

NEPAL CASE

Mainstreaming Adaptation in Development Finance in Multilateral Development Banks

Mobilizing Development Finance for Strategic and
Scaled-up Investment in Climate Adaptation

- Prabin Man Singh and Pragya Sherchan



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Prabin Man Singh and Pragya Sherchan

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FOREWORD

This case study was prepared by Prakriti Resources Centre as an input to the “Mobilizing Development Finance for Strategic and Scaled-up Investment in Climate Adaptation” research project, which is implemented by the International Institute for Sustainable Development (IISD) in partnership with Prakriti Resources Centre in Nepal, African Centre for Technology Studies in Kenya, and Libélula in Peru. Funding for the project was provided by Canada’s International Development Research Centre (IDRC).

The research project explored challenges to scaling up finance for adaptation across different contexts and opportunities to overcome these constraints. One area of focus was ‘Mainstreaming Adaptation in Development Finance in Multilateral Development Banks’, and this case study provided detailed insights on how MDB finance has been mainstreamed into development finance to promote climate resilient development in Nepal. It is one of three case studies that informed an IISD research paper that explored the challenges and opportunities related to the use of innovative financial instruments to scale up financing for adaptation.

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ABBREVIATIONS

USD	United States Dollar
ABD	Asian Development Bank
MDBs	Multilateral Development Banks
NAP	National Adaptation Plan
NDC	Nationally Determined Contribution
REDD+	Reducing Emission from Deforestation & Forest Degradation
ASA	Advisory Services & Analytics
IDA	International Development Assistance
IFC	International Finance Corporation

INTRODUCTION

International aid has significantly contributed to financing Nepal's development endeavors. Till 2018, Nepal received a total of USD 21.4 billion in international aid, particularly in the sectors of education, local development, health, road transportation, and electricity (PRC, 2018). The World Bank and Asian Development Bank (ADB) are the largest multilateral development banks (MDBs) working in Nepal, and these two MDBs are the subject of analysis for this case study.¹

In FY 2019/20, the ADB was the largest development partner, contributing 30.5% (USD 611.5 million) of all official development assistance (ODA) disbursement in that period (GON, 2021). Of the ADB's financial flows, 93.5% comprised concessional loans and the remaining funding comprised grants. The ADB's priority sectors included agriculture, health, urban development, energy, and labour (ibid). In the same fiscal year, the World Bank was the second largest development partner, contributing 23% (USD 461 million) of all ODA disbursements in Nepal. Of the World Bank's total support, 95.4 % was provided through concessional loans and the remaining through grants (ibid). The top sectors for the World Bank support were financial reform, housing, policy and strategic support, health, and road transportation (ibid).

The main objective of this case study is to explore how MDBs are aligning their finance portfolios in Nepal with the country's climate change adaptation goals. In the National Adaptation Plan (NAP), submitted to the United Nations Framework Convention on Climate Change (UNFCCC) in October 2021, the Government of Nepal estimated that by 2050, USD 47.4 billion would be required to implement priority adaptation actions. From this total amount, USD 45.9 billion was expected to come from external international support (MoFE, 2021). Earlier, the National Planning Commission (NPC) estimated that an investment of about USD 3.7 billion would be required for climate change adaptation and mitigation between 2016 and 2030 with an average annual cost of about USD 0.3 billion (NPC, 2018). The financing gap was estimated to be approximately between USD 0.8 billion to 1 billion (ibid).

This case study reviews how the World Bank and the ADB are mainstreaming adaptation in their development financial assistance, how these MDBs are incorporating climate risk in their development finance portfolios, and how their programs and financial flows are aligned with Nepal's adaptation priorities. The concluding section discusses the main constraints and opportunities to scale up MDBs support for climate adaptation and sets out recommendations for improving the mainstreaming of adaptation in development finance in Nepal.

METHODOLOGY

This case study is based on the review of primary and secondary literature related to the projects funded by the World Bank and the ADB between 2013 and 2020. A total of 11 World Bank-funded projects and 12 ADB-funded projects that included adaptation elements were selected for a more detailed review. The World Bank Country Partnership Framework and the ADB Country Partnership Strategy were also reviewed to assess how the World Bank and ADB plan to address climate change issues in Nepal through their projects.

The information on country specific investment on climate actions is not readily available; and the activity-level and country-level datasets that underpin the MDB joint reporting on adaptation are not publicly available.² As such, this study explores finance for adaptation by drawing on information that is publicly accessible on the respective MDB's websites. The investment amount and share of adaptation for the World Bank were taken from the Project Appraisal Documents (PADs), which include funding commitments for initiatives that are sourced from core resources, trust funds, climate-related trust funds, and special purpose programmes administered by the

¹ Other MDBs active in Nepal include the Asian Infrastructure Investment Bank, European Investment Bank, and the Islamic Development Bank. Moreover, the World Bank Group's International Finance Corporation (IFC) has been investing in the private sector and the creation of an enabling business environment in Nepal.

² The 2020 OECD on climate finance report states that the purpose of the joint MDB reports on climate finance is to report to shareholders rather than to generate statistics relevant to UNFCCC discussions (OECD, 2020, p. 46)

Bank. The analysis also draws on the World Bank’s climate finance analysis that was published for 2018, 2019 and 2020. The ADB investment amount and climate finance allocations were extracted from documents publicly available in the ADB’s project database, primarily the Reports and Recommendations of the President.

Besides review of project documents, the case study is also informed by key informant interviews (KIIs) with the project staff of the World Bank and the ADB, government officials, independent experts, and climate activists (see Annex). Due to the COVID 19 pandemic, all interviews were conducted virtually.

THE MDBS’ INVESTMENT PRIORITIES IN NEPAL

ASIAN DEVELOPMENT BANK

The ADB has identified climate change and disaster as an impediment to Nepal’s development with ‘Environment sustainability and resilience’ as one of the three strategic objectives of its Country Partnership Strategy (2020-2024) (ADB, 2019). The ADB plans to mainstream climate change and disaster risk reduction in development activities, particularly in the areas of building green and resilient infrastructure, water resources management, and knowledge and capacity building. The Country Partnership Strategy (CPS) includes the following priority activities that aim to enhance Nepal’s resilience to climate change:

- 💧 Build green, resilient infrastructure such as flood-resistant roads in the Terai and all-weather roads in the hills;
- 💧 Implement integrated water resources management;
- 💧 Manage surface and groundwater resources, particularly in the agriculture sector; and
- 💧 Enhance knowledge and capacity for management of the environment, climate change adaptation, and disaster risks.

The detailed outcomes and indicators of the strategic objective ‘Environmental sustainability and resilience’ are presented in the table below.

CPS Strategic Objectives	Priority Areas	Key Outcomes that ADB contributes to	Outcome Indicators
Environmental sustainability and resilience	Environmental sustainability, and climate change and disaster risk reduction	<ul style="list-style-type: none"> • Resilience to climate change and disaster risks increased. • Integrated water resources management strengthened. • Knowledge and institutional capacity for environmental protection, climate change adaptation and disaster risk and management enhanced. 	<ul style="list-style-type: none"> • Flood forecasting and early warning system operationalized in 17 river basins by 2024 • River basin office or organization operational in at least 1 river basin by 2024 • Safeguards policies updated and safeguards units for environment, climate change adaptation, and disaster risk management operationalized in at least 10 federal and subnational implementing agencies by 2024

Source: (ADB, 2019)

Besides climate adaptation, the ADB has also prioritized investment in renewable energy and energy efficiency, sustainable transport and urban services, and climate-resilient agriculture practices, which are in line with the priorities identified in Nepal’s Second Nationally Determined Contribution (NDC) (see GoN, 2020).

The ADB has allocated a total of USD 1,364 million to Nepal for the period 2020-2022 (ADB, 2019). The ADB’s

financial assistance comprises mainly concessional loans, plus USD 20 million as a grant in disaster risk reduction financing. The ADB also encourages other development partners to provide grants for climate change adaptation, gender equality and social inclusion (GESI), and institutional capacity development. However, the total financial allocation for projects and activities to achieve the results under the ‘Environment sustainability and resilience’ objective is not clear.

THE WORLD BANK GROUP

The World Bank has identified climate change and disaster as top priority areas for investment within its Country Partnership Framework (2019-2023) defining “inclusion and resilience” as one of the three focus areas. The Bank aims to increase the country’s resilience to disasters and climate change, including aiding in developing actions to strengthen preparedness and management. The World Bank has allocated USD 100 million for a Catastrophe Deferred Drawdown Option (CAT-DDO) for Nepal with the purpose of securing emergency financing in the immediate aftermath of a catastrophe. This emergency financing (a sum of USD 50 million) was disbursed in 2015, in response to the earthquake. The Bank is also interested in the development of risk insurance products and climate- resilient infrastructure.

In the climate adaptation sector in Nepal, the World Bank’s priority focus areas are disaster risk reduction, water resources, and agriculture. The Bank is also supporting the Reducing Emissions from Deforestation and Forest Degradation (REDD+) initiative to reduce greenhouse gas emissions. REDD+ is critical for achieving ‘the net zero emission by 2045’ target of the Second NDC of Nepal. In the agriculture sector, the bank targets to promote efficient value chains and climate smart agriculture through agribusiness investment and advisory services. In the water sector, the Bank is establishing a Water Sector Strategic Platform to coordinate and bring together the range of initiatives to improve water resources management. The details of the World Bank’s priorities on climate change and disaster risk reduction for 2019-2023 are listed in the following table.

CPF Objective 3.3. Increased resilience to health shocks, natural disasters and climate change		
CPF Objective Indicators	Supplementary Progress Indicators	World Bank Group Program
<p>Indicator 1. Number of eligible beneficiaries who have access to social security allowance program in selected districts. Baseline: 2.3 million (o/w 1.5 million female) (2018); Target: 2.9 million (o/w 1.9 million female) (2023)</p> <p>Indicator 2. Accuracy and timeliness of weather and flood forecasts and early warning dissemination. Baseline: 0.49 (24-hour time period) 95 (2017) Target: 0.80 (24-hour time period) (2023)</p> <p>Indicator 3: Adoption of disaster risk financing and insurance schemes. Baseline: 0 (2017); Target: Increase by 30% (2023)</p>	<ul style="list-style-type: none"> Number of additional households adopts hazard resistant construction practices. Baseline: 50,000 (2017) Target: 650,000 (2023) Expanded disaster preparedness and response capacities at national and local levels. Baseline: 0% (2017) Target: Increase by 30% (2023) Number of river basin management plans for hard infrastructure (i.e. hydropower, roads). Baseline: 0 (2017) Target: 4 additional plans (2023) 	<p>Financing: Ongoing</p> <ul style="list-style-type: none"> Building Resilience to Climate Hazards (US\$31 million) Earthquake Housing Reconstruction Additional Financing (US\$300 million) Strengthening Systems for Social Protection and Civil Registration (US\$150 million) First Programmatic Fiscal and PFM DPC (US\$200 million) <p>Financing: Indicative</p> <ul style="list-style-type: none"> CAT DDO - Second Programmatic Fiscal and PFM DPC <p>Advisory Services and Analytics (ASA) Ongoing/ Indicative:</p> <ul style="list-style-type: none"> Nepal Climate Change - Nepal Advancing Social Protection II

CPF Objective 3.4. Improved adoption of sustainable natural resource management		
CPF Objective Indicators	Supplementary Progress Indicators	World Bank Group Program
<p>Indicator 1. Increase in number of farmers adopting climate smart agricultural practices in targeted districts/States. Baseline: 0 (2017) Target: Additional 116,800 farmers 99 (o/w female 45%100) (2023)</p> <p>Indicator 2. Net Decrease in greenhouse gas emissions from deforestation and forest degradation. Baseline: 0 (2017) Target: 1.5 mil tons of CO₂ reduced (2023)</p>	<ul style="list-style-type: none"> • Increase in area provided with improved irrigation service in targeted areas. Baseline: 0 (2017) Target: Additional 11,000 ha (2023) • Number of sub-national land use/spatial plans governing sustainable natural resources use Baseline: 0 (2017) Target: 2 sub-national land use/spatial plans (2023) • Additional ha of degraded forest rehabilitated. Baseline: 0 (2018) Target: Additional 10,000 ha (2023) 	<p>Financing: Ongoing</p> <ul style="list-style-type: none"> • Forest Investment Program and FCPF REDD Readiness grant (US\$5.2 million) • Livestock Sector Innovation (US\$80 million) • Modernization of Rani Jamara Kulariya Irrigation Phase 2 (US\$66 million) <p>Financing: Indicative</p> <ul style="list-style-type: none"> • FCPF Nepal Emission Reduction Program • Forest for Prosperity Project (with Forest Investment Program and IDA-18 resources) Forest Investment Program- Dedicated Grant Mechanism for Indigenous Peoples and Local Communities • Food and Nutrition Security Enhancement <p>ASA: Ongoing/Indicative:</p> <ul style="list-style-type: none"> • Environmental Sector Diagnostics: Priorities for accelerating growth • Catchment and hydropower ASA - Nepal Federalism Transition Support - Water Sector Strategic Platform

Source: (WB Group, 2018)

The World Bank had allocated USD 1.3 billion of International Development Assistance (IDA) investment in Nepal for the period 2018-2020. Out of this, only USD 122.70 (<10%) is allocated in the focus area “inclusion and resilience”. In addition, IFC had allocated USD 800 million to USD 1.2 million to invest in the private sector in Nepal.

MDBS’ FINANCE FLOWS FOR ADAPTATION IN NEPAL

This section reviews the adaptation finance flows of the World Bank and the ADB from 2013 to 2020 to identify the total amount of investments, the amount that is considered climate finance, the amount that is designated as climate finance, and the amount for adaptation.^{3,4} The review period is chosen to capture MDB’s climate finance decisions immediately prior to and in the aftermath of the Paris Agreement. Consistent with the MDB methodology for tracking adaptation finance (AfDB, et al., 2019), this study has attempted to identify the incremental cost of adaptation activities.

Between 2013 and 2020, the ADB financed 30 projects with a total investment of USD 3 billion (see Annex 2). Out of these projects, 9 projects have only adaptation co-benefits and 5 projects have only mitigation co-benefits while 7 projects have both adaptation and mitigation co-benefits. Thus, 21 ADB projects in total have built-in

³ Other MDBs have provided finance to Nepal for climate change mitigation actions, including the Asian Infrastructure Investment Bank that has approved loans for the energy sector, and the European Investment Bank that has provided loans for investment in the energy sector. The International Finance Corporation (IFC), a member of the World Bank Group that works with the private sector in developing countries, has provided loans and equity in the energy sector, to support small and medium enterprises, and to promote climate resilient agriculture (the latter initiative is explored in detail in the WS3 case study). The Islamic Development Bank has provided support for projects in the education and health sectors. IFAD, an international financial institution and UN specialised agency that is not technically an MDB, has committed USD 354 million in highly concessional loans and grants in the agriculture sector in Nepal from 2013 to 2020.

⁴ This considers finance for adaptation after the Fast-start Finance period agreed at COP15 in 2009, during which time developed countries pledged to provide new and additional resources approaching USD 30 billion for the period 2010-2012.

climate components. Total adaptation-related financing accounted to USD 321.51 million and mitigation-related financing amounted to USD 633.46 million.

Among the projects, *Building Climate Resilience of Watersheds in Mountain Eco-Regions* and *South Asia Subregional Cooperation Road Connectivity Project* are two projects with 100% of the project cost allocated as adaptation financing. Remaining projects with allocation on adaptation financing are sectoral development projects that focus mainly on transport, agriculture, water resources, and energy sectors. These projects have only partial budgetary allocation to climate adaptation.

Between 2013 and 2020, the World Bank financed 56 projects with a total investment of approximately USD 4.59 billion. Out of these projects, 9 projects have only adaptation co-benefits and 9 projects have only mitigation co-benefits while 8 projects have both adaptation and mitigation co-benefits. Thus, 26 World Bank projects in total have built-in climate components. Total adaptation-related financing accounted to USD 1.20 billion and mitigation-related financing accounted to USD 453 million.

Among the projects, *Building Resilience to Climate-related Hazards* and *Food and Nutrition Security Enhancement Project* are two projects with 100% of the project cost allocated as adaptation financing. Financing on Earthquake Housing Reconstruction project has also been labeled as adaptation financing. Remaining projects with allocation on adaptation financing are sectoral development projects that focus mainly on transport, fiscal sector, irrigation, and energy sectors. These projects have only partial budgetary allocation to climate adaptation.

The summary of the World Bank and ADB financing between 2013 and 2020 is presented below (see Annex 2 for details).

Description	Asian Development Bank (30 projects)		World Bank (56 projects)	
	Amount		Amount	
	million USD	Percent	million USD	Percent
Total funding commitment	3,055.91	100.00	4592.44	100.00
Adaptation co-benefits	321.51	10.52	1,197.79	26.08
Mitigation co-benefits	663.45	21.71	453.64	9.88
Total Climate finance	984.96	32.23	1,651.43	35.96

Source: ADB, 2021 and World Bank, 2021

Investment on adaptation financing by the Asian Development Bank and the World Bank is mainly attributed to climate proofing of investments made in the sectoral projects. Climate proofing refers to undertaking climate risk screening and assessment for projects, i.e., with standard development objectives (e.g., a road project), with the aim of improving the climate resilience of such projects. It also focuses on the adaptation response — and the marginal costs and benefits of adaptation — to address potential climate risks or take advantage of opportunities (Watkiss, Wilby, & Rodgers, 2020). Few dedicated adaptation projects are being implemented by both MDBs.

The World Bank’s investment on adaptation is found to be higher than on mitigation whereas the ADB’s investment on mitigation is higher than adaptation. This is because the ADB has investments in energy and renewable energy sectors, which adds to allocation for mitigation.

MDBS’ MAINSTREAMING OF ADAPTATION IN DEVELOPMENT FINANCE

CLIMATE RISK ASSESSMENT

Nepal is rated as one of the most vulnerable countries to climate risk, ranking 128th out of 181 countries in the 2019 ND-GAIN Index (ND-GAIN, 2021). The Climate Risk Country Profile of Nepal, published jointly by the World Bank and the ADB in 2021, shows Nepal’s high exposure to flood hazards and moderate exposure to drought hazards, and ranks

Nepal as the 31st most “at risk” country. It also shows that a lack of coping capacity is a key driver of risk in Nepal. The following table summarizes Nepal’s risk to climate-related hazards among 191 countries.

Flood (0-10)	Tropical Cyclone (0-10)	Drought (0-10)	Vulnerability (0-10)	Lack of Coping Capacity (0-10)	Overall Inform Risk Level (0-10)	Rank (1-191)
6.7 [4.5]	0.2 [1.7]	2.8 [3.2]	4.7 [3.6]	5.8 [4.5]	5.4 [3.8]	31

Source: Climate Risk Country Profile: Nepal, 2021. Note: Score of 0 implies lowest and 10 implies highest score.

Besides the country-level, climate-risk profiling, climate risk assessments are also conducted in the programs and projects financed by the two MDBs. It is a key step in mainstreaming adaptation in development programmes and projects. Such assessments help identify potential risks imposed by climate change to the project, identify climate risk response measures, and estimate cost of implementing such measures in the project.

ADB’S CLIMATE RISK MANAGEMENT FRAMEWORK

The ADB has a well-organized climate risk assessment process. All ADB projects are screened for climate risks. The climate risk management (CRM) framework of the ADB aims to reduce risks resulting from climate change to the projects. It identifies climate change risks in the early stages of project development, and incorporates adaptation measures in the design of projects at risk (see Box 1).

BOX 1: FIVE STEPS IN ADB’S CLIMATE RISK MANAGEMENT FRAMEWORK

- Context-sensitive climate risk screening:** An initial screening is carried out by the project teams by filling in a checklist. Projects identified to be at medium or high risk undergo a further screening through dedicated screening tools, such as the online tool AWARE for Projects. Risks considered are those resulting from temperature increase, precipitation change, wind speed change, sea level rise, solar radiation change, water availability, flooding, tropical storms, wildfire, permafrost, sea ice, snow loading, and landslide.
- Climate risk and vulnerability assessment:** A detailed climate risk and vulnerability assessment is carried out for projects classified as medium or high risk during project preparation. The assessment aims to quantify risks and identify adaptation options that can be integrated into the project design. The level of technical rigor of the assessment depends on the project complexity and the availability of climate data and information for the project area. It can range from a simple desk analysis to a complex assessment based on custom climate projections to enable a more detailed assessment.
- Technical and economic evaluation of adaptation options:** Based on the climate risk and vulnerability assessed, adaptation options are identified and evaluated based on their technical feasibility and economic viability. Technical feasibility evaluates whether proposed engineering and non-engineering measures can be implemented with available skills; equipment; and other local factors such as geography, governance, and capacity. The economic analysis involves estimating and comparing the cost and benefits of the project based on two different scenarios: (i) the project under climate change without adaptation measures, and (ii) the project under climate change with adaptation measures. It aims to identify which adaptation option yields the highest net benefit. It also aims to estimate the incremental cost of adaptation as the cost of project activities aimed at addressing specific climate vulnerabilities. Recognizing that investing in adaptation measures may be costly and that future benefits may be uncertain, the economic analysis can also point to the best timing for investing in adaptation.
- Identification of adaptation options:** The most viable adaptation options or climate proofing measures are identified in consultation with the executing agencies or project sponsors, and are integrated in the project design. There is no standardized approach to climate proofing. In some cases, climate proofing is essential to ensure the project is not negatively affected by climate change. In other cases, the lifetime of the project is such that climate proofing is not a viable option, and climate readiness is a more appropriate approach. Climate proofing may involve adjusting engineering design such as increasing drainage capacity of water supply systems, elevating roads in areas particularly at risk from flooding, or ecosystem-based adaptation measures such as revegetation of unstable slopes.
- Monitoring and reporting:** The level of risk identified during project concept development and the findings of climate risk and vulnerability assessment carried out during project preparation are documented in the ADB board documents. A supplementary document describing the assessment and adaptation measures incorporated in the project design and associated costs can also be attached to the ADB board documents. The level of risk assigned to the project and the budget allocated to the incremental cost of adaptation are recorded in the ADB project classification system for monitoring and reporting purposes.

Source: (ADB, 2014)

Twelve ADB-funded projects that included adaptation elements were selected for a detailed review of climate risk assessments of the projects. The following table summarizes the climate risk assessment in the selected projects as per the ADB's Climate Risk Management framework.

Climate Risk Classification of ADB-funded projects that include an adaptation component (2013-2020)

S. N.	Project Name (Year)	Total ADB (million USD) / (Type of funding)	Climate Risk Screening	Climate Risk Classification	Adaptation Financing	
					million USD	Percent of Project Cost (%)
1	Bagmati River Basin Improvement Project (2013)	30 (Grant & Credit)	Yes	Medium	0.933	3.11
2	Building Climate Resilience of Watersheds in Mountain Eco-Regions (2013)	23.5 (Grant)	Yes	Medium	23.5	100.00
3	South Asia Subregional Cooperation Road Connectivity Project (2013)	75.5 (Credit)	Yes	Medium	75.5	100.00
4	Earthquake Emergency Assistance Project (2015)	201.5 (Loan and Credit)	Yes	High	35	17.37
5	Third Small Towns Water Supply and Sanitation Sector Project (2015)	60 (Credit)	Yes	Low	35.6	59.33
6	South Asia Subregional Economic Cooperation Roads Improvement Project (2016)	186.8 (Credit)	Yes	High	66.5	35.60
7	Rural Connectivity Improvement Project (2017)	100 (Credit)	Yes	Medium	2.32	2.32
8	Regional Urban Development Project (2017)	150 (Credit)	Yes	Medium	14.7	9.80
9	South Asia Subregional Economic Cooperation Highway Improvement Project (2018)	180 (Credit)	Yes	Medium to High	4.5	2.50
10	Urban Water Supply and Sanitation Project (2018)	130 (Credit)	Yes	Medium	26.1	20.08
11	Disaster Resilience of Schools Project (2018)	163.8 (Credit & Grant)	Yes	Medium	7.2	4.40
12	South Asia Subregional Economic Cooperation Mugling-Pokhara Highway Improvement Phase 1 (2019)	195.5 (Credit)	Yes	Medium	17.7	9.05

Source: ADB, 2021

WORLD BANK'S CLIMATE AND DISASTER RISK SCREENING TOOL

The World Bank has developed a suite of Climate and Disaster Risk Screening Tools to help development professionals screen climate change and disaster risks during project preparation and sectoral- and national-level planning. The tools are designed to help screen for climate and disaster risks at the early stages of project design, using integrated country-specific data, and online reference resources for disaster and climate resilient

development. The tools assist in the development of planning processes that identify the severity of the potential risks to projects of various scales; ranging from national plans to individual project investments; and helps stimulate thinking towards developing enhanced resilience opportunities as well as potential risks to climate change. Project tools have been developed for agriculture, coastal flood protection, energy, health, roads, and water sectors.

Eleven World Bank-funded projects that included adaptation elements were selected for a detailed review of climate risk assessment. The following table summarizes climate risk assessment in the selected projects as per the World Bank's Climate and Disaster Risk Screening Tools.

Climate Risk Classification of the World Bank-funded projects that include an adaptation component (2013-2020)

S.N.	Name of the Project (Year)	Total WB (million USD) /(Type of Funding)	Climate Risk Screening	Climate Risk Classification	Adaptation Financing	
					million USD	Percent of the Project Cost
1	Building Resilience to Climate Related Hazards (2013)	31 (Grant)	Yes	Not stated	31	100.00
2	Earthquake Housing Reconstruction Project (2015)	200 (Credit)	No	-	190	95.00
3	Additional Finance to Road Sector Development Project (2016)	55 (Credit)	Yes	High	19.25	35.00
4	Nepal Livestock Innovation Project (2017)	80 (Credit)	No	-	21.24	26.55
5	Additional Financing Earthquake Housing Reconstruction (2017)	300 (Credit)	Yes	High	265.64	88.55
6	Second Bridges Improvement and Maintenance Program (2018)	133 (Credit)	Yes	High	56.57	42.53
7	Food and Nutrition Security Enhancement Project (2018)	22.7 (Grant)	No	-	22.70	100.00
8	Modernization of Rani Jamara Kulariya Irrigation Scheme - Phase 2 (2018)	66 (Grant)	Yes	Not stated	28.64	43.39
9	Nepal Fiscal Reforms DPC (2018)	200 (Credit)	Yes	Not stated	22.22	11.11
10	Programmatic Fiscal and Public Management Development Policy Credit (II) (2019)	100 (Credit)	No	-	17.50	17.50
11	Development Policy Financing with CAT DDO (2020)	50 (Credit)	Yes	Not stated	25	50.00

In 2014, the World Bank decided that all operations funded through the IDA must consider climate and disaster risks and address them as appropriate (World Bank, 2021b). However, not all reviewed projects funded by the World Bank in Nepal after 2014 seem to have undertaken Climate Risk Screening. In some of the projects that have undertaken climate risk screening, the risk classification is not stated.

ALIGNMENT WITH NATIONAL PLANS AND POLICIES: CHALLENGES AND OPPORTUNITIES

The Nepal Government's National Climate Change Policy 2019 provides opportunity to address adaptation, GHG emission reduction, technology use, documentation of good practices, capacity enhancement, awareness campaigns, among other issues. It also mentions the inclusion of guiding principles in dealing with issues of common but differentiated responsibilities and capabilities of stakeholders and actors both at the national and international domain. This policy has adopted 12 themes to address climate change in the country. Of them, eight are technical themes and four are crosscutting themes⁵. In late 2021, Nepal was in the process of finalizing its National Adaptation Plan (NAP) under the leadership of the Ministry of Forests and Environment (MoFE). NAP is designed to address the medium and long-term adaptation needs of the country which is being prepared with support from the Green Climate Fund (GCF).

The Government of Nepal adopted the 15th Five Year Development Plan 2019-2024 which aims to develop Nepal as a climate resilient country. The Plan has set an ambitious target of 10% annual economic growth. In it, the underlying objectives on climate change include: (1) undertake mitigation and adaptation of climate change in the spirit of the Paris Agreement; (2) adopt a framework of green, clean and environment friendly development for climate change mitigation; and (3) Strive for access to all available international climate finances and technologies to address issues of climate change mitigation and adaptation while ensuring equitable distribution of the benefits (GoN, 2020).

The priorities of the ADB and the World Bank align well with those of the Government of Nepal not only in the adaptation sector but also in the overall context of development as evident from the following table. It is both a challenge and an opportunity for the MDBs and the Government of Nepal to collaborate for efficient financing in mitigating climate risks.

Priority areas of the ADB, the World Bank and the Government of Nepal

ADB's Priority Areas in Nepal*	World Bank's Priority Areas in Nepal**	National Priorities#
<ul style="list-style-type: none"> • Improve infrastructure for private sector-led growth • Improve access to devolved services, • Ensure environmental sustainability and resilience. 	<ul style="list-style-type: none"> • Strengthen public institutions • Promote private sector led jobs and growth • Ensure inclusion and resilience 	<ul style="list-style-type: none"> • Enhance climate change adaptation capacity and build resilience capacity of ecosystems • Promote green economy by adopting the concept of low carbon emission development • Mobilize national and international financial resources for climate change mitigation and adaptation in just manner • Mainstream or integrate climate change issues into policies, strategies, plans and programs at all levels of State and sectoral areas • Mainstream gender equality and social inclusion (GESI) into climate change mitigation and adaptation programs

Note:

* ADB's priorities are derived from the Country Partnership Strategy (2020-2024).

** The World Bank's priorities are derived from the Country Partnership Framework for Nepal (2019- 2023).

National priorities are derived from National Climate Change Policy 2019 and National Adaptation Plans (NAP) preparatory documents published by Ministry of Forests and Environment, the Government of Nepal.

⁵ Eight major thematic areas include: Agriculture and food security; Forests, biodiversity and watershed conservation; Water resources and energy; Rural and urban settlements; Industry, transport and physical infrastructures; Tourism and natural and cultural heritages; Health, Water and Sanitation; and Disaster risk reduction and management. Four crosscutting themes include: Gender and social inclusion, livelihood and governance; Enhanced public awareness and capacity building; Research, technology and dissemination; and, Climate finance management.

FINDINGS

- 💧 The ADB and the World Bank's current adaptation financing strategy in Nepal is mainly focused on climate-proofing the sector projects invested by the banks. Few dedicated climate change adaptation projects are being implemented by the MDBs.
- 💧 Climate Risk Assessment is conducted at the project development phase, which largely takes place at the headquarters. The level of engagement of the country teams as well as line ministries and local stakeholders in the risk assessment is low.
- 💧 MDBs do not seem to have taken into account the government's climate vulnerability assessment but instead perform their own assessment to support the national country strategy and action plan. This seems to suggest a low level of trust among the country stakeholders.
- 💧 The engagement of MDBs in the formulation process of national plans on climate change is relatively weak given the important role of MDBs in terms of integrating climate concerns in the national plans through projects. MDBs' Country Partnership Strategy needs to be updated to contribute to the recent policy priorities on climate change adopted by the Government of Nepal. This calls for an agile approach on the part of MDBs.
- 💧 Nepal needs to invest substantially to build the country's adaptive capacity to climate change and address the adaptation financing deficit. Aligning the climate priorities of the ADB and the World Bank can help bring in efficiency in climate financing.
- 💧 Increased emphasis on Climate Risk Assessment by the MDBs has increased awareness in the policy domain about the importance and possibility of addressing climate risks in project formulation process. The MDBs have generated useful knowledge products on conducting climate risk assessment across different sectors, which can be a valuable resource for designing climate projects as well as informing sector projects for climate risk resilience.
- 💧 The MDBs have also used climate risk assessment tools to estimate additional financing requirements in development projects to implement identified adaptation actions to minimize climate risks to the project. Such an approach provides a more accurate estimation of the additional adaptation financing requirement in the development projects.

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ANNEX

ANNEX 1: INTERVIEWS

Annex 1.1: List of Interviewees

S. N.	Name	Position	Organization
1	Arghya Singha Roy	Principal Climate Change Specialist (Climate Change Adaptation)	Asian Development Bank
2.	Arun Shamsher Rana	Senior Project Officer	Nepal Resident Mission, Asian Development Bank
3.	Netra Timilsina	Regional Coordinator	South Asia Alliance for Poverty Eradication (SAAPE)
4.	Prem Prasad Paudel	Project Director (Building Climate Resilience in Watersheds of Mountain Ecoregions Project)	Department of Soil Conservation and Watershed Management
5	Preety Bhandari	Chief of Climate Change and Disaster Risk Management Theme	Asian Development Bank

Annex 1.2: Sample Interview Protocol Form

Project: Mobilizing Development Finance for Strategic and Scaled-up Investment in Climate Adaptation

Date: _____

Time: _____

Location: _____

Interviewer: _____

Interviewee: _____


Notes to interviewee:

Thank you for your participation. I believe your input will be valuable to this research and in helping grow all of our professional practices.

Confidentiality of responses is guaranteed.

Permission granted to record the conversation.

 Approximate length of interview: 1 hour, four major set of questions

 Purpose of research:

Explore challenges to integrating adaptation considerations into development finance, and identify opportunities and measures to address these constraints

1. How are MDBs implementing international guidance on tracking flows of finance for adaptation in Nepal? What are the trends in flows of MDB investment for climate adaptation?
2. How are MDBs assessing climate risk in development finance supported projects and programs? How do MDBs address climate risks and incorporate vulnerability reduction measures in project planning, design and implementation? What barriers do MDBs encounter in assessing climate risk and addressing in projects?
3. Are MDB's financial flows aligned with the priority adaptation actions of Nepal? How best to encourage greater alignment of developing country adaptation priorities identified through National Climate Change Policy, NDC, and NAP with MDB country strategies and patterns of financial flows?

PART 1: CLIMATE FINANCE AND TRACKING

1. What is the total of ADB/WB financial flow in Nepal? How much of this is climate finance? What is the amount allocated to adaptation (including development finance)?
2. How does ADB/WB track progress towards supporting climate adaptation in Nepal? How do they use international guidance on tracking flows of adaptation finance at the country level in regards to both climate finance and development finance?

PART 2: CLIMATE RISK ASSESSMENT

3. How does your organization assess climate risk in projects? What types of climate finance projects/ development finance projects are prioritized for climate risk assessment? Can you provide an example of a climate risk assessment?
4. How is climate risk information used in decision making and project design? Is there a different approach to the use of climate risk information in climate finance and development finance projects? What, if any, challenges do you face in increasing resilience in projects?

PART 3: ALIGNING with NATIONAL PRIORITIES

5. Do ADB/WB use outcomes National Climate Change Policy, NAPA and/or NDC process to inform the preparation of your developing country partnership strategies? In identifying projects to fund? What could be done to encourage greater alignment of Nepal's adaptation priorities and ADB/WB investments?
6. How does your organization make decisions on what adaptation actions to fund through climate finance and development finance channels?

OTHERS

7. How are adaptation financing gaps and climate-resilient actions identified and prioritized in Nepal's operations? Is information about finance flows for adaptation used to inform these decisions?
8. How do you engage Nepal's government in the tracking of adaptation finance flows, assessment of climate risks, and /or identification of adaptation priorities? What ministries are you engaged with?
9. What challenges and constraints do you experience in identifying and implementing climate finance initiatives and mainstreaming adaptation considerations into development finance portfolios and Nepal's strategies? What steps are being taken to overcome these challenges? What else is needed to overcome these barriers?

Annex 1.3 : Generic Interview Checklist Questions

MDB officials

1. How does your organization track progress towards supporting climate adaptation at the country level? How does your organization use international guidance on tracking flows of adaptation finance at the country level in regard to both climate finance and development finance investments?
2. What is the total of MDB financial flows? How much of this is climate finance? What is the amount allocated to adaptation (including development finance)?
3. How are adaptation financing gaps and climate-resilient actions identified and prioritized in country operations? Is information about finance flows for adaptation (climate and development) used to inform these decisions?
4. How does your organization make decisions on what adaptation actions to fund through climate finance and development finance channels?
5. Do you use outcomes of NAP and/or NDC processes to inform the preparation of your developing country partnership strategies? In identifying projects to fund? What could be done to encourage greater alignment of developing country adaptation priorities and MDB investments (both development and climate)?
6. How does your organization assess climate risk in projects? What types of climate finance projects are prioritized for climate risk assessment? What types of development finance projects are prioritized for climate risk assessment? Can you provide an example of a climate risk assessment?
7. How is climate risk information used in decision making and project design? Is there a different approach to the use of climate risk information in climate finance and development finance projects? What, if any, challenges do you face in increasing resilience in projects?
8. How do you engage national governments in the tracking of adaptation finance flows, assessment of climate risks, and/or identification of adaptation priorities? What ministries are you engaged with?
9. What challenges and constraints do you experience in identifying and implementing climate finance initiatives and mainstreaming adaptation considerations into development finance portfolios and country strategies? What steps are being taken to overcome these challenges? What else is needed to overcome these barriers?

Government officials

1. How does your government track flows of total MDB finance, and MDB finance for adaptation? What is the total of MDB flows? How much of this is climate finance? What is the amount allocated for adaptation?
2. Is this tracking information used to identify adaptation financing gaps and climate-resilient actions that can be addressed through MDB climate and development finance? If so, how does your approach differ when seeking climate finance versus development finance?
3. What is your role in the NAP process and NDC process? How do the adaptation priorities identified through NAP and NDC processes impact your discussions with MDBs? What could be done to encourage greater alignment of your adaptation needs and MDB adaptation investments (through both development and climate finance flows)?
4. How do you engage with MDBs to: 1) track adaptation finance and identify projects that address

adaptation priorities; 2) identify adaptation priorities for support through climate and development finance; and 3) undertake climate risk assessments at the project planning stage?

5. How do you engage with MDBs in the development of MDB country partnership strategies? How are the NAP and NDC processes used to influence these strategies?
6. For what types of adaptation projects do you seek MDB financing? What challenges and constraints do you experience in identifying and securing funding for adaptation from MDBs through (a) climate finance and (b) development finance? What steps are being taken to overcome these challenges? What is needed to overcome these barriers?

ANNEX 2: CLIMATE FINANCE ASSESSMENT

Annex 2.1: Climate Finance Assessment - World Bank project portfolio in Nepal, 2013-2020

S.N.	Project	Year of Funding Commitment	Total funding commitment (million USD)	Adaptation co-benefits (million USD)	Mitigation co-benefits (million USD)	Climate finance (million USD)
1	Nepal Additional Financing for Irrigation and Water Resources Management Project	2013	50.00	-	-	-
2	Project for Strengthening the National Rural Transport Program	2013	100.00	-	-	-
3	Nepal: Pro-poor Urban Regeneration Pilot	2013	2.75	-	-	-
4	Nepal-India Regional Trade and Transport Project	2013	99.00	-	-	-
5	NP: Financial sector stability DPC	2013	30.00	-	-	-
6	Additional Financing for Nepal-India Electricity Transmission and Trade Project	2013	39.00	-	-	-
7	Second Additional Financing for the Poverty Alleviation Fund II Project	2013	80.00	-	-	-
8	Nepal: School Sector Reform Program Additional Financing	2013	100.00	-	-	-
9	Kali Gandaki A Hydropower Plant Rehabilitation Project (KGAHPRP)	2013	27.26	-	27.26	27.26
10	Nepal Agriculture and Food Security Project	2013	46.50	-	-	-
11	Building Resilience to Climate Related Hazards	2013	31.00	31.00	-	31.00
Total of year 2013			605.51 (100%)	31.00 (5.12%)	27.26 (4.50%)	58.26 (9.62%)
12	Nepal: Grid Solar and Energy Efficiency	2014	130.00	-	130.00	130.00
13	Strengthening Civil Society Organizations' use of Social Accountability to improve PFM in Nepal	2014	0.57	-	-	-
14	Scaling up Renewable Energy Program (SREP)-Supported Extended Biogas Project	2014	7.90	-	7.90	7.90
15	Kabeli-A Hydro Electric Project	2014	46.00	-	46.00	46.00
16	NP Rural Water Supply and Sanitation Improvement Project	2014	72.00	-	-	0%
17	Adolescent Girls Employment Initiative II	2014	0.64	-	-	0%

S.N.	Project	Year of Funding Commitment	Total funding commitment (million USD)	Adaptation co-benefits (million USD)	Mitigation co-benefits (million USD)	Climate finance (million USD)
Total of year 2014			495.34 (100%)	-	183.90 (37.13%)	183.90 (37.13%)
18	Nepal: Power Sector Reform and Sustainable Hydropower Development (PSRSHD)	2015	20.00	-	20.00	20.00
19	Strengthening Public Financial Management II Project	2015	3.68	-	-	-
20	Earthquake Housing Reconstruction Project	2015	200.00	190.00	-	190.00
21	Financial sector stability DPC2	2015	100.00	-	-	-
22	Road Safety Support Project	2015	7.47	-	-	-
23	Higher Education Reforms Project	2015	65.00	-	-	-
Total of year 2015			396.15 (100%)	190.00 (47.96%)	20.00 (5.05%)	210.00 (53.01%)
24	Nepal - Forest Investment Plan Preparation Grant	2016	0.25	-	0.25	0.25
25	Strengthening Systems for Social Protection and Civil Registration Project	2016	150.00	-	-	-
26	Additional Finance to Road Sector Development Project	2016	55.00	19.25	-	19.25
27	Integrated Platform for Gender Based Violence Prevention and Response	2016	2.00	-	-	-
28	School Sector Reform Program Additional Financing	2016	59.30	-	-	-
Total of year 2016			266.55 (100%)	19.25 (7.22%)	0.25 (0.09%)	19.50 (7.32%)
29	Nepal Livestock Innovation Project	2017	80.00	21.24	11.43	32.67
30	NP: Additional Financing Earthquake Housing Reconstruction	2017	300.00	265.64	-	265.64
31	Enhanced Vocational Education and Training Project II	2017	60.00	-	-	-
32	MDTF Funding for Earthquake Housing Reconstruction Project	2017	10.00	-	-	-
33	Nepal School Sector Development Program	2017	185.00	-	-	-
34	Nepal Third Financial Sector Stability Credit DPC3	2017	100.00	-	-	-
35	Nepal Health Sector Management Reform Program	2017	150.00	-	-	-
Total of year 2017			1460.10 (100%)	286.88 (19.65%)	11.43 (0.78%)	298.31 (20.43%)
36	Second Bridges Improvement and Maintenance Program	2018	133.00	56.57	6.38	62.95
37	Food and Nutrition Security Enhancement Project	2018	22.70	22.70	-	22.70
38	Nepal Energy Sector Development Policy Credit	2018	100.00	2.60	47.40	50.00
39	Nepal Fourth Financial Sector Stability Credit DPC4	2018	100.00	20.83	-	20.83

S.N.	Project	Year of Funding Commitment	Total funding commitment (million USD)	Adaptation co-benefits (million USD)	Mitigation co-benefits (million USD)	Climate finance (million USD)
40	Integrated Public Financial Management Reform Project	2018	15.00	-	-	-
41	Modernization of Rani Jamara Kulariya Irrigation Scheme - Phase 2	2018	66.00	28.64	21.41	50.05
42	Nepal Fiscal Reforms DPC	2018	200.00	22.22	-	22.22
Total of year 2018			636.70 (100%)	153.56 (24.12%)	75.19 (11.81%)	228.75 (35.93%)
43	Youth Employment Transformation Initiative Project	2019	120.00	-	7.50	7.50
44	Nepal: Additional Financing for School Sector Development Program	2019	23.96	-	-	-
45	Programmatic Fiscal and Public Management Development Policy Credit (II)	2019	100.00	17.50	7.50	25.00
46	Nepal: Private Sector-led Mini-Grid Energy Access Project	2019	7.61	-	7.61	7.61
Total of year 2019			251.57 (100%)	17.50 (6.96%)	22.61 (8.99%)	40.11 (15.94%)
47	Second Additional Financing Earthquake Housing Reconstruction Project	2020	200.00	180.00	-	180.00
48	Nepal Development Policy Financing with CAT DDO	2020	50.00	25.00	6.30	31.30
49	COVID-19 Emergency Response and Health Systems Preparedness Project	2020	29.00	-	-	-
50	Second Programmatic Energy Sector Development Policy Credit	2020	100.00	-	50.00	50.00
51	Nepal Strategic Road Connectivity and Trade improvement Project	2020	450.00	195.10	44.70	239.80
52	Forests for Prosperity Project	2020	24.00	12.00	12.00	24.00
53	COVID 19 School Sector Response	2020	10.85	-	-	-
54	Finance for Growth Development Policy Financing	2020	200.00	7.50	-	7.50
55	Nepal Urban Governance and Infrastructure Project	2020	150.00	-	-	-
56	Rural Enterprise and economic development project	2020	80.00	80.00	-	-
Total of year 2020			1293.85 (100%)	499.60 (38.61%)	113.00 (8.73%)	612.60 (47.35%)
Total of year 2013-2020			4,592.44 (100%)	1,197.79 (26.08%)	453.64 (9.88%)	1,651.43 (34.22%)

Source:

World Bank Climate Finance 2018. <https://thedocs.worldbank.org/en/doc/744511553696049991-0020022019/original/WorldBank2018CFData.pdf>

World Bank Climate Finance 2019. <https://thedocs.worldbank.org/en/doc/592361596711415924-0020022020/original/WorldBankFY19CFData0803.pdf>

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Project information and documents accessed at the World Bank Project database. <https://projects.worldbank.org/>

Annex 2.2: Climate Finance Assessment - ADB project portfolio in Nepal, 2013-2020

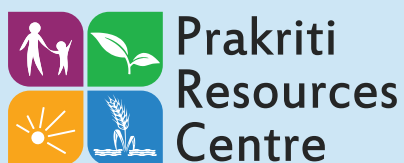
S.N.	Project	Year of Funding Commitment	Total funding commitment (million USD)	Adaptation co-benefits (million USD)	Mitigation co-benefits (million USD)	Climate finance (million USD)
1	Bagmati River Basin Improvement Project	2013	30	0.933	1.215	2.15
2	Bagmati River Basin Improvement Project - Additional Finance	2013	63	1.96	2.55	4.51
3	Project Preparatory Facility for Energy	2013	21	-	-	0.00
4	Building Climate Resilience of Watersheds in Mountain Eco-Regions	2013	23.50	23.50	-	23.50
5	South Asia Subregional Cooperation Road Connectivity Project	2013	75.50	75.50	-	75.50
6	Skills Development Project	2013	20	-	-	0.00
7	Kathmandu Valley Wastewater Management Project	2013	80	-	-	0.00
8	Tanahu Hydropower Project	2013	150	-	150	150.00
Total of year 2013			463.00 (100%)	101.89 (22.01%)	153.77 (33.21%)	255.66 (55.22%)
9	South Asia Sub-regional Economic Cooperation Power System Expansion Project	2014	180.50	2	140	142.00
10	Grant - South Asia Sub-regional Economic Cooperation Power System Expansion Project	2014	11.20		11.20	11.20
Total of year 2014			191.70 (100%)	2.00 (1.04%)	151.20 (78.87%)	153.20 (79.92%)
11	Disaster Risk Reduction and Livelihood Restoration for Earthquake-Affected Communities	2015	15			0.00
12	Earthquake Emergency Assistance Project	2015	201.50	35		35.00
13	Third Small Towns Water Supply and Sanitation Sector Project	2015	60	35.60	3.90	39.50
Total of year 2015			276.50 (100%)	70.60 (25.53%)	3.90 (1.41%)	74.50 (26.94%)
14	South Asia Sub-regional Economic Cooperation Roads Improvement Project	2016	186.80	66.50	-	66.50
15	Supporting School Sector Development Plan	2016	120.50	-	-	0.00
Total of year 2016			307.30 (100%)	66.50 (21.64%)	0.00 (0.00%)	66.50 (21.64%)
16	Rural Connectivity Improvement Project	2017	100	2.32		2.32
17	Regional Urban Development Project	2017	150	14.70	6.10	20.80
18	South Asia Sub-regional Economic Cooperation Customs Reform and Modernization for Trade Facilitation Program	2017	21			0.00

S.N.	Project	Year of Funding Commitment	Total funding commitment (million USD)	Adaptation co-benefits (million USD)	Mitigation co-benefits (million USD)	Climate finance (million USD)
19	Power Transmission and Distribution Efficiency Enhancement Project	2017	154		154	154.00
	Total of year 2017		425.00 (100%)	17.02 (4.00%)	160.10 (37.67%)	177.12 (41.68%)
20	South Asia Sub-regional Economic Cooperation Highway Improvement Project	2018	180	4.5	-	4.50
21	Urban Water Supply and Sanitation (Sector) Project	2018	130	26.10	-	26.10
22	Disaster Resilience of Schools Project	2018	163.86	7.20	6.80	14.00
23	South Asia Sub-regional Economic Cooperation Power System Expansion Project - Additional Financing	2018	20	-	20	20.00
	Total of year 2018		493.86 (100%)	37.80 (7.65%)	26.80 (5.43%)	64.60 (13.08%)
24	Rural Enterprise Financing Project	2019	50.75	-	-	0.00
25	Food Safety and Agriculture Commercialization Program	2019	50.50	-	-	0.00
26	South Asia Sub-regional Economic Cooperation Mugling-Pokhara Highway Improvement Phase 1 Project	2019	195.50	17.7	-	17.70
27	Upper Trishuli -1 Hydropower projects	2019	60	-	60	60.00
	Total of year 2019		356.75 (100%)	17.70 (4.96%)	60.00 (16.82%)	77.70 (21.78%)
28	Priority River Basins Flood Risk Management	2020	50	7	-	7.00
29	Civil Aviation Improvement Program	2020	50	-	-	0.00
30	COVID-19 Emergency Response	2020	3	-	-	0.00
31	South Asia Sub-regional Economic Cooperation Power Transmission and Distribution System Strengthening Project	2020	200	1	118.9	119.90
32	COVID-19 Active Response and Expenditure Support Program	2020	250	-	-	0.00
	Total of year 2020		553.00 (100%)	8.00 (1.45%)	118.90 (21.50%)	126.90 (22.95%)
	Total of year 2013-2020		3067.11 (100%)	321.51 (10.48%)	674.67 (22.00%)	996.18 (32.48%)

Source: Project information and documents accessed at the Asian Development Bank website that includes the Nepal project database. <https://www.adb.org/countries/nepal/main>

Prakriti Resources Centre

Prakriti Resources Centre (PRC) is furthering the notion of sustainable development and environmental integrity in Nepal. PRC engages in national and international climate policy processes, low carbon development pathways and resilience-building & disaster risk reduction and loss and damage associated with climate change impacts. In these areas, PRC conducts research and study, carries out policy intervention, builds awareness, knowledge and capacity of civil society organizations, government and the private sector, and facilitates dialogue. PRC works in alliance and collaboration with government and other national, regional and global actors in these areas. Together with the allies, it also advocates for environmental-friendly development practices. Gender equality, social inclusion, and good governance cross-cut all PRC projects, activities and practices.



For more information:

107/22 Aruna Lama Marg, Ganesh Basti,
Narayan Gopal Chowk, Kathmandu, Nepal

Phone: +977-01-4528602

E-mail: info@prc.org.np

Web: www.prc.org.np