Food and Agriculture Organization of the United Nations

Evaluation of the project "Building a Resilient Churia Region in Nepal"

Interim report

Project Evaluation Series
24/2025

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Project code: GCP/NEP/076/GCF

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Abstract

This interim evaluation assessed progress on the "Building a Resilient Churia Region in Nepal (BRCRN)", a USD 47 million project funded by the Green Climate Fund (GCF) and the Government of Nepal. It was implemented by the Government of Nepal Ministry of Forests and Environment and the Food and Agriculture Organization of the United Nations (FAO). The project started in May 2020 and is due to end in May 2027. The project focuses on the Central and Eastern Churia region. This is a special ecological zone playing a key role in regulating surface water flows and recharging groundwater and faces high levels of climate-related risk. The project aims to tackle climate change challenges by bolstering ecosystem resilience and protecting vulnerable communities from climate related threats in 26 high-risk river systems. Activities focus on combating deforestation and forest degradation, promoting climate-resilient agriculture, and investing in community level climate resilient infrastructure.

Qualitative data collection involved 24 focus group discussions conducted across five of the 26 riverine systems and 22 key informant interviews with central, provincial and local government representatives. The evaluation also makes use of project monitoring data and a survey of 1 020 households in the five riverine system site locations.

The quality of the BRCRN project's interventions, and their relevance to meeting needs and aligning with national policies and priority setting were found to be satisfactory. A significant amount was achieved in climate resilient infrastructure over 2024. The benefits are seen by communities as tangible and immediate, particularly in the protection of land. There is some concern that emphasis on infrastructure may have come at the expense of longer-term interventions in natural resources management such as forestry and climate resilient agriculture where progress has lagged. The slow pace of delivery remains a major concern. Urgent improvements in the delivery model are needed. The evaluation found important hindrances to efficiency and timeliness due to insufficient capacity, complicated operational modalities and high turnover of government staff. Several of the assumptions made during project design now appear to have been overly optimistic.

The evaluation generated five recommendations for FAO and the Ministry of Forests and Environment: i) optimize each partner's role and budget by adjusting the Operational Partners Implementation Modality (OPIM) to allow for greater efficiencies and delivery improvements; ii) review and update plans to improve delivery, and ensure increasing emphasis and investment on longer term BRCRN project interventions; iii) address persistent staffing and expertise gaps and improve staff recruitment, continuity and retention at all levels of project implementation; iv) strengthen systems and processes for monitoring and accountability; and v) build on learning to further develop strategy, identify scaling potential, and explore investment opportunities and partnerships for further climate resilience initiatives.

Project summary information

Project start date	12 May 2020
Project end date	11 May 2027
GCF grant	USD 39 299 905
Co-financing in-kind **Co-financing grant**	USD 7 595 894 USD 446 354
Total budget	USD 47 300 000
Disbursement rate	36%
Environmental and social safeguards category	Category B
Location – specific location(s) of project	The 26 selected river systems in Nepal: Kokaha; Gideri Khola; Patnali Khola; Thakur Khola; Sun Koshi; Chadaha Khola; Kamala-North; Tawa-North; Tawa-South; Kankai Nadi; Ratuwa Nadi; Adherei Khola, Baruwa Khola, Duar Khola; Lakhandehi Khola; Kamala-South; Biring Khola; Balan Khola; Charnath; Bataha Khola; Budhi Khola; Lohandra Nadi; Kamala, Belsot, Jogiya; Ratu Nadi; Mechi Khola; Bakraha Khola; Bihul Nadi; and Khado Khola
Tonnes of emissions avoided	Endline target: 11.5 million
Modality for GCF grant	OPIM (FAO technical assistance 6 million, Ministry of Forests and Environment 33.3 million)
Executing entities	Ministry of Forests and Environment FAO
Interim evaluation deadline	11 February 2025
Results: reduced emissions sector	Forestry and land use
Results: resilience	Ecosystem and ecosystem services
Expected beneficiaries	*Direct beneficiaries* – At least 200 681 households with approx. 963 268 people will directly benefit from the project. At least 50% of beneficiaries will consist of women with proportional representation of Indigenous Peoples (31%), Dalits (13%) and other marginalized groups. *Indirect beneficiaries* – In total, 3 216 248 people will indirectly and directly benefit from the project

Source: FAO. 2020. *Building a Resilient Churia Region in Nepal – Evaluation Design*. Rome. and GCF. n.d.a. FP118. In: *GCF*. https://www.greenclimate.fund/project/fp118

Contents

Box, figures and tables

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Abbreviations

ANR	assisted natural regeneration
BRCRN	Building Resilient Churia Region in Nepal
CERP	Critical Ecosystem Restoration Plan
CFUG	community forest user group
FAO	Food and Agriculture Organization of the United Nations
FPIC	free prior and informed consent
GCF	Green Climate Fund
NRM	natural resources management
NRMFS	Natural Resources Management Field Schools
PMU	Project Management Unit
PPMU	Provincial Project Management Unit
TOC	theory of change

Executive summary

Introduction

1. This document provides an overview of the findings from the interim evaluation conducted for the "Building a Resilient Churia Region in Nepal" (BRCRN) project. This is a USD 47 million project funded by the Green Climate Fund (GCF) and the Government of Nepal and implemented by the Ministry of Forests and Environment and the Food and Agriculture Organization of the United Nations (FAO). The BRCRN project aims to tackle climate change challenges by bolstering the resilience of ecosystems and vulnerable communities in 26 high-risk river systems within the Central and Eastern Churia region. This area was selected due to high levels of climate-related risk based on deforestation and forest degradation rates, with rising temperatures causing prolonged dry spells and seasonal water shortages. In addition, the area is prone to monsoon flooding and landslide risks and these, coupled with unsustainable agriculture practices, cause soil erosion and sedimentation build-up in the rivers. The project focuses on natural resources management interventions – afforestation, assisted natural regeneration (ANR) of degraded forest, Natural Resources Management Field Schools (NRMFS) and promoting climate resilient agriculture practices. The project also supports community infrastructure initiatives – riverbank stabilization, gully protection and check dams to protect forest and agricultural land and reduce sediment dumping, and water conservation ponds for areas facing water scarcity. The project is scheduled to run for seven years, from 2020 to 2027, with FAO and Nepal's Ministry of Forests and Environment acting as co-Executing Entities. At community level, the main implementing entities are community-based organizations, including community forest user groups (CFUGs), soil conservation user groups and groups focused on farming and natural resources management activities.

2. The interim evaluation serves several purposes, primarily to assess the project's performance against GCF's evaluation criteria. This includes evaluating the project's relevance, efficiency, effectiveness, coherence, gender equity and social inclusion, national ownership, innovation, and unintended results. The evaluation also aims to identify implementation challenges and course corrections, providing an opportunity to adjust the project's implementation process and address logistical issues, unforeseen environmental or socioeconomic changes, or challenges in stakeholder engagement.

3. The evaluation will enhance accountability and learning for the coming phase of the project by providing evidence of how resources are being used, challenges arising, and the progress made. Additionally, the evaluation will generate valuable lessons that can be shared with broader audiences, and validate the theories and assumptions used during the planning phase.

4. The evaluation complies with FAO's evaluation policy as a GCF accredited entity and GCF guidelines. The interim evaluation was designed and carried out by an independent team of FAO's Office of Evaluation personnel and consultants. The terms of reference (Annex 1) sets out the evaluation approach and methods and these were refined in the inception period.

Data collection

5. Primary data collection for the evaluation included group meetings with national stakeholders to gather information on implementation and their assessments of the project, and a combination of qualitative and quantitative methods across five of the 26 riverine systems, selected to give visibility into implementation and beneficiary perspectives in a range of contexts where the project is operating. Qualitative data collection included 24 focus group discussions (FGDs) and 22 key informant interviews (KIIs), along with small group and larger meetings with representatives of implementing organizations and local government representatives. In addition, the evaluation surveyed 1 020 households in communities with user groups. Households were randomly sampled from lists of beneficiaries provided by the community-based organizations, and stratified to ensure that the proportions of caste, ethnicity and gender in the sample reflected those of the broader population. Surveys were conducted with individuals aged 18 and above. It was necessary to make some practical choices in the final sample based on survey team capacity and travel time between sites. Data were validated through regular checks and monitoring.

Findings

6. The project's relevance is rated overall as satisfactory given the relationship with national priorities and needs of the Churia populations. The region's ecological importance is under threat due to population pressure, mining and deforestation, which is exacerbated by climate change. The region remains crucial for conserving surface and underground water resources, so the project aims to enhance resilience, improve community livelihoods, and mitigate climate risks through an integrated river system management approach.

7. The major concern in evaluation findings is on efficiency, rated unsatisfactory. Urgent actions are needed to reevaluate the delivery model and ensure project objectives are achieved. The evaluation found important hindrances causing inefficiency, attributed to limited capacity, complicated operation modalities and high turnover of staff causing delays in implementation.

8. The project has ambitious goals through a complex combination of interventions. Individual interventions in resilient infrastructure have been found effective (albeit with some lagging in delivery expectations). However, there are shortcomings in overall design and implementation in terms of aligning output achievements to demonstrable progress against outcomes, and prospects for long-term impact. The ambitious goals of shifting paradigms, including fostering climate resilience and sustainable land management, are challenging to achieve within the constraints of a short-term intervention, with financial resource limitations considering the fragility of socioecological systems and isolated interventions. The project's implementation has been hindered by unclear financial flow bottlenecks, lack of motivation among government project-assigned staff, and in some cases inadequate consultation with local communities.

9. The project's effectiveness is rated overall as moderately satisfactory. Despite its efforts to support sustainable forest management, the project's emission reductions likely fell below interim targets. This is due to shortfalls in the hectare coverage of the contributing project activities so far. Also, estimated deforestation rates were made in the funding proposal based on available data at that time. However, more up to date data has since become available, as was anticipated at the time of the funding proposal. On consideration of the

new data, it was realized that deforestation rate assumptions were not correct (note that emission reduction cannot be measured in full until the endline survey on forest density is conducted).

10. The project has gained traction with intended beneficiaries – especially in 2024 – with a large proportion of households (i.e. those identified by the implementing community-based organizations) reporting that they had received project interventions. Beneficiaries' satisfaction levels for project interventions are generally positive, with high satisfaction rates for riverbank stabilization and afforestation interventions. The key factors contributing to satisfaction include the suitability of the intervention to household needs, visible benefits and timely implementation. However, some beneficiaries report moderate or low satisfaction with some interventions such as resilient agriculture practices and conservation pond construction, citing reasons such as delayed implementation, inadequate support measures to adopt technologies and mismatched expectations.

11. Effectiveness can be improved by streamlining project implementation, unlocking flexibility, and adapting to changing circumstances. This can be achieved by revising the budget notes to allow for more flexibility in implementation, recognizing and addressing non-monetized opportunities for staff motivation, and reconsidering decision-making processes such as those surrounding nursery management to incorporate community engagement and ownership.

12. Gender and inclusion is rated moderately satisfactory. The project has made sure to ensure that Indigenous Peoples – along with traditionally excluded castes and ethnicities in Nepal – are able to participate equally in project activities, and measures have been built in through free prior and informed consent (FPIC) and Indigenous Peoples plans to understand their unique needs.

13. Despite the clear relevance of the project to national and community needs, country ownership is rated unsatisfactory with concerns on inadequate coordination, ineffective governance, and key bottlenecks relating to efficiency not being addressed. This relates to the moderately unsatisfactory rating for coherence with other climate initiatives. There is unrealized potential to achieve greater impact and leverage more resources through fostering coherence among similar projects, but these tend to operate in isolation without consideration for synergies and learning.

14. Innovation in result areas is rated moderately unsatisfactory with progress to be made in collaborative action and knowledge sharing. The potential for replication, scaling and sustainability is difficult to rate at this stage, as it is too early to tell. There are strong foundations being built but there is a need for greater collective, collaborative action. The evaluation did not identify any unexpected results.

Conclusions

15. The Interim evaluation found that some of the performance shortfalls are rooted in assumptions underlying the project design that have proven flawed, and in the unanticipated evolution of government structures. Both shortfalls were consistently recognized by stakeholders. In particular, the operational partner has not been able implement project activities as fast as assumed and there is not as much land available for afforestation activities as was assumed. Both continue to affect performance. The establishment of decentralized government entities that were not in place when the project was designed has also necessitated changes in the project's approach. There were also some "blind spots" on external factors in the design that have only recently been recognized, such as the threats to project outcomes posed by upstream sand and gravel mining.

16. A significant amount was achieved in infrastructure over 2024, with many interventions being completed in a few months. The benefits are seen by communities as tangible and immediate, particularly in the protection of land. The progress on infrastructure (which tends to have higher interventions costs) has meant increased project spending rates. This, together with seeing better delivery, seems to have brought a much-needed boost of confidence among implementing stakeholders. The evaluation found that infrastructure works received prioritization during the first half of the project, resulting in reduced implementation of longer-term interventions and potentially affecting the outcomes they seek to achieve. There is a need to increase both attention and investment in longer-term initiatives.

17. There have been significant achievements in completing the Critical Ecosystem Restoration Plans (CERPs) for each of the 26 riverine systems and in ensuring the registration of, and support to CFUGs. CERPs bring together the local context analysis, risks facing the communities and processes for intensive discussions on priorities for project interventions. The project emphasized a rejuvenation of CFUG activities so they could play a full role. Without renewals of registration the CFUGs could not legally function.

18. There is potential for the project in the coming phase to strengthen an integrated approach that combines watershed management[1] and forest conservation, and in strengthening community engagement to define needs and priorities. Stakeholders spoke of opportunities to scope options for integrating nature-based solutions[2] in resilience infrastructure works, such as use of natural materials for riverbank stabilization, gully protection and check dams. Further defining and formalizing local government roles in this would be essential, along with capacity-building initiatives. Establishing an improved monitoring framework would facilitate better tracking of progress and outcomes.

19. The slow pace of implementation and delivery remains the major concern. The project started up amid the COVID-19 outbreak and many essential field start-up activities were hindered or delayed. During the evaluation, there was a clear sense of commitment and

[1] A comprehensive approach to managing natural resources within a watershed, aiming to protect and improve water quality, reduce risks from floods and droughts, and promote sustainable land use practices.

[2] Defined by the International Union for Conservation of Nature (IUCN) as actions addressing key societal challenges through the protection, sustainable management and restoration of both natural and modified ecosystems, benefiting both biodiversity and human well-being and challenges such as climate change, human health, food and water security, natural disasters and biodiversity loss.

desire for the project to succeed and bring meaningful change to Churia communities, and an honest acknowledgement of shortfalls among government (national and provincial) and FAO stakeholders. It is critically important that the improvements of 2024 are maintained and strengthened. Stakeholders from both central government and FAO have spoken about the importance of the project not only for achieving its goals, but for prospects for major climate investment initiatives in Nepal in the future.

Recommendations

Recommendation 1. FAO should engage with the operational partners and GCF to optimize each partner's role and associated budget. FAO should propose a change to the Operational Modality Model with the reallocation of some costed project budget lines to FAO. In that case, FAO would then engage with the Project Management Unit (PMU) and Provincial Project Management Units (PPMUs) and, if appropriate, other stakeholders to define the most appropriate actors for service provision, so that conditions negatively impacting on project delivery, quality and timeliness could be improved. This would need to be presented to and discussed with the Ministry of Forests and Environment and Ministry of Finance and their agreement secured. For maximum benefit, FAO would ideally initiate this process as soon as possible after the circulation of the finalized evaluation report (March–April 2025). This includes a recommendation for propose a two year No-cost extension. Endorsement from GCF would need to be sought.

Recommendation 2. FAO, the PMU and PPMUs should review delivery plans and update as necessary to maximize the prospects for delivering the project on time and ensure increasing emphasis and investment on longer term BRCRN project interventions such as those in forestry, natural resources management and climate resilient agriculture. This is to ensure acceleration of progress towards targets and coverage and improve responsiveness to stakeholder needs and support longer term goal of resilience. This should be completed by mid-2025 and relates to recommendation 3.

Recommendation 3. FAO and the PMU and PPMUs should address persistent staffing and expertise gaps and improve staff recruitment, continuity and retention, at both the PMU and PPMU levels. This might require increasing investment in staffing surge capacity and/or new service provider contracting, as appropriate. There may be opportunities to target co-financing resources to achieve this.

Recommendation 4. FAO and the PMU should strengthen systems and processes for monitoring, data collection, and accountability to communities to enhance quality by end Q3 2025.

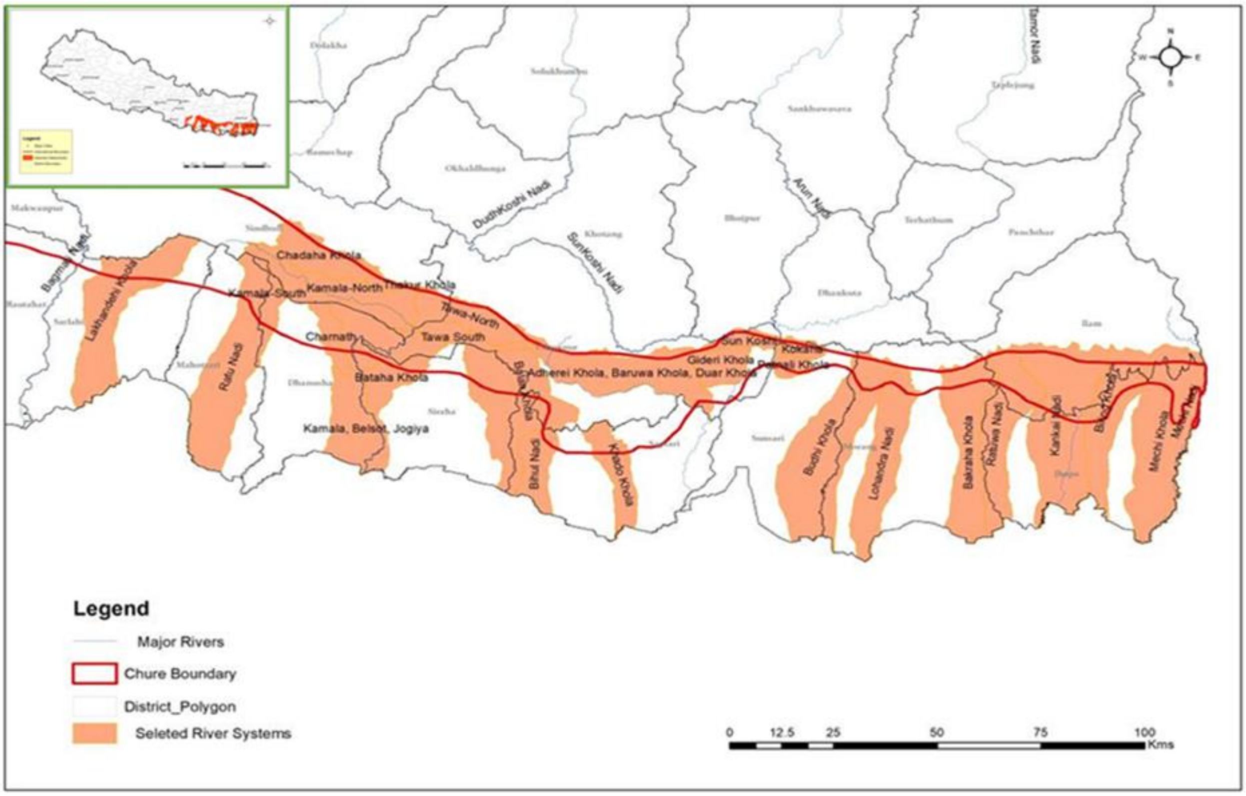
Recommendation 5. FAO, the Ministry of Forests and Environment, GCF and partners should build on learning from this experience by setting up a reflective process to further develop strategy, identify scaling potential, explore investment opportunities and partnerships for further climate resilience initiatives. This should contribute to improved learning and collaboration across the sector in Nepal and contribute to enhanced country ownership. This engagement should be scoped and established by the end of 2025, with a suggested frequency of twice-yearly meetings to discuss potential collective improvements. (Note that this is not proposed as a time or resource intensive engagement especially given other priorities detailed in these recommendations).

1. Introduction

1.1 Project background

1. The Churia hills lie between Nepal's mid hill areas to the North and the Terai plains to the South. These hills serve vital ecological and sociocultural functions for both upstream and downstream regions. Forests and riverine areas cover more than 50 percent of the Churia hills, playing a crucial role in regulating surface water flows and recharging groundwater. All major Nepalese river systems flow through the Churia hills before reaching the densely populated Terai plains and northern India. The Terai-Madhesh region functions as Nepal's "rice basket", producing most of the country's agricultural output. Together, the Terai-Madhesh and Churia make up about 25 percent of Nepal's land area but host over 50 percent of the national population. Agriculture employs 62 percent of the economically active population in the region. Forests provide essential ecosystem and cultural services, including timber for construction, fuelwood, and various non-timber forest products. Households in the Churia region depend directly on healthy ecosystems for their food, water and energy security.

Figure 1. Location of the Churia hills areas of the 26 project site interventions



Note: Refer to the disclaimer on the copyright page for the names and boundaries used in this map.
Source: FAO. 2018. *Building a Resilient Churia Region in Nepal – Project document*. Rome.

2. Figure 1 presents the landscapes and river systems covered in the project (about one-third of the whole Churia belt). Climate change and unsustainable natural resources management (NRM) create complex, interlinked challenges in the Churia Terai-Madhesh region. This landscape of four distinct physiographic zones faces increasing climate-related hazards, causing cascading impacts from the hills to downstream areas. Recent and projected climatic changes, combined with unsustainable farming practices, poor land

management, inadequate NRM, and growing population pressure threaten the region's natural resources. These factors undermine prevalent livelihood strategies, cause widespread damage, worsen existing vulnerabilities, and increase CO_2 emissions from the agriculture, forestry and other land use sector. Climate risks and vulnerabilities continue to rise in this already vulnerable region. This steadily undermines local livelihoods, further reinforcing vulnerability alongside increasing climate change impacts, creating a vicious cycle that requires intervention. Failure to address these issues could severely impact the Churia region and its inhabitants, downstream communities, and Nepal's broader food security.

1.2 Project overview and components

3. The Building a Resilient Churia Region in Nepal (BRCRN) project aims to enhance the climate resilience of ecosystems and vulnerable communities in Nepal’s Churia region through integrated sustainable natural resources management approaches. It focuses in the Central and Eastern Churia-Terai Region across 26 vulnerable river systems that include 121 rural municipalities. These areas contain over 3.2 million people, with 51 percent women, 31 percent Indigenous nationalities and 13 percent Dalits. The project works with 750 community-based organizations comprising approximately 200 681 households or 963 268 people. Community-based organizations –including community forest user groups (CFUGs) and soil conservation user groups – serve as primary implementation actors.

4. The main stakeholders, and their roles in the project are presented in Table 1. A detailed stakeholder analysis is provided in Annex 2.

Table 1. Key stakeholders and their roles in the project

Actor	Role in the project, and role in evaluation
Ministry of Forests and Environment	Co-executing entity for the project; houses the Project Management Unit (PMU); leads project implementation; manages substantial portion of project budget under the Operational Partners Implementation Modality (OPIM); can use learning to inform corrective actions, national policies and strategies related to climate change adaptation, forestry and watersheds. Co-financing the project with USD 446 354 in grant and USD 7 595 894 as in-kind contribution. Role in evaluation: key informants as primary stakeholders, provision of data and proposals on ways forward.
Ministry of Finance	Serves as designated national authority; provides oversight; facilitates coordination with governmental policies and regulations; ensures integration with Nepal's broader climate resilience goals. Role in evaluation: informants.
Green Climate Fund (GCF)	Primary financier: ensures allocated funds are used effectively; mobilizes additional financial resources; aligns project with international climate change efforts; monitors progress and outcomes; can utilize findings to refine funding strategies and guide future investments in adaptation and resilience strategies. Role in evaluation: feedback on draft report.
Food and Agriculture Organization of the United Nations (FAO)	Oversight on execution; co-executing entity for specific project activities; can use findings to refine strategies for programming and policy work; develop successful technical assistance models under OPIM modalities; apply learning to similar projects globally. Role in evaluation: key informants as primary stakeholders, provision of data and proposals on ways forward.

Actor	Role in the project, and role in evaluation
Ministry of Agriculture and Livestock Development	Promotes climate resilient agriculture through technology development and extension; plans climate resilience interventions; collaborates at local level; can use findings to improve intervention and extension strategies. Role in evaluation: informants.
Ministry of Energy, Water Resources and Irrigation	Supports sustainable water resources management; contributes to technology extension; can use findings to improve strategies and enhance sustainability of project-generated practices. Role in evaluation: provision research and data.
Provincial Project Management Units (PPMUs) in three provinces	Implement the project through the Ministry of Forests and Environment at local and provincial levels; provide technical expertise and management; can use evaluation to assess effectiveness of implemented practices and improve delivery, sustainability and scaling. Role in evaluation: key informants as primary stakeholders, provision of data and proposals on ways forward, support on community interactions.
Farmers and local communities	Direct beneficiaries; adopt new agricultural, forestry and watershed management practices; participate in training and capacity-building activities; can apply lessons to improve engagement and practices; may use findings for advocacy. Role in evaluation: key informants in focus group discussions (FDGs) and site visits as primary stakeholders, key informant interviews (KIIs) and proposals on ways forward, hosting community interactions.
Local government (Guam Palika Rural Municipalities) and ward officials	Essential for local ownership; ensure project coherence with developmental priorities; key for future investments and sustainability; initially not sufficiently factored in but crucial for coming years. Role in evaluation: key informants.
Civil society organizations, community forest user groups (CFUGs), farmer groups, Indigenous Peoples' groups	Facilitate community outreach and mobilization; provide local knowledge and resource stewardship; Indigenous networks consulted on performance and inclusion; findings contribute to learning on inclusion practices and highlight Indigenous concerns. Role in evaluation: key informants, and insights, in particular on areas of special interest (forestry, Indigenous Peoples' needs) proposals on ways forward.
Other international and development partners	Include agencies implementing GCF projects, development banks, donor organizations; provide funding, technical expertise, or support; can use lessons to refine funding strategies and enhance future funding mechanisms. Role in evaluation: key informants, providing experience on large scale project implementation.
Academic and research institutions	Use project data and outcomes for further studies; contribute to academic knowledge on climate change adaptation, forestry and watershed management strategies. Role in evaluation: research insights, in particular on areas of special interest (social forestry, CFUGs).

Source: Authors' own elaboration.

5. The project comprises three components and corresponding subcomponents. These components contribute to Nepal's nationally determined contribution through interventions that transform the Churia region from climate-vulnerable to climate-resilient, lower-emissions, and sustainable development.

Component 1: Scaling up climate-resilient sustainable NRM

i. 1.1: Climate-resilient land use practices are adopted;

ii. 1.2: Natural forest ecosystems are better maintained and protected;

iii. 1.3: Forests and tree cover are restored and maintained in the river system landscapes.

Component 2: Strengthening institutions and planning for climate-resilient sustainable NRM.

i. 2.1: Planning for climate-resilient sustainable NRM is enhanced;

ii. 2.2: Community-based organizations are equipped to scale up climate-resilient sustainable NRM.

Component 3: Improving knowledge, awareness and local capacity for climate-resilient sustainable NRM.

i. 3.1: Local knowledge on climate-resilient sustainable NRM is enhanced;

ii. 3.2: The extension system is equipped to promote climate-resilient sustainable NRM.

6. Under Component 1, the project supports activities focused on scaling up climate-resilient sustainable NRM approaches to strengthen ecosystem stability and resilience in vulnerable river systems. Implementation occurs primarily through community-based organizations, with technical and financial support provided to both community-based organization beneficiaries and local governments. Key activities include promoting climate-resilient agriculture practices on agricultural land, ecosystem restoration and sustainable management in degraded and critical ecosystems, and tree planting on non-forested land to reduce pressure on natural forests for fodder, fuelwood and forage.

7. The implementation approach includes establishing Farmer Field Schools (Natural Resources Management Field Schools [NRMFS]) across the 26 river systems to deliver training on climate-resilient farming practices, constructing local infrastructure such as check dams and gully stabilization measures to enhance resilience against climate-induced erosion, sedimentation and flooding, and establishing multipurpose tree nurseries to support plantation and restoration efforts. Under component 1, the project also trains community-based organizations' members on forest landscape restoration and supports implementation of assisted natural regeneration (ANR) on community-managed forest land. These interventions are guided by the Critical Ecosystem Restoration Plans (CERPs) developed under Component 2 (see paragraph 8), ensuring locally relevant and stakeholder-supported approaches.

8. Activities under Component 2 aim to strengthen local and provincial capacities, support operational planning at the local level across the project's 26 target river systems, and integrate climate-resilient land use planning at provincial, local and community levels. This Component focuses on balancing top-down integrated spatial planning and participatory land use planning for climate-resilience with community-based organizations. Through this component, the project develops CERPs for each targeted river system.

9. The CERPs, and the priorities and interventions identified therein, function as roadmaps for the activities across all 26 riverine systems. Project staff work with provincial and local stakeholders to develop and validate these plans using multicriteria spatial analysis for each river system. This analysis identifies climate change risks, critical ecosystems, and priority climate-resilient sustainable natural resources management practices for each biophysical zone. The team conducts river system-level consultations followed by field consultations to ensure interventions are locally relevant and supported by community-based organizations and local stakeholders. These consultations address specific social and environmental risks and capacity gaps, resulting in clear, stakeholder-supported plans for risk analysis and intervention prioritization.

10. Under Component 3, the project aims to enhance awareness, knowledge and communication on climate risks and climate-resilient sustainable NRM. Activities under this

component include strengthening extension materials for Farmer Field Schools, funding the expansion of extension services and providing training for trainers who implement climate-resilient sustainable NRM approaches. The establishment of a knowledge centre to enhance climate monitoring, knowledge management and dissemination, and climate-informed decision-making is also targeted under Component 3.

11. For this evaluation, the Evaluation Team grouped eight key interventions of the BRCRN project into two categories: infrastructure interventions and NRM interventions. Infrastructure interventions focus on constructing physical structures to enhance resilience against climate-induced erosion, sedimentation and flooding. NRM interventions aim at restoring ecosystems and promoting sustainable land use practices that build climate resilience. Table 2 summarizes these eight interventions as implemented across the project's 26 river systems.

Table 2. Project interventions

Interventions	**Description**
Natural resources management interventions	
Afforestation	Establishing new forest areas through: i) demonstration plantations: 1 300 ha of native species in the Bhavar and Terai zones; ii) public land forests on river banks: 1 000 ha of riparian plantations registered under public land forest users' agreements; iii) public land forests on community land: 5 000 ha with multipurpose trees; and iv) woodlots in downstream areas: 16 500 ha on private land to provide alternative sources of fuelwood and timber. The project also establishes 52 multipurpose tree nurseries (two per river system) to produce seedlings for these plantations and support continued planting beyond the project period.
Assisted natural regeneration (ANR)	Implementation of measures on 15 990 ha of community-managed forest land to help restore degraded forests. Activities include fencing areas to protect against animal grazing, removing invasive species, promoting natural seedlings, and enrichment planting to restore overexploited forest ecosystems, especially along upstream riversides.
Natural Resources Management Field Schools (NRMFS)	Establishment of 120 Farmer Field Schools across the 26 river systems (minimum 3 per river system) to train beneficiaries on climate-resilient farming practices. These schools provide hands-on training on sustainable food production methods and animal fodder cultivation to reduce pressure on forest resources for fodder, fuelwood and forage.
Climate-resilient agriculture practices	Training farmers to adopt and apply practices that enhance resilience on agricultural land, including: techniques that stabilize slopes (terracing, grass strips, alley cropping); practices that reduce erosion and improve soil moisture (conservation tillage, nutrient management, crop residue management); and improved livestock management approaches (stall-feeding, fodder banks) that reduce grazing pressure on forests.
Infrastructure interventions	
Riverbank stabilization	Stretches of riverbank identified as highly vulnerable to erosion and monsoon flooding damage are protected with gabion walls to safeguard agricultural land and forest areas. These structures help prevent land loss and protect livelihoods in vulnerable communities.
Gully protection	Gabion wall construction along drainage channels flowing into river courses to protect adjacent lands and reduce sedimentation. This intervention focuses on stabilizing erosion-prone gullies, primarily in the Churia hills.
Check dams	Construction of a series of gabion dams in steep river courses highly vulnerable to erosion. These structures slow water flow, trap sediments and reduce downstream flooding impacts. The project establishes these primarily in the Bhavar zone.
Water conservation ponds	Community-managed water harvesting ponds that channel monsoon water for community use during dry seasons. These ponds are established in areas prone to water scarcity and help communities adapt to increasingly irregular rainfall patterns.

Source: Authors' own elaboration.

2. Methodology

2.1 Scope and objectives of the evaluation

12. This interim evaluation covers the project execution period from May 2020 to December 2024 (date of the household survey) across the entire project area. As stated in the funding proposal, it aims to examine implementation progress, management effectiveness and results achievement to date, and to develop actionable recommendations for the project's remaining phase while identifying broader learning opportunities for future interventions.

13. The evaluation serves multiple purposes: gauging project progress against objectives using Green Climate Fund (GCF) evaluation criteria, identifying implementation challenges and bottlenecks, assessing the appropriateness of adjustments, validating underlying theories and assumptions, incorporating stakeholder feedback, enhancing transparency and accountability, and capturing learning to inform future phases and similar projects.

14. The main intended users are: i) Food and Agriculture Organization of the United Nations (FAO) Nepal, which can use findings to adjust project implementation, refine strategies and apply insights to similar projects;) GCF, which may use results to assess effectiveness and guide future investments in similar initiatives; and iii) the Ministry of Forests and Environment, as the lead national ministry, which could apply insights to guide corrective actions and potential expansion to other regions. Secondary users include provincial governments and technical departments, which can incorporate lessons into regional development plans and watershed management approaches. Additional stakeholders who may benefit from the evaluation findings include government technical agencies with mandated roles in related sectors, community-based organizations involved in implementation, and international development partners supporting similar climate resilience initiatives.

15. The evaluation questions structured by criteria are listed in the terms of reference (Annex 1). The evaluation matrix in Annex 3 presents the main questions and subquestions, along with data sources and main methods.

2.2 Methodological design

16. The evaluation employed a mixed methods approach combining qualitative and quantitative methods. The qualitative data collection took place from 16 to 31 October 2024 and the quantitative survey was carried out from 8 to 17 December 2024 Qualitative data collection took place at the national level and across five riverine systems in three provinces. Further details of the methodological design are provided in Annex 4. The riverine systems are Kamala South (Bagmati Province), Ratuwa Nadi (Koshi Province), Andheri-Baruwa-Duar (Koshi Province), Bataha Khola (Madhesh Province), and Ratu (Madhesh Province). They were purposively selected based on criteria detailed in Annex 5. The range of project intervention types, maturity of the community-based organizations, and practical field logistics influenced site selections.

17. The following methods were used to assess beneficiary perspectives on project progress, challenges, equity and sustainability prospects: document analysis, key informant

interviews (KIIs) with 22 stakeholders, focus group discussions (FGDs) with 24 groups averaging 18 participants each, on-site observations of implementation sites, and meetings with implementing partners and officials. A breakdown of the evaluation's qualitative interactions across different locations is presented in Table 3 below.

Table 3. Project interventions

Distribution of qualitative interactions by location				
Type of interaction	**Location**			**Total**
	Kathmandu (national level)	**Madhesh / Bagmati provinces**	**Koshi province**	
Large group meetings	2			2
Small group meetings	6	1	3	10
KIIs	8	7	7	22
FGDs	0	14	10	24
Site observations	0	13	18	31
Total	**16**	**35**	**38**	**89**
Total informants FGDs		*247*	*272*	
Female informants FGDs		*124 (50%)*	*(33%)*	

Source: Authors' own elaboration.

18. Quantitative data collection methods were used to measure progress against key indicators, including adoption of climate-resilient practices. This was done through the conduct of a household survey. It should be noted that prior to project implementation, a baseline household survey was conducted to establish initial conditions and reference points across the project area.

19. The household survey was carried out on a total of 1 020 households, covering five riverine systems (20 percent of the total), involving 50 community-based organizations across 16 municipalities. Several factors affected the composition of the final sample. The coverage and types of BRCRN project activities varied considerably across the project area, with resilience infrastructure targeted to highly vulnerable river system locations. Some households participated in multiple project activities with varying degrees of involvement, though incomplete data made precise quantification difficult. Practical considerations regarding survey team capacity and travel time between sites also influenced the final sample, though efforts were made to maintain representation of the full range of beneficiary households. Care was taken to ensure that the proportions of caste and ethnicity in the sample reflected those of the broader target population.

20. Within these five riverine systems, all municipalities with project activities were included, with certain exceptions.[3] Ideally, if FAO's database of the number of beneficiaries' households in each ward across the five riverine systems had been complete, sampling would have proceeded using wards as the primary sampling unit, with probability proportional to size. However, FAO's beneficiary lists by ward were incomplete, so the evaluation relied on community-based organizations membership data instead.

[3] Udayapur Gadhi, Gaushala and Mikaljung. Udayapur Gadhi Municipality was excluded as it was not selected in the initial sampling outlined in the Statement of Services and Specifications, and Gaushala and milkajung was excluded because it consists of only one group made up of only few beneficiaries.

21. For each municipality, the Evaluation Team developed a list of community-based organizations involved in the BRCRN project and purposively selected a subset of community-based organizations based on their activity profiles to ensure coverage of diverse project activities, such as gully control, NRMFS, conservation ponds, ANR, and the development or strengthening of operational plans.

22. Households were then randomly selected from the beneficiary lists provided by each selected community-based organization. To do this, the Evaluation Team used a random number generator to select the first household, then selected additional households at fixed intervals from the list. When a selected household was unavailable, the Evaluation Team chose the next household on the list as a replacement. Table 1 in Annex 4 presents the sample breakdown by river system.

2.3 Quality assurance

23. The FAO Office of Evaluation functions as an independent entity within FAO and is responsible for ensuring Interim and final evaluations are designed and carried out with objectivity, are based on evidence, and are designed to best meet the needs of stakeholders. Evaluations are guided by the United Nations Evaluation Group (UNEG) Norms and Standards for Evaluation. This evaluation was led by an Evaluation Officer reporting to a Senior Evaluation officer in the FAO Office of Evaluation. The Evaluation Officer was supported by four independent consultants assigned to different aspects of the process and the evaluation questions, matrix and methods were drawn up by that team. The whole evaluation process was overseen and quality assured by a Senior Evaluation Officer. Each key deliverable in the process (evaluation design, inception, data collection planning and implementation, debriefing and report drafting) were subject to the FAO Office of Evaluation's quality assurance processes requiring the Senior Officer to review drafts thoroughly and recommend improvements necessary to meet FAO Office of Evaluations standards, involving other FAO Office of Evaluation specialists as needed. Once a satisfactory draft had been developed, this was shared with stakeholders for their feedback on factual accuracy and feedback on the draft conclusions and recommendations. Several interactions on this took place to keep stakeholders updated and offer opportunities to comment and consider the most productive ways forward.

3. Findings

3.1 Relevance

The Churia region's ecological importance is threatened by population pressure, unsustainable land and agriculture practices and forest degradation, which is exacerbated by climate change. The BRCRN project integrated river system management approach is relevant for the needs of the Churia populations dependent on farming and forests and aims to enhance resilience, improve community livelihoods and mitigate climate risks, while aligning with national priorities and upholding environmental laws and policies. Some implementation shortfalls and disparities in intervention coverage across different settings were noted. Relevance is rated overall as satisfactory given the relationship with national priorities and needs of the Churia populations.

EQ 1: Are the planned project objectives and outcomes relevant, aligned and realistic in the context of the situation on the ground (such as development objectives of the country and community along with GCF)?

Finding 1. Based on a comparison of project documents to national policies, the Evaluation Team finds the project objectives and expected outcomes to be relevant and aligned at the national level. The project plays a crucial role in both climate change adaptation and mitigation efforts, enhancing resilience while supporting Nepal's National Adaptation Plan (2021), Second Nationally Determined Contribution (2020), National Climate Change Policy (2019) and the National Macro Watershed Management Strategy (2023). These frameworks prioritize programmes in watershed management, forest conservation, land use management, soil conservation, agriculture and food security, water resources, gender equality, and social inclusion. By addressing these areas, the project aligns with national priorities and offers a strategic response to climate-related challenges.

24. Implemented during a period of governance transformation in Nepal, the project's integrated watershed management interventions are in accordance with the Federal, Province, and Local Level (Coordination and Interrelation) Act (2020). This legislation emphasizes the importance of coordination, co-existence, and collaboration among the three tiers of government to sustainably manage natural resources and equitably share the benefits. Furthermore, it aligns with the Local Government Operation Act (2017), which grants local governments the authority for land use planning, with a focus on watershed conservation and the development of environmental protection plans at the municipal level. The project also supports the Churia Environmental Protection Area (2014), the Environment Protection Act (2019), and the Forest Act (2019), ensuring compliance with national environmental laws and policies.

Finding 2. Based on household survey data collected for the evaluation, the project objectives and expected outcomes are also relevant and aligned with local needs. The household survey (total survey 1 020 households) reveals that 44 percent of surveyed households experienced at least one climate-induced disaster in the past year, with drought (23 percent, 230 households), diseases/insect infestations (14 percent, 146 households), and floods (10 percent, 105 households) being the most prevalent.

25. The outcomes sought in the funding proposal remain relevant to needs of the Churia communities and the particular climate-related vulnerabilities in that area. The geographic area covered by the project has been identified by the Nepalese government as high risk of climate related threats.

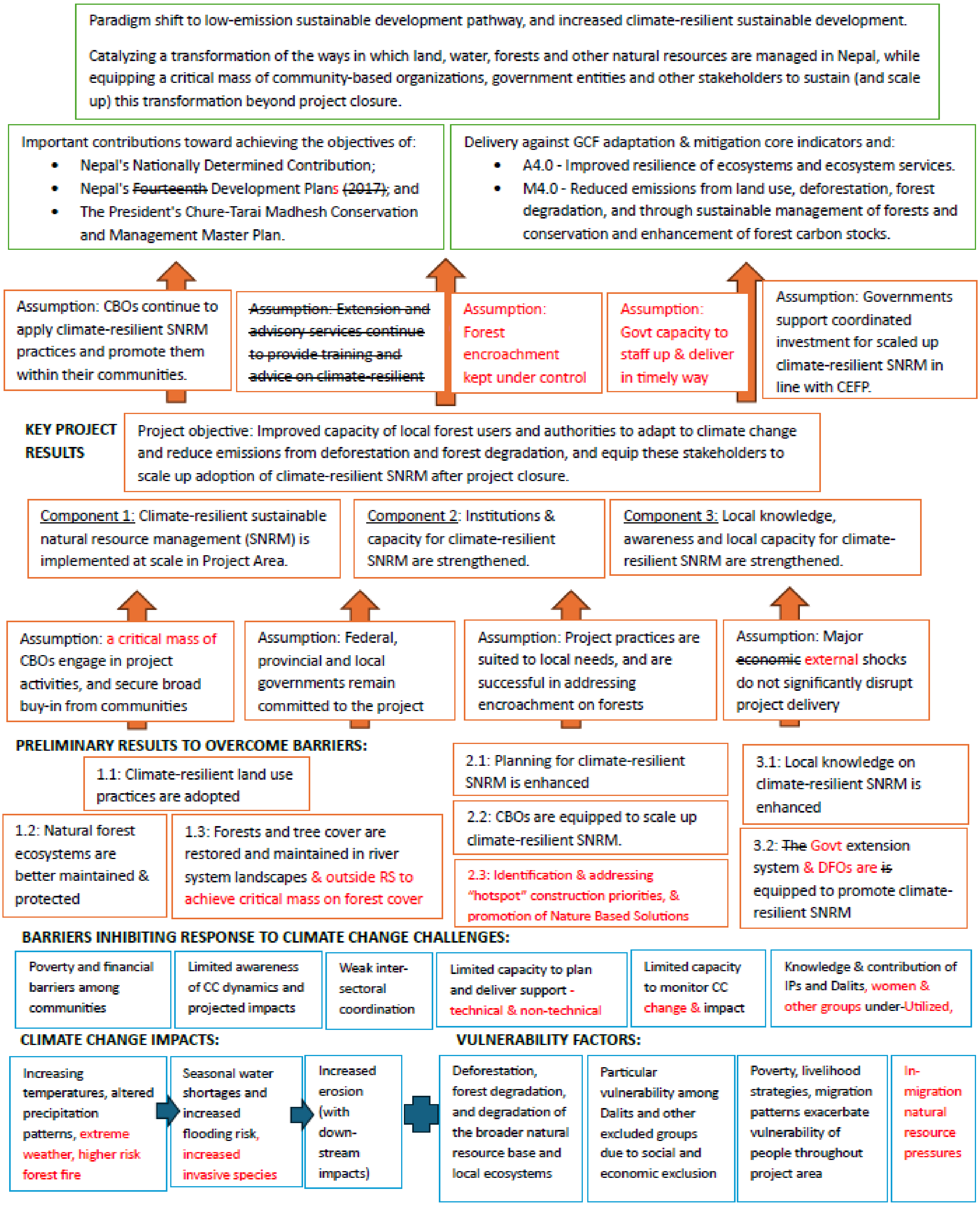
EQ 2: Is the project theory of change (TOC) and intervention logic coherent and realistic? Does the TOC (including risks and assumptions) and intervention logic hold, or does it need to be adjusted?

EQ 3: Have the funding proposal assumptions proven to be correct and valid? If not, what are the implications for the project's future implementation?

Finding 3. The project's theory of change was developed in the early stages and still stands as the current version. Stakeholders suggested some important changes to the project's assumptions. The most important change was found to be on government capacity to deliver and have sufficient staffing in place to do this (see findings under efficiency and effectiveness). It remains to be seen if effective coordination on climate-resilient sustainable natural resources management can be realized. During a half-day TOC review workshop, the Project Management Unit (PMU) team, FAO technical assistance and other stakeholders came together just after field data collection to analyse the project's TOC, as set out in the evaluation design. The workshop facilitated a comprehensive review of the TOC, identifying what needed to change and what required retention. This discussion considered if the project's underlying logic remained relevant, effective and aligned with its goals. One notable conclusion in the TOC workshop was the need to address the underlying assumptions regarding the efficiency and agility of the delivery model in ensuring the timely delivery of quality work.

26. The concept of resilience, the specific contributions of each activity towards enhancing resilience, and the importance of interconnecting these activities were not clearly articulated within the TOC framework. In particular, the dimension of disaster risk reduction appears to be inadequately reflected. Figure 2 presents the original theory of change which has been annotated with red text marking changes from the original, following the workshop discussions.

Figure 2. Theory of change



Source: Authors' own elaboration.

Table 4. Theory of change assumptions review

Assumptions (see TOC)	Still correct and valid at interim? Implications?
Assumption: Community-based organizations continue to apply climate-resilient sustainable NRM practices and promote them within their communities.	This assumption is still correct and valid; however, it requires minimum adaptation support to apply climate resilient sustainable NRM practices.
Assumption: Extension and advisory services continue to provide training and advice on climate-resilient sustainable NRM.	This assumption is still correct and valid.
Assumption: Forest encroachment kept under control.	This assumption is correct and valid but has not been mentioned in the TOC.
Assumption: Government capacity to staff up and deliver in timely way.	This assumption is correct and valid but has not been mentioned in the TOC.
Assumption: Governments support coordinated investment for scaled up climate-resilient sustainable NRM in line with CERP.	This assumption is still correct and valid.
Final discussions on the TOC: The TOC review workshop finished with a range of inputs from participants focused more on the spirit and principles that should underpin the coming phase. **1.** "Climate-Proofed Landscapes": BRCRN project will lead to the widespread adoption of climate-resilient land practices, safeguarding ecosystems and communities from the impacts of climate change. **2.** "Ecosystems Thrive": Natural-forest ecosystems will flourish, protected and maintained for future generations to enjoy. Meanwhile, forests and tree cover will be restored and preserved in the river system landscape, teeming with life. **3.** "Empowering communities" in Building Climate-Resilience through enhancing planning and engagement for climate-resilient sustainable NRM, the BRCRN project will empower communities to thrive in the face of climate change. Community-based organizations will be equipped to scale up climate-resilient sustainable NRM, amplifying their impact. **4.** "Knowledge Boost": BRCRN project will amplify local knowledge on climate-resilient sustainable NRM, empowering communities to make informed decisions that benefit both the environment and their livelihoods. **5.** "Extension System Supercharged": BRCRN project will equip the extension system to promote resilient sustainable NRM, ensuring that climate-smart practices are widely adopted and sustained.	

Source: Authors' own elaboration.

Finding 4. During the project design, assumptions were made that proved flawed and impacted on unrealistic targets being set on mitigation. There was for instance a key on woodlots. The project proposed to establish woodlots in downstream areas. The project will support establishment of 16 500 ha of tree plantation on privately-owned land in the project area. Sites will be focused on downstream areas of the 26 river systems, distant from most other project interventions areas. The rationale behind committing to 16 500 ha is unclear, as it has proven to be extremely challenging to achieve due to issues related to land ownership, size of landholdings and access. This has negatively impacted afforestation hectares achieved and contributes to underperformance on the emission reduction target. Notably, the mitigation target was fixed based on the deforestation rate during the project design, which was reduced later, impacting on the overall carbon target (see Table 7 under effectiveness).

27. In addition, at the time of the project design, it was unclear as to how the new decentralized government structures would emerge, how quickly this would happen, and how these new entities would take on greater roles at provincial and local levels. The project design did not flag these uncertainties and any subsequent building in of measures to enable adaptability to engage with these new structures.

28. Finally, the Evaluation Team notes that governance and land use issues in the Churia region pose significant external constraints that must be addressed. The current project does not yet have a clear strategy for tackling these challenges and these were not identified in the

design. The region is affected by steadily increasing population pressures, ongoing land and forest encroachment, illegal logging, and unregulated mining of sand and gravel, all of which contribute to environmental degradation. Some of these factors were not recognized in the design.

29. As noted above, a major focus of the BRCRN project's work is in protecting against erosion of agricultural and forest land. Extensive sand and gravel mining in upstream areas continues. Removal of natural sediment build up increases the flow speed and erosive power of rivers, thus potentially having a significant undermining effect on project aims on managing river systems (and obviously impacting on the gully sedimentation measurements) by river courses. This was not considered in design and early implementation. Regulation is poor, and licensing processes now rest with municipal authorities rather than provincial or national bodies following decentralization processes. Arguably, this means a more challenging task to influence greater levels of control on such practices. The industry is lucrative (for extractor/traders and in revenue for licensors) with sand and gravel for construction very much in demand. It is concerning that these critical issues are not being addressed as part of the project design or interventions. It is recognized that this is "beyond scope" of the BRCRN project but in recent years (Rana and Taylor Crisis, 2023) there have been more concerns raised on this issue, and highlighting the need for greater collective action to address these environmental threats.

EQ 4: Validate whether the risks identified in the project document, annual performance reports are the most important and whether the risk ratings applied are appropriate and up to date. If not, explain why.

Finding 5. The project is still experiencing some challenges due to unrecognized risks related to government restructuring. At the time of the project design, it was unclear as to how the new decentralized government structures would emerge, how quickly this would happen, and how these new entities would take on greater roles at provincial and local levels. The project design did not flag these uncertainties and any subsequent building in of measures to enable adaptability to engage with these new structures.

EQ 5: What are the revisions made in the interventions, outcomes and components, and are they contributing to the overall project objectives?

30. The major proposed revisions affecting outcomes, targets and activities are discussed and assessed by the Evaluation Team in Tables 5 and 6 under effectiveness. These concern issues relating to the TOC/paradigm shift; proposed changes to project targets and indicators and associated budget and timescale changes. These also cover proposed operational and implementation modality changes. In hindsight, it has taken considerable time to identify these issues and develop the proposed changes. Having said that, stakeholders made it clear that they saw the interim evaluation as a key process to bring in independent and objective analysis on the proposals at this stage of the project. There was a strong sense of developing proposed changes and using the interim evaluation to test their validity.

3.2 Efficiency

The BRCRN project has faced significant challenges, including inefficient project implementation, limited capacity and resources, high staff turnover and unrealistic assumptions, leading to less than 20 percent of allocated funds being utilized over four years. Urgent actions are needed to reevaluate *the execution modality, strengthen collaboration and ensure project objectives are achieved in a timely way. Furthermore, setbacks in achieving original targets, such as woodlot establishment, due to a lack of planned land, exposed a disconnect between the project design and on-the-ground realities. Efficiency is rated as unsatisfactory, given the range of key issues affecting delivery set out in this section.*

EQ 6: Are the project's governance mechanisms functioning efficiently?

Finding 6. Inefficiencies stemming from the operational partner's capacity have contributed to less than 20 percent of the allocated funds being utilized over the past four years. The Operational Partners Implementation Modality leverages the strengths of experienced organizations to deliver high-impact climate change mitigation and adaptation projects. Under this model, the operational partner undertakes the full range of project implementation responsibilities, from planning and design to execution and monitoring and evaluation (M&E). This approach allows for FAO-GCF projects to harness the expertise and resources of local and international organizations, while expecting to reduce bureaucracy and accelerating project delivery. By working closely with the project executing entity, the operational partner is intended to ensure that projects are tailored to local needs, effective and sustainable, ultimately achieving the intended climate change outcomes and benefits for developing countries.

31. The primary challenges stem from the operational partner's limited capacity to manage the substantial budgets assigned to the project, particularly in terms of the inadequate flow of funds from central to provincial governments, as well as issues with ensuring sufficient staffing, efficient procurement and accountability.

32. This situation is of significant concern to stakeholders, including FAO as an accredited entity of the GCF. FAO has encountered difficulties in effectively overseeing the Ministry of Forests and Environment in accordance with the funded activity agreement, impeding the project's ability to meet its objectives. The low resource utilization, exacerbated by government bureaucracies, is troubling as it hampers the project's efficiency and outcomes, highlighting the necessity to reevaluate the delivery method to optimize resource utilization and results.

EQ 7: To what extent did the project rely on M&E data (e.g. baselines, indicators, targets) and mechanism(s) to ensure effective and results-focused planning and implementation?

Finding 7. The project's methodologies for data collection and reporting lack clarity and definition and there are some key issues stemming from the originally agreed results statements and definition of indicators (particularly at output level) in the approved logframe. It is assumed that at this stage of the project it would be difficult to make major changes to the results framework on agreed indicators. In some cases, output statements are the same or very similar as project outcomes, instead of being defined as lower-level contributions to the outcomes. This leads to duplication (as can be seen in Tables 7 and 8, for instance in output 1.3 being the same as outcome M9.0). More importantly, there is an absence of more meaningful indicators at outcome level to measure evidence of actual change in peoples' lives – for instance being able to measure and report on changes in behaviour or practices that have arisen from training and awareness raising.

33. Another issue arising is that the criteria used to measure awareness levels or determine the percentage of farmers adopting climate-resilient practices (and repeating this adoption) are not clearly outlined. Additionally, there is no documented process in place for validating beneficiary numbers or assessing changes in the understanding of community-based organizations' members. This lack of rigor in applying well-defined methodologies

undermines confidence in the reported achievements and their alignment with the project's intended outcomes.

34. To improve data accuracy and consistency, the BRCRN project needs to focus on applying well-defined methodologies. The methodologies for emission reduction calculations and land management indicators are technically sound.

Finding 8. While numerical data regarding beneficiaries and activities are provided, the absence of a clear and robust methodology for counting beneficiaries undermines the reliability of the reported results. Further to this, it is difficult to tell how progress is being assessed in some of the more complex areas such as awareness raising. There is a need to go beyond counting participation in activities as noted above. For example, the project reported that 50 percent of farmers had adopted climate-resilient land use practices post-training. However, a recent field visit by project staff (before the evaluation data collection period) noted that the training (conducted through NRMFS) was still ongoing, and the adoption of these practices within the farming systems required more time. Detailed field-level validation was not feasible during brief site visits.

EQ 8: To what extent and how did the project apply adaptive management?

Finding 9. Discussions at the TOC review workshop suggest that the TOC had not been fully utilized for adaptive management purposes. The project team and Lead Technical Officer had reviewed the TOC, including discussions on the proposal to change the paradigm shift objective, but there was not a strong sense of an active regular TOC review process since project approval.

Finding 10. The Evaluation Team also finds that adaptive management has been hindered by a conservative interpretation of which decisions require GCF approval. Through the GCF accreditation framework, the GCF trusts FAO (GFC, 2018) to manage its internal systems and implement projects without needing to revert to GCF for routine approvals. However, it appears that FAO headquarters and the Nepal country team may be overly cautious when it comes to budget notes, strictly adhering to them without allowing for flexibility in implementation.

35. This rigid approach has led to unnecessary delays as they seek approval from the GCF secretariat for minor operational issues, hindering the project's ability to fully leverage adaptive management. Some issues are internal. An example of this is the failure to allocate budget during the design phase for deploying environmental and social safeguards and the gender action plan, due to slow development of the documentation, resulting in a delay in implementing these critical components (see Annex 6, theory of change revisions, for additional examples, and for which the project is seeking modifications to allow them to deal with the resulting challenges).

EQ 9: Review any delays in project start-up and implementation, identify the causes and examine if they have been resolved.

Finding 11. The project encountered early challenges related to the COVID-19 pandemic and internal government bureaucracies, which contributed to delays in recruiting technical staff and finalizing agreements with partner organizations.

Finding 12. The time allocated for set-up and initiating activities was unrealistic and did not account for seasonal constraints. To date, funds have been typically released for the implementation of activities only four months or less before the end of the Nepalese financial year (mid-July). As a result, implementing teams are under pressure to utilize the funds before the year ends, as the monsoon season starts up, which can lead to compromises on the quality of work (the

Evaluation Team did not find quality issues in data collection, but this remains a risk). There has been some recent improvement in Koshi province in this matter.

Finding 13. The project's implementation has been hindered by financial flow bottlenecks, with stakeholders at different levels providing inconsistent information about the flow of funds and resources. Specifically, national-level officials report that funds have been transferred to provincial-level organizations, while provincial-level officials claim that these funds are being passed on to lower-level implementing units. However, in some cases, evaluation field consultations found evidence that payment disbursements are not occurring in some cases, with, for example, administration and nursery staff going without pay for extended periods (sometimes for up to three months in the sites in Madesh Province visited by the Evaluation Team). Urgent attention is needed to identify and address these systemic payment issues to prevent further delays and disruptions to project activities.

Finding 14. In general, the Federal and Provincial Project Management Units (PPMUs) have been slow to utilize the allocated funds, spending less than half of their budget in the fiscal year July 2023/July 2024. The previous fiscal year (2022/2023) witnessed a sluggish financial spending of approximately 17 percent, indicating inconsistent and overly low spending patterns. Capital expenditures for the project remained significantly lower than budgeted, with most funds being utilized in the final quarter each year. This disparity in financial capacity has constrained the project's ability to complete planned activities. The project's design envisions a more active role for service providers and FAO in budget management, yet this has not been fully realized, and it is not immediately clear why this is the case. There is an opportunity to strengthen collaboration with service providers and FAO to enhance their capacities and promote a more sustainable use of resources.

Finding 15. High turnover of the PMU and PPMU staff who have been seconded to the project has hindered the progress of the project. Despite FAO's efforts to address this issue by regularly requesting the government of Nepal to reduce the frequency of staff transfers, the project has been severely impacted. In just three years, there have been six National Project Directors assigned to the project by the Ministry of Forests and Environment, making it difficult to maintain stability and continuity.

Finding 16. There have also been issues with government project-assigned staff being insufficiently motivated. The current incentives for staff travel, accommodation, and other expenses are reported as insufficient and do not align with the actual costs incurred by staff. This lack of adequate reimbursement led to demotivation among staff at project sites, ultimately impacting productivity and morale. In addition to monetary benefits, non-monetized opportunities such as learning visits or short-term training to other countries or locations can greatly enhance the motivation of staff working on the project. By recognizing and addressing these factors, the project could ensure that BRCRN project staff are fully supported and motivated to achieve project success.

Finding 17. Several key project activities have experienced significant delays in start-up and implementation, primarily due to staffing challenges and procurement processes. Major delays affected activities related to community-based organizations training, extension services delivery, and the documentation of traditional knowledge. The most substantial delayed activity in budget terms is the enhancement and delivery of quality extension services on climate-resilient sustainable NRM to households (USD 3.19 million), impacted by late hiring of key personnel. For a detailed overview of delayed activities and their causes, refer to Tables 5 and 6.

Finding 18. The implementation of climate resilient agriculture activities (Activity 1.1.2) has been delayed due to the lack of technical capacity within the PPMUs, particularly in the deployment of agricultural officers. The PMU and the Ministry of Forests and Environment are actively exploring options for acquiring these officers, including direct recruitment, service contracts, and cross-ministerial deployments. However, the training initiatives undertaken so far have focused primarily on climate resilient and NRM activities, but they are limited only on fortnightly meeting NRMFS with farmers as a part of the demonstration in some experimental sites. Those practices are partially adopted by those farmers who attended the training events, but wider adoption of those technologies was limited due to inadequate support to farmers required for the scaling up. The evaluation noted that small and resource poor farmers faced challenges of not having equipment and inputs that are required for scaling up primarily on natural resources management, rather than climate-resilient agriculture, which is a critical gap for the project's success. Moreover, the limited availability of technical staff with the requisite skills, coupled with the complexity of staff deployments/transfers across ministries, poses significant challenges in speeding up the process. As a result, there is an urgent need to ensure that additional staff are identified and secured immediately to avoid further delays and ensure the achievement of project objectives.

Finding 19. Capacity building has been identified as a critical area of need at PPMU levels. Specifically, there is a pressing need for improvement in the areas of procurement, project management and staff recruitment. Despite making progress, challenges remain. Only 67 percent of provincial technical support officers have been hired, with lengthy procurement processes and candidate dropout rates impeding full staffing. Furthermore, the five-month piloting phase has revealed gaps in participatory methodologies and facilitator support, necessitating continuous refinement. While the project has achieved promising results, it must address implementation bottlenecks and sustain its efforts to effectively meet its adaptation targets.

Finding 20. Confusion about the implementation approach and ownership over the identification and/or establishment of nurseries has been problematic. Part of the problem may stem from the fact that the funding proposal states (page 26, table 6): "Nurseries will preferably be hosted by CFUGs or other CBOs, where there is presence of individuals trained and/or experienced in nursery management, availability of, and willingness to allocate, necessary space and labour. The CBOs must be assessed as possessing the potential capacity to sustain the nursery as a viable enterprise beyond the duration of the project. The establishment of the nurseries will be subject to a consultation process according to the principles of free, prior and informed consent (FPIC), and in river basins where no suitable CBOs can host, the premises of the Divisional Forest Office (DFO) under the Ministry of Industry, Tourism, Forest and Environment will be proposed." (FAO, 2018).

36. However, on page 32, (Activity 1.3.1), it states: "To accomplish this, project staff will procure the equipment and materials needed to establish two nurseries in each of the 26 targeted river systems, for which sites will be selected in accordance with the criteria and process outlined in Table 6 (above)... ensuring that each nursery has the capacity to produce at least 50 000 seedlings per year. Nurseries will be operated by local forest offices, and project staff will work with the Ministry of Industry, Tourism, Forest and Environment to ensure operations and maintenance costs for these nurseries are integrated into their annual budgets by project closure…" (FAO, 2018). These contradicting statements likely contributed to differing expectations on how nurseries should be owned and managed.

37. The demand for such nursery outputs was carefully considered and documented by the Task Force visit of February 2023, hence the lowering of the targeted number, and less nurseries than had been originally intended. Aside from this, there is a clear rationale for the larger (50 000 sapling) nurseries being managed by the Divisional Forest Offices as having the capacity to do this effectively (and brining some economy of scale), and only smaller nurseries being suitable for community organizations. However, the community demand for ownership and for facilities closer to home, and indeed the spirit of the funding

proposal, points to the benefits of investing in community/CFUG level nurseries. A balanced approach of identifying viable CFUGs for small scale, local facilities would be preferable for the remaining nursery activities.

Finding 21. The government's cumbersome and slow procurement process has been a major obstacle to progress. The purchase of vehicles, for example, has been delayed for several years and the vehicles have still not been purchased. Despite the dedication and hard work of staff, the inefficiencies of the system have impeded the project's ability to achieve its objectives in a timely manner.

EQ 10: Is co-financing being used strategically to help project objectives? Comment on the use of different financial streams (in-kind, parallel, leveraged, mobilized finance), as applicable in the context of the project – see GCF policy on co-finance (GCF, 2019). Discuss whether co-finance related conditions and covenants, as listed in the funded activity agreement, have been fulfilled, as applicable.

Finding 22. The project has not attracted co-finance other than the Government of Nepal's contribution to the project, which is mostly in the form of staff costs. The Government of Nepal's co-financing contribution to the project as approved has been slow to be provided and reported, apparently due to a lack of clarity on what are admissible costs.

3.3 Effectiveness

The BRCRN project has achieved notable benefits for participating households, including protection of agricultural/forest land, improved crop production, increased household income and improved access to water, but faces challenges in achieving long-term resilience goals due to an infrastructure-centric approach and limited progress in agricultural and education components. Effectiveness is rated as moderately satisfactory, given the good quality of activities carried out so far, but lagging progress in some key areas impact on this rating.

EQ 11: What and how much progress has been made towards achieving the overall outcomes such as beneficiary households adopting climate resilient practices and/or reduced greenhouse gas emissions / increased carbon sequestration of the project (including contributing factors and constraints)? How strong is the evidence base for the achievements of outputs, outcomes, and to what extent are they based on the application of a well-defined methodology?

Finding 23. The BRCRN project demonstrates mixed progress at its interim point, with key performance deficits prompting proposed changes to some key interventions. While it has achieved substantial results in infrastructure interventions and beneficiary outreach, components related to natural forest management and restoration remain significantly below targets, and subsequently low progress on emissions reductions. The following tables provide i) an assessment of targets and indicators for fund level and outcomes from the project logframe, and narrative from the Evaluation Team on progress and key issues arising (Table 5); and ii) a detailed assessment of progress against target at activity level, along with the Evaluation Team's assessment and ratings (Table 6).

Table 5. Assessment of targets and indicators for fund level and outcomes from the project logframe

<table>
<tr><th rowspan="2">Expected result</th><th rowspan="2">Indicator</th><th colspan="2">Target</th><th rowspan="2">Interim progress</th><th rowspan="2">Evaluation Team rating and comments</th></tr>
<tr><th>Target interim (midline)</th><th>Target endline</th></tr>
<tr><td colspan="6">Fund-level impacts</td></tr>
<tr><td rowspan="2">GCF core indicator (mitigation)</td><td>Tonnes of carbon dioxide equivalent (tCO2eq) reduced or avoided as a result of Fund-funded projects/programmes.</td><td>743 764 tCO2eq</td><td>2 366 485 tCO2eq (after 7 years)
(Expected 20-year reduction benefit of 11.5 million)</td><td>35 382 tCO2eq (4.76% of interim target) Sustainable Forest Management 26 055 tCO2; Tree planting 5 203 tCO2; ANR 2 317 tCO2</td><td>Not possible to rate at this time
These overall emissions figures draw on subordinate indicators and activities set out below under outcomes. Only certain activities (i.e. enhancement activities) can be updated, based on areas of implementation such as climate resilient agriculture (CRA), ANR.
The interim progress figure does not include activities for which measurements are required (including for reduced deforestation – both area and carbon stock change). These measurements were budgeted only for the endline. Therefore, the annual value for the reporting period represents only partial value of the achievements to date.
If the project adopts and successfully implements adjustments proposed below, the estimated endline achievement on emissions reduction will be 31% lower than the endline target (1 632 875 tCO_2eq) for the 7-year project period.</td></tr>
<tr><td>Cost per tCO2eq decreased for Fund-funded mitigation projects/programmes.</td><td>USD 18.06 per tCO2eq</td><td>USD 17.33 per tCO2eq</td><td>USD 350 per tCO2eq</td><td>Not possible to rate at this time: will need to be measured at endline as dependent on emission reduction progress as above
Costs used for calculations are GCF grant only.
Calculation methodologies:
Targets are cumulative values, total project funding divided by the cumulative value of emission reduction at interim and endline. The estimated cost per tCO_2eq emission reduced over lifetime is the total project funding divided by the expected lifetime emission reduction target.</td></tr>
<tr><td>GCF core indicator (adaptation)</td><td>Total number of direct and indirect beneficiaries (gender disaggregated)</td><td><u>Direct</u>:
115 584 men
115 584 women
231 168 total
[48 160 households]</td><td><u>Direct</u>:
481 634 men
481 634 women
963 268 total</td><td>Direct
578 519 total
(250% of interim target)
50.5% Female</td><td>Satisfactory
Direct beneficiaries: Considerable increase over 2024 with increased activities. Beneficiaries include farmers, CFUG members, community-based organizations networks representatives and professional beneficiaries (provincial and local level officials).
Representation of women on target at 50%</td></tr>
</table>

Expected result	Indicator	Target		Interim progress	Evaluation Team rating and comments
		Target interim (midline)	Target endline		
		Indirect: 0 men 0 women 0 total beneficiaries	[200 681 households] **Indirect:** 1.6 million men 1.6 million women 3.2 million total	**Indirect** 90 356 total 43% women	Targets estimates based on multiplying households reached by the end of PY4 by the average household size (4.8 people). **Indirect beneficiaries:** Was not required for interim reporting. The figure on interim achievement is a calculation of resilience infrastructure interventions within the river systems downstream that have been completed.
	Number of beneficiaries relative to total population	**Direct:** 7% of population of the project area **Indirect:** 0% of the population of the project area	**Direct:** 30% of population of the project area **Indirect:** 100% of the population of the project area	**Direct:** Total 18% (578 519 out of 3.2 million reached by project) 9.1% women	**Satisfactory** Project area's total population is estimated at 3.2 million people from 2011 census across the 26 river systems.
A4.0 Improved resilience of ecosystems and ecosystems services	A4.1 Coverage/scale of ecosystems protected and strengthened in response to climate variability and change.	About **12,189 Ha** of climate resilient agriculture practices implemented About **45 848 ha** of forest ecosystems	About 48 772 ha of climate resilient agriculture practices implemented 148 998 ha of Forest ecosystems	**CRA practices:** **1 272 ha** (10.44% of interim target)) Forest ecosystems: **17,370 ha**.	**Moderately unsatisfactory – but with some key factors beyond project control (post-design) that are acknowledged and have made targets unrealistic.** The CRA figure is proposed for reduction of final target to 2 340 ha. The basis of the original CRA target in the funding proposal was not documented and the Evaluation Team notes that (and the subsequent difficulty in understanding the intentions under the target) with concern. Potential CRA achievements were grossly over-ambitious. Despite this being a significant reduction in coverage, the Evaluation Team supports the proposed reduction of the target as a necessary correction of the design flaw. **Forest ecosystems**: Achieved through preparation and implementation of forest management operational plan of 127 community-based organizations forest user groups.

Expected result	Indicator	Target		Interim progress	Evaluation Team rating and comments
		Target interim (midline)	Target endline		
		sustainably managed About **4 000 ha** Community managed natural forests restored through assisted regeneration **(ANR)** **0 ha** of new planted forests established	sustainably managed About 12 792 ha Community managed natural forests restored by assisted regeneration About 5 840 ha new planted forests established	(11.66% of interim target) ANR: **978 ha** (24.45% of interim target) Privately planted forest: **0 ha** Timber woodlots and fruit trees planted 639 ha	**ANR** support was provided to 49 CFUGs and is proposed for a slight reduction in target. Degraded land with potential for ANR is approximately 13 000 ha. Taking into account the 80% adoption factor (as per the funding proposal), the final target results area for this activity is suggested to be reduced to 10 400 ha. The Evaluation Team supports this proposed adjustment. **Private woodlots** that contribute to forest cover also reported as part of this indicator. The final target figure proposed to be **increased** 8 240 ha. Some measures may overlap in terms of area, as some hectares of land may benefit from two of the three forms of support listed. Therefore, targets represent total geographic reach per support type rather than aggregated figures, avoiding potential overlap. Fruits trees had not been originally intended but introduced due to community demand. The Evaluation Team supports this proposed adjustment.
M4.0 Reduced emissions	4.1 Tonnes of carbon dioxide equivalent (tCO_2eq) reduced or avoided	743 764 tCO_2eq	2 366 485 tCO_2eq (after 7 years)		**Same comments as fund-level impact**
h.1.2. outcomes, outputs, activities and inputs at project/programme level					
Project outcomes	**Outcomes that contribute to fund-level impacts**				
M9.0 Improved management of land or forest areas contributing to emissions reductions	M9.1 Hectares of land or forests under improved and effective management that contributes to CO_2 emission reductions	12 189 ha of CRA practices 45 848 ha of forest ecosystems sustainably managed	48 772 ha of CRA practices 148 998 ha of forest ecosystems sustainably managed		**Same assessment and comments as those under A4.0**

Expected result	Indicator	Target		Interim progress	Evaluation Team rating and comments
		Target interim (midline)	Target endline		
		4 000 ha community managed natural forests restored through ANR 0 ha of new planted forests established	12 792 ha community managed natural forests restored by ANR 5 840 ha new planted forests established		
A5.0 Strengthened institutional and regulatory systems for climate responsive planning and development	A5.2 Number and level[4] of effective coordination mechanisms	26 river-system level CFUG coordination networks at Level 2	26 river-system level CFUG coordination networks at Level 4	**63 Municipal** level CFUG networks established **21 River System** level private forestry networks coordination working at Level 2.	**Satisfactory** Note that a change is proposed to the indicator and target. There is a good rationale for *not* forming 26 new river system level CFUG networks, but to provide institutional strengthening support to 63 already existing municipal level CFUG networks (and hence be better aligned to the new decentralized entities). The Evaluation Team supports this approach.
A8.0 Strengthened awareness of climate change threats and risk reduction processes	A8.1 Number of males and females made aware of climate threats and related appropriate responses	115 584 men 115 584 women 231 168 total	481 634 men 481 634 women 963 268 total	Total: 578 519 (250% of interim target) 50% Women Women 292 039	**Satisfactory.** See comments under GCF core indicator for adaptation.

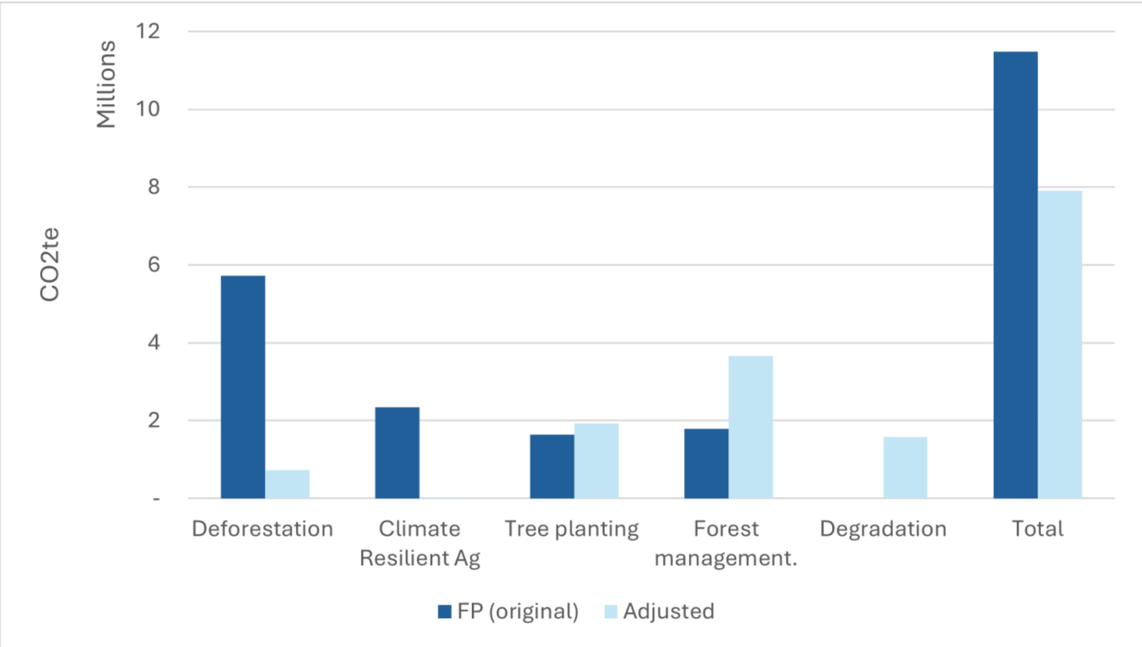
Source: FAO. 2024. *Building a Resilient Churia Region in Nepal – Project Annual Report 2024*. Rome.

[4] On a scale of 1 to 4, referring to different degree of effectiveness (1 = no coordination mechanism; 2 = coordination mechanism in place; 3 = coordination mechanism in place, meeting regularly with appropriate representation (gender and decision-making authorities); 4 = coordination mechanism in place, meeting regularly, with appropriate representation, with appropriate information flows and monitoring of action items/issued raised).

38. It is important to note that in terms of fund level indicators, emission reductions results cannot be estimated accurately for the current period (due to lack of data requiring comprehensive surveys or external datasets which are budgeted/planned for only at the project endline). The project's emission reductions are assumed to have fallen below interim targets. This is due to two reasons: i) shortfalls in the hectare coverage of the contributing project activities so far; and ii) estimated deforestation rates were made in the funding proposal based on available data at that time. However, more up to date data has since become available. On consideration of the new data, it was realized that deforestation rate assumptions were not correct.

39. Figure 3 breaks down the originally planned emissions reductions by intervention types and the estimated potential achievement given the shortfalls and limitations itemized in Table 7. Note that figures are based on planned activities and assumptions only. Actual results will depend on implementation progress and results of updated measurements. As can be seen, overall targets on deforestation and climate resilient agriculture are significantly below planned targets. These are somewhat compensated by tree planting, forest management and addressing degradation. Note that the emissions figures shown are for the expected 20-year emissions reduction benefits (totals of 11.5 million tCO_2eq original, and 7.9 million tCO_2eq potential achievement if adjustments are made as proposed.

Figure 3. Comparison of emissions reduction potential over 20 years by activity

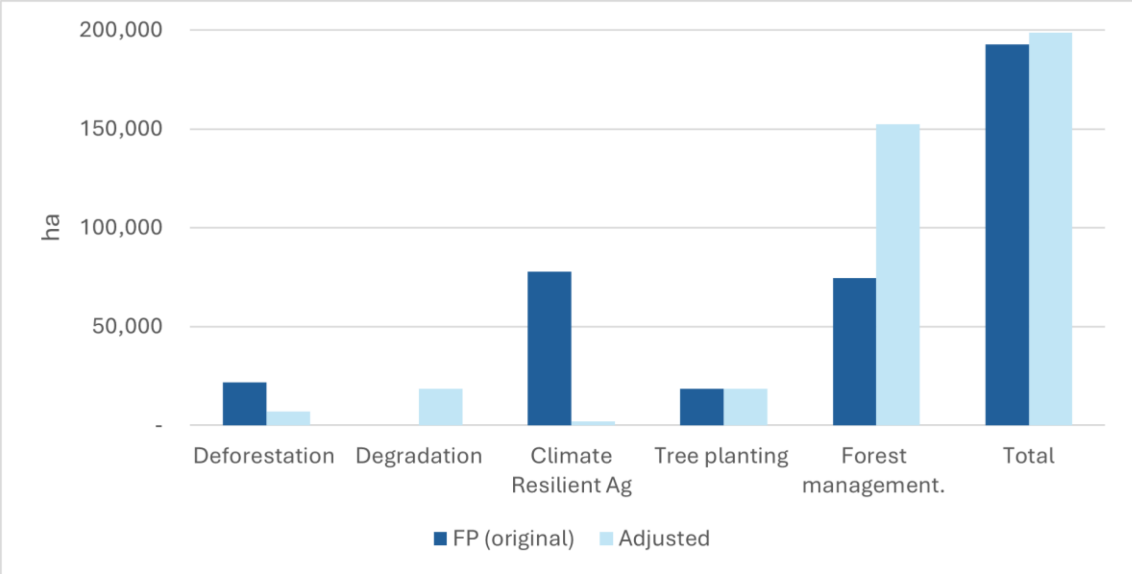


Note: 80 percent adoption.
Source: Monitoring data and project team calculations based on proposed changes.

40. Figure 4 below shows the estimated area coverage for both the original logframe targets, and the estimated potential achievement for the project. Again, actual results will depend on implementation progress and results of proposed updated measurements. Overall targets on deforestation, and in particular in climate resilient agriculture, are significantly below planned targets. With estimated increases in coverage in addressing degradation and forest management, the total area coverage would actually exceed original targets.

41. It is not possible to project what positive or negative impact the proposed changes would make on beneficiary numbers reached by the end of the project. This would need to be calculated in the revisions to plans by the project team. The Evaluation Team notes the 250 percent delivery against interim target for direct beneficiaries. This is 60 percent of the expected endline target of 963 268 beneficiaries supported as of the end of 2024.

Figure 4. Comparison of area of intervention by activity type



Note: 80 percent adoption.
Source: Monitoring data and project team calculations based on proposed changes.

42. Table 6 sets out more detailed breakdowns of the progress towards targets for activities as set out in the logframe, based on data from the annual progress reports which were triangulated with Evaluation Team observations and ratings.

Table 6. Rating performance against interim targets, based on project reporting, with reactions from the Evaluation Team

Project activity indicator	Interim target (year 4)	Mid-term performance	Endline target	Evaluation Team rating and comments
Component 1: Scaling-up climate-resilient sustainable natural resources management **Subcomponent 1.1: Climate-resilient land use practices are adopted**				
Activity 1.1.1: Establish Farmer Field Schools (NRMFS) to promote climate-resilient land use	120 NRMFS established and operational by PY3	86 Farmers Field Schools established. A total of 58 Field School (FS) facilitators have been trained and mobilized for FS operation. Additional 21 FS facilitators are currently being trained. 72% of interim target	120	**Satisfactory**
Activity 1.1.2: Train farmers to adopt and apply climate-resilient land use practices.	97 Trainings for farmers	132 Training (at least 2 events in each NRMFS), total 1 738 members took part. More farmers are planned to be trained in first half of 2025. 136% of interim target	264	**Satisfactory**
Activity 1.1.3: Train farmers to adopt agroforestry and livestock management practices.	120 Agroforestry and Livestock trained and supported to start on-farm tree nurseries by end of PY3	69 farmers trained among them 36 farmers have established agroforestry nurseries. 58% of interim target 55 farmers and sites for nursery establishment have been finalized. Planned to train them in January 2025	620	**Satisfactory against target** The Evaluation Team would note these are small numbers for such a large project. More could have been done with the available resources
Activity 1.1.4: Construct check dams, gully stabilization measures and other local infrastructure to enhance resilience against climate change-induced erosion, sedimentation and flooding risks.	1) 40 Check dams/and or water harvesting ponds established by the end of PY4. 2) 38 Structures established to stabilize 23 gullies by the end of PY4	96 riverbank stabilization 42 conservation ponds 19 gully protection 122% of interim target for infrastructure 16 structures are under construction	1) 129 2) 86	**Satisfactory, especially given the considerable rise in activities over 2024**
Sub-component 1.2: Natural forest ecosystems are better maintained and protected				

Project activity indicator	Interim target (year 4)	Mid-term performance	Endline target	Evaluation Team rating and comments
Activity 1.2.1: Support community-based organizations to develop/strengthen and deliver forest management operational plans.	600 forest management operational plans developed and /or strengthened by the end of PY7	Operational partner renewal in 81 FUGs and implementation support in 46 CFUGs 14% of interim target (Total 127 FUGs supported that covered 17 370 ha of forests)	600	**Unsatisfactory** Delayed. Quality of work is good
Activity 1.2.2: Train community-based organizations and landowners to enable more sustainable management of forest ecosystems.	1) Training of trainers delivered to the Ministry of Forests and Environment field staff by the end of PY4. 2) Additional local level training events for forestry-related community-based organizations organized	Provided training to community-based organizations and training to landowners to promote private forestry is delayed	26 122	**Unsatisfactory**
Subcomponent 1.3: Forests and tree cover are restored and maintained in the river system landscape				
Activity 1.3.1: Establish and support the operation of 52 multipurpose tree nurseries to serve the plantation and restoration needs of community-based organizations and other forest sector stakeholders.	Additional tree nurseries established by the end of PY5	20 nurseries established and operational 58% of proposed revised target* 1.42 million seedlings produced in 2024	52	**Satisfactory** *The target of establishing 52 nurseries is proposed to be reduced to 30 as per the recommendations of Project Task Force mission.
Activity 1.3.2: Establish and maintain 7 300 ha of forest plantations to enhance resilience.	1) 3 training events for Ministry of Tourism, Forest and Environment staff organized by the end of PY5. 2) 350 ha of demonstration plantations established by the end of PY5. 3) 250 ha of riparian plantations established by the end of PY5 4) 1 250 ha of plantations on community land established by end of PY4	This activity is planned from PY5 onwards 0% of interim target	3 events 7 300 ha land	**On revised schedule**

Project activity indicator	Interim target (year 4)	Mid-term performance	Endline target	Evaluation Team rating and comments
Activity 1.3.3: Train government field staff and community-based organizations on forest landscape restoration (FLR), and support community-based organizations to implement assisted natural regeneration on 15 990 ha.	1) 54 training events on FLR organized for community-based organizations by end PY4 2) Preliminary ANR methodologies and implementation plans developed by the end of PY3 3) ANR implemented on 4 940 ha of land by the end of PY4	1) 32 events organized 59% of interim target) 2) Preliminary ANR for 49 community-based organizations 3) 978 ha ANR 20% of interim target	194 training events ANR established on 15 990 ha	**Unsatisfactory** FLR/ANR implementation will be scaled up in larger areas from 2025 onwards as there is now trained staff resources to support implementation
Activity 1.3.4: Provide technical guidance and seedlings to establish tree cover on 16 500 ha of woodlots to enhance ecosystem resilience and improve fuel wood and timber availability in downstream communities.	2 950 ha of woodlots established by the end of PY3	639 ha tree cover 22% of interim target	16,470 ha woodlots established	**Unsatisfactory** Delay in implementation **Project response:** Based on the study carried out available land for woodlots establishment is about 3 000 ha, hence a reduction of the target is proposed. Provision and seedlings and technical guidance is not enough to scale up this activity. Provincial government support provision (lump sum grant on area basis as establishment cost) should be considered
Component 2: Strengthening institutions and planning for climate-resilient sustainable natural resources management **Subcomponent 2.1: Planning for climate-resilient sustainable NRM is enhanced**				
Activity 2.1.1: Strengthen institutions on climate change impacts and ecosystem	1) 4 national level training and 3 provincial level training on climate resilient land use	1) 2 national level and 3 provincial trainings on CRLUP (71% of interim target)	**81 training events**	**Satisfactory**

Project activity indicator	Interim target (year 4)	Mid-term performance	Endline target	Evaluation Team rating and comments
mapping.	completed by the end of PY2. 2) 1 national level training and 6 provincial level trainings on geographic information system (GIS) tools completed by the end of PY2 3) 64 local level trainings organized by the end of PY3	2) 1 national level and 3 provincial training on GIS tools (57% of interim target) 3) 5 local level trainings (8% of interim target)		
Activity 2.1.2: Develop and validate Critical Ecosystem Restoration Plans for 26 river systems.	Analysis for CERPs completed and preliminary priorities identified by the end of PY2 26 CERPS validated by the end of PY3 52 field consultations on CERPs organized by the end of PY3	26 CERPS developed, validated and endorsed by the Project Steering Committee (100% of interim target) Also, 26 sets of documents (Environmental and Social Management Plan, Indigenous Peoples Plans and Social Inclusion Management Plan) developed, validated and endorsed by the Project Steering Committee and cleared by GCF for 26 river systems.	26 CERPs developed and endorsed by the Project Steering Committee	**Highly satisfactory**
Activity 2.1.3: Support provincial governments to plan and increase resilience to projected climate change-related extreme events.	9 awareness raising workshops organized by the end of PY5	Planned for PY5 Climate change extreme events experts recruited	26 awareness raising workshops	**On schedule for year 5**
Sub-component 2.2: Community-based organizations are equipped to scale up climate-resilient sustainable NRM				
Activity 2.2.1: Establish, formalize and register community-based organizations to enable climate-resilient Sustainable NRM.	1) All 750 beneficiary community-based organizations registered with relevant authorities by end of PY2 2) 39 initial workshops to support establishment of CFUG	Out of 1 042 community-based organizations in the project area, 988 are forest user groups, and are already registered 9 events with municipalities; 4 events of elected members training and 3 events of CFUGs interaction workshops completed. (c. 41% interim target)	750 community-based organizations registered 260 CFUG and PF owner networks	**Satisfactory**

Project activity indicator	Interim target (year 4)	Mid-term performance	Endline target	Evaluation Team rating and comments
	and private forest (PF) owner networks held by the end of PY2.	21 river system level private forestry network formed.		
Activity 2.2.2: Train community-based organizations on climate-resilient land use planning, and assist them to mainstream sustainable NRM into their community-based organization management plans.	26 training of trainers events for local resources persons organized by the end of PY4	20 events of training on leaderships and 30 events of trainings on environmental and social safeguard completed created enabling environment (80% interim target)	276 local resources persons events 250 CFUG plans strengthened	**Moderately unsatisfactory** Delayed, local resources persons training started in 2024
Component 3: Improving knowledge, awareness and local capacity for climate-resilient sustainable natural resources management **Subcomponent 3.1: Local knowledge on climate-resilient sustainable NRM is enhanced**				
Activity 3.1.1: Equip local resources persons (LRPs) with best practices on climate-resilient sustainable NRM from local experience, including Indigenous knowledge.	1) 105 community consultations organized by the end of PY3 2) Compendium developed before the end of PY3 3) 5 provincial level validation workshops organized before the end of PY3 4) Best practice guidelines developed before the end of PY3	Service provider is in hiring process to develop a compendium of local/traditional/Indigenous knowledge. (0% interim target)	1) 105 community consultations organized 2) Compendium developed 3) 5 provincial level validation workshops organized 4) Best practice guidelines developed	**Unsatisfactory**
Activity 3.1.2: Raise awareness on climate-resilient sustainable NRM through local schools, media and intraregional exchange.	Knowledge dissemination and communication plan developed by the end of PY3 Curricula for high schools developed by the end of PY3	Knowledge dissemination and communication plan developed Curricula on environmental education for high schools' students developed (100% of interim target) 30 local level media engaged in awareness raising Environmental education conducted in 21 high schools	1 knowledge dissemination and communication plan developed 1 curricula for high schools developed 28 local level broadcasts 14 government exchange visits	**Satisfactory**

Project activity indicator	Interim target (year 4)	Mid-term performance	Endline target	Evaluation Team rating and comments
			260 ecoclub sessions	
Sub-component 3.2: The extension system is equipped to promote climate-resilient sustainable natural resources management				
Activity 3.2.1: Develop 10 modules on climate-resilient sustainable NRM to be used by extension workers, including in the Farmer Field Schools.	10 training modules developed by end of PY3	10 modules will be developed after the completion of compendium as planned in 3.1.1 (100% interim target)	10 training modules developed	**Unsatisfactory** Delayed
Activity 3.2.2: Enhance and deliver quality extension services on climate-resilient sustainable NRM to households.	78 training events for local extension workers and LPRs organized by end of PY4	The extension services will be enhanced/delivered based on the 10 modules developed as planned in 3.2.1	78 training events	**Unsatisfactory** Delayed
Activity 3.2.3: Establish and operate the Churia Knowledge Centre in each Province to enable continuous delivery of climate-informed extension services and planning, and to monitor implementation and results of CERPs and community-based organizations management plans.	Churia Knowledge Centre established by end of PY5 1 national and 3 provincial level trainings on Churia Knowledge Centre organized by end of PY5	Churia Knowledge Centre establishment is planned in PY 5	Churia Knowledge Centre established 1 national and 3 provincial level trainings on Churia Knowledge Centre	On schedule

Finding 24. The household survey data collected for the evaluation suggests that some expected outcomes in the project theory of change and intervention logic have not started to materialize as a result of implementation to date. Specifically, the project's awareness-raising efforts have shown limited effectiveness in catalyzing concrete action among surveyed households. While information dissemination has been extensive, as set out in project reports, the data reveals significant gaps between awareness and implementation of risk reduction measures. This gap stems primarily from insufficient practical guidelines for implementation, limited training opportunities, and inadequate consideration of households' diverse capacities and resources.

43. The analysis of household responses to different disaster types reveals significant disparities in engagement levels. Forest fire-affected areas (based on respondent reporting experiencing this) demonstrate the strongest response rates, with 73 percent of surveyed households reporting participating in training programmes and 98 percent engaging in plantation activities. Among surveyed households affected by floods, 46 percent have not implemented any preventive measures, while for heavy rain/inundation[5] disasters, this increases to 74 percent –revealing a critical gap in adoption of risk reduction strategies. Further awareness raising on disaster risk reduction is planned for PY5.

Finding 25. Household survey data also show widespread appreciation of the BRCRN project interventions and its benefits among surveyed beneficiaries. Among households exposed to specific interventions, the following perceived benefits were reported by at least 25 percent of beneficiaries:

i. protection of agricultural/forest land due to all interventions other than conservation pond construction;

ii. improved crop production/survival and increased household income resulting from all interventions except ANR, afforestation and conservation pond construction;

iii. availability and access to fodder from forest resulting from ANR;

iv. improved access to water, particularly through conservation pond construction;

v. improved social cohesion and self-esteem thanks to NRMFS and resilient agriculture practices.

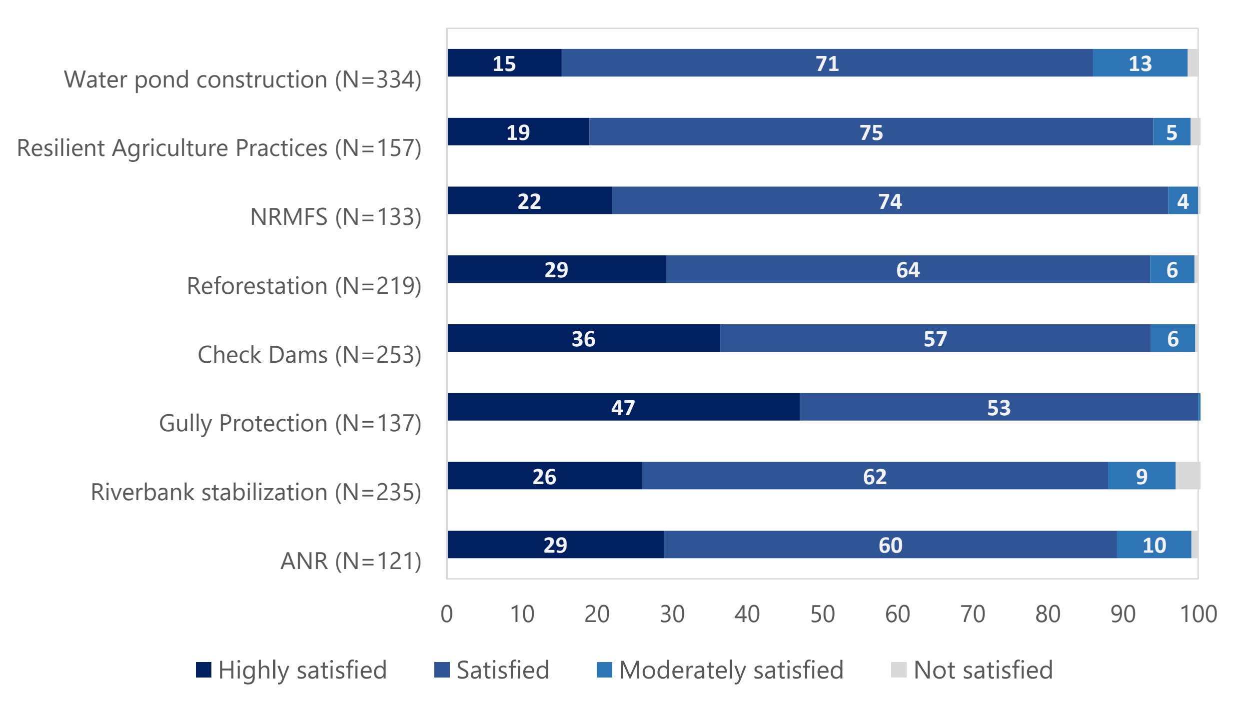
44. Tangible interventions such as conservation ponds, gullies, check dams and riverbank structures have been well-received by communities, as expressed through the qualitative data collection. Communities were consistently satisfied with technical quality and timely oversight of the engineering infrastructures. These are interventions that are in high demand. Notable examples of riverbank structures yielding positive results include the successful protection measures implemented in several sites. One example is in Mawa Khola riverbank stabilization which effectively withstood the floods of September 2024, safeguarding approximately 70 *Bigha* of land (6 773 square metres, 0.68 hectare) and benefiting around 600 households. Conversely, unprotected land downstream areas suffered extensive damage, underscoring the importance of such infrastructure.

45. These benefits translate into high satisfaction levels among beneficiaries. As shown in Figure 5, across all intervention types, over 85 percent of beneficiaries were satisfied, with the strongest appreciation for interventions that show immediate, tangible outcomes such

[5] In this context, floods (including flash floods) tend to cover sudden onset events of severe rainfall, river level rises, and subsequent risks of damage to land and livelihoods. Inundation tends to cover slower rainfall related events where land becomes saturated and difficult to drain.

as gully protection, check dams and afforestation, whereas slightly fewer respondents were highly satisfied with resilient agriculture practices or natural resources management field schools, which take longer to demonstrate benefits.

Figure 5. Beneficiaries' satisfaction levels across project interventions



Source: Authors' own elaboration.

46. The key factors contributing to satisfaction were:

i. suitability of the intervention to household need;

ii. visible benefits from the intervention;

iii. recognition that beneficiaries would not have been able to carry out the work independently due to cost, time, or skill constraints;

iv. timely implementation;

v. quality of the intervention.

47. However, some beneficiaries reported moderate or low satisfaction with some interventions such as riverbank stabilization and conservation pond construction, citing reasons including:

i. for riverbank stabilization, interventions not meeting their needs or benefitting other households and not their own;

ii. for both interventions, lack of tangible benefits so far, and for conservation pond construction benefits only coming in several years.

Finding 26. The agricultural aspects of the project have made limited progress, particularly in Activity 1.1.2 (Farmer Beneficiaries), which has yet to begin due to a lack of technical capacity within the PMUs and the absence of deployed agricultural officers. Despite some progress in NRMFS activities, such as training sessions, local production of liquid fertilizers and the distribution of agroforestry saplings, there is still a noticeable lack of substantial action in the field of agroforestry. The project supported only provision for bush clearing for ANR (capped at about NPR 37, 000 per ha). The government recommends NPR 100 000 /ha for more intensive works, potentially having a negative effect on motivation and effectiveness of ANR interventions.

Finding 27. NRMFS initiatives on climate-resilient practices supported by Natural Resources Management Farmer Field Schools have progressed well although these are at an early stage. The BRCRN project has made progress in promoting and implementing climate-resilient practices through the establishment and operation of NRMFS (activity 1.1.1), with 86 of the planned 120 NRMFS operational by the interim point (24 of them advancing to the second phase) with trained facilitators. The primary goal of these schools is to address key barriers to service access in vulnerable areas, while empowering participants to test and apply climate-resilient practices. Farmers participating have received training in climate-resilient practices such as mixed cropping, mulching, and biochar preparation. These schools have engaged 1 069 farmers to date, with a strong focus on inclusivity. The selection criteria for participants prioritized climate-vulnerable and marginalized groups, with 48 percent representing Janajati communities and 69 percent being women. This, in turn, enhances prospects for income increase over time through productivity improvements and cost savings. Some small-scale trials of climate-resilient practices have been carried out and show promise for improved maize varieties and the adoption of practices like halting free grazing of animals, resulting in increased crop yields.

Finding 28. The training of facilitators has been instrumental in supporting the NRMFS approach. Two rounds of training of trainers were conducted, resulting in the development of 58 facilitators who are now equipped to support and expand the NRMFS model. These local facilitators play a crucial role in ensuring sustainability by providing ongoing support to farmers even after the project timeline has ended. The adaptation of curriculums at the local level and the incorporation of participatory tools, such as agroecosystem analysis (AESA), have enhanced the learning process, although challenges in tool development and facilitation still persist.

Finding 29. Under Component 3, the school awareness programme has potential for broader change but the project's limited scale of implementation in schools is a missed opportunity. This approach also has good prospects for sustainability, thanks to leveraging a locally developed curriculum to help educate the next generation on critical issues.

Finding 30. In terms of targets, the project has seen mixed results. The area of land under effective climate-resilient agricultural management falls significantly below the target, with only 298 ha achieved out of the planned 12 189 ha (2.4 percent). On the other hand, awareness-related indicators have surpassed interim targets. This is perhaps an outcome of the project staffed heavily with forestry professionals and lacking agricultural professionals. Additionally, targets under agricultural activities: Farmer Beneficiaries (Activity 1.1.2) and Agroforestry and Livestock Beneficiaries (Activity 1.1.3) have proved to have been overambitious for the implementing teams.

48. In agroforestry and livestock management training (Activity 1.1.3), 36 out of the 82 targeted agroforestry nurseries have been established, yielding 360 000 seedlings. These nurseries, established by trained farmers, aim to alleviate grazing pressure on natural forests by promoting the plantation of fodder trees. This progress is noteworthy, with 25 percent of the seedlings ready for distribution. However, gender and inclusion targets have not been adequately met, as only 27 percent of participants were women (and in field visits it was observed that the vast majority of those gathering fodder were women). Despite the crucial role of livestock in climate-resilient agriculture and forest management, no livestock-related activities have been carried out. This is particularly concerning given the high value

local farmers attach to livestock for household resilience. No budget allocation had been made for these activities.

49. As recorded in the most recent project reports, 17 370 ha of forest ecosystems are now under improved management, which is 38 percent of the target. Additionally, 978 ha of natural forests have been restored through ANR, achieving 24.5 percent of the target. However, progress in establishing new plantations has been limited. Capacity-building workshops for CFUGs and forestry officials have improved local knowledge and set the stage for sustainable natural resources management according to feedback received from these officials and CFUG members in field data collection.

50. The project has had notable success in operationalizing forest management plans, with 81 plans renewed and 46 implemented. However, the longer time frame needed for measuring forest density means that there are no observations possible on this yet.

51. Despite facing challenges, the project has made some progress in mitigating activities. One achievement is the renewal of forest management operational plans for 81 forest user groups, covering 13 670 ha of forest. However, this falls short of the interim target of 45 348 ha across 238 FUGs. Delays were caused by planning and coordination issues with divisional forest offices and community-based organizations.

52. The project has also struggled to meet targets in forest restoration and nursery establishment. Only 20 multipurpose tree nurseries were established, producing 1.42 million seedlings, which is below the proposed *revised* target (see Annex 6). Limited community demand and delayed agreements with divisional forest offices contributed to this shortfall.

53. On the positive side, tree plantation initiatives have seen significant progress. 569.24 ha were planted with various fruit tree species, benefiting 18 657 individuals, including 8 535 women. However, the project didn't meet its initial goal of establishing 2 960 hectares of woodlots for timber and fuelwood production. This is because farmers preferred horticultural species, highlighting the importance of aligning project design with farmer demand.

Finding 31. Almost 80 percent of surveyed households reported adopting climate-resilient land use practices for crop systems, while 22.1 percent faced various adoption barriers. Among non-adopting households, the primary constraint was lack of land access or ownership (15 percent), followed by lack of awareness (6 percent), insufficient skills or training (4 percent), and limited access to technology (5 percent). Barriers such as financial constraints (2 percent), labour shortages (1 percent), and lack of confidence (<1 percent) were very rare.

Finding 32. The project has made some reported progress towards achieving its adaptation-related impact and outcome targets, despite the limited implementation timeline. The reported number of beneficiaries, which includes 576 450 individuals or 120 094 households, has exceeded the interim goals. Direct beneficiaries now make up 18 percent of the project area population, surpassing the initial target of 7 percent. However, whilst this progress is commendable, concerns have been raised regarding the lack of clarity in beneficiary counting. With a comprehensive beneficiary list not being available, it was not possible for the Evaluation Team to verify during field visits, which raises some concerns on the validity of these achievements.

Finding 34. The project's current reliance on activity-based data raises concerns about its reliability. While the methodology for calculating CO_2 emissions is standard (see Box 1 below), it fails to account for site-specific variations or external factors, possibly affecting the accuracy of findings. It should be noted that part of the mitigation target not activity-based, and the project needs to make measurements based on assessments done by other parties, at the end of the project. The long-term time frames needed for measuring and verifying outcomes for forest density and forest cover means that these cannot be measured until the final evaluation (and even then, one would expect relatively modest gains).

Box 1. Note on the method for emissions calculations

Total emissions reductions are calculated as the sum of the results of emission reductions arising from different "activities", multiplied by an adoption (success) factor. (For the purposes of this explanation, "Activity" is a general term used to define emission reduction event typologies, and different from "Project interventions".) Each of the "Activities" have different project interventions and different emission reduction results.
All emission reduction Activities are calculated based on results (i.e. forest area/changes) as estimated primarily through remote sensing, multiplied by the average forest carbon stock of dense forests. The results of emission reductions are calculated as the difference between the emissions during the reference (baseline) period, and the emissions of the project period/lifetime.
All carbon enhancement Activities are calculated based on the area of project interventions implemented, and the emission reduction is measured as the product of the Activity data (i.e. project intervention areas as monitored) and Emission factor which is the total increased carbon stock in such lands, according to global literature as provided in the funding proposal.

Source: Authors' own elaboration.

EQ 12: What, if any, alternative strategies would have been more effective in achieving the project objectives?

Finding 35. The most apparent alternative strategies are discussed and proposed under effectiveness and in the recommendations. The project's infrastructure-centric approach may jeopardize long-term resilience goals. River system management is an evolving concept, and there has been limited emphasis to date on nature-based solutions in resilience infrastructure works. Options should be explored on integrating nature-based solutions,[6] such as use of natural materials for riverbank stabilization, gully protection and check dams. This would improve the project's ability to address critical issues such as soil erosion, flooding and forest degradation in ways that would maximize environmentally friendly practices.

3.4 Coherence in climate finance delivery with other initiatives

The GCF Portfolio in Nepal has the potential to achieve greater impact and leverage more resources by fostering coherence among its projects but currently operates in isolation without consideration for synergies and learning opportunities, missing opportunities for collaboration and best practice sharing. Coherence with other initiatives is rated moderately unsatisfactory (see Recommendation 5).

EQ 13: Is there coherence and complementarity by the project with other actors for other local climate change interventions?

Finding 36. The GCF portfolio in Nepal has the potential to achieve greater impact and leverage more resources by fostering coherence among its projects. Although GCF has funded several

[6] Defined by the International Union for Conservation of Nature as actions addressing key societal challenges through the protection, sustainable management and restoration of both natural and modified ecosystems, benefiting both biodiversity and human well-being and challenges such as climate change, human health, food and water security, natural disasters and biodiversity loss.

projects in Nepal, including FP118 (GCF, n.d.a), FP225 (GCF, n.d.b), FP131 (GCF, n.d.c) and FP172 (GCF, n.d.d), as well as five readiness and preparatory activities, the BRCRN project lacks a discernible connection with these other initiatives, most obviously with the sectoral similarities and resilience goals of the International Union for the Conservation of Nature's (IUCN) managed FP131. This missed opportunity can be attributed to a piecemeal approach, where each project operates in isolation without consideration for synergies and learning opportunities.

54. A closer examination of the projects reveals valuable lessons that could be shared across the portfolio. For instance, FP131 has demonstrated exceptional success in securing co-financing, an area where the BRCRN project has struggled. Similarly, FP131's effective deployment of gender and social inclusion strategies has contributed to its success, and the BRCRN project could have benefited from learning from these experiences.

55. By integrating its projects under the Nepal GCF country programme (GCF, 2023), GCF can promote a more cohesive strategy and maximize the impact of its investments in Nepal. The Evaluation Team identifies the lack of coherence among GCF-funded projects in Nepal as a missed opportunity that can be addressed through enhanced collaboration and sharing of best practices across the portfolio.

56. Additionally, Nepal has several (Reducing Emissions from Deforestation and Forest Degradation (REDD+) projects, namely:

   i. UN-REDD Programme: Nepal is a participating country in the UN-REDD Programme, a global partnership that provides targeted support to developing countries to strengthen their capacities for reducing emissions from deforestation and forest degradation (UN-REDD, n.d.). FAO assigned a staff member from the UN-REDD programme as Lead Technical Officer for BRCRN project. The former BRCRN project National Project Director was Head of the REDD+ Implementation Centre, so this helps with building relationships across initiatives.

   ii. Nepal REDD+ Readiness Project (2012–2017): This project aimed to support Nepal's efforts in preparing a National REDD+ Programme, which involves assessments of forest carbon stocks, forest cover and forest fragmentation (WWF, 2017).

   iii. National REDD+ Programme (2017–2022): Building on the success of the Readiness Project, Nepal's National REDD+ Programme is currently underway, focusing on developing a National REDD+ Plan, conducting satellite-based forest mapping, and promoting sustainable forest management practices (Ministry of Forests and Environment, 2018).

   iv. Conservation and Sustainable Use of Forest Ecosystems (CSUFE): This project, implemented by the World Wildlife Fund (WWF) Nepal, supports the conservation and sustainable use of Nepal's forest ecosystems, including REDD+ activities (Cunningham, 2024).

   v. Himalayan University Consortium (HUC) REDD+ Project (2015–2020): This project, implemented by the HUC and the University of Forestry, focuses on enhancing the capacity of Nepalese universities to contribute to REDD+ efforts through research, education and outreach (ICIMOD, n.d.).

57. The BRCRN project could have benefited greatly from forming alliances with these projects; however, limited efforts have been made in this regard.

58. The project has, however, made some efforts to maintain coherence in order to create synergistic effects. It aligns its working strategies with the President Chure-Tarai Madhesh Conservation Development Board and actively engages with the provincial government. There is scope for strengthening engagement with local governments (see comments on project design). Municipality and ward officials have attended project workshops but there is no clear functional or official relationship with municipalities as a whole. However, ward chairs have participated in planning, implementation and monitoring activities and have sometimes provided certification or recommendations. This appears to be a design flaw and is one of the project's weak points, potentially jeopardizing the sustainability of its outputs.

59. There is potential to strengthen cross-learning and collaborative efforts across different initiatives in the region that are currently largely operating in isolation without sufficient coordination and synergy with stakeholders addressing similar issues.

Finding 37. Externally, the project demonstrates coherence with government watershed management initiatives at the federal and provincial levels. The participation of provincial entities, such as the Soil and Watershed Management Office and the Divisional Forest Office, facilitated the adoption of watershed management activities consistent with the BRCRN project's objectives. The project aligns well with the federal government's watershed management approach, which considers river systems holistically. While the project is still in the early stages of implementation, initial results – such as gully and riverbank stabilization – show promise and have the potential to inform similar interventions across Nepal.

60. Addressing climate risks and building resilience is a top priority in various national documents, including the 16th Periodic Plan of the Government of Nepal. Many project activities, particularly those related to watershed conservation and management, are in alignment with the Climate Change Policy 2019, Disaster Risk Reduction and Management Policy 2018, Disaster Risk Reduction National Strategic Action Plan 2018–2030, and other relevant policies.

EQ 14: How has the project contributed to achieving a stronger and more coherent integration of the shift to low-emission sustainable development pathways and/or increased climate-resilient sustainable development (GCF results management framework/performance measurement framework paradigm shift objectives)?

Finding 38. There is no evidence that the project has contributed to a discernible shift to lower emissions and climate resilient development. As noted in other findings, the potential is there for stimulating broader change but at this stage it is too early to say. A positive step forward is the proposed insertion of an emphasis on "adoption of soil and water conservation measures to reduce impacts from climate induced disasters" to the paradigm shift objective.

3.5 Gender equity and inclusion

The BRCRN project has made progress in achieving gender balance and engaging marginalized groups, but there is room for improvement in ensuring meaningful participation, addressing structural inequalities and providing sufficient support, with some respondents expressing concerns about limited consideration of specific needs, unequal benefit distribution, and lack of influence in decision-making. Gender equality and inclusion is rated moderately satisfactory given progress on these areas, with some work in progress to make improvements.

EQ 15: Does the project account in activities and planning for local power dynamics and how project interventions affect different marginalized groups including gender?

Finding 39. The BRCRN project has made efforts to engage marginalized groups, including Indigenous Peoples and women. However, the integration of local power dynamics and gender considerations has been incomplete and inconsistent. While the project's inclusion of marginalized beneficiaries, such as Indigenous Peoples, traditionally excluded castes and women, is significant in terms of numbers, criticisms suggest that their involvement is sometimes coincidental rather than part of a strategic plan to empower these groups. The Evaluation Team met with numerous groups of Indigenous Peoples. However, they had not been selected based on their identity, but rather because they happened to be present in the target community areas. It should be acknowledged that Indigenous Peoples groups, marginalized caste and other ethnic groups are very numerous in Nepal, and the proportions of such population in the project areas is high (77 percent of the project area population – Central Bureau of Statistics, 2021). Their presence is often linked to areas of vulnerability, such as those prone to floods or deforestation, rather than a deliberate effort to address systemic marginalization.

61. For example, focus group discussions with communities revealed that persons living with disabilities are involved in the project activities via family proxies. By involving the families of the persons living with disabilities, the project implementers were mistakenly satisfied that they were integrating them in the project activities. There were many observed instances of Indigenous Peoples groups that had been supplied with project benefits like mango seedlings without consultations on their preferred seedlings.

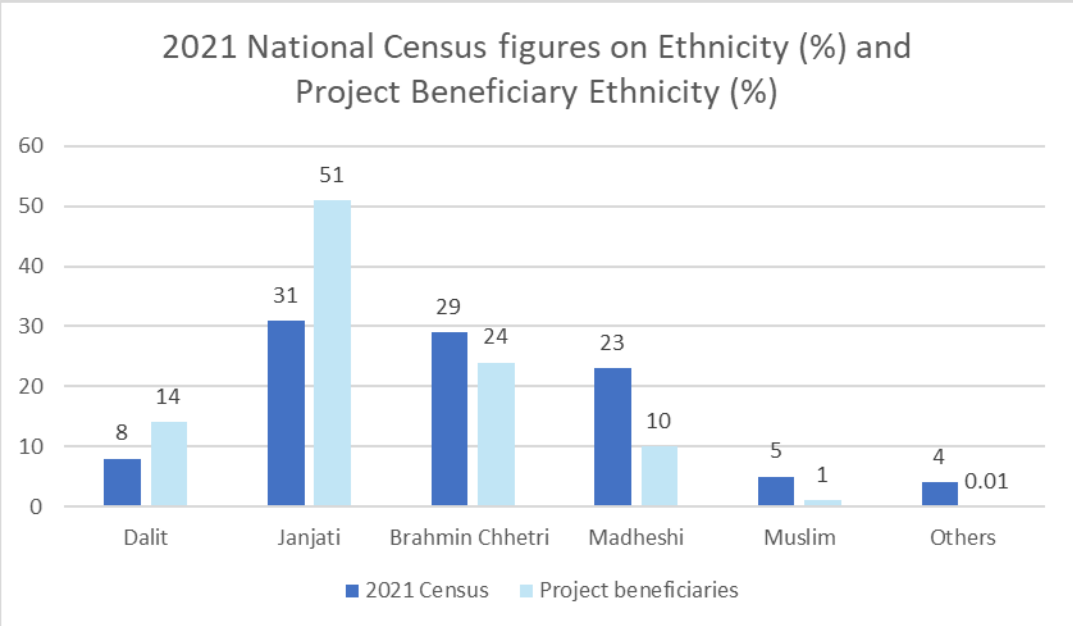
62. While progress has been made in terms of gender mainstreaming, particularly in increasing the participation of women in community-based organizations’ activities and training programmes (see EQ 15), there is a lack of gender-transformative approaches that tackle structural inequalities and empower women in decision-making processes. For example, women, who form the bulk of beneficiaries interfacing with the project on the ground, are not involved in project planning and monitoring in a meaningful way but are brought in in a light way by the project implementors and other decision-makers. Despite facing marginalization in decision-making roles and limited representation in governance and economic opportunities, women play a crucial role in managing the Churia region ecosystem. Recognizing this, the project has collaborated with the government to implement a Gender Equality and Social Inclusion (GESI) strategy and adhere to its guidelines. This initiative aims to promote women's participation in resources management and decision-making processes, acknowledging their valuable contributions to the community. It is however noted that the project implementation team is over 95 percent male, contrary to GCF gender equity guidelines and good practices.

Finding 40. The project diligently followed provisions for FPIC through project-level FPIC mechanisms, ensuring compliance and inclusivity. Although Nepal's legislation does not explicitly outline legal and policy provisions for FPIC, implicit elements can be found in the Constitution of Nepal (2015), Article 51, Sub-article J (8), which mandates FPIC of Indigenous nationalities in decisions affecting them. FPIC commitments are also within the Forest Policy 2019. Additionally, Nepal's adherence to international frameworks such as the United Nations Declaration on the Rights of Indigenous Peoples (2007) and International Labour Organization (ILO) Convention 169 further solidify these principles by requiring consultations with Indigenous Peoples on decisions impacting their cultural integrity, land and resources. The Evaluation Team found evidence of FPIC planning, development of mechanisms and application of these mechanisms in practice at community level. At the time of the evaluation, further steps were being taken to strengthen understanding and capacity of project assigned staff through a specialist training visit.

Finding 41. The project treats Indigenous Peoples with the same level of care as any other beneficiary group. Indigenous Peoples and local communities rely on the Churia region for their livelihoods and cultural practices. However, limited economic opportunities have negatively impacted their well-being. To address these issues, the project introduced an integrated river system management approach aimed at enhancing the resilience of socioecological systems in the Churia region. This approach demonstrates the project's relevance and strategic response to local needs, with a focus on sustaining ecosystems, improving community livelihoods and mitigating climate risks. Measures for inclusion include the Indigenous People Plans, Environment and Social Management Plans and the FPIC process which was applied across the project sites where Indigenous Peoples concerns and needs/priorities are documented. The evaluation found no evidence of Indigenous Peoples being marginalized by the project.

63. Data is collected on ethnicity by the project and used for identifying populations of traditionally marginalized peoples for informing interventions. As can be seen from Figure 6 below, compared to national averages, the project has targeted such populations. All groups itemized are considered as traditionally marginalized, except the Brahmin and Chhetri groups. Of these groups, the Janajati population (accounting for 51 percent of project beneficiaries) in the project area is high, and Janajatis are officially recognized as an Indigenous People of Nepal.

Figure 6. Breakdown of ethnicity nationally and among project beneficiaries



Source: Nepal. 2021. Nepal National Census 2021;and project monitoring data on beneficiaries.

Finding 42. In some cases, reported by communities, Divisional Forest Office Technicians are managing seedling production without adequate consultation with the community, leading to concerns about community involvement and environmental sustainability. For instance, the selection of nursery species has not always aligned with community preferences and environmental concerns. The government, for example, has provided eucalyptus saplings despite community concerns about water consumption and desertification. The issue of management of the nurseries is dealt with in more detail under EQ 9. It is unclear what impact community concerns on choice of seedlings may have had on uptake.

64. The shift from community-based organizations to Divisional Forest Office has raised questions about the effectiveness of this approach and the project design clearly highlighted the primary role of community-based organizations. Furthermore, evaluation evidence suggests that certain species are not desirable or in some cases perceived as unhealthy (weak plants) by the local community casting doubt on the relevance and community acceptance of the current nursery management approach.

65. This highlights the need to reconsider the decision-making process surrounding nursery management and incorporate community engagement and control over the local ecosystem.

EQ 15: Do all groups of beneficiaries know their rights and/or benefits from project activities/interventions?

Finding 43. The project’s current participatory frameworks fall short in empowering disadvantaged and/or disenfranchised groups and addressing existing power dynamics. The project's objective is to involve 750 community-based organizations, including women and Indigenous Peoples groups, in activities related to forest management, agriculture and soil conservation. However, decision-making at the local level continues to be dominated by government structures and donor-driven approaches, with limited engagement of community-based organizations, local governments and non-governmental organizations. This perpetuates a relationship where donors hold the power, rather than fostering true partnerships that could tap into local knowledge and capabilities.

66. The project has organized awareness events focused on specific themes, but there is a need for more targeted strategies to be implemented. The BRCRN project's awareness events, although intended to raise awareness and promote risk reduction, did not translate into tangible actions among households. This lack of adoption can be attributed to the project's overemphasis on awareness and information dissemination, with insufficient consideration for: i) providing clear guidelines and training on how to implement risk reduction measures; and ii) accommodating the diverse needs and capacities of households. The project's failure to address these gaps has resulted in a lack of confidence among households to adopt risk reduction measures, leading to a significant non-engagement rate in climate-induced disasters mitigation efforts.

67. Further demonstrating limitations in beneficiaries' awareness of their rights, the project's feedback and grievance resolution mechanism (GRM) has shown limited effectiveness in its implementation. Currently, complaints have been primarily expressed verbally but have not always been systematically tracked. At the time of this evaluation, the project had reported registering and resolving five grievances (four verbal), as detailed in the last mid-year report. The fact that the PPMU had only received one written complaint indicates that the GRM process used until interim had not been fully effective, which may indicate a system failure or lack of beneficiary awareness. Effectively and systematically capturing all complaints and feedback remains a work in progress. However, in October 2024, the project's safeguards specialist started working to strengthen the system through improved documentation procedures and staff training.

EQ 16: Did the project sufficiently address cross-cutting issues, including gender?

Finding 44. The project has made encouraging progress in achieving gender balance, particularly in leadership roles and employment opportunities. Feedback from evaluation focus group discussions was quite consistent on women now being more represented in influential positions, such as chairs in CFUGs, and receiving equal pay. However, it is crucial to assess whether increased participation in group roles translates into true empowerment in decision-making and agency.

68. In terms of beneficiaries' satisfaction level on the project inclusivity, the household survey found high satisfaction with the project's inclusivity efforts, with "highly satisfied" responses ranging from 24 percent to 41 percent and "satisfied" responses ranging from 53 percent to 69 percent across interventions, with resilient agriculture practices and NRMFS showing the highest satisfaction levels. Key factors contributing to satisfaction include strong formal representation, with guaranteed positions for women and excluded groups in committees and training (65 percent to 84 percent across interventions) and well-established inclusive decision-making processes (56 percent to 80 percent). However, active participation remains significantly lower (20 percent to 40 percent), suggesting a gap between formal inclusion and meaningful engagement. This is particularly evident in feedback from dissatisfied respondents who indicated limited influence in decision-making processes (39 percent to 65 percent). Additional challenges include inadequate support for specific needs (reported by up to 35 percent in riverbank stabilization) and unequal benefit distribution (up to 26 percent in check dams).

69. Disadvantaged groups including women, Indigenous Peoples and youth (those under age 36) expressed consistently high satisfaction with project inclusivity, with only a few individuals among these groups saying they were not satisfied.

3.6 Country ownership

The BRCRN project, despite its intentions on country ownership, has been hindered by inadequate coordination and ineffective governance. As noted in other sections, the application of the on-budget system, revolving leadership and staff turnover have proved to hinder the project further. Country ownership is rated unsatisfactory, linked to issues raised under efficiency.

EQ 17: How much is the project aligned with national development plans, national plans of action on climate change or subnational policy, and projects and priorities of national partners? See findings on relevance, EQ 1 (the project is aligned with government plans and frameworks).

EQ 18: How well is country ownership reflected in the project governance, coordination and consultation mechanisms or other consultations, maintaining, complementarity, managing co-financing, addressing challenges and oversight?

Finding 45. The project remains a priority for the government, as shown by the deployment of staff at both federal and provincial levels. The government is taking a proactive approach to steer the project and has begun using fund flow mechanisms through the provincial governments.

Finding 46. The GCF designated national authority does not appear to have strong ownership of the BRCRN project, and it is understood that the role bears responsibility for several large donor projects and thus risking lack of time and attention for an individual project. There is room for improvement in how the Ministry of Forests and Environment leads the project, and the Ministry of Finance supports it.

70. Understanding the importance of local leadership and ownership in development initiatives, Nepal's experience with this project highlights the need for continuous improvement in balancing national ownership with international cooperation and support. The project is managed using Nepal's on-budget, on-treasury expenditure modality, and this modality is clearly intended to strengthen government engagement and ownership. However, there is clear evidence in this evaluation (see under efficiency) that this modality

is inflexible and hampering delivery and the space for the best placed actors to take up certain tasks.

71. The Project Steering Committee chaired by the Secretary of the Ministry of Forests and Environment should be more actively involved in strategy along with approving work plans and addressing operational challenges. It is acknowledged that there is unusually high frequency of changes in political leadership in the country, and that these bring changes in appointees across the ministries, including at senior technical levels.

72. The regular rotation of National Project Directors is indeed a significant contributor to further bottlenecks, stagnating the projects potential progress. The absence of coordination and consultation mechanisms with provincial and local governments is a significant omission. The recently constituted provincial governments have limited involvement in project implementation, and local level governments are not involved in decision-making and only with limited role in implementation processes (ward offices), despite their critical role in managing local development and natural resources. This lack of inclusivity needs to be corrected, especially given the project's focus on shared goals in climate resilience initiatives.

73. The Evaluation Team is aware that these project management norms are well-established in Nepal, but given the size of resources and the strategic importance for the country of the BRCRN project, there is clearly a need for a different approach and different type of engagement from the Ministry of Forests and Environment and the Ministry of Finance.

74. This inaugural GCF project in Nepal is likely to have a detrimental impact on future funding from the GCF and other United Nations Framework Convention on Climate Change (UNFCCC) funding mechanisms if the BRCRN project fails to perform well, given its status as the first approved GCF project in the country and its connection to the GCF programme for Nepal.

EQ 19: To what extent is project governance aligned with federal systems (role of three tiers of governments and use of civil society) of natural resources management?

Finding 47. The core management and technical capacity being built up in the provincial centres is consistent with the federal systems and reflective of greater degrees of autonomy and capacity at these levels, although the pace of activities has been hampered by sluggish systems as noted under efficiency. It is unclear as to what the best course of action is for deepening engagement and fostering ownership with the municipal authorities, but as the decentralized model of local government matures, they would be expected to have a greater role in project governance. At the lower levels of ward authorities, several ward Chairs were interviewed by the Evaluation Team. Whilst they would welcome further engagement in planning and implementation, they were mainly positive about the project and the contribution it was making in addressing felt needs in their jurisdictions.

75. The local community-based organizations are essential actors in the project. The placing of CFUGs, soil conservation user groups, NRM and farming groups at the heart of activities is a positive aspect of the design and implementation. Further civil society engagement is brought by specific networks working on forestry and Indigenous Peoples.

3.7 Innovation in results areas

The BRCRN project is characterized by applying "tried and tested" approaches that have developed in Nepal over a long period rather than being marked by innovation or "thought leadership". The BRCRN project offers opportunities for collaboration and learning, which could inform future climate resilience interventions in Nepal, and presents a "test case" for replicating successful strategies in other Churia belt areas. This is rated moderately unsatisfactory with progress to be made in collaborative action and knowledge sharing.

EQ 20: Which role has the project played in the provision of "thought leadership", "innovation", or "unlocked additional climate finance" for climate change adaptation/mitigation in the project and country context?

Finding 48. There is a lack of evidence of progress in terms of "thought leadership" or innovation. Most activities and approaches are conventional and well-established. However, there may be an opportunity to collaborate in sharing knowledge and experience between the BRCRN project and the International Union for the Conservation of Nature's Gandaki project, as both projects share similar goals and activities. This collaboration could provide valuable insights on successes, challenges and potential innovations.

76. Regarding unlocking climate finance in the future, it is premature to make any definitive statements at this time. However, as noted elsewhere, considering the funding level, geographic spread and nature of the BRCRN project, it is a "test case" for sizable climate resilience interventions in Nepal. If the project can deliver successfully against results in a timely manner, this could have a significant influence on future investments.

3.8 Replication, scaling potential and sustainability

The potential for replication, scaling and sustainability is difficult to rate at this stage, as it is too early to tell. There are strong foundations being built but there is a need for greater collective, collaborative action, relating to Recommendation 5.

EQ 21: What are the project's lessons learned, failures/lost opportunities to date? What might have been done better or differently?

Finding 49. Once the project design had been completed, the project would have benefitted from a "reality check" in the early stages of set up, to test out some of the key assumptions and check they were valid. Associated with this, in large complex projects such as the BRCRN project, there is a need to adopt shorter time frames for assessing the external environment in times of fluidity and change that will likely impact on project governance and activities. For the BRCRN project, adopting these approaches may have lessened the impact of the changing government structures and helped ensure flawed assumptions were identified and changes made.

EQ 22: What are the key factors that will require attention to improve prospects of sustainability, scalability or replication of project outcomes/outputs/results?

Finding 50. As of now, the BRCRN project team have not presented any clear strategies to support potential sustainability, scalability or replication of project results. As noted, the project focused on the Churia belt that runs East-West across the whole length of Nepal, and the project covers around one-third of the whole Churia range. Work was focused on the Eastern-Central areas due to needs and the risk profile and extent of climate-related threats. Churia areas further West tend to be drier and with differences in forest cover and livelihoods patterns. However, the key climate-related risks affecting forestry, river systems and livelihoods are similar across the Churia belt and there is potential for learning from the BRCRN project to replicate work in the other Churia areas within Nepal.

77. As set out in this evaluation report, one of the key hindrances on progress has been in the operational partner capacity. Negotiating a viable, satisfactory adjustment to this would not only help accelerate progress, but strengthen sustainability potential. As noted in Recommendation 5, there is considerable potential for increasing engagement with government, GCF and others around cross-learning and collective efforts to address shared goals. Finally, subject to stakeholder review of findings and recommendations made in this report and decisions on the next phase of the project, work should then begin on a comprehensive exit strategy to maximize prospects for sustainability and broader impact.

Finding 51. The BRCRN project's failure to provide project risk management documents created uncertainty for the Evaluation Team in assessing risk management. There is anecdotal evidence suggesting that the BRCRN project actively monitors project risks and has a project risk management plan in place. However, despite requests for the documents from the Evaluation Team, these were not provided in the data collection phase. Moving forward, it is recommended that the BRCRN project provides these risk documents and takes the necessary steps to align with the GCF evaluation policy and information disclosure policy.

3.9 Unexpected results

EQ 23: Can any unintended or unexpected positive or negative effects be observed because of the project's interventions?

78. No clear examples have been identified in the evaluation.

3.10 Compliance with GCF and FAO policies

Finding 52. Internal inefficiencies within FAO have been identified in relation to the GCF processes. Documents submitted by the project team and country office in some cases did not clearly follow budget reallocation templates nor provide comprehensible justifications. The FAO Office of Climate Change, Biodiversity and Environment / GCF Unit in Rome is felt to have displayed an overly cautious approach, seeking endorsements for GCF matters that could easily be resolved by the FAO Representative in Nepal such as those minor adjustments set out in Annex 6. This unnecessary delay in project implementation occurs as they await GCF endorsements on issues that fall within the purview of FAO under the GCF accreditation framework. These inefficiencies hinder the smooth operation of FAO projects in Nepal and can impact the overall success of GCF funded initiatives. There is need for streamlining FAO internal processes with well-structured justifications and comprehensive documentation to facilitate a smoother review and approval process.

Finding 53. The BRCRN project's focus on implementing nurseries by Divisional Forest Offices was a disappointment to some community groups, who felt that the project failed to consult them and address their concerns arising from this. By shifting nurseries implementation from community-based organizations to Divisional Forest Office management, the BRCRN project effectively denied intended communities of the benefit of owning and managing small-scale community-based nursery facilities. The Evaluation Team recognizes that cost-efficiencies and enhancing the role of the Divisional Forest Offices are important considerations. However, this does not appear to have been clearly communicated to, and discussed with, community-based organizations, nor their concerns taken on board. This has resulted in lost opportunities around additionality, enhanced community-based organizations' ownership and control of nurseries.

4. Conclusions and recommendations

4.1 Conclusions

Conclusion 1. Technical contributions through multiple distinctive interventions have been carried out within this large project that operates in a sizable but very distinctive geographical ecozone. This can make it difficult to draw overall conclusions, but there was an opportunity to assess the strengths and weaknesses of the different interventions in terms of appropriateness, effectiveness, efficiencies and sustainability prospects. Findings on the relevance and quality of interventions overall were largely positive, drawing on stakeholder contributions of experience and expertise, and present a strong platform to build on.

Conclusion 2. The project has been hindered by design flaws such as unrealistic assumptions and unrecognized risks, as well as important changes in the context. Two of the most problematic unrealistic assumptions were the ability of the operational partners to deliver in a timely way and the amount of land available for afforestation activities. The formulation team did not anticipate the establishment of decentralized government entities, and the project leadership has been slow to recognize and mitigate the ramifications of the government restructuring, with negative consequences for implementation.

79. There were also some "blind spots" on external factors in the design that have only recently been recognized, such as the threats to project outcomes posed by upstream sand and gravel mining. Some steps have been taken to understand and address them and to re-adjust, but the process for this has been slow and would have benefitted from earlier recognition and actions taken by the primary stakeholders.

Conclusion 3. The slow pace of implementation and delivery remains a major concern. During the evaluation there was a clear sense of commitment and desire for the project to succeed and bring meaningful change to Churia communities, and an honest acknowledgement of shortfalls among stakeholders. The Evaluation Team sees this as the project "at a crossroads" at this point. One option is to continue largely as before and make minor adjustments. This is unlikely to bring the step changes that would be necessary for the kind of timely, balanced and far-reaching outcomes the project is designed to do. The alternative, reflected in the recommendations, is for stakeholders to undertake more significant changes to help overcome hindrance to timeliness, efficiencies and quality. It is critically important that the improvements of 2024 are maintained and strengthened. Stakeholders have spoken about the importance of the project not only for achieving its goals, but for future prospects for major climate investment initiatives in Nepal.

Conclusion 4. A significant amount was achieved in infrastructure over 2024, with many interventions being completed in a few months. The benefits are seen by communities as tangible and immediate, particularly in the protection of land. The progress on infrastructure (which tends to have higher interventions costs) has meant increased spending rates for the project, which along with seeing better delivery seems to have brought a much-needed boost of confidence among implementing stakeholders.

80. The worst flooding to affect Nepal occurred in September 2024, with the heaviest rainfall since the 1970s, and people in affected areas of the Churia could see the effectiveness of these interventions in their first monsoon test. This has emphasized beneficiary demand for further investment in disaster risk reduction measures of the types undertaken by the project. This need had been a strong message reported by the project team during the CERP development process. This was eventually reflected in the proposed change to the

theory of change (paradigm shift statement), to strengthen the narrative around disaster risk reduction, and the project's approach to adaptive management. This demand for such investments was consistently confirmed throughout the evaluation process. Along with the immediate and tangible benefits, communities see these interventions as valuable for future generations.

81. The project has seemed to emphasize infrastructure works in the recent periods perhaps to the cost of interventions and sought outcomes in forestry, climate resilient agriculture and natural resources management. There is a need to balance attention and investment in longer-term initiatives.

Conclusion 5. Community perceptions of benefits are high for resilience-related infrastructure interventions that have been delivered so far. Satisfaction levels with the slower moving, longer-term interventions (in forestry, climate-resilient agriculture, NRM and ANR) were also high – even though some of these interventions are at an early stage. Significant achievements include the completion of time-consuming but essential platform-building work such as the Critical Ecosystem Restoration Plans and in progress in registering and supporting CFUGs. Recognizing that CFUG model in Nepal has been in existence for a long time but that times have changed, the Evaluation Team welcomes recently initiated project work on reinvigorating CFUGs to help ensure the most appropriate forms of CFUG support are designed for the project.

82. There is significant potential for the project moving into the coming phase in strengthening an integrated approach that combines watershed management and forest conservation at landscape level. This would help to address systemic issues more effectively. Emphasizing nature-based solutions (see Finding 35) could bolster ecosystem resilience and promote community engagement on their needs and their views on solutions. Further defining and formalizing local government roles in this would be essential, along with capacity-building initiatives. Establishing an improved monitoring framework would facilitate better tracking of progress and outcomes. Lastly, embedding sustainability through community ownership and aligning interventions with long-term development plans at both provincial and municipality levels, would help progress towards the project's resilience goals.

Conclusion 6. It is too early to assess the overall prospects for sustainability. The project has not yet presented any clear strategies to support potential sustainability, scalability or replication of project results at this stage. There have been some strong foundations built through initiatives such as the Critical Ecosystem Restoration Plans, and technical approaches that are proving effective and appropriate to needs and strengthened capacity (technical and managerial) at the provincial government level. Beneficiary feedback was positive on prospects for sustainability in longer term interventions, with survey and focus group respondents citing expectations on future benefits and recognition of technical contributions.

4.2 Recommendations

83. Recommendations are presented in order of priority for decision-makers to consider. The first three recommendations in particular are interdependent. It is recognized that weighing up the feasibilities, value addition and implications, and gaining consensus among primary stakeholders may in some cases be challenging, and potentially sensitive. However, these have been carefully considered by the Evaluation Team and are proposed mindful of the opportunities for course correction presented by an interim evaluation.

84. Some recommendations relate to Annex 6. Here, a range of changes were proposed by the country and project teams and focused on issues that have been discussed since early 2024. It is helpful to refer to this Annex for more details on the rationale for changes and the Evaluation Team's reaction to these.

Recommendation 1. FAO should engage with the operational partners and GCF to optimize each partner's role and associated budget. FAO should propose a change to the Operational Partners Implementation Modality with the reallocation of some costed project budget lines to FAO. In that case, FAO would then engage with the PMU and PPMUs and, if appropriate, other stakeholders to define the most appropriate actors for service provision, so that conditions negatively impacting on project delivery, quality and timeliness could be improved. This would need to be presented to, and discussed with the Ministry of Forests and Environment and Ministry of Finance and their agreement secured. For maximum benefit, FAO would ideally initiate this process as soon as possible after the circulation of the finalized evaluation report (March–April 2025). This includes a recommendation to propose a two year no-cost extension. Endorsement from GCF would need to be sought. Specifically (see Annex 6) shifting budget allocation from the Government of Nepal budget to FAO technical assistance budget might be particularly helpful for activities including:

i. vehicle procurement;
ii. recruitment of surge capacity project personnel, in particular for lagging technical areas and, as appropriate, service providers (see Recommendation 3);
iii. bolstering travel budgets for government staff; and
iv. funding learning exchange and exposure visits for government project staff.

85. Complementary to this, FAO should consider taking the following actions for further clarity and efficiencies internally through engagement of the Country Office with the GCF Unit in Rome.

i. Streamline approval processes for minor BRCRN project operational issues for minor adjustments to activities/budgets.
ii. Develop and implement an improved internal discussion and approval process for minor operational issues, towards reduction of review time basically at the discretion of the budget holder, in consultation with the Project Task Force.
iii. Develop and implement an improved internal discussion and approval process for minor operational issues, towards reduction of review time basically at the discretion of the budget holder, in consultation with the Project Task Force, unless for circumstances requiring special attention of the Funding Liaison Officer.
iv. Document and share experience in streamlining approval processes for broader organizational learning on GCF projects.
v. Identify the key blockages on achieving co-financing commitments and reporting and resolve them to increase co-financing contributions and ensure accurate reporting.

86. The above steps could be extremely helpful for realizing the full potential of the project. However, discussions among stakeholders and with GCF should be initiated on a no-cost extension of two years to allow sufficient time for full delivery. This would ideally be agreed a year in advance of the current project end (end May 2027, so the no-cost extension

should be agreed May 2026), with the need to factor in all the associated tasks of re-working plans and budgets recommended in this report.

Recommendation 2. FAO, the PMU and PPMUs should review delivery plans and update as necessary to maximize the prospects for delivering the project on time and ensure increasing emphasis and investment on longer-term BRCRN project interventions such as those in forestry, natural resources management and climate-resilient agriculture. This is to ensure acceleration of progress towards targets and coverage and improve responsiveness to stakeholder needs, and support longer-term goal of resilience. This should be completed by mid-2025 and relates to Recommendation 3.

87. As noted in this report, the increased pace of delivery during 2024 has been encouraging, but concerns have been raised on the balance of emphasis between infrastructure and longer-term resilience interventions and nature-based solutions. FAO and the operational partners should consider doing the following:

i. Strengthening the integrated approach of interventions that combine watershed management and forest conservation. This should incorporate nature-based solutions to help address systemic issues and contribute to desired paradigm shift objectives of the project.

ii. Ensuring increased budget, staffing support and intensity of activities for forestry/ANR, natural resources management and climate-resilient agriculture, particularly in project areas where delivery has been low and/or delayed.

iii. Strengthening capacity building at the PPMU level by implementing targeted training sessions for procurement, project management, project monitoring and knowledge management.

iv. Increasing emphasis on local level stakeholder engagement to strengthen participation and consultation with the intended beneficiaries, community-based organizations, farmers and forest users, and ensure improved understanding of their needs on activities, training and consultation.

v. Revising project assumptions (drawing on the TOC workshop outcomes) to help identify and monitor risks for remaining project duration, mindful of new or adjusted risks that would come into play if recommendations were taken up.

vi. Strengthening project planning and resource allocation, especially for livestock development.

vii. Increasing funding allocation, if possible, to scale up the school awareness programme to achieve a minimum of 20 schools involved by project end.

viii. Developing a transition/sustainability plan throughout 2026 to i) ensure the sustainability of project interventions after 2027; and ii) identify how BRCRN project approaches that can be adapted and replicated in other Churia areas within Nepal, and what steps should be carried out in the remaining project period.

ix. Strengthening coordination with provincial and local government bodies for ensuring prospects for wider scaling up and sustainability.

Recommendation 3. FAO, the PMU and PPMUs should address persistent staffing and expertise gaps and improve staff recruitment, continuity and retention, at both the PMU and PPMU levels. This might require increasing investment in staffing surge capacity and/or new service provider contracting, as appropriate. There may be opportunities to target co-financing resources to achieve this.

88. This recommendation relates closely to and is dependent on Recommendations 1 and 2. However, actioning some of the steps set out below should not wait until the conclusions of Recommendations 1 and 2, and discussions should be initiated as soon as possible, so that by end of Q3 2025, commitments could be in place and the project can have made demonstrable progress. Specifically, the Evaluation Team offers the following for FAO and the Ministry of Forests and Environment's consideration:

i. FAO and the Ministry of Forests and Environment should conduct a shared analysis of critical capacity gaps, and the implications for quality and delivery, so that these can be discussed and agreed among these stakeholders, along with a prioritized list of roles for increasing capacity.

ii. FAO and the Ministry of Forests and Environment should set a target of 90 percent full staff contingents in place at any time, identify deviance and escalate for appropriate actions if staffing levels fall below this.

iii. The Ministry of Forests and Environment should exempt key senior project staff such as the National Project Director and PPMU senior staff from rotation norms, with a minimum tenure of two years on the BRCRN project.

iv. The FAO technical assistance team should continue to contribute to this surge effort through allocating greater amounts of technical specialist time (for instance in expediting climate resilient agriculture/livestock components) in the provinces working closely with the PPMUs and others to contribute their expertise closer to where it is needed, monitor and identify delivery bottlenecks, and assist in filling short term gaps.

Recommendation 4. FAO and the PMU should strengthen systems and processes for monitoring – including data collection – and accountability to communities to enhance quality by end Q3 2025. Specifically, this would ideally include:

i. Implement the changes to targets and means of measurement set out in Annex 6 and revise the monitoring framework and reporting accordingly.

ii. Improve the formal feedback and complaint resolution mechanism with clearly defined processes, systems and roles and responsibilities for the project, guided by FAO and GCF guidelines. Ensure that feedback is responded to and acted on, and document changes to approaches and activities resulting from this.

iii. Continue to collaborate with key stakeholders, including government agencies, civil society organizations, and Indigenous Peoples' organizations, to promote awareness and build consensus on FPIC principles.

iv. Improve beneficiary tracking and verification processes to ensure accurate and reliable data on the number of direct and indirect beneficiaries and be better able to provide transparent evidence of progress.

v. Revise the risk management plan and risk documents.

Recommendation 5. FAO, the Ministry of Forests and Environment, GCF and partners should build on learning from this experience by setting up a reflective process to further develop strategy, identify scaling potential, explore investment opportunities and partnerships for further climate resilience initiatives. This could facilitate improved learning and collaboration across the sector in

Nepal and contribute to enhanced country ownership. Ideally, this engagement would be scoped and established by the end of 2025, with a suggested frequency of twice-yearly meetings to discuss potential collective improvements set out in the bullets below (note that this is not proposed as a time- or resource-intensive engagement, especially given other priorities detailed in these recommendations.). Specifically, this could include:

i. Identify current and potential synergies among interventions (current and emerging), in particular with the GCF Gandaki project, and establish working groups as appropriate.

ii. Encourage cross team learning on good practice exchanges and experience in dealing with challenges and identify any emerging evidence or "thought leadership" arising from these initiatives.

iii. Identify key policy and practice talking points for stakeholders to engage with government on improvements collectively. An obvious starting point for these discussions would be on the continuing threats to resilience efforts in the Churia region due to external threats such as uncontrolled sand and gravel mining, which are outside the control and influence of individual projects. Bringing a collective stance on these issues may improve prospects for influencing necessary change.

5. Evaluation dissemination plan

89. On final approval of the evaluation report and the management response, the following steps are proposed for dissemination of the results of the evaluation report and take the opportunity to maximize utility.

i. FAO Country Office briefing on the key findings and recommendations to principal stakeholders (Ministry of Forests and Environment (National Project Director and technical team, Joint Secretaries). Discussion on implications and agreeing actions for the coming period. This is critical for absorbing the report and considering Recommendations 1, 2 and 3 in particular.

ii. Following this, FAO and the Ministry of Forests and Environment briefing for the designated national authority Ministry of Finance on proposed changes arising from the evaluation.

iii. FAO project team sharing the evaluation report and holding a briefing with external agencies. This would include representatives from the International Union for the Conservation of Nature and Alternative Energy Promotion Centre (AEPC) as fellow GCF grant recipients in the early stages of GCF project implementation, and other agencies active in forestry and resilience initiatives in Nepal. This is one initial step contributing to the process of enhanced coordination and collective action set out in Recommendation 5.

iv. FAO Regional Office webinar briefing and discussion for regional technical leads and Asia – Pacific Country Offices, and the FAO Forestry Division. Of particular interest for FAO Representatives at this time is learning from design and implementation of large projects.

v. FAO technical leads dissemination of the report through their technical networks.

vi. Production and dissemination of a four-page evaluation brief suitable for a broad audience, and a brief evaluation highlight document.

vii. Publication of evaluation report and management response on the FAO website.

viii. Follow-up report one year after management response.

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Annexes

Annex 1. Terms of reference

http://www.fao.org/3/cd7151en/GCP_NEP_076_GCF_Annex_1.pdf

Annex 2. Stakeholder analysis

http://www.fao.org/3/cd7151en/GCP_NEP_076_GCF_Annex_2.pdf

Annex 3. Evaluation matrix

http://www.fao.org/3/cd7151en/GCP_NEP_076_GCF_Annex_3.pdf

Annex 4. Methodological approach, limitations and ethical considerations

http://www.fao.org/3/cd7151en/GCP_NEP_076_GCF_Annex_4.pdf

Annex 5. Riverine system sampling criteria

http://www.fao.org/3/cd7151en/GCP_NEP_076_GCF_Annex_5.pdf

Annex 6. Interim changes to the project proposed by the FAO BRCRN project team and Evaluation Team response

http://www.fao.org/3/cd7151en/GCP_NEP_076_GCF_Annex_6.pdf

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