



Terms of Reference for the Consultant (Expert) to undertake the Article 6.2 and Global Environment Facility related activities

1. Introduction

Alternative Energy Promotion Centre (AEPC) is a Government institution established on 3 November 1996 under the Ministry of Energy, Water Resources and Irrigation with the objective of developing and promoting renewable and alternative energy technologies in Nepal. AEPC is mandated for the promotion of renewable energy, energy efficiency and climate change activities. AEPC has extensive experience in the formulation and implementation of climate change and carbon-related projects in Nepal.

AEPC has been implementing various programmes with the mission to make renewable energy a mainstream resource through increased access, knowledge and adaptability, contributing to improved living conditions of the people and with the vision to develop into an institution recognized as a regional/international example of promoting large-scale use of sustainable renewable energy and a national focal point for resource mobilization.

In line with the Government of Nepal's commitments under the Paris Agreement, AEPC is now focusing on operationalizing Article 6.2 (cooperative approaches and internationally transferred mitigation outcomes – ITMOs) as enabled by the recently approved Carbon Trade Regulation, 2082 and the newly launched National Carbon Registry. Furthermore, to access multilateral funding for renewable energy and energy efficiency projects that also generate global environmental benefits, AEPC seeks to engage with the Global Environment Facility (GEF), the world's largest multilateral trust fund for environmental action. The current eighth replenishment cycle of the Global Environment Facility (GEF-8) runs from July 2022 to June 2026. It features a record \$5.33 billion to support developing countries in tackling biodiversity loss, climate change, pollution, and land degradation.

2. Background

AEPC established a dedicated Climate and Carbon Section in 2010 to coordinate renewable energy and energy efficiency-related climate change mitigation and adaptation activities at national and local levels. The section works to identify, design, and implement climate finance, carbon market, and environmental financing opportunities in Nepal.

The Government of Nepal has achieved a series of regulatory and institutional milestones that create an enabling environment for international carbon market participation. In December 2025, the Cabinet approved the Carbon Trade Regulation, 2082 under the Environmental Protection Act, providing the long-awaited legal and institutional foundation for developing, registering and trading carbon credits under both the Paris Agreement (Article 6) and the Voluntary Carbon Market (VCM). This regulation explicitly allows government agencies and private companies to engage in Article 6.2, Article 6.4 and Article 6.8 of the Paris Agreement. For any international transfer of carbon credits under Article 6.2, the designated national authority will execute the corresponding adjustment, giving international buyers the required credibility and assurance. Furthermore, in April 2026, the Government of Nepal, in partnership with UNDP, launched the National Carbon Registry, a digital platform enabling transparent registration, authorization, issuance, transfer and retirement of carbon credits while supporting the tracking of Internationally Transferred Mitigation Outcomes (ITMOs).

Likewise, the Global Environment Facility (GEF), one of the largest multilateral environmental financing mechanisms, continues to provide significant support for climate change mitigation, renewable energy, energy efficiency, biodiversity conservation, and sustainable development initiatives. AEPC, with its strong experience in renewable energy promotion and climate finance,

has received a request from the ministry of finance to submit a proposal of up to US\$ 32,000 to MoF as the Operational Focal Point to conduct Project Oversight of the projects being implemented in Nepal with the support of GEF in collaboration with the Global Environment Facility (GEF-8) and the United Nations Office for Project Services (UNOPS) and, upon receipt of the amount, to spend it from this Center as per the requirements of the Ministry of Finance and the Ministry of Forest and Environment.

3. Objectives

The main objective of hiring the Consultant is to support AEPC in planning, developing, and implementing activities related to Article 6.2 of the Paris Agreement and the Global Environment Facility (GEF). This includes operationalizing carbon market mechanisms (ITMOs, corresponding adjustments), accessing and managing GEF projects, strengthening institutional capacity for climate finance mobilization, and supporting the development of concept notes, proposals, and stakeholder coordination.

4. Scope of Work

The scope of service of the Consultant-Expert shall include but not necessarily be limited to the following:

- Support AEPC in Article 6.2 cooperative approaches, including bilateral ITMO transfers, corresponding adjustments, and coordination and linkages with Designated Operational Entity (DOE)/Validation/Verification Body (VVB), Designated National Authority (DNA) and different international organization for carbon project development, validation, verification and certification, issuance of the credits and transfer of the credits as per the international carbon registry as well as the carbon trade regulation, 2082.
- Support preparation of minute of evaluation committee meetings regarding sale/transfer of Article 6.2 carbon credits.
- Coordinate with provincial engineers and local governments for monitoring, validation and verification of Article 6.2 projects.
- Support in developing and reviewing proposals and reports for GEF (GEF-8 and GEF-9 cycles).
- Liaise with GEF Agencies (UNDP, UNIDO, World Bank, ADB) for project development and implementation.
- Support AEPC in preparing responses to queries from GEF Secretariat and OFP.
- Regularly follow-up validation/verification, issuance and delivery of ITMOs under Article 6.2.
- Support planning on renewable energy and climate change integration with Article 6.2 and GEF.
- Support in overall management of carbon projects under Climate and Carbon Section of AEPC.
- Maintain the database of carbon trading under CDM, Gold Standard, VERRA and Article 6 mechanism of the Paris Agreement.
- Support in transitioning of CDM projects to the Article 6.4 mechanism.
- Support AEPC in preparing the response to the queries/questions/clarifications from GEF, OFP and other agencies in-line with the project monitoring, reporting and completion.
- Execute any other relevant tasks assigned by the supervisors including the management of the carbon project portfolio and developing new carbon projects.

5. Performance and Report Requirement (Deliverables)

The Consultant shall provide regular, ongoing support to AEPC on Article 6.2 carbon trading and Global Environment Facility (GEF) related activities, including monthly progress reports, draft concept notes or funding proposals for GEF as applicable, MRV reports and verification documents for Article 6.2 projects, meeting minutes with the DNA and international partners, updated databases of Article 6.2 credits and GEF project pipelines, and an end-of-assignment report consolidating

achievements and forward-looking recommendations, all to be delivered as per a quarterly work plan agreed with the supervisor.

6. Duration of Services

The initial contract period will be given for one year and will be extended based on the satisfactory performances of the consultant and recommendation of the supervisor.

7. Expert required qualification

Basic Qualification

- Master's degree in Renewable Energy Engineering, Environment Engineering/Science/Management, Climate Change, Energy Economics, or related field.
- Bachelor's degree in Engineering.
- Minimum 4 years of total professional experience in environmental planning, carbon markets, carbon accounting, carbon assessment, sustainability or international climate finance.

Specific Experience & Competencies

- Experience in conducting Life Cycle Assessment (LCA) studies aligning with Environmental Product Declaration (EPD) requirements using internationally recognized methodologies and datasets.
- Demonstrated experience in conducting Carbon Footprint (PCF) studies in compliance with ISO 14040/44 and ISO 14067
- Having experience of calculating GHG emission, sustainability reports and ensuring data accuracy and regulatory compliance with international carbon accounting standards.
- Experience implementing rural/renewable energy projects with government, development partners, or INGOs.
- Having experience in formulating various international climate change policies and integrating climate financing mechanism with carbon price.
- Having experience in climate risk assessment and in formulating actionable environmental risk management plan in compliance with ISO 14001 and international environmental standards.
- Strong data analysis, reporting, and MS Office skills (Word, Excel, PowerPoint).

Advantageous

- Work experience in a government organization.
- Experience with UNFCCC reporting or Article 6.4 transition.
- Familiarity with AEPC's renewable energy programmes.