

Component 3: Develop a Reference Scenario

Terms of Reference for Subcomponent 3.1: Review historical data available

1. Background

Deforestation and forest degradation are issues of great concern for Nepal and the world. Deforestation and forest degradation not only have implications on watershed conditions, biodiversity, aesthetic conditions and the entire livelihoods of communities, deforestation/degradation also results in release of the carbon originally stored in the trees, therefore contributing to climate change. There is now general agreement on the importance of reducing of carbon emissions from deforestation and forest degradation (REDD) in developing countries in order to mitigate the impacts of climate change. The World Bank has established the Forest Carbon Partnership Facility (FCPF) to assist developing countries in their efforts to reduce their emissions from deforestation and forest degradation. The FCPF has the dual objectives of building capacity for REDD in developing countries in tropical and subtropical regions, and of testing the program of performance-based incentive payments in some pilot countries, on a relatively small scale, in order to set the stage for a much larger system of positive incentives and financing flows in the future.

The FCPF's initial activities relate to technical assistance and capacity building for REDD. Specifically, the FCPF is assisting countries to arrive at a credible estimate of their national forest carbon stocks and sources of forest emissions; work out their national reference scenarios for emissions from deforestation and forest degradation based on past emission rates for future emissions estimates; calculate opportunity costs of possible REDD interventions; adopt and complement national strategies for stemming deforestation and forest degradation; and design national monitoring, reporting and verification systems for REDD. These activities are referred to as 'REDD Readiness' and are supported by the Readiness Fund of the FCPF.

Nepal is one of the countries selected by the FCPF for the REDD Readiness Fund and is now in the process of preparing a Readiness Preparation Proposal (R-PP). The purpose of the R-PP is to assist Nepal in laying out and organizing the steps needed to achieve 'Readiness' to undertake the range of activities for reducing emissions from deforestation and forest degradation (REDD), in the specific country context.

A "REDD-Forestry and Climate Change Cell" under the Ministry of Forests and Soil Conservation has been established to manage the REDD readiness in Nepal. This Cell is directly responsible for the procurement and the supervision of all actions financed

during the Readiness phase, including the consultant services described in this document.

2. Purpose

The R-PP will consist of 6 components. The third component is to “**Develop** a national Reference Scenario” for REDD in Nepal. The purpose of this component is to develop a scenario of forest cover change and related greenhouse gas emissions from the forests over time. This should provide a future scenario of deforestation, forest degradation and carbon removal enhancement of carbon stocks (and the related emissions and removals) over time from the forests of Nepal, if current trend continues (business as usual) in the absence of additional incentives for emission reduction from the forests. The reference scenario will need to be based on a combination of recent historical data on deforestation, forest degradation and carbon stock enhancement, and estimated future emissions and removals, leading to a national scenario through time of greenhouse gas emissions.

The REDD-Cell will be leading the development of the REDD Reference Scenario. The purpose of this contract is to assist REDD-Cell in assessing the availability and quality of historic data as a first step in the preparation of a REDD Reference Scenario for Nepal.

The “REDD-Forestry and Climate Change Cell” now seeks to employ the services of a qualified consultant to contribute in preparing Reference Scenario through purchasing services for Subcomponent 1: **Review historical data available**

3. Major Tasks of the contractor:

Task 1: The consultant will critically review the provided report “**thoughts on monitoring, reporting, and verification system for Nepal**” prepared by an international consultant for REDD-Cell and use information/data from this report, where ever appropriate, to identify data gaps that need to be filled in order to estimate past and recent land cover change and GHG emissions from deforestation and/or forest degradation, including assessment of national data gaps and capacity, as per requirement of the R-PP guideline template (version-3). For details please visit website www.forestcarbonpartnership.org

Task 2: Review historical data available on changes in carbon stocks in existing forest both negative due to forest degradation and positive through improved forest management practices (such as community forests, collaborative forests, managed forests, protected areas etc) and identify data gaps that need to be filled in order to estimate past and recent carbon stock changes

Task 3: **Based on task 1 and 2**, identify the existing data gaps that need to be filled in order to estimate emission levels in past. The consultant will also identify the capacity

gaps in interpreting the raw and processed data. For this, consultant will develop a ToR for future work, which will contain the following elements at minimum:

- Objective
- Major tasks
- Methods and tools to be used
- Deliverables
- Timeline for deliverables
- Estimated budget

4. Deliverables:

A comprehensive report describing the approach taken and outcomes of all the tasks described above. The Report needs to be fully referenced (with data sources identified). Expected length of the report must be 10-15 pages including a comprehensive executive summary (maximum 2-3 pages).

5. Methodology

The consultants do have liberty to use varieties of methods to produce an authentic document. The consortium of specialized experts responsible for carrying out the job will keep themselves informed of the relevant studies (particularly: 'Component 2.a.: 'Assessment of Land Use, Forest Policy and Governance"') that has already been completed.

6. Qualifications of consultant and team members

The team leader must possess advance University degree on forest biometrics or remote sensing. The team members should have sound experience and knowledge in forest survey, forest inventory, GIS application, and aerial photographs/ satellite image interpretation skills.

7. Details on Contract duration, budget and payment conditions

Starting date:

Total person days: 9 days

Report submission date:

Maximum allocated budget: NRs 350,000

8. Terms and conditions

- If a consortium is selected for this assignment, the team leader of this consortium of specialized experts after getting the assignment will take full responsibility to commission the job within the stipulated time frame.
- The allocated budget is the maximum available ceiling. The precise contract amount will be as per the negotiation between the REDD Cell and the concerned party that will ultimately be approved by the secretary, MFSC.
- Regarding payment, 25 per cent of the contracted amount will be paid upon the signing of the contract and 40 per cent will be paid after submission of the final draft. Rest 35 per cent of the contract amount will be reserved for which the final payment will be made when Nepal's R-PP gets approved by the FCPF.
- The consultants will work in close contact of the REDD cell and the REDD working group who will provide constant feedback and incorporate the suggestions.
- Given that each of the nine components is an ingredient part of the overall R-PP document than a discrete activity on its own, the consultant concerned will make sure that it tries to get informed of the rest of the R-PP assignment so as to insure complementarily, synchrony and synergy with the overall R-PP.
- The penalty for delays will be US\$ 500 per day for which there is a delay.

Note: See FCPF 'Readiness Preparation Proposal (R-PP) Template' and 'Standards to be met by Individual –R-PPP Components' for details. For further details see FCPF website at www.forestcarbonpartnership.org