

Name of Project: Study to find out the ways to encourage private sector in REDD+ and Emission Reduction Program

Government of Nepal
Ministry of Forests and Soil Conservation
REDD Implementation Center

Terms of Reference (ToR)

Assignment 1: Compilation of district profile of private forests and preparation of roadmaps to upscale them in the selected districts in the Terai (Rautahat, Bara, Parsa, Chitwan, Nawalparasi-East, Nawalparasi-West and Rupandehi)
(Budget Head: 2.12.3.8)

1. Background

Nepal's Forest Policy (2015) emphasizes the involvement of private sectors in forest development and expansion to promote forest based enterprises, employment and livelihood. One of the strategies of the policy directly promotes forest development and expansion in private land for the sustainable supply of forest products by increasing forest productivity. The Forestry Sector Strategy (2015-2025) also, aims at promoting community-based and private forest enterprises to improve livelihoods and the forestry sector's contribution to national economic development. The strategy has set target to develop at least 200,000 ha of private forests in the country by 2025. The Forest Act, 1994 and its Regulation, 1995 broadly categorizes all forests into national forests and private forests, the former belonging to public or government land, while the later is the one grown in privately-owned lands. Private Forest Development Directives, 2011 has made several provisions including registration, technical assistance, financial assistance to promote private forest development. Moreover, this has specifically recommended 26 tree species suitable for planting on private land in terai and hills (GoN, 2011). The recent amendments (in 2015) to Forest Regulations 1995 have provisioned more simple and farmer-friendly processes for private forests. As per this amendment, farmers can now directly harvest, sell, and transport 23 common tree species which are mostly grown on private lands (GoN, 2015). Planted Sisam (*Dalbergia sissoo*), Teak (*Tectona grandis*), Tooni (*Toona ciliata*), Masala (*Eucalyptus species*), Kadam (*Anthosephalous cadamba*) and Aap (*Mangifera indica*) are popular among those 23 species. The Department of Forest is working on private forest development through Community Forestry Division across the country. Thus the government policies have given attention to promote private forest development in Nepal.

Despite policies and measures encouraging individuals and corporate sector to plant trees in private lands, the extent and coverage of private forests in the country is limited in few patches. Only 3,753 individuals have registered 2,902 ha of private forests in total across the country (CFD, 2017). Some district forest offices report that there are more private forests in the country, but their actual data is not available due to the lack of their registration. Studies show that about 3.6 million

hectares of land is potential for developing private forests in the country. Data shows that the Southern plain (Terai) districts have higher number of private forests in comparison to hill districts (CFD, 2017). Private forests are meant not only to fulfil the market and industrial demand but also significantly contribute to national economy by providing employment opportunities and tax revenues. Road access to rural areas has reduced transportation cost, and hence market potential of forest products from private land is growing. This shows that there is high potential to develop private forests in the Terai region to contribute livelihood, national economy, employment generation, enterprise development.

Nepal has participated in REDD+ (Reducing Emission from Deforestation and Forest Degradation plus Role of Conservation, Sustainable Management of Forests and Carbon Enhancement) readiness since 2008. REDD Implementation Centre under the Ministry of Forests and Soil Conservation coordinates Nepal's REDD+ under REDD Working Group in collaboration with a number of REDD+ actors and stakeholders including government agencies, civil societies, Indigenous Peoples, local communities and development partners. Besides other agencies, the World Bank, through FCPF, is supporting the Government of Nepal in its REDD+ readiness and associated activities. Under the Readiness Fund of FCPF, a grant of \$3.6 million was signed with the government in 2011 to help the country get ready for REDD+ through technical studies, policy formulation, consultations and capacity building activities. The REDD+ Readiness Grant ended in August 2015. An additional grant agreement was signed between the World Bank and the Government of Nepal in early 2017 for US\$ 5.2 million in order to undertake a number of additional readiness preparation activities including private sector engagement in REDD+ and Emission Reduction program..

Nepal is currently further revising its Emission Reduction Program Document (ERPD) that has been submitted to World Bank's FCPF Carbon Fund. The revised ERPD has proposed seven major interventions including development private forests in the 13 Terai districts. Specifically ERPD has set out target of establishing 30,141 ha of forests in private land in the ER program area in 10 years time. This study will collect the data of existing private forests in the study districts and prepare profile for each district. The study will also prepare roadmap to upscale private forests in each study district in a way that contribute to achieving the target of private forests in ERPD.

2. Objectives

The overall objective of this assignment is to develop district profile of private forests and prepare a 10 year roadmap to establish private forests in the ER areas.

Specific Objectives:

1. Inventory existing private forests (registered and unregistered) in the study districts.
2. Identify potential areas for growing private forests in each study district.
3. Identify key gaps and constraints for the private forest development in the region.

4. Inventory the status of private nurseries and seedling production.
5. Inventory the status of private forest based industries. Identify existing business linkages and potential partners and investors such as banks, private companies, cooperatives and private entrepreneurs for the private forest development
6. Identify key capacity building programs required for the different stakeholders in relation to technical capacity, business skills, entrepreneurship, market information etc for developing private forests
7. Develop 10 year road map to achieve the target of establishing 30,000 ha of private forests in the Arc Landscape.

3. Scope of the work

The selected consulting firm will undertake the following tasks:

- a. Prepare district profile of existing private forests and associated activities
 - i. Enumerate private forests registered at District Forest Office in the study district with detail information such as area, species, management plan (if any)
 - ii. List private forests that have not been registered in the District Forest Office with information such as area and species.
 - iii. List forest nurseries established by farmers and private sector
- b. Carry out consultations with key stakeholders, particularly private land holders
 - i. Survey the perception of representatives of private land holders on how private forests can be scaled up.
 - ii. Identify key gaps and constraints of scaling up private forests perceived by private land holders
 - iii. Interview private land owners about their choice of species for private forests
- c. Carry out consultations with other stakeholders
 - i. Interview forest officials in the district, private nursery growers, forest-based entrepreneurs and local government about gaps, constraints and possible ways out for scaling up private forests.
 - ii. Identify how private forest growers can work together in an organized way
- d. Collect dataset for potential private forest development
 - i. List potential land and private forest growers (private forest growers, location, land area available for plantation, species preferred to be planted).
 - ii. List potential sources of tree seedlings, such as government, community or private tree nurseries.
- e. List potential partners and activities needed for private forest development
 - i. List potential partners and investors such as banks, private companies, cooperatives etc and their potential role for the development of private forests in the region.

- ii. List of the trainings, workshops, awareness raising programs to be conducted to different stakeholders such as private forest growers, nursery owners, forestry officials, local government institutions etc. to build capacity in technical, business skills, entrepreneurship, market information etc.
- iii. Identify or suggest networks and cooperatives for private forest owners and ways how they can be strengthened.

f. Develop 10 years road map for the development of the private forest at district level in each study district

Note: There are two assignments--one for Rautahat, Bara, Parsa, Chitwan, Nawalparasi-West, Nawalparasi-East and Rupandehi and one for Kapilbastu, Dang, Banke, Bardia, Kailali, and Kanchanpur districts. One consulting firm can apply for both assignments but there should be completely different set of human resources for each assignment.

4. Qualification of Service providing consulting firm:

5.1 Eligibility of firm:

This assignment has been targeted for consulting firm. Any consulting firm registered with the government will be eligible to apply. Consulting firm working on private forestry with district level network will be highly encouraged to apply.

5.2 Team Composition:

This assignment will be conducted by consulting firm but at least following thematic experts should be involved;

SN	Thematic Expert	Qualification	Experience	Assigned Task
1	Team Leader cum Forestry Expert	M Sc in Forestry, NRM, Environmental Science or related discipline	At least 10 years of working experience in Forestry and relevant work to this assignment	Design and lead the assignment, conduct consultations, write up the final report
2.	Gender and social inclusion expert	Graduate degree in social science or related discipline	At least 5 years of working experience in forestry related field. Knowledge of gender will add advantages	Analyze social dimensions including gender that can be useful for the promotion of private forest development in the region

3	Private sector expert	Graduate degree in business or related discipline	At least 5 years of working experience in forest enterprise development.	Analyze business linkages and develop action plan for potential investors and partners that can really attract private forest growers.
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Additional maximum of 15 support staffs can be proposed to collect field data

6. Deliverables

1. Inception report detailing plan of consultations, write up and final submission
2. Mid-term progress report within 2 months of signing the contract.
3. Final report with the district profile and district level roadmap for developing private forests in the study districts (3 hard copies and digital copy) submitted to REDD IC within given timeframe.

7. Inputs to the Firm

- REDD IC will nominate a supervising officer from its staffs for necessary coordination and communication.
- REDD IC will support for necessary correspondence and communication for consultations if required.
- REDD IC will provide regular technical inputs and suggestions during the assignment.

8. Selection Process and Criteria

Only short-listed consulting firm will be asked for detail technical and financial proposals. The selection process of EoI and proposal will follow The World Bank's Guidelines in accordance with Consultant Procurement Guideline, 2011.

9. Schedule of Work

The assignment is expected to start in the March, 2018 and accomplished within three months (within this fiscal year 2074/075).

10. Application Procedure

Eligible consulting firm should provide Expression of Interest in a sealed envelope containing the following documents.

- Letter of Expression of Interest
- Profile of the Firm (Mission, vision and objectives, date of registration and place of registration)
- Copy of Registration Certificate
- Copy of Renewal Certificate

- Copy of Annual Audit Report for last three year
- Work experiences for the last three years
- CVs of potential thematic experts
- Tax/VAT clearance letter
- Letter from collaborating institutions if joint venture is proposed

The short-listed consulting firm will be requested to submit a full proposal along with following documents.

- Technical proposal for the assignment in a sealed envelope. The proposal should include duly signed CVs of concerned experts.
- Financial proposal in a sealed envelope.

Contact Person

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