. Green Climate Fund is one of the biggest funding mechanisms available within UNFCCC for least developed countries like Nepal to address climate change challenges more systematically and effectively. It is expected to channel a large share of international climate finance commitment of developed countries to mobilize US \$ 100 billion by 2020.

With the operationalisation of the GCF and other financial pledges that have been made to it by various development partners, Nepal is already an eligible recipient of additional international climate finance. For this, Nepal has started to establish a sustainable climate finance mechanism which enables it to systematically access and efficiently manage, sequence and monitor existing and additional climate finance.

Government of Nepal (GoN) has nominated Ministry of Finance (MoF) as the National Designated Authority (NDA) whereas International Economic Cooperation Coordination Division (IECCD) – housed within MoF - as focal point for GCF.

In this context, Green Climate Fund Readiness Programme (GCF-RP) is implemented by Government of Nepal Ministry of Finance in collaboration with the United Nations Development Programme (UNDP) and the United Nations Environment Programme (UNEP) to strengthen Nepal's national capacities to effectively and access, manage, deploy and monitor climate finance from the Green Climate Fund. The support is aimed towards enhancing the capacity of the Government of Nepal to engage with the Green Climate Fund.

Wider stakeholders (SHs) are emerging in the climate change sector with different roles and capacity. Thus, Nepal needs to ensure stakeholders ownership of the climate change programmes through following a consultative and inclusive process. In this context, a stakeholder engagement framework is required to systematically involve concerned national stakeholders in GCF process in Nepal with defining their roles and process of involvement.

2. GUIDING PRINCIPLES OF THE STAKEHOLDER ENGAGEMENT FRAMEWORK

The stakeholder engagement framework and process will be guided by following guiding principles:

- i. Multi-stakeholders approach
 - Ownership of all the concerned stakeholders is must for the success of the GCF process in Nepal which could be ensured through following a multi-stakeholders and consultative process with engaging all relevant stakeholders and sectors in

GCF process. All the key stakeholders related to climate finance such as government, private sector, non government, will be involved in the GCF process. This approach will also complement the roles of stakeholders and promote synergy in work.

- The SHs engagement framework to promote the culture of sharing responsibilities as well as accountabilities by all the stakeholders in GCF process based on their roles.

ii. Programmatic approach

- A programmatic approach will be followed in the SHs engagement process in Nepal. The existing mechanisms, forums and structures will be used to engage SHs in the climate finance/GCF purpose as much as possible to ensure its sustainability, reduce duplication of efforts and promote coherence in operation. National stakeholders will lead and manage the GCF process as per the national priorities and needs.
- Stakeholders engagement will be considered as an ongoing process with necessary follow up, continuous update and regular assessment of progress rather one of event. Nepal's prior practices and learning will be considered while defining the roles of stakeholders and engaging them in the GCF process.

iii. Promote gender and social inclusion in the climate finance sector

- The SHs engagement framework to promote and ensure an inclusive and gender sensitivity in its functioning. The inclusion and gender perspective to be mainstreamed from its composition, decision making to operation. The framework to promote social and environment safeguards in the GCF process in Nepal which is one of the key requirements to access the fund.

iv. No conflict of interest of the stakeholders involved in the GCF process

- The SHs engagement framework to ensure that there is no conflict of interest of the stakeholders involved in the GCF process.

3. WHY STAKEHOLDERS NEED TO BE ENGAGED IN GCF PROCESS?

Ownership of all concerned national stakeholders of GCF such as National Planning Commission (NPC), GoN line ministries, direct access entities (DAEs) is crucial for the success of the GCF process in Nepal. Such ownership could only be achieved by engaging all relevant stakeholders in climate finance/GCF process based on their roles, interest and ability. Sharing both responsibilities as well as accountabilities by all concerned stakeholders in GCF process is equally important to make the GCF process more transparent and accountable. Further, meaningful engagement and functional coordination of stakeholders

in GCF process will bring synergy on climate change sector in Nepal while avoiding duplication of work.

Joint and coordinated efforts of the stakeholders in different stages of GCF process will lead towards the success in achieving the intended results. With providing space and opportunities to all the concerned actors within the government, the private sector, civil society, academia, and other relevant stakeholder groups in GCF process based on their roles and strengths, ownership among the SH shall be created and the expected results shall be achieved on stipulated time jointly.

Further, clarity on the roles and responsibilities of stakeholder to be involved in the GCF process, is required to avoid possible confusion among stakeholders involved in GCF process. The stakeholder engagement framework is expected to bring clarity on the space and roles of stakeholders on GCF process.

Stakeholder engagement process promotes inclusiveness. The GCF's environmental and social safeguards require that funding proposals for projects/programmes need to have an environmental and social management system (ESMS) that establishes a process of stakeholder engagement. The Fund's environmental and social safeguards require to ensure that all key stakeholders are engaged in the GCF process and well aligned with relevant provisions of the Fund.

4. KEY STAKEHOLDERS AND THEIR ENGAGEMENT PRIORITIES IN GCF PROCESS IN NEPAL

Over the last ten years, there has been an increasing number of national and international organizations from government, non-government, academic and private sectors involved in responding to concerns on climate change in Nepal. These stakeholders have tested various adaptation and mitigation options and generated a wealth of knowledge and information to feed into low carbon climate resilient policies, plans, framework and overall response mechanism in Nepal. Nepal will need to build on these efforts, and identify key stakeholders and their potential roles within the GCF to receive support for scaled up climate action and contribute towards national climate change priorities. The first step for the NDA is to gather such information and engage stakeholders systematically and meaningfully in the GCF process. The potential areas of involvement of stakeholders in the GCF process and GCF funded projects/programmes will vary based on their roles, technical strength, mandate and organizational capability. In engaging with these stakeholders, the NDA will ensure their representation is regular in country meetings, national planning, and dialogue exercise.

Table 1 below presents the key stakeholders of GCF and potential areas of their engagement and involvement in the GCF process.

Table 1: Stakeholder Engagement Priorities

| Key stakeholders | Roles and Responsibility | Priority Engagement Sectors |
|---|---|---|
| GOVERNMENT | | |
| <p>NDA along with all federal and provincial ministries, department, and local government, targeting GCF result areas and investment priorities</p> | <ul style="list-style-type: none"> • Lead and manage GCF investment process in Nepal relevant to GCF eight results areas and five cross cutting investment priorities. • Engage in national GCF policy process, technical guidance and decision making in Climate Finance Steering Committee (CFSC), Technical Committee and existing climate change institutional structure. • Develop a national climate change priority action plan for Nepal aligning with the GCF eight result areas and five investment priorities (cross cutting) for funding. • Monitor national efforts on low carbon and climate resilient development pathway and devise appropriate policy and regulatory reform measures on national, federal, sector policy and strategy to integrate climate action. • Build on low carbon climate resilient initiatives and engage/co-finance with other sources of funding. • Oversee implementation of projects and programmes funded by GCF in their respective sector to ensure paradigm shift in climate action are happening using GCF resources. • Ensure full integration of climate concerns in respective federal, provincial and local level development plan, policy and strategy. | <ul style="list-style-type: none"> • Government agencies relevant to eight result areas regularly need to engage in the issue at that national and appropriate level i.e <ol style="list-style-type: none"> i. Energy generation and access; ii. Transport; iii. Building, cities, industries and appliances; iv. Land use deforestation, and forest degradation; v. Enhanced livelihoods for vulnerable people and communities; vi. Food, water security and health; vii. Infrastructure and viii. Ecosystems and ecosystem services • Regular engagement of the GoN stakeholders in GCF process and GCF funded projects/programmes |

| PRIVATE SECTOR & FINANCIAL INSTITUTIONS | | |
|--|---|---|
| <p>Financial Institutions e.g. Commercial and Development Banks, Association of Private Sector, Private Entrepreneurs, Insurance Company Micro, Small and Medium Enterprises</p> | <ul style="list-style-type: none"> • Active in the national process to leverage GCF resources for clean energy, energy efficiency, climate resilience and sustainability communities' projects. • Scope nationally relevant and innovative mechanism to use GCF flexible financial instruments (including debt, equity and guarantees). • Scope use of GCF private sector facility for nationally relevant low carbon climate resilience project and programme. • Take part in regular country meeting or national planning/dialogue exercise. • Support in capacity building of different private sector groups and local institutions. • Advise private sector opportunities and challenges in engaging with GCF for appropriate policy and decision making process in Climate Finance Steering Committee, Technical Committee and existing climate change institutional structure. • Mainstreaming of climate change issues into local level planning process | <ul style="list-style-type: none"> • GCF encourages private sector engagement to achieve meaningful impact on eight result areas and five investment priorities to demonstrate sustainable and productive end use of the GCF fund. • Private sector should regularly engage with GoN stakeholders to demonstrate their potential in GCF process and GCF funded projects/programmes • Should not limit to focus or center with their own area expertise |
| CIVIL SOCIETY ORGANIZATIONS (CSO) | | |
| <p>National/Local NGOs International NGOs NGO Climate Change Network in Nepal</p> | <ul style="list-style-type: none"> • Active participation towards ensuring low carbon and climate resilient societies. • Support in GCF engagement process by raising the civil society voices in the country strategic framework and climate change national priorities. • Advocate for mainstreaming gender and | <p>Civil Society Organizations engage regularly to raise their voice with GoN stakeholders in GCF process and GCF funded projects/programmes</p> |

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| <p>Federation of Indigenous Groups</p> | <p>social inclusion in climate finance process</p> <ul style="list-style-type: none"> ● Provide substantial inputs on performance standards based on environment and social safeguards framework and developing gender action plan of the project. ● Support and ensure sustainability of GCF funded projects/programmes. ● Advocate civil society perspectives during GCF policy process in Climate Finance Steering Committee and existing institutional structure. ● To share good practices, learning and challenges in national and international forum. ● Take part in regular country meeting or national planning/dialogue exercise. ● Drive CSOs to engage in innovative design and implementation of GCF eight result areas and investment priorities projects; <ul style="list-style-type: none"> a. <i>Capacity building and awareness raising of poor and vulnerable communities and CBOs on climate change and GCF issues</i> b. <i>Promotion of low carbon technology and climate resilient livelihoods to society</i> c. <i>Build communities capacity to manage Climate hazards and disasters risk</i> d. <i>Pilot/demonstrate social protection scheme/measures in the context of climate change.</i> | <p>Advocate nationally relevant low carbon climate resilient strategic options and lesson learnt to GoN targeting GCF eight result areas and five investment priorities.</p> <p>Sharing of learning and good practices at different forums</p> |
| ACADEMIC INSTITUTIONS | | |
| <ul style="list-style-type: none"> ● National | <ul style="list-style-type: none"> ● Take lead in gathering scientific evidences | <ul style="list-style-type: none"> ● Academic institutions |

| | | |
|--|--|--|
| <p>Universities,</p> <ul style="list-style-type: none"> • Research Centre/ institutions • Knowledge Centre | <p>and knowledge to adopt appropriate low carbon climate resilient development pathway in GCF result areas and investment priorities.</p> <ul style="list-style-type: none"> • Take part in regular country meeting or national planning/dialogue exercise. • Drive academician to invest their priorities to generate information on GCF eight result areas and investment priorities. Potential projects/programmes to engage and involve: • <i>Research on climate change mitigation and adaptation</i> • <i>Climate Change Knowledge management - documentation and dissemination</i> • <i>Think tank - feedback to policy and practice</i> • <i>Development and integrate low carbon and climate resilient development in the higher education curriculum</i> • <i>Promote innovation to combat climate change at national level</i> | <p>regularly engage with GoN stakeholders in GCF process and GCF funded projects/programmes by elucidating science based evidences in eight result areas and investment priorities.</p> |
| PUBLIC ENTERPRISES | | |
| <p>Semi Autonomous, Public Enterprise and others</p> | <ul style="list-style-type: none"> • Potential DAEs. • Advance the objectives of GCF. • Drive and mobilize government, civil society and private sectors to develop potential funding proposal projects to engage with GCF in eight result areas and investment priorities. • Oversee management and implementation of the projects and programme. • Ensure environment and social safeguard | <ul style="list-style-type: none"> • Potential DAEs should drive national agenda on low carbon and climate resilient development and engage regularly with all concerned stakeholder in GCF process and GCF funded projects/programmes. • Engage with NDA. |

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| | <p>and gender impact from the project.</p> <ul style="list-style-type: none"> • Assure GCF expected results are achieved with high impact and systemic change to address concerns on climate change in Nepal. • Mainstream climate change issues in their portfolio. | |
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5. EXISTING MULTI STAKEHODLER MECHANISMS AND FORUMS RELATED TO CLIMATE CHANGE FOR STAKEHOLDER ENGAGEMENT IN GCF PROCESS

Though the effectiveness varies, some mechanisms and structures are already in place for climate change deliberation in Nepal. Rather creating new structure for GCF, some of these mechanisms shall be used for GCF and climate finance purpose too with increasing its effectiveness.

Table 2: Existing Mechanism and its engagement

| Mechanism | Purpose of the mechanism/structure | Participating stakeholders | Possibilities to use this mechanism for climate finance/GCF process |
|-------------------------------------|--|---|---|
| Climate Change Council (CCC) | Government advisory body Highest advisory body dedicated to climate change Provide high-level policy and strategic oversight, to coordinate financial and technical support to climate change-related programs and projects, as well as securing measures to benefit from climate change-related international negotiations and decisions. | Government, private Sector, Civil Society, Independent experts, academic institutions chaired by the Rt. Hon. Prime Minister | This mechanism is not functional thus it is less possibilities to use it for GCF purpose unless revived Needs to consult with MoPE for its revival |
| Multi Stakeholder Climate | Provide high-level policy and strategic oversight, to coordinate financial and | The MCCICC is housed at the MoE and has | This mechanism is not functional now thus it is less |

| | | | |
|---|--|--|--|
| Change Initiative Coordination Committee (MCCIC) | technical support to climate change-related programs and projects, as well as securing measures to benefit from climate change-related international negotiations and decisions. Coordination for climate change initiative in Nepal Main aim is to strengthen multi stakeholder collaboration in responding to climate change. | representatives from government ministries, national institutions, international and national NGOs, academia, the private sector and donors. | possibilities to use it for GCF purpose unless revived Needs to consult with MoPE for its revival A clear strategy for its revival and operation is required |
| Climate Change Network Nepal (CCNN) | Loose network of NGOs involved in climate change sector for learning, sharing and coordination | NGOs involved in climate change sector | This network is relatively functional thus there is possibilities of using it for GCF purpose to disseminate the information and coordination |

6. ROLES OF NDA FOR STAKEHOLDERS ENGAGEMENT IN GCF PROCESS

The NDA plays an important role to ensure that the key stakeholders including public, private and civil society stakeholders are engaged in the GCF process on the basis of their roles and mandates. The NDA ensures regular country meetings or national planning/dialogue to disseminate and share information related the GCF process and its key requirement, challenges and operational procedures to the national actors and stakeholders. The NDA regularly provides an overview of all funding proposals relating to Nepal and facilitate available information on the projects/programmes through appropriate media and relevant networks and in appropriate languages.

As per the GCF mandate, NDA drives relevant coordination mechanisms and multi-stakeholder engagement processes, as needed and appropriate. In summary, the NDA performs the following functions to engage its stakeholders:

- i. Coordinate with government, private sector, civil societies, and academic institutions and stakeholder for engagement as per the framework;
- ii. Facilitate meaningful engagement with stakeholders in the GCF process to gather inputs, bring synergy and create ownership on GCF engagement process of the country;

- iii. Coordinate with focal climate change ministry for climate change discourse in Nepal through various multi stakeholders plate forms;
- iv. Provide regular exchange of information and knowledge products on key updates related to accreditation and funding proposal development to wider stakeholder such as Nepal Climate Change Knowledge Management Center (NCCKMC) established by National Academy of Science and Technology (NAST);
- v. Inform key stakeholders about their expected involvement and role in GCF process and update them on GCF/climate finance on regular basis; and
- vi. Hold country meeting, national planning, multi stakeholder dialogue and workshops on GCF.

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ANNEX 1: STAKEHOLDERS ENGAGEMENT MATRIX

The matrix below presents the key stakeholders that should be involved in the GCF/climate finance process, their expected roles and involvement and mechanism/process of engaging them in climate finance/GCF process along with the capacity development and NDA support required to the stakeholder for their effective involvement:

| Major Stakeholders to be involved in GCF process | Key roles and expected involvement areas in GCF process | Mechanism and process of stakeholder engagement | Capacity development need of stakeholder for effective engagement | Support required from GCF RP/NDA to the stakeholder for their effective engagement |
|--|---|--|--|--|
| GOVERNMENT | | | | |
| Ministry of Finance (NDA) | <ul style="list-style-type: none"> • NDA • No objection, nomination and capacity building of DAEs • Lead and oversee the GCF process in Nepal • Project screening and recommendation • Sharing of information related to climate finance and GCF to wider SHs • Climate change budget coding and monitoring of expenditure • Facilitate DAEs accreditation and funding proposal development process in Nepal | <ul style="list-style-type: none"> • Lead and manage the GCF process in Nepal as NDA • Chair- Climate Finance Steering Committee • Lead/Member- Technical Committee and other task forces related to climate finance including GCF • Member - Climate Change Council | <ul style="list-style-type: none"> • Dedicated team within NDA • Project development • Project screening • Understanding of climate change policy, global climate change, GCF process, | Technical and financial support from GCP RP on followings: <ul style="list-style-type: none"> • Capacity building on climate change and climate finance process • Support on proposal/project development • Climate finance MIS development and operation • Information sharing on climate finance and GCF • Learning and sharing on climate finance/GCF and international exposure |
| National Planning Commission | <ul style="list-style-type: none"> • Priority setting for GCF funding • Policy coherence | <ul style="list-style-type: none"> • Member- Climate Finance Steering Committee | <ul style="list-style-type: none"> • In-depth understanding of GCF process, | <ul style="list-style-type: none"> • Learning and sharing on climate |

| Major Stakeholders to be involved in GCF process | Key roles and expected involvement areas in GCF process | Mechanism and process of stakeholder engagement | Capacity development need of stakeholder for effective engagement | Support required from GCF RP/NDA to the stakeholder for their effective engagement |
|--|---|--|---|--|
| | <ul style="list-style-type: none"> and policy guidance • Involving in planning and monitoring of GCF programmes • Monitoring and evaluation | <ul style="list-style-type: none"> • Member- Technical Committee of GCF/climate finance • Monitoring and evaluation of the GCF funded programmes • Member - Climate Change Council | <ul style="list-style-type: none"> • Sharing of information related to climate finance and GCF | <p>finance/GCF</p> |
| Ministry of Population and Environment | <ul style="list-style-type: none"> • Policy guidance • Implementation facilitation • UNFCC NDA • Ensure the GCF funding proposal comply national priority | <ul style="list-style-type: none"> • Member- Climate Finance Steering Committee • Member- Technical Committee • Member - Climate Change Council • GCF funded project development and implementation | <ul style="list-style-type: none"> • In-depth understanding of GCF process • Sharing of information related to climate finance and GCF | <ul style="list-style-type: none"> • Learning and sharing on climate finance/GCF |
| Ministry of Forests and Soil Conservation | <ul style="list-style-type: none"> • Potential DAEs • Climate change mitigation, co-benefits and adaptation • Implementation of the REDD strategy and programme in Nepal • Ecosystem Based Adaption | <ul style="list-style-type: none"> • Member- Climate Finance Steering Committee • GCF funded project development and implementation • Lead/Member- thematic task force • Member - Climate Change Council • DAEs accreditation process | <ul style="list-style-type: none"> • In-depth understanding of GCF process, • Sharing of information related to climate finance and GCF | <ul style="list-style-type: none"> • Learning and sharing on climate finance/GCF • Support on proposal/project development |

| Major Stakeholders to be involved in GCF process | Key roles and expected involvement areas in GCF process | Mechanism and process of stakeholder engagement | Capacity development need of stakeholder for effective engagement | Support required from GCF RP/NDA to the stakeholder for their effective engagement |
|--|--|---|---|--|
| Ministry of Federal Affairs and Local Development | <ul style="list-style-type: none"> • Mainstreaming climate change perspective in 14 steps planning process • GCF funded project development and implementation • Scaling up the climate friendly local governance programme • Capacity building of local bodies on climate change • Coordination for the implementation of LAPA | <ul style="list-style-type: none"> • Member- Climate Finance Steering Committee • Project development and implementation • Lead/Member-thematic task force | | |
| Ministry of Home Affairs | <ul style="list-style-type: none"> • GCF funded project development and implementation • Coordination for the implementation of DRR | <ul style="list-style-type: none"> • Member- Climate Finance Steering Committee • Project development and implementation | | |
| Ministry of Agriculture Development | <ul style="list-style-type: none"> • Potential DAE • Development and implementation of the sectorial project • Adaptation and mainstreaming (climate smart agriculture) | <ul style="list-style-type: none"> • Member- Climate Finance Steering Committee • Project development and implementation • Lead/Member-thematic task force | <ul style="list-style-type: none"> • In-depth understanding of GCF process, • Sharing of information related to climate finance and GCF | <ul style="list-style-type: none"> • Learning and sharing on climate finance/GCF • Support on proposal/project development |
| Other line ministries (Ministry of Livestock, Ministry of Irrigation, Ministry of | <ul style="list-style-type: none"> • Development and implementation of the projects related to their sector | <ul style="list-style-type: none"> • Lead/Member-thematic task force • Project development and implementation | | |

| Major Stakeholders to be involved in GCF process | Key roles and expected involvement areas in GCF process | Mechanism and process of stakeholder engagement | Capacity development need of stakeholder for effective engagement | Support required from GCF RP/NDA to the stakeholder for their effective engagement |
|---|--|--|--|---|
| Energy, Ministry of Health, Ministry of Physical Infrastructure, Ministry of Urban Development and Transport, Ministry of Water Supply and Sanitation | | | | |
| Private Sector | | | | |
| Commercial Banks | <ul style="list-style-type: none"> • Co-financing for climate resilience measures • Project development and implementation | <ul style="list-style-type: none"> • Invitee in Climate finance steering committee as an observer | <ul style="list-style-type: none"> • Project development • Understanding of climate change policy, GCF process, • Sharing of information related to climate finance and GCF | <ul style="list-style-type: none"> • Support on proposal/project development • Information sharing on climate finance and GCF |
| FNCCI | <ul style="list-style-type: none"> • GCF policy process and decision making process such as Climate Finance Steering Committee and Technical Committee • Potential projects the private sector shall be interested to involve: <ul style="list-style-type: none"> – Climate smart technology development and expansion – Energy efficiency industries | <ul style="list-style-type: none"> • Member- Climate Finance Steering Committee • Member- Technical Committee • Project development and implementation • Lead/Member- thematic task force • Member - Climate Change Council | <ul style="list-style-type: none"> • Project development • Project screening • Understanding of climate change policy, GCF process, • Sharing of information related to climate finance and GCF • Business Plan development | <ul style="list-style-type: none"> • Capacity building on climate change and climate finance process • Support on proposal/project development • Information sharing on climate finance and GCF • Learning and sharing on climate |

| Major Stakeholders to be involved in GCF process | Key roles and expected involvement areas in GCF process | Mechanism and process of stakeholder engagement | Capacity development need of stakeholder for effective engagement | Support required from GCF RP/NDA to the stakeholder for their effective engagement |
|---|---|--|---|---|
| | <ul style="list-style-type: none"> – Climate change mitigation efforts • Soft loan to local communities, groups, organizations for climate smart activities • Co-financing for climate resilience measures | | | finance/GCF |
| Banks | <ul style="list-style-type: none"> • Co-financing for climate resilience measures • Project development and implementation | <ul style="list-style-type: none"> • Member of climate finance steering committee • Project development and implementation • Lead/Member-thematic task force | <ul style="list-style-type: none"> • Project development • Understanding of climate change policy, GCF process, • Sharing of information related to climate finance and GCF • Business plan development | <ul style="list-style-type: none"> • Support on proposal/project development • Information sharing on climate finance and GCF |
| Public enterprises | | | | |
| Alternative Energy Promotion Centre (AEPC) | <ul style="list-style-type: none"> • Potential DAE • Funding proposal development and implementation | <ul style="list-style-type: none"> • Project development and implementation • Lead/Member-thematic task force • Project cycle management • Member - Climate Change Council | <ul style="list-style-type: none"> • Project development • Understanding of climate change policy, GCF process, • Sharing of information related to climate finance and GCF | <ul style="list-style-type: none"> • Support on proposal/project development • Information sharing on climate finance and GCF |

| Major Stakeholders to be involved in GCF process | Key roles and expected involvement areas in GCF process | Mechanism and process of stakeholder engagement | Capacity development need of stakeholder for effective engagement | Support required from GCF RP/NDA to the stakeholder for their effective engagement |
|--|---|--|--|---|
| National Trust for Nature Conservation (NTNC) | <ul style="list-style-type: none"> • Potential DAE • Funding proposal development and implementation | <ul style="list-style-type: none"> • Project development and implementation • Lead/Member-thematic task force • Project cycle management • Member - Climate Change Council | <ul style="list-style-type: none"> • Project development • Understanding of climate change policy, GCF process, • Sharing of information related to climate finance and GCF | <ul style="list-style-type: none"> • Support on proposal/ project development • Information sharing on climate finance and GCF |
| Research institutions (Universities, NARC, NAST, independent researchers) | <ul style="list-style-type: none"> • Research on climate change mitigation and adaptation • Knowledge management - documentation and dissemination • Policy think tank - feedback • Development of curriculum from CC perspective • Promote innovation on climate change Expertise and knowledge sharing • Implementing partners of GCF funded projects | <ul style="list-style-type: none"> • Invitee in climate finance steering committee as a observer | <ul style="list-style-type: none"> • Awareness and information sharing | <ul style="list-style-type: none"> • Training and capacity building on GCF and project development • Awareness and information sharing on GCF • Support on proposal/ project development |
| Civil Society | | | | |
| NGO Federation | <ul style="list-style-type: none"> • Advocacy and capacity building of local CBOs on climate change issues • Funding proposal development and implementation • Evidence generation | <ul style="list-style-type: none"> • Member-Climate Finance Steering Committee • Project development and implementation • Lead/Member- | <ul style="list-style-type: none"> • Project development • Understanding of climate change policy, GCF process, • Sharing of information related to | <ul style="list-style-type: none"> • Support on proposal/ project development • Information sharing on climate finance and GCF |

*Stakeholders Engagement Framework
in GCF Process in Nepal*

| Major Stakeholders to be involved in GCF process | Key roles and expected involvement areas in GCF process | Mechanism and process of stakeholder engagement | Capacity development need of stakeholder for effective engagement | Support required from GCF RP/NDA to the stakeholder for their effective engagement |
|--|--|---|---|--|
| | <ul style="list-style-type: none"> • Implementing partners of GCF funded projects | thematic task force | climate finance and GCF <ul style="list-style-type: none"> • Business plan development | |