

## **5.1**

### **Terms of Reference**

#### **Methodologies for the assessment of changes in carbon stock for managed conservation areas for inclusion into PalmGHG calculations**

##### **Background**

The PalmGHG allows for the changes in carbon stock in remaining areas of natural vegetation in a management unit to be considered in the annual carbon budget for palm oil production. However, no default values are provided for this, as the amount that is being sequestered will depend on the type and maturity of the vegetation, and on climatic, management and soil factors. Growers reporting sequestration in these conservation areas will need to carefully assess the annual sequestration, most likely supported by field measurements. At the moment, RSPO does not provide any guidance or method as to how the annual carbon sequestration should be assessed and reported in PalmGHG.

The RSPO ERWG (Emission Reduction Working Group) has therefore requested that a study be commissioned to look at annual changes in carbon stock in remaining areas of natural vegetation within a management unit and how it can be addressed and accounted for in PalmGHG.

The process of estimating the carbon sequestered or loss from all natural habitats that are retained in a concession area (including HCV areas, riverine buffer zones) should be simple, practical and cost-effective for growers to adopt. It should also be compatible where applicable, with publications, guidelines and tools released by RSPO on carbon emissions and assessments.

##### **Aim of study:**

To identify a practical methodology and guidance on how to estimate the annual changes in carbon stock in remaining areas of natural vegetation within a management unit to enable inclusion within the PalmGHG calculation. The consultant should also recommend applicable defaults to be used.

##### **Expected output**

The expected output from this study is a document or manual with clear methodologies and guidance on how to estimate changes in carbon stock in remaining areas of natural vegetation within a management unit for use in the PalmGHG calculations. The methodologies proposed should be practical and easy to use but robust enough to deliver credible results. The methodologies should be applicable globally.

Alongside the proposed methodologies and guidance, the document should also

i) include a brief report outlining their limitations, gaps identified and further work needed to improve them

ii) address the following questions:

- How can the carbon credits from carbon sequestration be accounted for in a cost-effective and practical manner so as to provide incentive to growers who properly manage their set aside areas?
- What are the existing methodologies currently used to estimate annual carbon sequestration and emission in forested areas?
- What are the good case studies for the use of these methodologies? Are the results credible?
- How can the proposed methodologies be incorporated into the PalmGHG calculator?
- What would be the typical costs and resources required from RSPO members to adopt this?
- How it can be implemented (capacity building required, consultation, etc.)?

- How should RSPO review these methodologies to ensure continuous improvement?
- Are there new developments in the horizon that RSPO should monitor?

#### Timeline

The study should be completed by end Dec 2014

Interested consultants are encouraged to submit a proposal with quotation, work plan, qualification/related experience and the CV to the RSPO secretariat ([melissa.chin@rspo.org](mailto:melissa.chin@rspo.org)) by latest by 7<sup>th</sup> April 2014.