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| HOST PARTY PARTICIPATION REQUIREMENTS  FOR ARTICLE 6.4 MECHANISM  **(Version 01.0)** | |
| 1. Section 1: General Information | |
| Country: | Nepal |
| Institution name: | Ministry of Forests and Enviornment |
| Institution address: | Singha Durbar, Kathmandu, Nepal |
| Representative of the institution: | Dr. Maheshwar Dhakal |
| E-mail address of the representative: | maheshwar.dhakal@gmail.com |
| Phone number of the representative: | +977- 01-4211586 |
| 1. Additional representative (optional) | |
| Additional representative of the institution: | Mr. Hari Prasad Sharma |
| **E-mail address of the additional representative:** | 123hariprasadsharma@gmail.com |
| **Phone number of the additional representative:** | +977- 01-4211586 |
| 1. Section 2: Participation Responsibilities | |
| Is your country a Party to the Paris Agreement? | Yes  No |
| Has your country prepared, communicated, and is it maintaining a Nationally Determined Contribution (NDC) in accordance with Article 4, paragraph 2 of the Paris Agreement? | Yes  No |
| Has your country designated a Designated National Authority (DNA) for the Article 6.4 mechanism and communicated that designation to the UNFCCC secretariat? | Yes  No |
| Please describe how your country’s participation in the Article 6.4 mechanism contributes to sustainable development, while acknowledging that the consideration of sustainable development is a national prerogative. | |
| Nepal’s participation in the Article 6.4 mechanism offers a transformative pathway to enhance sustainable development while recognizing that sustainable development is a national prerogative. By leveraging the mechanism under the Paris Agreement, Nepal can pursue climate actions that align with its national priorities, ensuring that mitigation efforts are intertwined with economic, social, and environmental development goals.  Key Contributions to Sustainable Development:  1. Economic Growth and Green Investments:  Participation in the Article 6.4 mechanism facilitates access to international carbon markets, attracting green investments into sectors such as renewable energy, waste management, and forestry. These projects not only reduce emissions but also create jobs, promote local enterprises, and spur technological innovation.  2. Social Inclusion and Equity:  Projects implemented under this mechanism often prioritize the inclusion of vulnerable groups, including women and marginalized communities. For instance, improved cookstove initiatives or community-based forestry programs enhance livelihoods and reduce energy poverty, ensuring inclusive development.  3. Environmental Protection:  Many projects focus on enhancing ecosystem resilience and biodiversity. Reforestation, afforestation, and sustainable land-use projects contribute to carbon sequestration, while also addressing issues like soil erosion and water scarcity.  4. Capacity Building and Technology Transfer:  Engaging with the Article 6.4 mechanism provides Nepal with access to international expertise and technologies. This enhances institutional capacities for measuring, reporting, and verifying emission reductions while ensuring compliance with high environmental integrity standards.  National Prerogative in Defining Sustainable Development:  Nepal retains the sovereign right to define what constitutes sustainable development within its national context. By integrating Article 6.4 projects into its national development framework, the country ensures alignment with its broader Sustainable Development Goals (SDGs) and national climate policies, such as the Nationally Determined Contributions (NDCs). This approach safeguards against misalignments and ensures that projects genuinely benefit the nation’s sustainable development objectives.  By strategically aligning Article 6.4 participation with its sustainable development priorities, Nepal can demonstrate global leadership in implementing market-based mechanisms while promoting climate-resilient, inclusive, and sustainable growth. | |
| Please provide detailed information on the types of activities under Article 6, paragraph 4 (A6.4 activities) that your country would consider approving pursuant to chapter V.C (Approval and Authorization) of the Rules, Modalities and Procedures (RMPs).  Additionally, explain how these activities, and any associated emission reductions or removals, would contribute to the achievement of your country’s NDC, if applicable, its long-term low GHG emission development strategy, if it has submitted one, and the long-term goals of the Paris Agreement? | |
| Types of Activities Under Article 6.4 That Nepal May Approve  Nepal prioritizes activities under Article 6.4 that align with its climate commitments and sustainable development priorities. Pursuant to Chapter V.C (approval and authorization) of the Rules, Modalities, and Procedures (RMPs), Nepal would consider the following types of activities:  1. Renewable Energy Development:  Solar, wind, hydropower, and bioenergy projects to increase access to clean energy and reduce dependence on fossil fuels.  Distributed energy systems for rural and off-grid communities.  2. Energy Efficiency Improvements:  Industrial energy efficiency programs to lower emissions in manufacturing and processing sectors.  Urban and rural energy-saving initiatives, including building retrofits and efficient cookstoves.  3. Sustainable Land Use and Forestry:  Afforestation, reforestation, and forest management projects to enhance carbon sequestration.  Community-based forestry programs that engage local populations and protect biodiversity.  4. Agriculture and Waste Management:  Climate-smart agricultural practices to reduce methane and nitrous oxide emissions.  Waste-to-energy projects and improved waste management systems to reduce emissions from landfills.  5.Transport Sector Projects:  Electric vehicle infrastructure and sustainable public transportation systems.  6. Adaptation and Resilience Co-benefit Projects:  Activities that integrate climate adaptation with mitigation, such as water resource management linked with energy or forestry projects.  Contribution to Nepal’s NDC and Long-term Low GHG Emission Development Strategy  1. Alignment with NDC Commitments:  Nepal’s NDC highlights key mitigation targets across energy, forestry, agriculture, and waste sectors. A6.4 activities will directly support these priorities by:  Delivering measurable emission reductions or removals in sectors identified in the NDC.  Mobilizing private and international financing to scale up the implementation of NDC commitments.  Contributing to the transition to a low-carbon economy while fostering sustainable development co-benefits.  2. Support for Long-term Low GHG Emission Development Strategy (LT-LEDS):  Although Nepal has not yet submitted a formal LT-LEDS, the country has expressed interest in achieving net-zero emissions by 2050. A6.4 activities will support this trajectory by:  o Deploying clean technologies and infrastructure that reduce long-term emissions.  o Promoting systemic changes in key sectors such as energy, transport, and land use.  o Building institutional capacity to integrate mitigation projects into national planning frameworks.  3. Contributing to the Paris Agreement’s Long-term Goals: A6.4 activities will help Nepal align with the overarching goals of the Paris Agreement by:  o Enhancing global mitigation ambition through high-integrity emission reductions.  o Supporting sustainable development while addressing climate adaptation needs, ensuring a just transition for all stakeholders.  o Strengthening the role of carbon markets in accelerating cost-effective, scalable climate action.  Mechanisms for Approval and Authorization  Nepal will implement a robust approval and authorization process to ensure that A6.4 activities:  • Comply with national priorities, environmental and social safeguards, and sustainable development objectives.  • Demonstrate additionality and align with high-integrity standards.  • Avoid double-counting by ensuring proper reporting and corresponding adjustments under the transparency framework.  By carefully selecting and managing A6.4 activities, Nepal seeks to maximize their contribution to its NDC, long-term low-emission development strategy, and the global climate goals of the Paris Agreement. | |
| Please provide any additional information that the host Party may deem necessary. | |
| To ensure the successful implementation of Article 6.4 activities, Nepal may provide the following additional information to clarify its priorities, processes, and expectations:  1. National Climate Policy and Strategic Alignment  Policy Frameworks: Details on Nepal's climate strategies, including its Nationally Determined Contribution (NDC), Low-Carbon Economic Development Strategy, and Climate Resilient Planning Framework.  • Sectoral Priorities: A list of key sectors prioritized for mitigation actions, such as renewable energy, forestry, waste management, agriculture, and transportation.  2. Sustainable Development Criteria  • Guidelines on Sustainable Development: A detailed framework outlining Nepal’s sustainable development goals and how proposed A6.4 activities should contribute.  • Social and Environmental Safeguards: Standards to ensure that activities respect human rights, promote gender equality, and safeguard biodiversity and local ecosystems.  • Community Engagement Requirements: Mechanisms for consulting with and involving local communities and stakeholders in project design and implementation.  3. Approval and Authorization Process  • Institutional Arrangements: A description of the national authority responsible for approving and authorizing A6.4 activities, including contact points and timelines for decision-making.  • Approval Criteria: Specific criteria and documentation required for approval, such as environmental impact assessments, sustainable development impact analyses, and compliance with national regulations.  • Corresponding Adjustments: Nepal’s approach to ensuring transparency and avoiding double-counting of emission reductions.  4. Monitoring, Reporting, and Verification (MRV) Systems  • National MRV Framework: Nepal’s existing systems and infrastructure for tracking greenhouse gas emissions, ensuring project integrity, and aligning with international transparency frameworks.  • Capacity-Building Needs: Areas where technical support or capacity-building assistance may be needed to enhance MRV capabilities.  5. Carbon Market and Financing Expectations  • Revenue Use Policy: Guidelines on how proceeds from A6.4 activities will be reinvested in national climate action priorities, including adaptation and mitigation programs.  • Private Sector Engagement: Opportunities and conditions for private sector participation, ensuring alignment with Nepal’s sustainable development goals.  • Risk Management: Information on Nepal’s approach to mitigating risks, such as market volatility or project non-performance.  6. Legal and Regulatory Frameworks  • National Legal Framework: Relevant laws, regulations, and policies governing carbon market activities in Nepal, including environmental, social, and financial standards.  • International Commitments: Nepal’s obligations under the Paris Agreement, ensuring that A6.4 activities align with global climate goals.  7. Co-benefits and Integration with Adaptation Needs  • Nepal will emphasize activities that deliver co-benefits, such as poverty alleviation, improved health, ecosystem restoration, and enhanced resilience to climate impacts.  • Projects that integrate both mitigation and adaptation objectives will be encouraged, reflecting the dual priorities of climate action and sustainable development.  8. Capacity-Building and Technology Transfer  • Nepal may specify areas where international support is needed, such as technology transfer, technical expertise, or capacity-building for project developers and local institutions.  By providing this information, Nepal aims to ensure that A6.4 activities are transparent, inclusive, and aligned with its national development objectives while meeting the integrity standards of the Paris Agreement. | |

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Document information

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