



Nepal is shifting to a green, resilient, and inclusive development (GRID) path. Due to overlapping, inter-related challenges such as a jobless recovery from the pandemic, inequality, climate change, environmental health, and global economic issues, the country needs to focus on sustainable, simultaneous, and systematic solutions. Given the urgency and magnitude of these challenges, good investments and policy implementation need to be accelerated, while creating inclusive opportunities and green jobs – especially for the poor and vulnerable disproportionately impacted by the inter-related challenges. Strategic Action Plan (SAP) for the next decade has been prepared to convene and coordinate investment for the 10 transitions below. These investments are accompanied by a set of policy actions.

GREEN

Both public and private sector led development need to be driven by sustainability to help secure current and future growth. Growth can be limited by risks such as climate change, natural disasters, health effects of pollution, and biodiversity loss.

RESILIENT

To increase the chances that Nepal can bounce back from inevitable shocks, there is a need to better prepare for reducing, adapting to, and recovering from a wide range of risks and uncertainties, including recessions, financial shocks, conflict, natural hazards, natural resource degradation, climate change, pollution, and pandemics originating in zoonotic diseases. These risks and uncertainties are also often inter-related.

INCLUSIVE

Rising inequality and exclusion impede development. Recovery efforts should therefore leave no one behind, reduce disparities in opportunities and outcomes, and help excluded groups realize a fair share of benefits. Unlocking the potential of human capital helps drive resilient green growth.

Some achievements since the 2021 Kathmandu Declaration

- GRID Strategic Action Plan (SAP) 2024-2034 prepared: US\$10 billion over 10 years for 10 transitions.
- This GRID SAP convenes financing and coordinates action to help Nepal implement priorities in its national and sector development plans, Nationally Determined Contribution, National Adaptation Plan, etc.
- Prioritization criteria developed: (1) Simultaneous impact for green, resilience, and inclusion, (2) Build on Nepali successes, (3) triggers transformation at scale and/or enables private investment, (4) Implementation realism, and (5) Ready financing.
- New project investments are more explicitly aligned with the GRID approach and priorities.
- Several policy reforms, supported by budget support policy operations, are strengthening the enabling environment for the GRID transition across sectors.
- Nine GRID policy roundtables held to surface and advance policy dialogues priorities across sectors and stakeholders.
- 19 joint policy notes drafted.

GRID SAP: Top 10 Transitions

Priority Transitions identified by the GRID Strategic Action Plan

Transition 1: Managing Landscapes to Optimize Benefits from the Water-Agriculture-Forest Nexus

- Enhance community forestry to pursue productive livelihoods as well as conservation
- Multipurpose water storage
- Climate-smart agriculture, market linkages, risk management, value addition, food waste reduction
- Conservation based tourism in protected areas with improved concession policy framework
- Integrated approaches to optimize benefits

Transition 2: Disaster Risk Management, Preparedness, and Social Protection

- Build early warning systems
- Layer disaster risk financing
- Enhance social protection systems to make them shock responsive

Transition 3: Sustainable and Inclusive Land Administration

- Enhance land use planning and tenure security

Transition 4: Resilient Roads and Sustainable Transport

- Resilient roads including geotechnical, biophysical, hydrological, and meteorological and engineering inputs in design
- Improve resilience planning at the network level, plan for redundancies and promote landscape-level and nature-based solutions

Transition 5: Unleashing Nepal's Renewable Energy Potential

- Increasing energy generation capacity from renewables
- Enhancing financial viability and governance of the electricity sector
- Grid expansion and stability to advance electrification and boost exports

Transition 6: Green, Resilient, and Inclusive Cities

- Investment in resilient urban infrastructure using constructed and nature-based solutions
- Improving basic services, public transport, and land use planning
- Green buildings and construction

Transition 7: Resilient Water Supply and Sanitation

- Scale up and coordinate investment in WASH, water source protection, and watershed systems

Transition 8: Improved Air Quality

- Low emission technologies (brick kilns, fuels, etc.), clean urban transport, clean cooking, reduced open burning, forest fire mgt, and complementary environmental fiscal policies
- Participate in on-going new regional approach to airshed management

Transition 9: Sustainable Solid Waste Management including Plastics

- New value chains such as alternatives to plastic from forest and agriculture
- Modern landfills

Transition 10: Leverage Human Capital

- Education: Design and implement market relevant vocational training, and research and entrepreneurship
- Health: environmental health, equipping the public health system, One Health
- Employment guarantee

Cross-cutting for all transitions

Environmental Governance	Gender and Social Inclusion	Private Capital Mobilization	Accelerating Digital Development
<ul style="list-style-type: none"> - Strategic Environmental and Social Assessment, Environmental Impact Assessment, monitoring 	<ul style="list-style-type: none"> - Build inclusion into all programs to unlock the potential of women, Dalits, and other vulnerable groups to contribute to and benefit from economic growth 	<ul style="list-style-type: none"> - Enable private capital mobilization: Unlock private investment with good policy and projects 	<ul style="list-style-type: none"> - Accelerate digital development: Expand digital solutions and disruptive technologies

