

2022/RFI/002
Annex A – Terms of Reference

UNHCR Refugee Environmental Protection Fund
Project Feasibility Study Description for Market Research – February 2022

UNHCR is launching the Refugee Environmental Protection (REP) Fund to invest in impactful reforestation and clean cooking programs in climate-vulnerable refugee situations around the world.

The Fund would aim to plant tens of millions more trees and enable hundreds of thousands of refugees and their hosts to access clean cooking solutions over the next decade. In doing so it will link refugees and host communities to the global carbon markets, empowering them to become part of the global movement to combat climate change.

The Challenge

Climate change and environmental crises such as deforestation are critical problems in refugee situations. UNHCR estimates that 20-25 million trees are cut down in and around refugee settlements each year. 90% of this deforestation is driven by the urgent need for cooking fuel.

This results in large-scale environmental and social degradation. The resulting environmental problems include soil erosion, landslides, and desertification, which threaten safe living conditions and livelihoods for refugees. As the wood collection perimeter widens with deforestation, women and children must travel further to collect wood, putting them at increased risk of sexual- and gender-based violence. Environmental degradation also heightens the risk of conflict between refugees and hosts.

The Ambition

The REP Fund's ambition is to help address these complex issues by creating an innovative and sustainable financing mechanism to invest in strengthening and scaling up reforestation and clean-cooking programs in climate-vulnerable refugee-hosting communities worldwide.

The carbon impact of these programs would be registered and verified to generate the **first-ever large-scale refugee-generated carbon credits**. The sale of these credits would help replenish the Fund, allowing it to re-invest in new reforestation and clean cooking programs, making the Fund more financially and operationally sustainable over time. The Fund's environmental programs would in addition generate green jobs for refugees and host communities.

Carbon Project Feasibility Studies: Overview

UNHCR is considering working with a consultancy firm to conduct feasibility studies for carbon credit-financed reforestation and clean cooking projects in high-priority sites in a shortlist of pilot countries in 2022. The countries are **Uganda, Rwanda, Sudan, and South Sudan**. The selected consultancy will be provided with a list of 2-4 key locations to investigate within each of these countries.

The studies will include an analysis of the following topics for each project:

Reforestation projects

- 1) Required:
 - a. Assessment of whether the project is viable, and why or why not
 - b. Recommended implementation design parameters, including potential scale of the project, recommended species mix, an analysis of drivers of deforestation and recommended mitigation measures
 - c. Estimation of project benefits, including environmental, social, protection, and economic benefits for refugee and host community beneficiaries; and CO2 impact.
 - d. Financial estimate of project economics over [20]-year horizon, including expected carbon credit revenue.
 - e. Any other recommendations for implementation
- 2) Desired:
 - a. Mapping of existing or potential project implementation partners.
 - b. Overview of legal arrangements necessary for project implementation and carbon credit certification.

- c. Mapping of applicable local, national, and international regulations, including for registering and monetizing carbon credits

Clean cooking projects

- 1) Required:
 - a. Assessment of whether the project is viable, and why or why not
 - b. Recommended implementation design parameters, including potential scale of the project, preferred choice of stove[s] and cooking fuel, an analysis of drivers of clean cookstove and clean cooking fuel adoption.
 - c. Estimation of project benefits, including environmental, social, protection, and economic benefits for refugee and host community beneficiaries; and CO2 impact.
 - d. Financial estimate of project economics over [7]-year horizon, including expected carbon credit revenue
 - e. Any other recommendations for implementation
- 2) Desired:
 - a. Mapping of existing or potential project implementation partners.
 - b. Overview of legal arrangements necessary for project implementation and carbon credit certification.
 - c. Mapping of applicable local, national, and international regulations, including for registering and monetizing carbon credits.

Details to be included in your RFI cover letter:

- a. Would you or your firm be able to carry out the proposed feasibility studies?
- b. Do you and/or your firm have prior experience in the areas to be studied?
- c. What period of time would be needed to carry out the proposed studies, and what would be the approximate budget needed?
- d. Do you have any feedback on the structure and description of the ToRs above?