Challenges in Stakeholder Management: Government's Perspectives for managing Key Stakeholders in Climate Change related projects

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Key Areas of Discussion

- Climate Change issue is **Cross Cutting: Too many stakeholders**
  - Involving more than 12 ministries; more than 20 projects for climate change

- **Roles of Key Stakeholders**

- **Managing Expectations** of Stakeholders: **Key Challenges**
  - Frustration = f (Expectations)

- **Country Specific Examples**: Managing Development Partners and Communities in Renewable Energy Sector
Institutional Integration

Climate Change Council (CCC) (Chaired by PM) 2009

Ministry of Science, Technology and Environment (MoSTE)

Climate Change Management Division (CCMD) 2010

Multi-stakeholder Climate Change Initiatives Coordination Committee (MCCICC) 2009

Ministry of Forests and Soil Conservation (MoFSC)

REDD Forest and Climate Change Cell 2010

Climate Change
Sustainable Development and Adaptation
Clean Development Mechanism

National Climate Change Knowledge Management Centre (NCCKMC) 2010

Note: Recently Ministries are merged and renamed
Institutional Arrangements for National Level M&E

National Development Action Committee (NDAC)
(chaired by Prime Minister, includes Ministers and chief secretaries)
Meets every 4 months
Supreme body for M&E, addresses problems forwarded by NDAC

Ministerial Development Action Committee (MDAC)
(chaired by Minister, plus department chiefs of M&E section)
Meets every 2 months
Oversee efficiency, effectiveness and outcome of development interventions, provide strategic direction to ministries

Ministry

District Development Committee (DDC)

Village Development Committee (VDC)

M&E Section/Division

Planning & Monitoring Section and Information and Documentation centre (DIDC)

Local Implementing Body

Monitoring and Evaluation Division (MED)
Within NPC Secretariat
(Central unit to coordinate and facilitate National M&E system)
Donors Support Approach in RE Sector

- Donor Support
  - Grants
    - TA
      - Earmarked
      - Non Earmarked
    - Subsidy/FinancialIncentives
    - Direct to vendor
  - Loans
    - Soft Loan
    - Normal loan
  - FDI

National Executive Agency
Potential Risks of Donor Funds

- May not be inline with national priority and policy
- Some sense of influences
- Often Conditional
- Pressure on Experts and goods hiring from their respective countries
- Potential to be revised in the program duration period very easily
- Chance to use diplomats power
### Climate Change Related Projects in Nepal

<table>
<thead>
<tr>
<th>Fund</th>
<th>Multilateral Projects</th>
<th>Amount in USD Million</th>
<th>Approved</th>
<th>Disbursed</th>
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<tbody>
<tr>
<td>Adaptation for Smallholder Agriculture Programme (ASAP)</td>
<td>Adaptation for Smallholders in the Hilly Areas (ASHA)</td>
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<td>Adaptation Fund (AF)</td>
<td>Adapting to climate induced threats to food production and food security in the Kamal Region</td>
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<td>Forest Carbon Partnership</td>
<td>Readiness preparation grant</td>
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<td>Global Climate Change Alliance (GCCA)</td>
<td>Building Climate Resilience in Nepal</td>
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<td>GEF4</td>
<td>Kathmandu Sustainable Urban Transport (SUT)</td>
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<td>GEF5</td>
<td>Renewable Energy for Rural Livelihood (RERL)</td>
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<td>Least Developed Countries Fund (LDCF)</td>
<td>Catalysing Ecosystem Restoration for Resilient Natural Capital and Rural Livelihoods in Degraded Forests and Rangelands of Nepal</td>
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<td>Community Based Flood and Glacial Lake Outburst Risk</td>
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<td>National Adaptation Programme of Action to Climate Change</td>
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<td>Reducing Vulnerability and Increasing Adaptive Capacity to Respond to Impacts of Climate Change and Variability for Building Climate Resilience of Watersheds in Mountain Eco-</td>
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<td>Building Climate Resilient Communities through Private Sector</td>
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<td>Building Resilience to Climate Related Hazards (IBRD)</td>
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<td>Expansion of IFC-PCCR Strengthening Vulnerable Infrastructure Project</td>
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<td>Mainstreaming Climate Change Risk Management in</td>
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<td>Pilot Programme for Climate and Resilience (PPCR)</td>
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<td>Scaling-Up Renewable Energy Program for Low Income Countries (SREP)</td>
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<td>Extended Biogas Program (IBRD)</td>
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<td>South Asia Sub Regional Economic Cooperation Power System</td>
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<td>South Asia Sub-regional Economic Cooperation Power</td>
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<td>System Expansion: Rural Electrification Through Renewable Energy</td>
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<td>Bilateral Projects</td>
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<td>Germany’s International Climate Initiative</td>
<td>Improving the Resilience of Vulnerable Population Groups to Climate Change</td>
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<td>UK’s International Climate Fund</td>
<td>National Forestry Programme</td>
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<td>Nepal Climate Change Support Programme</td>
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<td>Nepal Multi-stakeholder Forestry Programme (now terminated)</td>
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Managing Stakeholders is Key Challenge
Many Projects & Many Stakeholders:

Source: Climate Funds Update (2017)
Institutional Integration and Transparency in Climate Finance

**Roles of Government**
- Enabling Environment, Ensuring policy, government and strategy
- Ensuring ownership and thus the effectiveness of mitigation and adaptation
- Ensuring transparency and accountability across all sectors

**Roles of Donors**
- Providing access to climate funds
- Support governments in ensuring the government priorities and fit in national plans
- Knowledge and data

**Roles of MDBs**
- Access to funds
- Support financing in accordance with the government plans and policies
- Investments in government priorities
**AEPC APPROACH FOR PROGRAM IMPLEMENTATION**

**Demand side**

- Public sector
  - capacity building
  - Technical & financial assistance
  - Coordination
  - Quality assurance

**Public Private Partnership**

- Procedures/ Guidelines
- Subsidy

**Supply side**

- Private sector
  - Manufacturing
  - Supply & installation
  - After sales services
  - Internal quality control

**Users/ Beneficiary**
Four-Pillars Working Modality in RE Sector

**The Government of Nepal (GoN):**
- Renewable energy policies and institutional development
- Standard Quality Assurance (QA) Guideline
- Monitoring activities
- Support R & D activities
- Facilitate Financial support

**Donors**
- Technical assistance
- Financial assistance
- Evaluation of progress

**Private Sector**
- Service delivery
- Promotion and marketing of products
- Innovation of technologies and applications
- Providing loans and insurance

**Civil Society**
- Promotion
- Ownership and management of facilities.
- Participatory implementation
- Monitoring
SIX BASIC PRINCIPLES FOR COMMUNITY MOBILIZATION

- Organization Development
- Skill Enhancement
- Environment Management
- Community Mobilization
- Capital Formation
- Technology Promotion
- Women’s Empowerment
Social Accountable Tools

- To be transparent, engage civil society and the public in decision making, and establish effective accountability measures and institutions.
- Various accountability tools can be used:
  - Social Audit by beneficiaries of the project
  - Public Audit of each major activities
  - Public Hearing
- In Nepal, these tools are mandatory and bearing a good results in making project transparent, actors accountable and responsible
- Citizen Audit (Score Card) is another SA tool used frequently for the projects.
KEYS TO EFFECTIVE PARTNERSHIP

- Conducive Policy Environment
- Appropriate institutional mechanism
- Defined roles and responsibilities of the parties involved
- Meaningful Engagement of Stakeholders
- Transparency and Integrity
- Effective Communication Mechanism
- Realistic plan and a feasible implementation model
- Strong quality assurance mechanism including reward and penalty system
Thank You for Your Kind Attention!

For further information:

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