

GRANT AGREEMENT

between

The Norwegian Agency for Development Cooperation

And

CDP Worldwide

regarding

QZA-0694 SAM-16/0003 The Power of Procurement: catalysing action on deforestation risk in commodity supply chains from Latin America to China and Europe.

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PART I: SPECIFIC CONDITIONS

This grant agreement (the Agreement) has been entered into between:

- (1) The Norwegian Agency for Development Cooperation (Norad), represented by the Civil Society Department, and
- (2) CDP Worldwide, an organization duly established in the United Kingdom (UK) as a charity under registration number 1122330, and as a private limited company under registration number 05013650 (the Grant Recipient), jointly referred to as the Parties.

1 SCOPE AND BACKGROUND

- 1.1 The Grant Recipient has submitted an application to Norad dated 04.05.2015 (the Application) regarding financial support to the project titled QZA-0694 SAM 16/0003 The Power of Procurement: Catalyzing action on deforestation risk in commodity supply chains from Latin America to China and Europe (the Project). The estimated costs of the Project are indicated in the budget attached as Annex A.
- 1.2 Norad has decided to award a grant to be used exclusively for the implementation of the Project (the Grant). The Parties expect the Project to be implemented during the period from 1 April 2016 to 31 December 2020 (the Support Period).
- 1.3 The Parties have agreed to enter into an Agreement, consisting of this part I; Specific Conditions, part II; General Conditions, and part III; Procurement Provisions, all of which form an integral part of this Agreement. In the event of discrepancies between the Specific Conditions and the General Conditions or Procurement Provisions, the Specific Conditions shall prevail.

2 OBJECTIVES OF THE PROJECT

- 2.1 The expected results of the Project are as follows:

The Project's planned effect on society is that "private sector actors have implemented social and environmental policies and practices that reduce the pressure on forests, and are engaged in global public private partnerships to reduce deforestation". (Impact).

The planned effects (Outcome) for the target group of the Project are;

1. High impact purchasing organizations have adopted and are implementing policies (including engaging their suppliers) that reduce the pressure on forests in Latin America;
2. Suppliers of the high impact purchasing companies are actively measuring, monitoring and managing deforestation risk and reporting progress to their customers annually;
3. High impact purchasing companies and their suppliers are collaborating to address identified risks and opportunities;



4. SMEs in the supply chains of high impact purchasing companies have the capacity to be able to meet their customers' requirements;
 5. Policy makers are able to leverage private sector commitment to reduce its deforestation footprint;
 6. Private sector actors are more engaged in UNFCCC processes and aware of opportunities under REDD+;
 7. A network of institutional investors is using deforestation risk data to engage companies and inform investment decisions.
- 2.2 The Grant Recipient shall submit a revised results framework for approval within August 15th 2016, which will be included as Annex B to the Agreement.

3 IMPLEMENTATION OF THE PROJECT

- 3.1 The Project shall be implemented in accordance with:

- a) the Agreement, including all annexes,
- b) the approved Application
- c) the implementation plan and budget.

as well as any later amendments to the above documents which are approved by Norad.

- 3.2 During the implementation of the Project, the Grant Recipient shall exercise the necessary diligence, efficiency and transparency in line with sound financial management and best practise principles.
- 3.3 The Grant Recipient shall identify, assess and mitigate any relevant risks associated with the implementation of the Project, including the risk of corruption and other financial irregularities, and any potential negative effects that the Project may have on the environment and climate, gender equality and human rights.

4 THE GRANT

- 4.1 The Grant shall amount to maximum NOK 30 million (Norwegian Kroner thirty million).
- 4.2 Disbursement after the current calendar year is subject to Norwegian Parliamentary appropriations. Significant reductions in the annual allocation to the relevant budget line may lead to a reduction in annual allocations and/or in the total Grant amount. If the grant amount is reduced, the Grant Recipient must revise the implementation plan, budget and results framework accordingly.
- 4.3 The tentative, annual distribution of the Grant will be as follows:

2016: NOK 6 000 000
2017: NOK 6 000 000
2018: NOK 6 000 000
2019: NOK 6 000 000
2020: Up to the remaining funds.

The annual allocations must be confirmed by Norad following the Parliament's approval of the state budget for the relevant budget year. Disbursements will be based on the actual financial need of the Project in accordance with article 5 of the Agreement.

- 4.4 The Grant, including accrued interest, shall be used exclusively to finance the actual costs of the implementation of the Project during the Support Period.
- 4.5 In 2016, the Grant may be used to cover overheads/indirect costs up to a maximum of 7% of the Grant. The amount used to cover such costs shall be based on the actual amount disbursed and spent in accordance with this Agreement. In 2017-2020, the Grant may be used to cover overheads/indirect costs up to a maximum of 7 % of the actual, direct costs of the Project. When the Grant Recipient submits an updated budget and implementation plan for 2017 in accordance with article 6.1 d, the Grant Recipient shall also submit a revised overall budget reflecting this change in calculation method. The revised overall budget shall replace the budget attached as annex A to this Agreement.
- 4.6 The Grant Recipient is responsible for obtaining any additional resources which may be required to duly implement the Project.
- 4.7 The Grant Recipient may apply for additional funding to the Project during the Support Period only upon written invitation from Norad.

5 DISBURSEMENT

- 5.1 The Grant shall be disbursed in advance instalments based on the financial need of the Project for the upcoming period, which shall not exceed six months. The disbursements shall be made upon Norad's receipt of written disbursement requests from the Grant Recipient, describing the financial need for the period in question. The first disbursement shall include approved Project expenses incurred prior to the signing of this Agreement. The second disbursement shall be subject to Norad's receipt and approval of an updated results framework, as per article 2.2.
- 5.2 Financial need refers to the budgeted expenditure for the upcoming period, less any funds available to the Project from all other sources during the same period.
- 5.3 The financial need shall be documented through an updated financial statement for the Project and a reference to the latest approved implementation plan and budget.
- 5.4 The disbursement requests shall be signed by an authorised representative of the Grant Recipient. A confirmation that the Project is being implemented in accordance with the Agreement shall be included in the disbursement request.
- 5.5 All disbursements are conditional upon the Grant Recipient's continued compliance with the requirements of the Agreement, including the timely fulfilment of reporting obligations. Norad may withhold disbursements in accordance with article 17 of the General Conditions if it finds that the requirements of the Agreement have not been met. Except for the Project's first year, the first disbursement each year is subject to the Norad's receipt and approval of the updated implementation plan and budget, while the second disbursement each year is subject to Norad's receipt and approval of the latest progress report and financial report.

- 5.6 The Grant Recipient shall have a separate bank account exclusively for grants from Norad. All disbursements will be made to the following bank account:

Name of the account:	CDP Worldwide
Sort code:	400333
Account no.:	21668900
IBAN no.:	GB92MIDL40033321668900
Name and address of the bank:	HSBC Bank plc 25 Islington High Street, London N1 9LJ United Kingdom
Swift/BIC code:	MIDLGB22
Currency of the account:	Sterling (£)

- 5.7 The Grant Recipient shall immediately acknowledge receipt of the funds in writing. The amount received shall be stated, as well as the date of receipt and the exchange rate applied.

6 REPORTING AND OTHER DOCUMENTATION

- 6.1 The following shall be submitted by the Grant Recipient to Norad:

- a) A **progress report** covering the period from January to December the previous year shall be submitted to Norad by 1 May each year. The last year of the Support Period the progress report shall cover the period from the start of the Support Period to December 2019. The progress report shall include the content specified in article 2 of the General Conditions. The Civil Society Department's standard reporting format shall be used.
- b) A **financial report** covering the period from January to December the previous year shall be submitted to Norad by 1 May each year. The financial report shall include the content specified in article 3 of the General Conditions. The final financial report shall cover the entire Support Period and shall be submitted along with the final report referred to in article 6.1 f) of the Specific Conditions.
- c) An **audit report** covering the annual financial statements of the Project shall be submitted to Norad by 1 May each year. The audit report shall comply with the requirements set out in article 7 of the Specific Conditions and article 5 of the General Conditions. The management letter (matters for governance attention) shall be attached to the audit report.
- d) An updated **implementation plan and budget** covering the period from January to December shall be submitted to Norad by 15 January each year. The implementation plan and budget shall include the content listed in article 1 of the General Conditions.
- e) If the grant recipient produces an **annual report and audit report** of the whole organisation, it shall be submitted to Norad by 1 May each year. If the auditor in addition submits a management letter (matters for governance attention) this shall be attached to the audit report.
- f) A **final report** for the Support Period shall be submitted to Norad no later than six months after the end of the Support Period. The final report shall include the content listed in article 4 of the General Conditions. The Civil Society Department's standard reporting format shall be used.

- 6.2 If the Grant Recipient is unable to meet the deadlines set out above, Norad shall be informed in writing immediately.

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- 6.3 All implementation plans, budgets and reports shall be approved in writing by Norad unless otherwise agreed by the Parties.

7 AUDIT

- 7.1 The annual financial statements of the Project shall be audited in accordance with International Standards of Auditing (ISA) 800 ("Special considerations audits of financial statements prepared in accordance with special purpose frameworks") or ISA 805 ("Special considerations audits of single financial statements and specific elements, accounts or items of a financial statement"). Additional requirements applicable to the auditor and the audit report are included in article 5 of the General Conditions.
- 7.2 The Grant Recipient is responsible for submitting the audit report to Norad within the deadline indicated in article 6 of the Specific Conditions.

8 FORMAL MEETINGS

- 8.1 Unless otherwise agreed, formal meetings shall be held once per year, tentatively in September, in order to discuss i.a. the results achieved by the Project during the Support Period. The meetings shall be called and chaired by the Grant Recipient.
- 8.2 Unless otherwise agreed, the Parties shall discuss the latest progress report and financial report, the ongoing implementation, as well as the implementation plan and budget to be submitted for the upcoming period. In the event that such reports have not been received at least three weeks before the meeting, the Parties shall agree upon a new date to hold the meeting.
- 8.3 The Grant Recipient shall record main issues discussed, points of view expressed and decisions made, in minutes from the meeting. The Grant Recipient shall submit the minutes to Norad no later than two weeks after the meeting for comments. The agreed minutes shall be signed by both Parties.

9 REVIEWS AND OTHER FOLLOW-UP MEASURES

- 9.1 A mid-term review focusing on verification of key results, progress on standardised reporting cf. Annex C and provision of recommendations regarding project implementation for the remainder of the Support Period conducted by an independent third party shall be carried out by 1 November 2018. The Grant Recipient shall draft the terms of reference for the review and submit them to Norad for approval. The costs of the review shall be included in the Project budget.
- 9.2 If the Grant Recipient or another interested party initiates a review or evaluation of activities that are wholly or partly funded by the Grant, Norad shall be informed. The Grant Recipient shall forward a copy of the report of any such review or evaluation to Norad without undue delay.

10 PROCUREMENT

- 10.1 All procurement under the Project shall be completed in accordance with the Procurement Provisions in Part III of this Agreement.

11 REPAYMENT OF INTEREST AND UNUSED FUNDS

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- 11.1 Upon the end of the Support Period or upon termination of this Agreement, any unused funds that total more than NOK 500 shall be repaid to Norad as soon as possible and at the latest within 6 months. The repayment shall include any interest which have not been used for Project purposes, and other financial gain accrued on the Grant.

- 11.2 Repayments shall be made to the following bank account:

Account no.: 7694.05.14815

IBAN no.: NO31 7694 0514 815

Name and address of the bank: DNB BANK ASA, N-0021 Oslo, Norway

Swift/BIC code: DNBANOKKXXX

- 11.3 All transactions shall be clearly marked: "Unused funds" or "Interest". The name of the Grant Recipient shall be stated, along with Norad's agreement number and agreement title.

12 SPECIAL PROVISIONS

- 12.1 No special provisions apply.

13 NOTICES

- 13.1 All communication to Norad concerning the Agreement shall be directed to the Civil Society Department at the following address/e-mail address: SIVSA.NORAD-post@norad.no.
- 13.2 All communication to the Grant Recipient concerning the Agreement shall be directed to Ruth Prior at the following address/e-mail address: ruth.prior@cdp.net.
- 13.3 Norad's agreement number and agreement title shall be stated in all correspondence regarding this Agreement, including disbursement requests and repayment of unused funds.



14 SIGNATURES

- 14.1 By signing part I of the Agreement, the Parties confirm receipt and approval of part II; General Conditions, and part III; Procurement Provisions, which form an integral part of the Agreement.
- 14.2 This Agreement has been signed in two -2- original copies in the English language. In the event of any discrepancies between this English language version and any later translations, the English language version shall prevail.

Place: Oslo, Norway

Date:

29.6.2016



for the Norwegian Agency for Development
Cooperation,

Svein Bæra

Director Civil Society Department

for CDP Worldwide,

Simon Barker

Chief Financial Officer

Attachments:

Annex A: Approved budget for the Project

Annex B: Results framework

Annex C: Standard reporting information for the grant scheme

Standard:	Norwegian and Non-Norwegian NGOs	Revision no.:	1
General Conditions	Grant Management Regime I and II	Date:	01.03.2016

PART II: GENERAL CONDITIONS APPLICABLE TO GRANTS FROM THE NORWEGIAN AGENCY FOR DEVELOPMENT COOPERATION

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1 IMPLEMENTATION PLAN AND BUDGET

- 1.1 Any updated implementation plan to be submitted in accordance with the Specific Conditions shall be directly related to the results framework and shall specify planned activities and outputs and time schedules for the upcoming reporting period.
- 1.2 Any updated budget to be submitted in accordance with the Specific Conditions shall be based on the approved budget in Annex A and include estimated income to the Project from all sources as well as planned expenditures for the upcoming reporting period. The estimated financial need of the Project in the upcoming reporting period shall be clearly stated.
- 1.3 Significant deviations from or changes to the implementation plan and budget is subject to Norad's prior, written approval as outlined in article 12 of the General Conditions.

2 PROGRESS REPORT

- 2.1 Any progress reports to be submitted in accordance with the Specific Conditions shall describe the results achieved by the Project during the reporting period. The report shall be set up in a way that allows direct comparison with the latest approved Application, implementation plan and budget, and shall be signed by an authorised representative of the Grant Recipient.
- 2.2 The progress reports shall, as a minimum, include:
 - a) an account of the results achieved so far by the Project, using the format, indicators and targets of the approved results framework. The overview must:
 - show delivered outputs compared to planned outputs;
 - show the Project's progress towards achieving the Outcome;
 - if possible, describe the likelihood of the Impact being achieved.
 - b) an account and assessment of deviations from the latest approved implementation plan and Application;
 - c) an assessment of how efficiently Project resources have been turned into Outputs;
 - d) a brief account of materialised risk factors to the Project, including how these have been handled in the reporting period and/or will be handled in the future. Identified risks related to the climate and environment, gender equality, corruption and other financial mismanagement and human rights shall always be accounted for.

3 FINANCIAL REPORT

- 3.1 Any financial report to be submitted in accordance with the Specific Conditions shall comprise financial statements with a comparison to the latest approved budget for the reporting period, as well as an identification of any deviations from the budget as per clause 3.3 below. The financial report shall be certified by the financial controller (or equivalent) as well as an authorised representative of the Grant Recipient.
- 3.2 The financial statements shall be set up in a way that allows for direct comparison with the latest approved budget, using the same currency and budget line items. They shall, as a minimum, include:
 - a) the accounting principles applied;
 - b) income from all sources, including bank interest. Norad's contribution shall be specified;
 - c) expenses charged/capitalised in the relevant reporting period;
 - d) expenses charged/capitalised from start-up of the Project to the end of the reporting period;
 - e) unused funds as per the reporting date;

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- f) overhead/indirect costs to be covered by the Grant in accordance with article 4 of the Specific Conditions;
 - g) balance sheet, when required in accordance with the accounting principles applied;
 - h) explanatory notes including a description of the accounting policies used and any other explanatory material necessary for transparent financial reporting of the Project.
- 3.3 Deviations between the approved budget and the expenses charged/capitalised shall be highlighted with information on both nominal amounts and percentage of each deviation. The Grant Recipient shall include a written explanation of any deviations amounting to more than 10% from a budget line.

4 FINAL REPORT

- 4.1 The final report to be submitted in accordance with the Specific Conditions shall describe the results achieved by the Project during the Support Period. The report shall be set up in a way that allows for a direct comparison with the Application, and shall be signed by an authorised representative of the Grant Recipient.
- 4.2 The final report shall, as a minimum, include:
- a) the items listed for the progress reports described in article 2 of the General Conditions, covering the entire Support Period;
 - b) an assessment of the Project's effect on society (Impact);
 - c) a description of the main lessons learned from the Project;
 - d) an assessment of the sustainability of the achieved results by the Project.

5 AUDIT

- 5.1 If an audit of the Project's financial statements is required pursuant to the Specific Conditions, the audit shall be carried out by an independent chartered/certified or state-authorised public accountant (auditor).
- 5.2 Norad reserves the right to approve the auditor, and may require that the auditor shall be replaced if Norad finds that the auditor has not performed satisfactorily or if there is any doubt as to the auditor's independence or professional standards.
- 5.3 The auditor shall form an opinion on whether the Project's financial statements fairly reflect the financial position of the Project and whether they are prepared, in all material respects, in accordance with the applicable financial reporting framework, namely:
- a) the accounting principles followed by the Grant Recipient and;
 - b) the requirements of article 3 clause 2 of the General Conditions.
- 5.4 The auditor shall report in accordance with the applicable audit standard, as agreed in the Specific Conditions.
- 5.5 The audit report shall include:
- a) the Project name and agreement number;
 - b) identification of the Project's total expenses and total income;
 - c) the subject of the audit;
 - d) the financial reporting framework applied;
 - e) the auditing standards applied;



- f) a statement that the auditor has obtained reasonable assurance about whether the financial statements as a whole are free from material misstatement;
 - g) the auditor's opinion.
- 5.6 In addition to the Project's audit report, the auditor shall submit a management letter (matters for governance attention), which shall contain any findings made during the audit of the Project. It shall also list any measures that have been taken as a result of previous audits and whether such measures have been adequate to deal with reported shortcomings.
- 5.7 If any findings have been reported in the Project's management letter, the Grant Recipient shall prepare a response including an action plan to be submitted to Norad together with the management letter.
- 5.8 The costs of the audit of the Project's financial statements shall be included in the Project's budget.
- 5.9 The audit requirements stated in this Agreement are applicable for the total Grant, including any part of the Grant that has been transferred to a cooperating partner.
- 5.10 The auditor of the Project's consolidated financial statement is responsible for the direction, supervision and performance of the audit of any part of the Grant that has been transferred to a cooperating partner. The auditor shall assure itself that those performing the audit for cooperating partners have the appropriate qualifications, that the audit is in compliance with professional standards, and that the audit report is appropriate under the circumstances.
- 5.11 The auditor of the Project's consolidated financial statement shall express an opinion on whether the statement is prepared, in all material respects, in accordance with the requirements of this Agreement. To this end, the auditor shall obtain sufficient appropriate audit evidence regarding the financial statements of the cooperating partner and the consolidation process.

6 CONTROL MEASURES

- 6.1 Representatives of Norad and the Norwegian Auditor General may at all times carry out independent reviews, audits, field visits or evaluations or other control measures related to the Project. The objective of such control measures may be i.a to verify that the Grant has been used in accordance with the Agreement or to evaluate the achievement of results.
- 6.2 The Grant Recipient shall facilitate such control measures by providing all information and documentation necessary to carry out the relevant initiative, as well as ensuring unrestricted access to any premises, records, goods and documents requested.
- 6.3 The representatives of Norad and the Norwegian Auditor General shall also have access to the Grant Recipient's auditor and the auditor's assessments of all information pertaining to the Grant Recipient and the Project. The Grant Recipient shall release the auditor from any confidentiality obligations in order to facilitate such access.
- 6.4 The rights and obligations of this article 6 shall remain in force for 5 years following expiry or termination of the Agreement.

7 FINANCIAL MANAGEMENT

- 7.1 The Grant Recipient shall keep accurate accounts of the Project's income and expenditure using an appropriate accounting- and double-entry book-keeping system¹ in accordance with the applicable accounting- and bookkeeping policies in the jurisdiction of the Grant Recipient.
- 7.2 The accounts shall be kept up to date at least on a monthly basis. Bank reconciliations² and cash reconciliations³ shall be completed at least every month, and shall be documented by the Grant Recipient.
- 7.3 Accounts and expenditures relating to the Project must be easily identifiable and verifiable, either by using separate accounts for the Project or by ensuring that Project expenditure can be easily identified and traced within the general accounting- and bookkeeping systems. The accounts must provide details of bank interest accrued on the Grant.
- 7.4 The Grant Recipient shall keep the Project's accounting records for at least 5 years from the time of Norad's approval of the final report for the Project. This shall include i.a. vouchers, receipts, contracts and bank statements.

8 EXCHANGE RATE FLUCTUATIONS

- 8.1 If the Grant is converted into another currency, the exchange shall be made through a national or commercial bank unless otherwise approved by Norad.
- 8.2 If exchange rate fluctuations decrease the value of the Grant to such an extent that this will have consequences for the implementation of the Project, the Grant Recipient shall inform Norad as soon as possible.
- 8.3 If exchange rate fluctuations increase the value of the Grant, the gain shall be treated as disbursed Grant funds and used for Project purposes. Net surplus from conversion into foreign currency shall be subtracted from future disbursements or repaid as unused funds at the end of the Support Period, unless otherwise agreed between the Parties.

9 EQUIPMENT, CONSUMABLES AND INTELLECTUAL PROPERTY RIGHTS

- 9.1 The right of ownership to equipment, consumables and intellectual property rights procured or developed by use of the Grant shall vest in the Grant Recipient or its cooperating partner, unless otherwise stated in the Application. All matters associated with such equipment, consumables and intellectual property rights are the exclusive responsibility of the Grant Recipient. However, significant use of such equipment, consumables and intellectual property rights for purposes outside the Project shall be subject to the Norad's prior approval, as outlined in Article 12 of the General Conditions.

¹ A double-entry bookkeeping system is system of bookkeeping where every entry to an account requires a corresponding and opposite entry to a different account.

² Bank reconciliation is a process of verifying whether the sum found in the bank statements at the end of the period correspond with transactions recorded in the accounting system. This is usually done in conjunction with closure of the accounting records.

³ Cash reconciliation is a process of verifying whether the cash at hand at the end of the period corresponds with the amount of cash in the beginning of the period and the registrations of withdrawals and deposits in the period. This is usually done in conjunction with closure of the accounting records.

- 9.2 Norad shall have a non-exclusive and royalty-free license to use all intellectual property rights procured or developed by the use of the Grant. Norad may assign this right to any individual or organisation at its own discretion.
- 9.3 Transfer of ownership of such equipment, consumables or intellectual property rights during the Support Period shall be made at market terms. Ownership may not be transferred to an employee of the Grant Recipient or its cooperating partner, or to anyone related or connected to an employee, if such relation could lead to a conflict of interest as described in article 16 of the General Conditions.
- 9.4 Before a transfer is decided, the Grant Recipient shall assess whether it may have an impact on the Project and, where appropriate, consult with Norad. Any income from a transfer shall accrue to the Project, and shall be reported in the financial statement of the Project.
- 9.5 The Grant Recipient shall prepare a record of transfer of ownership for any equipment, consumables and intellectual property rights. The record shall comprise information about the object of transfer, the original purchase price paid by the Grant Recipient, price offers received, the final sales price and the name of the purchaser. The record shall be submitted to Norad along with the first progress report due after the sale.
- 9.6 If the activities of the Project do not continue after the end of the Support Period or after termination of the Agreement, the Grant Recipient shall inform Norad about the remaining equipment and goods that have been purchased by use of the Grant. The Norad may require that such assets be sold. Such sale shall be completed in accordance with the procedures described above. Income from the sale shall be repaid to Norad unless otherwise agreed by the Parties.

10 REAL PROPERTY

- 10.1 The Grant may not be used to purchase or construct real property (land or buildings) unless explicitly approved by Norad.
- 10.2 If Norad has approved a purchase or construction of real property, the Grant Recipient and Norad shall agree on the details concerning the ownership and the status of the real property after the end of the Support Period and/or the end of the Project. The agreement may be formalised in the Specific Conditions or in a separate agreement document.
- 10.3 Norad may in such an agreement require i.a. that the real property shall be sold after the end of the Support Period and that the proceeds from the sale shall be repaid to Norad. Norad may also reserve the right to establish security interests in any real property purchased by use of the Grant.

11 TRANSFER OF THE GRANT TO A COOPERATING PARTNER

- 11.1 Transfer of all or part of the Grant including assets to a cooperating partner shall be documented through a written agreement. The agreement shall specify that the cooperating partner is required to comply with the provisions of this Agreement and to cooperate with the Grant Recipient to ensure that the Grant Recipient is able to fulfil its obligations hereunder.
- 11.2 The agreement between the Grant Recipient and the cooperating partner shall have provisions related to i.a. reporting, audit, procurement and measures to prevent financial irregularities. Furthermore, the agreement shall explicitly state that:

- a) both the Grant Recipient, Norad and the Norwegian Auditor General shall have the same access to undertake the control measures related to the cooperating partner's use of the Grant as described in article 6 of the General Conditions.
 - b) the Grant Recipient shall be entitled to claim repayment of the Grant from the cooperating partner in the same instances and to the same extent that Norad is entitled to claim repayment from the Grant Recipient, and the cooperating partner shall accept that Norad has the right to claim repayment directly from the cooperating partner to the same extent as the Grant Recipient,
 - c) the cooperating partner shall accept the choice of law and settlement of disputes provisions in article 24 of the General Conditions in relation to any disputes arising between the cooperating partner and Norad.
- 11.3 The Grant Recipient shall assure itself that the cooperating partner has the necessary competence and internal procedures to meet the requirements of the Agreement and shall follow-up the cooperating partner's compliance with the Agreement throughout the Support Period.
- 11.4 The Grant may not be transferred to a cooperating partner who has previously been charged or sentenced for any criminal activity unless explicitly approved by Norad.
- 11.5 The Grant Recipient shall remain fully responsible towards Norad for any part of the Grant including assets that has been transferred to a cooperating partner.

12 CHANGES TO THE PROJECT OR THE GRANT RECIPIENT

- 12.1 Any significant deviations from or changes to the Application or approved implementation plans or budgets are subject to Norad's prior, written approval. The same applies to significant changes to, or circumstances materially affecting, the Grant Recipient's organisation.
- 12.2 The following deviations/changes shall always be subject to Norad's prior written approval:
- a) any changes to the Project's sources of income,
 - b) any changes to the results framework or scope of the Project,
 - c) changes to the implementation plan which implies a delay of more than three months of any activity,
 - d) changes to the Project's budget that imply reallocation of more than 10% of a budget line.
- 12.3 Norad may suspend disbursements of the Grant until such changes have been approved.

13 EXTENSION OF THE SUPPORT PERIOD

- 13.1 The Support Period of the Project is set out in the Specific Conditions. The Grant Recipient must, without delay, inform Norad of any circumstances likely to hamper or delay the implementation of the Project.
- 13.2 The Grant Recipient may request an extension of the Support Period if this is necessary to complete all planned activities. The request must state the reasons for the delay and supporting documentation must be enclosed. Norad shall approve or decline the request in writing.

14 TRANSPARENCY

- 14.1 The Grant Recipient shall publish the following in a dedicated and easily accessible place of its internet site:
- a) a copy of this Agreement;

- b) the title and value of any contracts, cooperation agreements and/or other sub-agreements of more than NOK 500 000 (or the equivalent in local currency) which are to be financed by the Grant;
- c) the names and nationalities of the respective agreement parties and, if relevant, any further sub-grantees or contractors in receipt of Project funds;

Any deviations from article 14 shall be agreed by the Parties in writing, i.a. in the Specific Conditions.

- 14.2 Publication shall take place as soon as possible, and at the latest within six months after the contracts, cooperation agreements and/or other sub-agreements were entered into
- 14.3 The Grant Recipient shall make other project documentation, including the Application and all agreed reports, available to anyone upon request. Requests for disclosure may be denied if such disclosure is prohibited by confidentiality obligations and/or if it may be detrimental to the Grant Recipient's legitimate interests.

15 FINANCIAL IRREGULARITIES

- 15.1 The Grant Recipient is required to practise zero tolerance against corruption and other financial irregularities within and related to the Project. The zero tolerance policy applies to all staff members, consultants and other non-staff personnel and to cooperating partners and beneficiaries of the Grant.
- 15.2 Financial irregularities refers to all kinds of:
 - a) corruption, including bribery, nepotism and illegal gratuities;
 - b) misappropriation of cash, inventory and all other kinds of assets;
 - c) financial and non-financial fraudulent statements;
 - d) all other use of Project funds which is not in accordance with the implementation plan and budget.
- 15.3 In order to fulfil the zero tolerance requirement, the Grant Recipient shall:
 - a) organise its operations and internal control systems in a way that financial irregularities are prevented and detected;
 - b) do its utmost to prevent and stop financial irregularities within and related to the Project;
 - c) require that all staff involved in, and any consultants, suppliers and contractors financed under the Project refrain from financial irregularities.
- 15.4 The Grant Recipient shall inform Norad immediately of any indication of financial irregularities in or related to the Project. The Grant Recipient shall provide Norad with an account of all the known facts and an assessment of how the matter should be followed up, including whether criminal prosecution or other sanctions are considered appropriate.
- 15.5 The matter will be handled by Norad in accordance with Norad's guidelines for handling suspicion of financial irregularities. The Grant Recipient shall cooperate fully with Norad's investigation and follow-up. If requested by Norad, the Grant Recipient shall initiate prosecution and/or apply other sanctions against persons or entities suspected of financial irregularities.
- 15.6 Norad may claim repayment of all or parts of the Grant in accordance with article 17 of the General Conditions if it finds that any financial irregularities have taken place in or related to the Project. The repayment claim may also include any interest, investment income or any other financial gain obtained as a result of the financial irregularity.

16 CONFLICT OF INTEREST

- 16.1 The Grant Recipient shall take all necessary precautions to avoid any conflicts of interest in all matters related to the Project.
- 16.2 Conflict of interest refers to any situation where the impartial and objective exercise of the functions of anyone acting on behalf of the Grant Recipient is, or may be, compromised for reasons involving family, personal life, political or national affinity, economic interest or any other connection or shared interest with another person.
- 16.3 If a conflict of interest occur, the Grant Recipient shall, without delay, take all necessary measures to resolve the conflict, e.g. by replacing the person in question or by obtaining independent verification of the terms of the proposed decision or transaction.
- 16.4 If the conflict of interest cannot be resolved and/or if it relates to a decision or transaction of special significance to the Project, the decision or transaction may not be concluded without the prior, written approval of Norad.

17 BREACH OF THE AGREEMENT

- 17.1 If the Grant Recipient fails to fulfil its obligations under this Agreement and/or if there is suspicion of financial irregularities, Norad may suspend disbursement of all or part of the Grant.
- 17.2 In the event of material breach of the Agreement, Norad may terminate the Agreement with immediate effect, and/or claim repayment of all or parts of the Grant.
- 17.3 Material breach of the Agreement shall include, without limitation, the following situations:
- a) all or part of the Grant has not been used in accordance with the Agreement and/or approved implementation plans and budget,
 - b) the Grant Recipient has made false or incomplete statements to obtain the Grant,
 - c) the use of the Grant has not been satisfactorily accounted for,
 - d) the Grant Recipient has, after having been granted an extended deadline, failed to provide the agreed reports, or has knowingly provided reports that do not reflect reality,
 - e) financial irregularities, grave professional misconduct or illegal activity of any form have taken place within the Grant Recipient or its cooperating partners,
 - f) the Grant Recipient has failed to inform Norad of indication of financial irregularities within the Project in accordance with article 15 of the General Conditions,
 - g) the Grant Recipient has changed legal personality without prior notification to Norad,
 - h) the Grant Recipient is bankrupt, being wound up or is having its affairs administered by the courts, or is subject to any analogous or corresponding procedure provided for under national legislation.
- 17.4 The Grant Recipient shall inform Norad immediately of any circumstances that may indicate or lead to a breach of Agreement, and shall provide Norad with any information or documentation it may reasonably require in order to determine if a breach of the Agreement has occurred.
- 17.5 Norad may also suspend disbursements or terminate the Agreement with immediate effect if a material breach of another agreement between Norad and the Grant Recipient has been established.

18 TERMINATION OF THE AGREEMENT



- 18.1 Each of the Parties may terminate the Agreement upon a written notice.
- 18.2 The Support Period shall end three months after the date of the notice of termination. During these three months, the Grant Recipient may only use the Grant to cover commitments that have been established before the date of the notice of termination.
- 18.3 If the Project cannot continue without the Grant, the Grant Recipient shall use these three months to discontinue or scale down the Project promptly and in an orderly and financially sound manner. Any funds that remain unused at the end of the Support Period shall be repaid to Norad.
- 18.4 The Grant Recipient shall submit a final report to Norad within three months of the end of the Support Period. The final report shall meet the requirements set out in article 4 of the General Conditions and shall also include a financial report and audit report covering the period from the previous financial report until the end of the Support Period.
- 18.5 The Agreement will be considered terminated when the final report has been approved by Norad and any remaining funds have been repaid.

19 WAIVER AND IMMUNITIES

- 19.1 Nothing in the Agreement or any document related to the Agreement shall imply a waiver, express or implied, by Norad, the Government of Norway or any of its officials of any privileges or immunity enjoyed by them or their acceptance of the jurisdiction of the courts of any country over disputes arising thereof. This article 19 will not prevent arbitration or court proceedings in the legal venue of the Grant Recipient pursuant to article 24 of the General Conditions.

20 LIABILITY

- 20.1 Norad shall not under any circumstances or for any reason be held liable for damage, injury or loss of income sustained by the Grant Recipient or its staff or property as a direct or indirect consequence of the Project. Norad will not accept any claim for compensation or increases in payment in connection with such damage, injury or loss of income.
- 20.2 The Grant Recipient shall assume sole liability towards third parties, including liability for damage, injury or loss of income of any kind sustained by them as a direct or indirect consequence of the Project. The Grant Recipient shall indemnify Norad against any claim or action from the Grant Recipient's employees or third parties in relation to the Project.

21 ASSIGNMENT

- 21.1 The Agreement and/or the Grant may not be assigned to a third party without the prior written consent of Norad. This shall not, however, prevent transfer of parts of the Grant to a cooperating partner in accordance with article 11 of the General Conditions.

22 RECOGNITION AND PUBLICATION

- 22.1 The Grant Recipient shall acknowledge Norad's support to the Project in all publications and other materials issued in relation to the Project. Norad's logotype will be provided by Norad upon request. All use of Norad's logotype must be approved by Norad.

23 ENTRY INTO FORCE, DURATION AND AMENDMENT

- 23.1 The Agreement shall enter into force at the date of the last signature and shall remain in force until all obligations arising from it have been fulfilled, or until it is terminated in accordance with the provisions of the General Conditions. Whether the obligations of the Agreement shall be considered fulfilled, will be determined through consultations between the Parties and confirmed by Norad in a completion letter.
- 23.2 The Agreement may be amended. Any such amendment must be agreed upon in writing between the Parties and shall become an integral part of the Agreement.
- 23.3 Termination or expiry of the Agreement shall not release the Parties from any liability arising from any act or omission that has taken place prior to such termination or expiry.

24 CHOICE OF LAW AND SETTLEMENT OF DISPUTES

- 24.1 The Agreement shall be governed and construed in accordance with Norwegian law.
- 24.2 If any dispute arises relating to the implementation or interpretation of the Agreement, the Parties shall seek to reach an amicable solution.
- 24.3 Any dispute arising out of or in connection with the Agreement that cannot be solved amicably, shall exclusively be settled before the Norwegian courts of law with Oslo District Court as legal venue.
- 24.4 The Grant Recipient accepts that Norad can, at its own sole discretion and as an alternative to the legal venue mentioned above, choose to settle the dispute by
- a) the courts in the legal venue of the Grant Recipient, or
 - b) arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall be composed of three arbitrators. If the disputed amount is below an amount corresponding to NOK 10 000 000 the arbitral tribunal shall, however, be composed of a sole arbitrator. The seat of arbitration shall be Stockholm, Sweden, and the language to be used in the arbitral proceedings shall be English. The Parties agree that neither the arbitral proceedings nor the award shall be subject to any confidentiality.
- 24.5 The Parties agree that no other courts of law, than as set out in this article 24, shall have jurisdiction over disputes arising out of or in connection with this Agreement.

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Standard: Procurement Provisions	Norwegian and Non-Norwegian NGOs Grant Management Regime I and II	Revision no.: Date:	1 01.03.2016
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PART III: PROCUREMENT IN THE CONTEXT OF PROJECTS FINANCED BY THE NORWEGIAN AGENCY FOR DEVELOPMENT COOPERATION

1 INTRODUCTION

- 1.1 This Part III sets out procurement rules and principles which shall be applied by the Grant Recipient when procuring goods, services or works to Projects financed by the Norwegian Agency for Development Cooperation (Norad). Stricter rules may supplement the compulsory minimum rules set forth in this Part III.
- 1.2 Norad may carry out ex post checks on the Grant Recipient's compliance with the rules set forth in this Part III.
- 1.3 Failure to comply with the rules set forth in this Part III shall render the Project expenditure ineligible for Norad funding and may lead to withholding funds or claim for repayment in accordance with article 17 of the General Conditions (Part II) of this Agreement.
- 1.4 Contracts shall not be split artificially to circumvent the procurement thresholds. All monetary amounts referred to in this Part III are amounts excluding value-added tax (VAT).
- 1.5 The procurement provisions shall also apply to any procurements to be carried out by the Grant Recipient's cooperation partners or others. The Grant Recipient shall be responsible for compliance as per article 11 of the General Conditions (Part II) of this Agreement regardless of whether the procurement is carried out by the Grant Recipient itself or its cooperation partners or others.
- 1.6 Sections 1 to 4 set out rules, which shall apply to all contracts. Sections 5 to 6 contain specific rules for service, supply and works contracts. Section 7 lists the situations where a negotiated procedure without prior publication is permitted.

2 BASIC PRINCIPLES

- 2.1 If a Project requires procurement by the Grant Recipient, the contract must be awarded following a tender procedure to the most economically advantageous tender (i.e. to the tenderer obtaining the best score based on price and quality), or, as appropriate, to the tenderer offering the lowest price. In doing so, the Grant Recipient shall avoid any conflict of interests and respect the following basic principles:

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- a) **Competition:** The procedures applied and the award of contracts shall be based on fair competition.
- b) **Equal treatment and non-discrimination:** Participation in tender procedures shall be open on equal terms to all natural and legal persons. During the entire procurement and the award of contracts, the Grant Recipient shall not discriminate against candidates/tenderers or groups of candidates/tenderers.
- c) **Transparency and ex-ante publicity:** As a general rule, tender procedures shall be based on prior publication. Where the Grant Recipient does not launch an open tender procedure, it shall justify the choice of tenderers that are invited to submit an offer.
- d) **Objective criteria:** The Grant Recipient shall evaluate the offers received against objective criteria, which enable the Grant Recipient to measure the quality of the offers and shall take into account the price (the offer with the lowest price shall be awarded the highest score for the price criterion). The criteria shall be set out beforehand and shall be relevant to the contract in question.
- e) **Notoriety:** The Grant Recipient shall keep sufficient and appropriate records and documentation with regard to the procedure, its evaluation and award.

3 ELIGIBLE TENDERERS

3.1 Tenderers must provide information on their legal form and ownership structure.

3.2 Tenderers shall be excluded from participation in a procurement procedure if:

- a) they are bankrupt or being wound up, are having their affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are subject of proceedings concerning those matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations. However, tenderers in this situation may be eligible to participate insofar as the Grant Recipient is able to purchase supplies on particularly advantageous terms from either a supplier which is definitively winding up its business activities, or the receivers or liquidators of a bankruptcy, through an arrangement with creditors, or through a similar procedure under national law;
- b) they or persons having powers of representation, decision-making or control over them have been convicted of an offence concerning their professional conduct by a final judgment;
- c) they have been guilty of grave professional misconduct; proven by any means which the Grant Recipient can justify;
- d) they have not fulfilled obligations relating to the payment of social security contributions or taxes in accordance with the legal provisions of the country in which they are established, or with those of the country of the Grant Recipient or those of the country where the contract is to be performed;

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- e) they or persons having powers of representation, decision-making or control over them have been convicted for fraud, corruption, involvement in a criminal organisation or money laundering by a final judgment;
 - f) they make use of child labour or forced labour and/or practise discrimination, and/or do not respect the right to freedom of association and the right to organise and engage in collective bargaining pursuant to the core conventions of the International Labour Organization (ILO).
- 3.3 Tenderers shall confirm in writing that they are not in any of the situations listed above. Even if such confirmation is given by a tenderer, the Grant Recipient shall investigate any of the situations listed above if it has reasonable grounds to doubt the contents of such confirmation.
- 3.4 Contracts shall not be awarded to tenderers which, during the procurement procedure:
- a) are subject to a conflict of interests;
 - b) are guilty of misrepresentation in supplying the information required by the Grant Recipient as a condition of participation in the tender procedure, or fail to supply this information.

4 GENERAL PROCUREMENT RULES

- 4.1 The tender documents shall be drafted in accordance with best international practice. The Grant Recipient may voluntarily use the models published in the Practical Guide on the EuropeAid (EU) website.
- 4.2 The Grant Recipient shall take into account universal design and the potential environmental impact of any planned procurements.
- 4.3 All invitations to submit tenders shall state that offers will be rejected if any illegal or corrupt practises have taken place in connection with the award. All contracts concluded under the Project shall state that the Grant Recipient may terminate the contract if it finds that illegal or corrupt practises have taken place in connection with the contract award or execution.
- 4.4 The time-limits for receipt of tenders and requests to participate must be sufficient to allow interested parties a reasonable and appropriate period to prepare and submit their tenders.
- 4.5 An evaluation committee must be set up to evaluate applications and/or tenders of a value of NOK 500 000 or more on the basis of the exclusion, selection and award criteria. This committee must have an odd number of members, at least three, with all the technical and administrative capacities necessary to give an informed opinion on the tenders.

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- 4.6 For contracts with a value exceeding NOK 100 000, the Grant Recipient shall compile a written record with documentation of all assessments and decisions during all steps of the procurement process from the planning stage until the signing of the contract. Upon request by Norad, the Grant Recipient shall deliver its written record to Norad and grant Norad access to all relevant information and documentation related to the procurement procedure and practices applied.

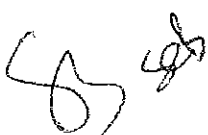
5 AWARD OF CONTRACTS

- 5.1 Contracts with a value of less than NOK 500 000 may be awarded by using any procurement procedure established by the Grant Recipient, while respecting the rules and principles laid down in Sections 1 to 4 of this Part III.
- 5.2 Contracts with a value exceeding NOK 500 000 shall be awarded by means of one of the following procurement procedures:
- a) **Open tender procedure:** In open procedures, any interested tenderer may submit a tender in response to a call for competition. The tender shall be accompanied by the information for qualitative selection as requested by the Grant Recipient.
 - b) **Restricted procedure:** In restricted procedures, any tenderer may submit a request to participate in response to a call for competition by providing the information for qualitative selection as requested by the Grant Recipient. Only those tenderers invited to do so by the Grant Recipient following its assessment of the information provided may submit a tender. The Grant Recipient may limit the number of suitable candidates to be invited to participate in the procedure.
 - c) **Competitive procedure with negotiation:** In competitive procedures with negotiation, any tenderer may submit a request to participate or a tender in response to a call for competition by providing the information for qualitative selection as requested by the Grant Recipient. Tenderers may submit an initial tender, which shall be the basis for subsequent negotiations. The minimum requirements and the award criteria shall not be subject to negotiations.
- 5.3 Where the Grant Recipient does not launch an open tender procedure, it shall justify and document in writing the choice of tenderers that are invited to submit an offer.
- 5.4 Deviations from the procedures listed in Section 5.2 are limited to the situations listed in Section 7 of this Part III.

6 PUBLICATION OF PROCUREMENT NOTICE

- 6.1 The following shall apply with respect to publication of the procurement notice:¹

¹ Definitions of different types of contracts and procedures can be found in Directive 2014/24/EU.



- a) **Service and supply contracts from NOK 500 000 to less than NOK 2 500 000 and works contracts from NOK 500 000 to less than NOK 40 000 000**

The prior procurement notice shall be published in all appropriate media, at least in the country in which the Project will be carried out as well as on the Grant Recipient's website.

- b) **Service and supply contracts with a value of NOK 2 500 000 and above and works contracts with a value of NOK 40 000 000 and above**

The prior procurement notice shall be published in all appropriate media, in particular on the Grant Recipient's website, in the international press and the national press of the country in which the Project will be carried out, and in any other relevant specialist periodicals.

7 USE OF NEGOTIATED PROCEDURE WITHOUT PRIOR PUBLICATION

7.1 The Grant Recipient may use a negotiated procedure without prior publication in the following cases:

- a) if any of the circumstances set out in Article 32 of Directive 2014/24/EU are present;
- b) for purposes of humanitarian aid and civil protection operations or for crisis management aid in a crisis that has been formally recognised by and for the time period declared by Norad;
- c) where the services are entrusted to public-sector or non-profit bodies and relate to activities of an institutional nature or are designed to provide assistance to people in the social field;
- d) for contracts declared to be secret, or whose performance must be accompanied by special security measures, or when the protection of the essential interests of Norad so requires.

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	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel						
1 Brazil	16 102	33 170	34 165	35 190	36 246	154 874
0,5 Brazil	12 077	16 585	17 083	17 595	18 123	81 463
1 China	12 414	25 572	26 339	27 129	27 943	119 398
0,5 China	18 620	12 786	13 170	13 565	13 972	72 112
1,0 Berlin	6 500	10 711	36 775	37 878	39 015	130 879
0,125 Supply chain	5 817	7 988	8 228	8 475	8 729	39 236
0,125 Supply chain	7 104	9 756	10 049	10 350	10 661	47 920
1 Supply chain	17 540	36 132	41 930	43 188	44 483	53 672
1 Forests/SC	29 642	40 709	16 583	17 080	17 593	199 952
0,25 Forests	11 723	16 100	8 386	8 638	8 897	79 079
0,20 Investor team	5 928	8 142	9 304	9 583	9 871	39 990
0,25 Disclosure		10 938	11 266	11 604	11 952	37 791
0,25 Technical	11 006	15 115	15 568	16 035	16 516	45 761
0,2 Comms	10 046	13 797	14 211	14 637	15 076	74 241
0,2 Policy		15 000	30 000			67 766
1 IT Development	-	16 053	16 535	17 031	17 542	45 000
5 Steering Group	11 689					78 850
Total Personnel	176 208	297 587	309 591	287 579	296 618	1 367 983

Local Office Staff Costs

1 Brazil	3 364	6 930	7 138	7 352	7 572	32 356
0,5 Brazil	2 523	3 465	3 569	3 676	3 786	17 019
1 China	3 657	7 532	7 758	7 991	8 231	35 169
0,5 China	2 742	3 766	3 879	3 996	4 115	18 499
1 Berlin	1 601	2 638	9 056	9 328	9 607	32 229
Total Office Costs	13 886	24 331	31 400	32 342	33 312	135 272

Partners

GCP	69 469	87 847	88 780	66 623	45 680	358 400
Personnel	56 619	76 247	76 780	54 173	35 380	299 200
Travel	4 000	4 000	4 000	4 000	4 000	20 000
Publications and translation	7 600	7 600	7 600	7 600	6 300	
Office costs	850	-	-	850	-	1 700
Recruitment	400	-	400	-	-	800
FNC	7 103	23 756	24 469	36 583	37 680	129 590
Personnel	5 603	16 756	17 259	22 583	23 260	85 460
Travel and events	1 500	7 000	7 210	14 000	14 420	44 130
SPdE	8 391	19 688	19 890	29 272	29 587	106 828
Personnel	6 891	13 688	13 710	20 272	20 317	74 878
Travel and events	1 500	6 000	6 180	9 000	9 270	31 950
Total Partners	84 963	131 291	133 139	132 479	112 947	594 819

Net to NICFI
% NICFI

£2 307 620	NOK 29 999 055
80 %	80 %

	Year 1	Year 2	Year 3	Year 4	Year 5	
UK	£217 209	£355 198	£353 644	£307 828	£305 016	£1 538 896
Europe excl. UK	14 850	22 619	55 379	57 040	58 752	£208 640
Brazil	£72 991	£105 367	£108 528	£111 784	£115 138	£513 808
China	£64 733	£78 909	£81 276	£83 714	£86 226	£394 857
Colombia	£7 103	£23 756	£24 469	£36 583	£37 680	£129 590
Peru	£8 391	£19 688	£19 890	£29 272	£29 587	£106 828
	£385 276	£605 537	£643 185	£626 222	£632 399	£2 892 620
						100 %
						53 %
						7 %
						18 %
						14 %
						4 %
						4 %

	Year 1	Year 2	Year 3	Year 4	Year 5
Headquarters UK	£147 740	£267 351	£264 864	£241 205	
Regional Office Germany	£14 850	£22 619	£55 379	£57 040	
Regional Office Brazil	£72 991	£105 367	£108 528	£111 784	
Regional Office China	£64 733	£78 909	£81 276	£83 714	
Sub-grantee GCP	£69 469	£87 847	£88 780	£66 623	
Sub-grantee FNC	£7 103	£23 756	£24 469	£36 583	
Sub-grantee SPdE	£8 391	£19 688	£19 890	£29 272	
	£385 276	£605 537	£643 185	£626 222	

Currencies

	£217 209	£355 198	£353 644	£307 828	£305 016	£1 538 896	£953 896	41 %
GBP	£217 209	£355 198	£353 644	£307 828	£305 016	£1 538 896	£953 896	41 %
Euro	£14 850	£22 619	£55 379	£57 040	£58 752	£208 640	£208 640	9 %
Brazilian Real	£72 991	£105 367	£108 528	£111 784	£115 138	£513 808	£513 808	22 %
Chinese Yuan	£64 733	£78 909	£81 276	£83 714	£86 226	£394 857	£394 857	17 %
Colombian Peso	£7 103	£23 756	£24 469	£36 583	£37 680	£129 590	£129 590	6 %
Peruvian Sol	£8 391	£19 688	£19 890	£29 272	£29 587	£106 828	£106 828	5 %

£2 892 620	£2 307 620
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External Assistance						
Recruitment	12 000					12 000
Translations	9 000	12 360	12 731	13 113	13 506	60 710
Comms		17 300	24 819	25 564	26 330	94 013
Licence and Service Fee			10 000	15 000	30 000	55 000
Audit	6 000	6 180	6 365	6 556	6 753	31 855
Total External Assistance	27 000	35 840	53 915	60 233	76 580	253 577
Travel and Events						
UK	4 275	5 871	6 047	6 229	6 415	28 837
Germany	6 750	9 270	9 548	9 835	10 130	45 532
Latin America	28 425	39 037	40 208	41 414	42 657	191 741
China	16 800	23 072	23 764	24 477	25 211	113 325
Total Travel and Events	56 250	77 250	79 568	81 955	84 413	379 435
Total Project Costs	358 307	566 300	607 612	594 987	603 881	2 731 086
SC Income	-	45 000	135 000	180 000	225 000	585 000
Net Grant Request	358 307	521 300	472 612	414 987	378 881	2 146 086
Overheads						
0.2 London office costs	906	1 245	1 282	1 321	1 360	6 114
0.2 London office costs	906	1 245	1 282	1 321	1 360	6 114
3.2 London office costs	14 503	19 918	20 515	21 131	21 765	97 832
Fund management	10 653	16 830	12 493	7 464	4 033	51 473
Total Overheads	26 969	39 238	35 573	31 236	28 518	161 533
NICFI total GBP	£385 276	£560 537	£508 185	£446 222	£407 399	£2 307 620
NICFI total NOK	NOK 5 008 590	NOK 7 286 983	NOK 6 606 411	NOK 5 800 890	NOK 5 296 182	NOK 29 999 055
	16,70 %	24,29 %	22,02 %	19,34 %	17,65 %	
With SC income	£385 276	£605 537	£643 185	£626 222	£632 399	£2 892 620
Average	£461 524	Year 1 difference (£76 248)	Year 2 difference £99 013	Year 3 difference £46 662	Year 4 difference (£15 302)	Year 5 difference (£54 125)
Cumulative	(£76 248)	£22 765	£69 427	£54 125	(£0)	
Average	Year 1 difference NOK 5 999 811	Year 2 difference NOK 1 287 171	Year 3 difference NOK 606 600	Year 4 difference -NOK 198 921	Year 5 difference -NOK 703 629	
Total cost of project	£2 892 620		NOK 37 604 055			
SC income	£585 000		NOK 7 605 000			

Outcomes, clarifications and standardised reporting information

Outcome 1: Incentives to achieve REDD+ efforts are established through the new international climate regime and/or other climate, environment and development funding streams.

Clarifications of concepts:

Incentives: Results-based funding, access to funding/loans

Actors: The actors referred to in the outcome are countries and jurisdictions on a sub-national level.

REDD+ efforts: Reducing emissions from deforestation and forest degradation in developing countries; and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries.

Did your project contribute to REDD+ funding being pledged/received at a global level and/or national and/or sub-national level in the targeted developing countries during the year reported on? Please specify the details below.

1.1 : Amount (USD) pledged/received, your project's contribution: Please describe as short as possible how your project has contributed to the change in the REDD+ amount pledged/received during the year reported on:

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1.2: Amount (USD) pledged/received: Please provide the following details on the REDD+ funding being pledged/received:

	Global/national/sub-national level (if several project locations)	Description	Baseline (amount in USD)	Amount in USD for the year reported on					Data source
				Y1	Y2	Y3	Y4	Y5	
Funding pledged globally (USD)									
Funding pledged by targeted donor country (USD)									
Funding received by targeted developing country (USD)									

Please feel free to add rows in the table if necessary.

Outcome 2: Governments in targeted developing countries have implemented REDD+ related policies, measures and safeguards, such as policies for green growth, sustainable livelihoods, land use-planning, the rights of indigenous peoples and local communities and women's rights.

Clarifications of concepts:

- **REDD+ related policies and measures:** A policy may be a plan, strategy, practice that is formally agreed upon and announced. A measure may be the operationalisation of a policy, but it may also be detached from formal policies. Policies and measures are widely defined, and the grant recipients will have to define the country and the type of REDD+ related policy and measures they are trying to influence/get implemented. Examples are green growth, sustainable livelihoods, land use-planning, the rights of indigenous peoples and local communities and women's rights e.g. related to tenure, access to land and participation in REDD+.
 - Norad recognises that implementation of policies, measures and safeguards is a dynamic process that changes slowly over time. However, we are still interested in the progress towards the full implementation of policies/measures/safeguards. Therefore, the standardized reporting information below describe steps on the way towards full implementation of a policy measures/safeguards.
 - Pilot projects and/or policies on a jurisdictional level may also be regarded as steps on the way to have the policy/measures/safeguards implemented.
 - Norad recognises that a single project might not contribute to a policy/measure/safeguard being implemented. However, the efforts of the portfolio as a whole might have this effect over time.
 - Please note: In order to list policy changes, you or your partner(s) should have implemented actions/activities that have significantly contributed to the change. You should not include policy changes happening previous year, even if you contributed to such change.
- **REDD+ safeguards:** The 7 safeguards agreed in Cancun 2010. Please see 2.2 for the full list.
- **Targeted developing countries:** As of March 2015, the targeted developing countries are Brazil, Indonesia, Guyana, Ethiopia, Vietnam, Ecuador, Myanmar, DR Congo, Peru, Colombia and Liberia.

Did your project contribute to governments' implementation of REDD+ relevant policies and/or measures in the targeted developing countries during the year reported on? Please specify the details below.

2.1 Your project's contribution: Please describe as short as possible how your project has contributed to the implementation process during the year reported on. This may also include preparatory work and measures for increased participation of certain groups, capacity building etc.

2.1.a: Scale: Level of implementation of REDD+ related policy/measure

1. There is no REDD+ related policy/measure in place to address the area concerned.
2. The targeted government explores a potential REDD+ related policy/measure. This stage may include feasibility studies, needs analysis etc.
3. The targeted government adopts/agrees on a REDD+ related policy/measure. This stage describes a formal decision on implementing a policy/measure.
4. The targeted government develops a REDD+ related policy/measure. This stage may include policy-planning, timelines, participation of stakeholder groups etc.
5. The targeted government initiates the implementation of a REDD+ related policy/measure. This stage may include budget allocations, capacity building of relevant professionals etc.
6. The targeted government implements and enforces a REDD+ related policy/measure. This stage may include the execution of policies/measures with observed changes on the ground.

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Name and type of policy or measure	Location and policy level (National/ sub-national/ pilot project)	Baseline (please refer to the numbers in the scale above)	Status of implementation (please refer to the numbers in the scale above)					Data source
			Y1	Y2	Y3	Y4	Y5	

Please feel free to add rows in the table if necessary.

2.1.b Gender equality: If relevant, please describe how the policy/measure may improve gender equality

2.1.c Transparency and/or law enforcement: If relevant, please describe how the policy/measure may lead to improved transparency and/or law



enforcement in the forest sector

2.1.d Sustainable livelihoods: If relevant, please describe how the policy/measure may contribute to sustainable livelihoods

2.1.e Reduced deforestation: If relevant, please describe how the policy/measure may lead to reduced deforestation

2.2. Table: Cancun safeguards

Please describe any change in the development, policy change or implementation of safeguards during the year reported on, to which your organisation or partners have contributed.

Safeguard category	Country and case/process	Change (the year reported on)	Your organisation and/or partner(s)' contribution	Data source
1. Consistency between national forests programmes and international conventions and agreements				
2. Transparent and effective national forest governance structures				
3. Respect for the knowledge and rights of indigenous peoples and members of local communities				
4. The full and effective participation of relevant stakeholders, in particular indigenous peoples and local communities				
5. Conservation of natural forests and biological diversity				

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and enhancement of other social and environmental benefits					
6. Actions to address the risks of reversals					
7. Actions to reduce the displacement of emissions					

Please feel free to add rows in the table if necessary.

2.3 Hectares of land gained and accessed, your project's contribution: Please describe shortly how your project has contributed to hectares of land gained and accessed during the year reported on. If your project has contributed to commitments made towards granting rights to indigenous people/forest dependent communities and their access to that land, please include this as an achievement in your comment below.

2.3.a: Hectares of land to which Indigenous Peoples and forest dependent communities gain rights over and have access

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Country and location	Name of indigenous groups/forest dependent community	Type of rights and access to land	Baseline	Hectares gained					Data source
				Y1	Y2	Y3	Y4	Y5	

Please feel free to add rows in the table if necessary.

2.3.2 Gender: Please describe how women in particular have access to the land, both formally and informally.

Outcome 3: Private sector actors have implemented social and environmental policies and practices that reduce the pressure on forests, and are engaged in global public private partnerships to reduce deforestation.

Clarifications of concepts:

- **Private sector actors:** producers, traders, investors, financial institutions in targeted deforestation related commodities
- **Global public private partnerships:** Regional and national public private partnerships may be steps towards reaching global public private partnerships.
- **Engaged:** requires a partnership with one or more government entities. It is not sufficient that governments are informed about the efforts of private sector actors. Rather, governments must be active partners for this goal to be reached.
- Although this outcome is twofold, both elements must be in place to fulfil the outcome. To ensure real and long-term effects on reducing deforestation, private companies must also engage with public authorities.

Did your project contribute to private actors' implementation of social and environmental policies and practices that reduce the pressure on forests, and are they engaged in global public private partnerships to reduce deforestation during the year reported on? Please specify the details below.

3.1 Implementation of social and environmental policies and/or practices and private-public partnerships, your project's contribution: Please describe as short as possible how your project has contributed to the reported change during the year reported on. This may also include preparatory work and measures for increased participation of certain groups, capacity building etc.:



3.1.2 Private-public partnership: Please describe the related public-private partnership to reduce deforestation in which the targeted private actor engages:

3.1.3 Reduced pressure on deforestation and reduced deforestation: Please describe how the policy/practice may lead to reduced pressure on deforestation and reduced deforestation:

3.1.1: Scale: Level of implementation of private actors' social and environmental policies and practices that reduce the pressure on forests

1. There is no social and environmental policy and/or practice in place;
2. The targeted private actor explores a potential social and environmental policy and/or practice. This may include appraisals, feasibility studies, needs analysis, cost/benefit etc.
3. The targeted private actor adopts/agrees on a social and environmental policy and/or practice. This stage describes a formal decision on implementing a policy and/or measure.
4. The targeted private actor develops a social and environmental policy and/or practice. This may include policy planning, timelines, participation of stakeholder groups, etc.
5. The targeted private actor initiates the implementation of a social and environmental policy and/or practice. This may include budget allocations, capacity building of relevant professionals, transparency measures etc.
6. The targeted private actor implements and enforces a social and environmental policy and/or practice. This stage may include the execution of policies/practice with observed changes on the ground, reduced deforestation in a value chain or area etc.

Type of policy/ practice change/ transparency measure	Company name	Commodity and location	Baseline (please refer to the scale above)	Status of implementation/ (please refer to the scale above)					Stakeholders involved	Data source
				Y1	Y2	Y3	Y4	Y5		

Please feel free to add rows in the table if necessary. The columns titled in grey are optional to fill out.

*Examples of scope: 85 percent of global production of palm oil, 40 percent of Brazil's soy exports etc.