



## NEPAL

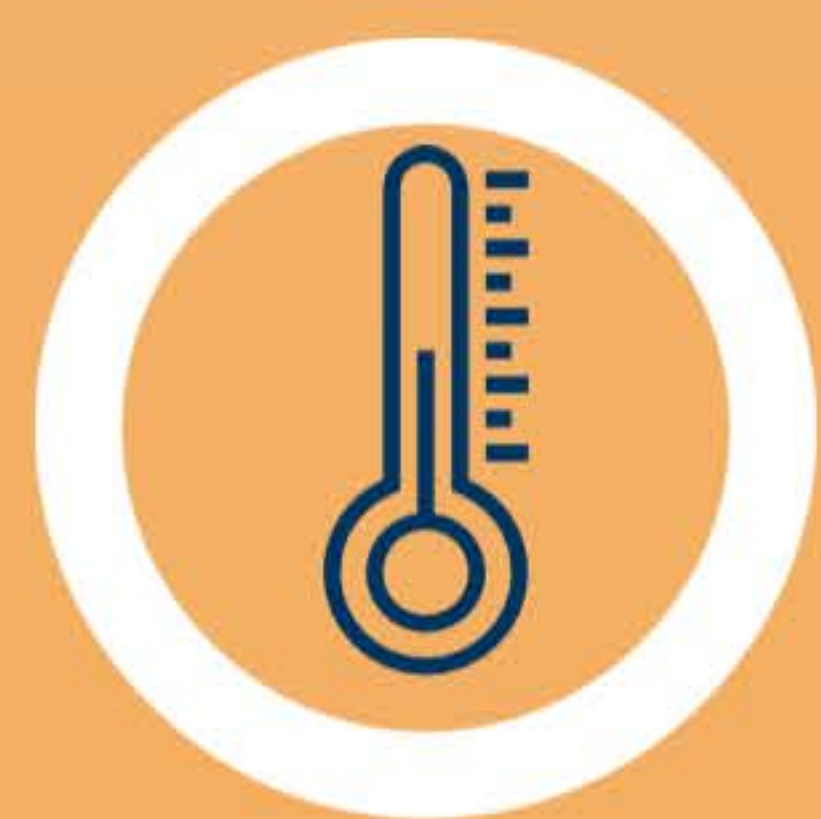
# CLIMATE CHANGE ACTION PLAN 2021 - 2025

Nepal is one of the most vulnerable countries to climate change in the world. Climate change and climate-induced disasters are having significant impacts on social and economic development, incurring untold damage to infrastructure and livelihoods. The World Bank Group is stepping up its support to help the country address climate-related risks, while investing in Green, Resilient, and Inclusive Development (GRID).

### CLIMATE VULNERABILITIES



Among the top 10 countries affected by climate related extreme weather events (2000-2019)



Projected temperature increase from 1.3°C to 1.8°C in the period 2036-2065



Precipitation changes projected to range from 7.9% to 12.1% in the period 2036-2065



Higher frequency of floods, landslides, forest fires, and droughts

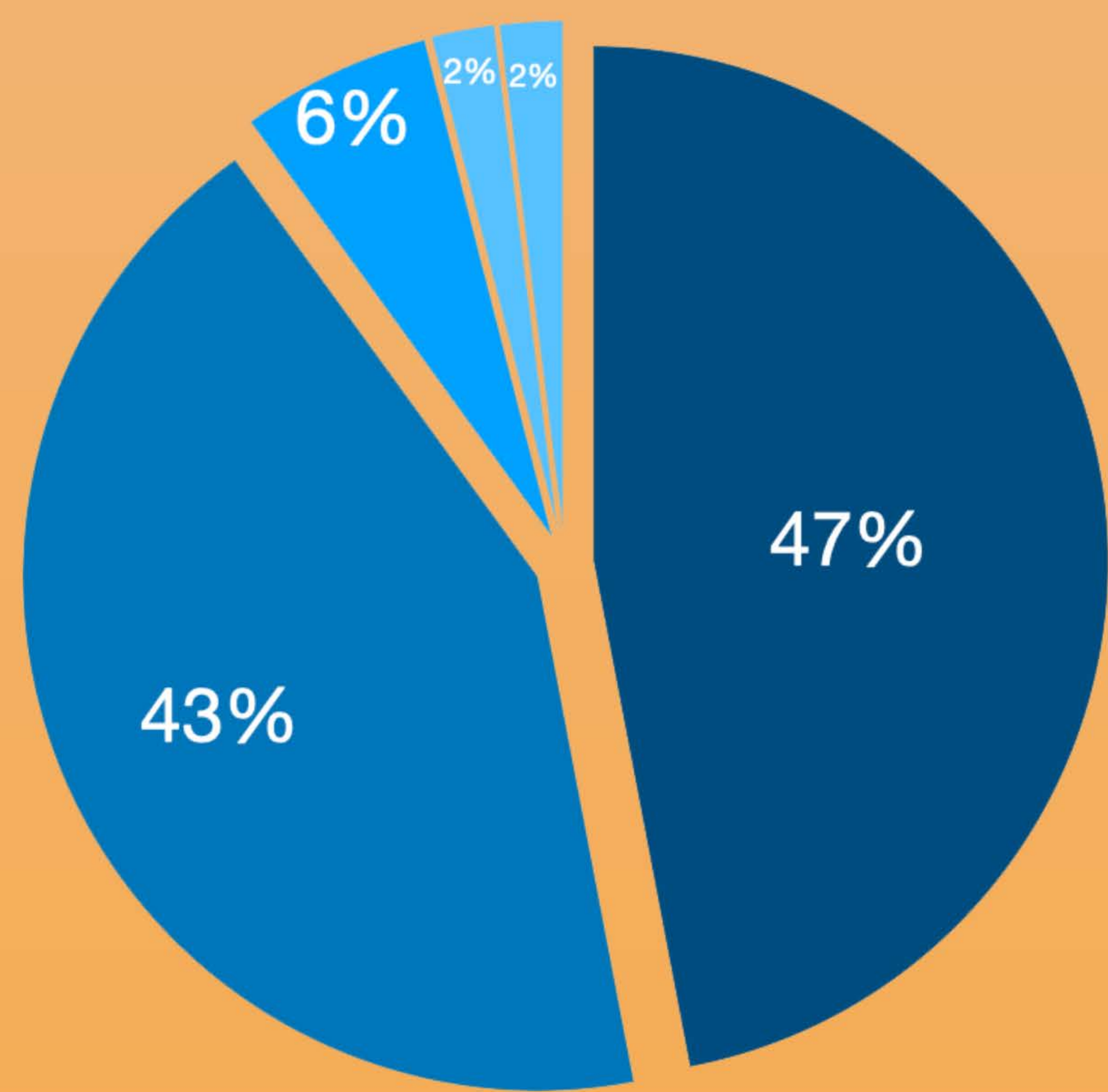


Projected economic cost of climate change could be 2-3% of GDP per year by 2050

#### Highlights from Nepal's climate commitments:

- By 2045, achieve net-zero emission.
- By 2030, maintain 45% of the country under forest cover.
- By 2030, prepare and implement climate-resilient and gender-responsive adaptation plans in all 753 local governments.

### GHG EMISSIONS PROFILE (2018)



55 million metric tons CO<sub>2</sub>e (2018) - 0.1% of global GHG emissions





## Priority Themes

## World Bank Group Action Steps for Nepal

### Near-Term (Year 1 - 2)

### Medium- to Long-Term (Year 3 - 5)

#### Climate-Smart Agriculture, Water, and Resilient Natural Capital



- i. Investments in water supply and sanitation services in rural areas and cities, considering associated community watershed protection.
- ii. New Development Policy Credit series on GRID.
- iii. Implement recommendations of the Climate-Smart Agriculture Investment Plan into agriculture lending, including support to commercial business models.
- iv. Investments in agriculture, water, and forest nexus.

- i. Continue Development Policy Credit phases to strengthen policy outcomes for climate action.

#### Climate resilient Cities, Towns, and Local Service Delivery



- i. Investments in sub-national disaster risk management strategies, local governments, community resilience, and resilient infrastructure in rural communities and municipalities.

- i. Public/private investments in protected areas and tourism.

#### Clean Energy



- i. Development Policy Credit series supporting fiscal sustainability, economic growth, and energy.

- i. Investments in renewable energy infrastructure and modernization of management practices and tools.
- ii. Creation of a regional power pool for efficient cross-border power trading with a focus on private sector participation.

#### Climate-smart Transport Networks



- i. Resilient road networks and connectivity through transport and trade projects along highway corridors.
- ii. Implementation of the Integrated Planning Model for climate-resilient transport networks.

- i. Pilot financial protection strategies/disaster risk financing mechanisms for bridges and other structures.
- ii. Green and resilient transport corridor concept for ecological sustainability and green jobs.

#### Human Development for Economic and Environmental Resilience



- i. Investments in financial and institutional disaster response capacity and adaptive shock-responsive safety nets linked to green jobs, livelihoods, and skills development.

A Country Climate and Development Report to facilitate policy reform in support of the government of Nepal's focus on integrating climate and development, building resilience, and catalyzing sectoral transitions that are consistent with GRID.

This document is a snapshot of the Nepal Climate Change Action Plan of the South Asia Climate Roadmap: <https://www.worldbank.org/en/region/sar/publication/south-asia-climate-roadmap>

The Roadmap is aligned with Nepal's National Climate Change Policy (2019), the GRID Framework, and the World Bank Group's Country Partnership Framework for 2019-2023. It presents concrete actions to implement the World Bank Group's Climate Change Action Plan 2021 – 2025 in South Asia: <https://www.worldbank.org/en/topic/climatechange>