GRANT AGREEMENT

between

The Norwegian Agency for Development Cooperation

and

The Environmental Defense Fund, Inc.

regarding

QZA-0464, QZA-16/1218: Delivering Incentives to End Deforestation: Global Ambition, Private/Public Finance and Zero-Deforestation Supply Chains

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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) The Environmental Defense Fund, Inc. (EDF), a 501(c)(3) Non-Governmental Organization duly established in the United States of America under registration number 11-6107128 (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 May 11, 2015 (the Application), amended April 22, 2016 regarding financial support to the ***Delivering Incentives to End Deforestation: Global Ambition, Private/Public Finance and Zero-Deforestation Supply Chains*** project QZA-0464, QZA-16/1216 (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 January 1 2016 to December 31, 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 Special 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 effects on society (Impact) is: To protect tropical forests and the carbon they contain, while supporting sustainable livelihoods for the communities that depend on them by creating durable, large-scale economic incentives for forest protection through pay-for-performance policies (such as jurisdictional REDD+) and corporate commitments to zero-deforestation commodity supply chains, and building the finance approaches, institutional capacity and strong forest governance needed to respond effectively to those incentives.

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

Outcome 1. Additional commitments of 10Gt of CO_2 reductions from tropical forest mitigation in the first post-2020 compliance period (2021-30), supported by agreement across developed and developing countries on relevant global mechanisms, modalities, strategies, institutional frameworks and methodologies.
Outcome 2. By the end of 2020, developed nations double their commitments to economic incentives for REDD+ through 2030.
Outcome 3. At least half a billion dollars in private investment is made into REDD+ through 2020.

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Outcome 4. By 2020, 30% of soy produced in Brazil and 30% of cattle from the Amazon are produced in Zero Deforestation, Zero Illegality Zones (ZDZs) including in Pará and Mato Grosso. **Outcome 5.** Governments of Pará and Mato Grosso formulate and implement jurisdictional REDD+ and other incentive policies necessary to enable the states to meet criteria for ZDZs.

2.2 The full results framework is included as Annex B to this 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 any 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 85 000 000 (Norwegian Kroner Eighty-Five 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: NOK17 000 000
2017: NOK17 000 000
2018: NOK17 000 000
2019: NOK17 000 000
2020: Up to remaining undisbursed funds.

4.4 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.

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4.5 The Grant, including accrued interest, shall be used exclusively to finance the actual costs of the implementation of the Project during the Support Period.

4.6 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. 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.

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 the Chief Financial Officer 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 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 use the following bank account for grants from Norad. All disbursements will be made to the following bank account:

Name of the account: Environmental Defense Fund, Inc.
Account no.: 2000013456814
IBAN no.: N/A
Name and address of the bank: Wells Fargo Bank
420 Montgomery Street,
San Francisco, CA 94163

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Swift/BIC code: WFBIUS6S
Currency of the account: USD

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 May 1st 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 May 1st 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 May 1st 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 January 15th 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** for the whole organisation, this shall be submitted to Norad by May 1st 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.

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

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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/October, in order to discuss i.a. the results achieved by the Project during the Support Period. The meetings can be conducted by phone. The meetings shall be called and chaired by the Grant Recipient.

8.2 8.2 Unless otherwise agreed, the Parties shall discuss the latest progress report and financial report, as well as the implementation plan and budget 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 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 and provision of recommendations regarding project implementation for the remainder of the Support Period shall be carried out by November 1st, 2018. The review shall be conducted by an independent third party. 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

11.1 Upon the end of the Support Period or upon termination of this Agreement, any unused funds exceeding 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.

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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 are applicable.

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: postmottak@norad.no,

13.2 All communication to the Grant Recipient concerning the Agreement shall be directed to Senior Government Grants Officer Amanda Lichtenberg and Stephan Schwartzman at the following address/e-mail address: alichtenberg@edf.org and Sschwartzman@edf.org.

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.

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Place: Oslo, Norway

Date: August 2, 2016

Hege Hope Wade

for the Norwegian Agency for Development Cooperation,

Hege Hope Wade

Acting Director, Civil Society Department

Place: New York, USA

Date: 8/2/2016

for Environmental Defense Fund, Inc.

Robert Young
Controller

Attachments:

Annex A: Approved budget for the Project
Annex B: Results framework

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PART II: GENERAL CONDITIONS APPLICCABLE TO GRANTS FROM THE NORWEGIAN MINISTRY OF FOREIGN AFFAIRS

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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 MFA'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 explanation of any deviations from the budget. 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. MFA'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) balance sheet, when required in accordance with the accounting principles applied;
g) 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 MFA reserves the right to approve the auditor, and may require that the auditor shall be replaced if MFA 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) identification of the Project's total expenses and total income;
b) the subject of the audit;
c) the financial reporting framework applied;
d) the auditing standards applied;
e) a statement that the auditor has obtained reasonable assurance about whether the financial statements as a whole are free from material misstatement;
f) the auditor's opinion.

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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 MFA 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 MFA 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 MFA 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 system[1] in accordance with the

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

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applicable accounting- and bookkeeping policies in the jurisdiction of the Grant Recipient. The accounts shall be kept up to date on a regular basis and shall, as a minimum, be up to date when disbursements requests and financial reporting are submitted to MFA.

7.2 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.

7.3 Bank reconciliations[2] and cash reconciliations[3] shall be completed at least every month, and shall be documented by the Grant Recipient.

7.4 The Grant Recipient shall keep the Project's accounting records for at least 5 years from the time of MFA'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 MFA.

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 MFA 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 MFA's prior approval, as outlined in Article 12 of the General Conditions.

9.2 MFA shall have a non-exclusive and royalty-free license to use all intellectual property rights procured or developed by the use of the Grant. MFA may assign this right to any individual or organisation at its own discretion.

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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 correspond 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.

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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 MFA. 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 MFA 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 MFA about the remaining equipment and goods that have been purchased by use of the Grant. The MFA 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 MFA 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 MFA.

10.2 If MFA has approved a purchase or construction of real property, the Grant Recipient and MFA 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 MFA 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 MFA. MFA 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, MFA 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 MFA is entitled to claim repayment

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from the Grant Recipient, and the cooperating partner shall accept that MFA 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 MFA.

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 MFA.

11.5 The Grant Recipient shall remain fully responsible towards MFA 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 MFA'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 MFA'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 MFA 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 MFA 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. MFA 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;

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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. Any deviations from article 14 clause 1 shall be approved by MFA in writing.

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 not in accordance with the Agreement and the latest approved Application, 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 MFA immediately of any indication of financial irregularities in or related to the Project. The Grant Recipient shall provide MFA 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 MFA in accordance with MFA's guidelines for handling suspicion of financial irregularities. The Grant Recipient shall cooperate fully with MFA's investigation and follow-up. If requested by MFA, the Grant Recipient shall initiate prosecution and/or apply other sanctions against persons or entities suspected of financial irregularities.

15.6 MFA may claim repayment of all or parts of the Grant in accordance with article 17 of the General Conditions if it finds that 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

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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 MFA.

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, MFA may suspend disbursement of all or part of the Grant.

17.2 In the event of material breach of the Agreement, MFA 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 MFA 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 MFA,
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 MFA immediately of any circumstances that may indicate or lead to a breach of Agreement, and shall provide MFA with any information or documentation it may reasonably require in order to determine if a breach of the Agreement has occurred.

17.5 MFA may also suspend disbursements or terminate the Agreement with immediate effect if a material breach of another agreement between MFA 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.

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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 MFA.

18.4 The Grant Recipient shall submit a final report to MFA 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 MFA 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 MFA, 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 MFA 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. MFA 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 MFA 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 MFA. 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 MFA's support to the Project in all publications and other materials issued in relation to the Project. MFA's logotype will be provided by MFA upon request. All use of MFA's logotype must be approved by MFA.

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 MFA in a completion letter.

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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 MFA 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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PART III: PROCUREMENT IN THE CONTEXT OF PROJECTS FINANCED BY THE NORWEGIAN MINISTRY OF FOREIGN AFFAIRS

1 GENERAL PRINCIPLES

1.1 If the implementation of a Project requires procurement of services or goods by the Grant Recipient, the contract must be awarded to the most economically advantageous tender (the tender offering the best price-quality ratio), as evaluated against the award criteria listed in the tender documents.

1.2 Contracts must be awarded in accordance with procurement rules and procedures:

- ensuring sufficient transparency, fair competition and adequate ex-ante publicity;
- ensuring equal treatment, proportionality and non-discrimination;
- avoiding conflicts of interests throughout the entire procurement procedure.

1.3 Contracts must not be split artificially to circumvent procurement thresholds.

1.4 This Part III sets out the minimum procedures to be followed, but does not preclude the Grant Recipient from applying alternative procedures providing an even higher degree of competition.

1.5 The Norwegian Ministry of Foreign Affairs (MFA) may carry out ex post checks on the Grant Recipient's compliance with the rules set forth in this Part III. Failure to comply with these rules would render the related expenditure ineligible for MFA 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.

1.6 The Procurement Provisions of this Part III shall apply mutatis mutandis to any procurements to be carried out by the Grant Recipient's affiliated entity(ies) or cooperation partners.

1.7 Any monetary amounts referred to in this Part III are amounts excluding VAT.

2 ELIGIBLE TENDERERS

2.1 Participation in tender procedures administered by the Grant Recipient shall be open on equal terms to all natural and legal persons. Tenderers must state their nationality in their tenders by presenting proof of nationality under their national legislation. Tenderers must also provide information on their legal form and ownership structure.

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2.2 Candidates or tenderers shall not make use of child labour or forced labour and/or practise discrimination and they shall respect the right to freedom of association and the right to organise and engage in collective bargaining, in accordance with the core conventions of the International Labour Organization (ILO).

2.3 Candidates or 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;

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 judgment which has the force of res judicata;

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 the payment of 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(s) or those of the country where the contract is to be performed;

e) they or persons having powers of representation, decision making of control over them have been the subject of a judgment which has the force of res judicata for fraud, corruption, involvement in a criminal organisation, money laundering or any other illegal activity, where such illegal activity is detrimental to the MFA's financial interests.

2.4 Candidates or tenderers must confirm in writing that they are not in one of the situations listed above.

2.5 Points 2.3 (a) to (d) do not apply to the purchase of 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.

2.6 Contracts may not be awarded to candidates or 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.

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3 COMMON PROCUREMENT RULES

3.1 The tender documents must be drafted in accordance with best international practice. If they do not have their own tender documents, Grant Recipients may voluntarily use the models published in the Practical Guide on the EuropeAid website (PRAG). The MFA will not publish notices and tender documents issued by the Grant Recipient(s).

3.2 The Grant Recipient shall take into account the potential environmental impact of any planned procurements.

3.3 All invitations to submit tenders shall include a clause stating 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 contain a clause stating 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 the execution of the contract.

3.4 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.

3.5 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 published by the Grant Recipient(s) in advance in the tender documents. 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.

3.6 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 the MFA, the Grant Recipient will deliver the written record to the MFA and grant the MFA access to all relevant information and documentation related to its procurement practises and any specific procurements carried out under the Project.

4 SPECIFIC RULES FOR SERVICE CONTRACTS[1]

Service contracts from NOK 2 500 000 and above

4.1 The contract must be awarded by means of an international restricted tender procedure following publication of a procurement notice.

[1] Definitions of different types of contracts and procedures can be found in Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC.

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4.2 The procurement notice shall be published in all appropriate media, in particular on the Grant Recipient's web site, in the international press and the national press of the country in which the Project is being carried out, and in any other relevant specialist periodicals. It must state the number of candidates which will be invited to submit tenders within a range of four to eight candidates, and must be sufficient to ensure genuine competition.

4.3 All would-be service providers fulfilling the conditions referred to in article 2 above may take part, but only candidates satisfying the published selection criteria and invited in writing by the Grant Recipient may submit a tender.

Service contracts from NOK 500 000 to less than NOK 2 500 000

4.4 The contract must be awarded by means of a competitive negotiated procedure with or without publication, in which the Grant Recipient consults at least three suppliers of its choice and negotiates the terms of the contract with one or more of them.

Service contracts of less than NOK 500 000:

4.5 The contract may be awarded using procedures established by the Grant Recipient, while respecting the rules and principles laid down in articles 1 to 3 of this Part III.

5 SPECIFIC RULES FOR SUPPLY CONTRACTS[2]

Supply contracts from NOK 2 500 000 and above

5.1 The contract must be awarded by means of an international open tender procedure following publication of a procurement notice.

5.2 The procurement notice is to be published in all appropriate media, in particular on the Grant Recipient's web site, in the international press and the national press of the country in which the Project is being carried out, and in any other relevant specialist periodicals.

5.3 Any would-be supplier which fulfils the conditions referred to in article 2 may submit a tender.

Supply contracts from NOK 800 000 to less than NOK 2 500 000

[2] Definitions of different types of contracts and procedures can be found in Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC.

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5.4 The contract must be awarded by means of an open tender procedure published locally: the contract notice is published in all appropriate media at least in the country in which the Project is being carried out.

5.5 A local open tender procedure must provide other eligible suppliers with the same opportunities as local firms.

Supply contracts from NOK 500 000 to less than NOK 800 000

5.6 The contract must be awarded by means of a competitive negotiated procedure with or without publication of a contract notice. The Grant Recipient consults at least three suppliers of its choice and negotiates the terms of the contract with one or more of them.

Supply contracts of less than NOK 500 000

5.7 The contract may be awarded using procedures established by the Grant Recipient, while respecting the rules and principles laid down in articles 1 to 3 of this Part III.

6 SPECIFIC RULES FOR PUBLIC WORKS CONTRACTS[3]

Public works contracts from NOK 40 000 000 and above

6.1 The contract must be awarded by means of an international open tender procedure following publication of a contract notice.

6.2 The procurement notice is to be published in all appropriate media, in particular on the Grant Recipient's web site, in the international press and the national press of the country in which the Project is being carried out, and in any other relevant specialist periodicals.

6.3 Any contractor which fulfils the conditions referred to in article 2 above may submit a tender.

Public works contracts from NOK 2 500 000 to less than NOK 40 000 000

6.4 The contract must be awarded by means of an open tender procedure published locally: the procurement notice is published in all appropriate media at least in the country in which the Project is being carried out.

6.5 A local open tender procedure must provide other eligible contractors with the same opportunities as local firms.

[3] Definitions of different types of contracts and procedures can be found in Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC.

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Public works contracts from NOK 500 000 to less than NOK 2 500 000

6.6 The contract must be awarded by means of a competitive negotiated procedure with or without publication, in which the Grant Recipient consults at least three contractors of its choice and negotiates the terms of the contract with one or more of them.

Public works contracts of less than NOK 500 000

6.7 The contract may be awarded using the procedures established by the Grant Recipient(s), while respecting the rules and principles laid down in sections 1 to 3 of this Part III.

7 USE OF NEGOTIATED PROCEDURE

7.1 The Grant Recipient may use the negotiated procedure on the basis of a single tender in the following cases:

a) where, for reasons of extreme urgency brought about by events which the Grant Recipient could not have foreseen, the procedures referred to in articles 2-5 cannot be applied. The circumstances invoked to justify extreme urgency must be documented and must in no way be attributable to the Grant Recipient.

b) for the purposes of humanitarian aid and civil protection operations or for crisis management aid. Crisis situations may be invoked only when they have been formally recognised by the MFA. The MFA will inform the Grant Recipient(s) if a crisis situation has been declared and the period for which the declaration will be in force.

c) where the services are entrusted to public-sector bodies or to non-profit institutions or associations and relate to activities of an institutional nature or designed to provide assistance to peoples in the social field;

d) where contracts extend on-going activities:

(i) not included in the main service contract which have become necessary to perform the contract for unforeseen circumstances, and provided that the additional service cannot be technically and economically separated from the principal contract without serious inconvenience for the Grant Recipient(s) and the aggregate amount of additional services does not exceed 50 % of the value of the principal contract; or

(ii) which consist in the repetition of similar services entrusted to the contractor providing services under the initial contract, provided that:

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(a) a contract notice was published for the first service and the possibility of using the negotiated procedure for new services for the project and the estimated cost were clearly indicated in the contract notice published for the first service; and

(b) the extension of the contract for a value and duration does not exceed the value and the duration of the initial contract.

e) for additional deliveries by the original supplier intended either as a partial replacement of normal supplies or installations or as the extension of existing supplies or installations, where a change of supplier would oblige the Grant Recipient to acquire equipment having different technical characteristics which would result in either incompatibility or disproportionate technical difficulties in operation and maintenance;

f) for additional works not included in the initial contract concluded which have, through unforeseen circumstances, become necessary for carrying out the works and on condition that such works cannot be technically or economically separated from the main contract without serious inconvenience for the Grant Recipient(s) and on the condition that, although separable from the performance of the original contract, are strictly necessary for its completion and where the aggregate value of contracts awarded for additional works does not exceed 50 % of the value of the principal contract.;

g) where the tender procedure has been unsuccessful, that is where no qualitatively and/or financially worthwhile tender has been received. In such cases, after cancelling the tender procedure, the Grant Recipient may negotiate with one or more tenderers of its choice, from among those that took part in the tender procedure, provided that the initial terms of the tender procedure are not substantially altered;

h) where the contract concerned follows a contest and must, under the rules applying, be awarded to the winner of the contest or to one of the winners of the contest, in which case, all winners shall be invited to participate in the negotiations;

i) where, for technical reasons, or for reasons connected with the protection of exclusive rights, the contract can be awarded only to a particular service provider;

j) where warranted by the nature or particular characteristics of the supplies, for example, where performance of the contract is exclusively reserved for the holders of patents or licences to use patents;

k) for contracts declared to be secret, or for contracts whose performance must be accompanied by special security measures or when the protection of the essential interests of the MFA / Norway or the Grant Recipient country so requires;

l) for contracts in respect of supplies quoted and purchased on a commodity market;

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m) for contracts in respect of purchases on particularly advantageous terms, either from a supplier which is definitively winding up its business activities, or from the receivers or liquidators of a bankruptcy, an arrangement with creditors, or a similar procedure under national law;

n) where a new contract has to be concluded after early termination of an existing contract. Such a decision has to be substantiated by reason of non-performance by the supplier or by reasons for termination similar to the grounds for exclusions as mentioned in section 2.3 above.

8 SPECIAL CASES

8.1 Different rules than those specified in this Part III may apply in the following cases, with the exception of section 1 and the rules on nationality provided for in section 2, which always apply.

Co-financing

8.2 When the Project is co-financed by several donors and one of the other donors, who acts as the lead donor for the Project, imposes procurement rules on the Grant Recipient(s) that differ from those set out in articles 3 to 7, the Grant Recipient(s) may apply these rules, if they offer guarantees equivalent to internationally accepted standards. Where its pillars have been positively assessed the relevant rules are considered equivalent. If the lead donor's rules do not offer equivalent guarantees, or in specific cases, the MFA and the Grant Recipient will agree on the use of other procurement procedures offering such guarantees. In this case, the rules to be followed are set forth in the Special Conditions.

Public administrations of an EEA country

8.3 Where the Grant Recipient(s) or an affiliated entity is a contracting authority and/or a contracting entity within the meaning of the EU Directives applicable to procurement procedures, it must apply the relevant provisions of those texts, in preference to the rules set out in this Part III.

Non-Governmental Organisations (NGOs)

8.4 Where the Grant Recipient(s) or an affiliated entity is a NGO, it may apply its own procurement rules if a prior positive assessment of the relevant rules has shown that they offer guarantees equivalent to internationally accepted standards. If the rules do not offer equivalent guarantees, or in specific cases, the MFA and the Grant Recipient will agree on the use of other procurement procedures offering such guarantees. In this case, the rules to be followed are set forth in the Special Conditions.

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10.0 Budget

10.1 Budget overview

Amount applied for from Norad/NICFI:	Total: NOK 85,000,000
Norad's Share of Project Costs:	NOK 85,000,000
Norad's contribution to administration costs (7%):	NOK 5,950,000

Note: All USD figures based on exchange rate of 1NOK= 0.117 USD (Per Oanda rate 3/15/2016)

Table 1: Budget summary by category and year (USD)

Category	2016	2017	2018	2019	2020	Total
Personnel	514,941	633,423	554,213	560,718	581,699	2,844,994
Contractual Services	102,863	102,863	102,863	102,863	102,863	514,313
Travel	121,915	87,750	87,750	87,750	87,750	472,915
Workshops	42,112	27,494	27,472	27,477	27,489	152,044
Partner Grants	1,037,384	1,036,346	1,052,437	1,063,965	1,074,452	5,264,585
Indirect Rate (7% of grant)	136,931	142,098	137,346	138,703	141,073	696,150
Total USD	**1,956,144**	**2,029,974**	**1,962,080**	**1,981,477**	**2,015,326**	**9,945,000**

Table 2: Budget summary by category and year (NOK)

Category	2016	2017	2018	2019	2020	Total
Personnel	4,401,205	5,413,869	4,736,860	4,792,464	4,971,790	24,316,188
Contractual Services	879,167	879,167	879,167	879,167	879,167	4,395,835
Travel	1,042,005	750,000	750,000	750,000	750,000	4,042,005
Workshops	359,931	234,990	234,800	234,850	234,950	1,299,521
Partner Grants	8,866,530	8,857,661	8,995,192	9,093,718	9,183,350	44,996,451
Indirect Rate (7% of grant)	1,170,343	1,214,514	1,173,894	1,185,499	1,205,751	5,950,000
Total NOK	**16,719,180**	**17,350,201**	**16,769,913**	**16,935,698**	**17,225,008**	**85,000,000**

Table 3: Budget summary by Initiative (USD and NOK)

(USD)	2016	2017	2018	2019	2020	Total
Initiative I	831,386	838,137	845,139	852,403	859,937	4,227,002
Initiative II	516,538	576,682	476,134	467,211	473,266	2,509,831
Initiative III	608,221	615,155	640,807	661,863	682,123	3,208,167
Total USD	1,956,144	2,029,974	1,962,080	1,981,477	2,015,326	9,945,000
(NOK)	2016	2017	2018	2019	2020	Total
Initiative I	7,105,860	7,163,561	7,223,412	7,285,495	7,349,891	36,128,218
Initiative II	4,414,853	4,928,909	4,069,522	3,993,257	4,045,008	21,451,549
Initiative III	5,198,467	5,257,731	5,476,979	5,656,947	5,830,109	27,420,233
Total NOK	16,719,180	17,350,201	16,769,913	16,935,698	17,225,008	85,000,000

10.2 Project budget summaries

Costs distributed by country or group of countries include costs for work supporting efforts in that country or group of countries, but a portion of the actual work will be carried out by staff who spend time in those countries but are based elsewhere. The figures include administration costs at 7%.

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Table 4: Budget summary by country and year (USD)

Country	2016	2017	2018	2019	2020	Total
Global	430,352	446,594	431,658	435,925	443,372	2,187,900
United States and Europe	391,229	405,995	392,416	396,295	403,065	1,989,000
Other Developed Countries	58,684	60,899	58,862	59,444	60,460	298,350
Brazil	880,265	913,488	882,936	891,665	906,897	4,475,250
Other Developing Countries	195,614	202,997	196,208	198,148	201,533	994,500
Total USD	**1,956,144**	**2,029,974**	**1,962,080**	**1,981,477**	**2,015,326**	**9,945,000**

Table 5: Budget summary by country and year (NOK)

Country	2016	2017	2018	2019	2020	Total
Global	3,678,220	3,817,044	3,689,381	3,725,854	3,789,502	18,700,000
United States and Europe	3,343,836	3,470,040	3,353,983	3,387,140	3,445,002	17,000,000
Other Developed Countries	501,575	520,506	503,097	508,071	516,750	2,550,000
Brazil	7,523,631	7,807,591	7,546,461	7,621,064	7,751,253	38,250,000
Other Developing Countries	1,671,918	1,735,020	1,676,991	1,693,570	1,722,501	8,500,000
Total NOK	**16,719,180**	**17,350,201**	**16,769,913**	**16,935,698**	**17,225,008**	**85,000,000**

Table 6: Budget by Location

Organization Name	Total Budget USD	Total Budget NOK
Environmental Defense Fund (US offices, in the field: EU, other developed countries, Brazil, and other developing countries)	4,620,049	39,487,598
Climate Advisers (US office, in the field: EU, other developed countries, Brazil, and other developing countries)	2,508,750	21,442,308
Forest Trends (US office, in the field: EU, other developed countries, other developing countries)	550,000	4,700,855
ICV (Brazil)	548,190	4,685,385
IMAZON (Brazil)	406,452	3,473,949
IPAM (Brazil)	435,720	3,724,103
ISA (Brazil)	382,389	3,268,282
IIASA (Austria office, in the field: EU, US, other developed)	200,450	1,713,248
LSE (United Kingdom office, in the field: EU, US, other developed countries, other developing countries)	145,000	1,239,316
MCC (Germany office in the field: in the field: EU, US, other developed)	148,000	1,264,957

10.3 Explanation of project budget

The project budget is composed of six cost types: personnel, contractual services, travel, meetings/workshops, partner grants, and indirects.

1. Personnel (EDF Staff)

EDF's estimated personnel costs are NOK 24,316,188, which constitute less than a third of the total grant budget. These costs include partial time for 15 current full-time EDF staff members – land use economists, corporate outreach specialists, researchers, project managers, legal and regulatory experts, and program support staff. Staff time is distributed evenly across the three proposed initiatives.

Salary costs include fringe benefits at the rate of 27.2% of base salary. This rate comprises retirement, health and dental benefits, annual and sick leave and life insurance. The 5-year estimate includes a 3.5% annual cost of living adjustment.

2. Contractual Services

The total amount budgeted for contractual services is NOK 4,395,835 approximately 5% of total project costs over 5 years. These expenses will support: (1) a land use accounting expert to provide analysis on the contribution of tropical forests to global climate stabilization and technical recommendations for durable multilateral REDD+ policy frameworks; and (2) 1 environmental economists to provide modeling and analysis on the risk hedging value of REDD+ and the potential cost benefits of REDD+ to market-based regulatory systems and other analysis of REDD financing mechanisms.

3. Travel

Proposed travel is budgeted at NOK 4,042,005, which constitutes less than 5% of total project costs over 5 years. Initiative I requires the largest of amount of travel (approx. NOK 1,687,500 over 5 years or NOK 337,500 per year) for preparation and attendance at high level multi-stakeholder forums (e.g., WEF, GCF) and multilateral REDD initiatives (e.g., UN-REDD, FCPF) and to attend private sector conferences and visit their offices as needed. Initiative II involves a lower level of travel (approx. NOK 1,229,505 over 5 years) to support stakeholder outreach to support the inclusion of REDD+ in California's carbon market over 2016 (to align with California's regulatory process), to provide outreach to policy makers in other emerging compliance markets, public and private finance sectors, and policy makers and stakeholders in REDD+ jurisdictions in Brazil. Initiative III includes a modest level of travel (approx. NOK 1,125,000 over 5 years or NOK 225,000 per year) for travel to Brazil to attend bilateral meetings and workshops organized by EDF's project partners in Brazil.

EDF's travel policy is to remain below the cost of the U.S. State Department's posted international per diem rates for staff on travel. EDF does not cover the cost for personnel to travel outside of economy class.

4. Workshops

NOK 1,299,521 is budgeted for workshops and meetings for EDF co-sponsored events over 5 years. Approximately NOK 375,000 over 5 years (NOK 75,000 per year) will support EDF sponsored workshops designed to engage global thought leaders on the margins of high level multi-stakeholder forums under Initiative I. About NOK 521,455 over 5 years (front-loaded to NOK 204,411 in Year 1, and NOK 79,261 in the years thereafter) is budgeted to support engagement of stakeholders from REDD+ jurisdictions for the development of robust rules for the inclusion of jurisdictional REDD+ in the California compliance market (in 2016) and for workshops to demonstrate finance approaches in Acre, Mato Grosso, and Pará under Initiative II over all five years. Under Initiative III, EDF and partners will convene workshops with companies to evaluate pathways to begin sourcing from ZDZs (approx. NOK 375,000 over 5 years or NOK 75,000 per year).

5. Partner Grants

Grants to our partners are budgeted at NOK 44,996,451 which constitutes 53% of the total project costs.

Initiative I: EDF will grant funds to Climate Advisers (NOK 21.5 million over 5 years or NOK 4.3 million per year) to jointly pursue a policy research, outreach and communications agenda targeted at global

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climate policymakers and corporate sustainability leaders on the importance of reduced deforestation emissions to global climate stabilization.

Initiative II: EDF will disburse funds (NOK 4,117,009 over 5 years or an average of NOK 823,401 per year) to European technical partners IIASA, MCC and LSE to spearhead economic modeling, analytic expertise and market research to catalyze private sector finance for jurisdictional REDD+ efforts, leveraged by public investment and other risk reduction approaches. Forest Trends will receive NOK 4,588,824 over 5 years (NOK 917,764 per year) to complement this initiative with an analysis of public-private co-financing mechanisms and outreach to development finance institutions such as the World Bank.

Initiative III: EDF will grant NOK 14,790,621 to Brazilian partners ICV, IMAZON, IPAM and ISA over 5 years to develop a shared set of criteria to define zero deforestation, analyze costs and benefits of Forest Code compliance and zero-deforestation sourcing, and support Pará and Mato Grosso states in formulating and implementing REDD+ and other incentive policies to control deforestation.

6. Indirects

Per Norad's indirect guidelines, EDF has included a maximum indirect cap of 7% of total project direct costs. The indirect total for 5 years is NOK 5,950,000 or 7% of the total award amount. Indirect costs cover charges such as rent, information technology, media and accounting services, and other related operational expenses.

7. Cost Efficiency

EDF is able to ensure the cost efficiency of the project through full integration of the project costs into our annual programmatic budget, which is managed and tracked on a monthly basis by the program's budget manager and communicated at the organizational level to an EDF fiscal officer. At the project level, EDF project leads require the submission and review of biannual work plans to ensure timely and efficient expending of resources by all partners and consultants. These work plans and reviews allow us to gauge progress made against deliverables before the beginning of each project year, and allow for real-time adjustments to both the scope of work and the associated budget expenses. With almost all of our staff and consulting expertise already in place under existing Norad gifts, we will be able to "hit the ground running" with implementation of project deliverables with little to no major ramp-up of resources required. EDF also draws from a pool of science and economic experts who provide support and advisory services across the organization, bringing added-value over the course of the project.

EDF has carefully chosen its partners based on years of collaboration and shared values with a collective group of highly respected, "best in class" policy, technical and research organizations devoted to forest and climate related issues. A number of the proposed project partners are currently receiving, or have in the past received, Norad NICFI funds. They have demonstrated a high degree of success in carrying out their respective projects, enhancing the effectiveness and impact of Norway's civil society programs in the process. Moreover, the selected partners are also well regarded and consistently funded by other public funding agencies, such as USAID, and private donors, such as the Climate and Land Use Alliance (CLUA).

Table 7: Detailed budget for Year 1, Initiative I: Global Consensus

Outcome 1 Outputs/Activities	Personnel	Contractual Services	Travel	Workshops	Partners	Subtotal	Indirect Rate	Total
Output 1.1: Demonstration of Forest Mitigation Potential	33,543	18,038	0	0	23,897	**75,477**	5,681	**81,159**
Output 1.2: Private Sector Analyses, Messages and Engagement	50,314	0	13,163	4,388	47,795	**115,659**	8,705	**124,364**
Output 1.3: Media Strategy, Outreach and Dissemination	33,543	18,038	0	0	23,897	**75,477**	5,681	**81,159**
Output 1.4: Consistent REDD+ Policy Frameworks	33,543	18,038	17,550	4,388	0	**73,518**	5,534	**79,051**
Output 1.5: Facilitating Participation of Indigenous Peoples	16,771	0	8,775	0	0	**25,546**	1,923	**27,469**
Outcome 1 Total	**167,714**	**54,113**	**39,488**	**8,775**	**95,589**	**365,678**	**27,524**	**393,202**
Outcome 2 Outputs/Activities								
Output 2.1: Developed Country Research	0				101,878	**101,878**	7,668	**109,546**
Output 2.2: Developed Country Policy Proposals	0				101,878	**101,878**	7,668	**109,546**
Output 2.3: Developed Country Forest Incentives	0				101,878	**101,878**	7,668	**109,546**
Output 2.4: Developed Country Consensus	0				101,878	**101,878**	7,668	**109,546**
Outcome 2 Total	**0**	**0**	**0**	**0**	**407,511**	**407,511**	**30,673**	**438,184**
Initiative I Total USD	167,714	54,113	39,488	8,775	503,100	773,189	58,197	831,386
Initiative I Total NOK	1,433,450	462,500	337,500	75,000	4,300,000	6,608,450	497,410	7,105,860

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Table 8: Detailed budget for Year 1, Initiative II: Market Demand and Private Investment

Outcome 3 Outputs/Activities	Personnel	Contractual Services	Travel	Workshops	Partners	Subtotal	Indirect Expenses	Total
Output 3.1: REDD+ Finance Analysis/Modelling	29,450	24,375	0	0	46,858	**100,682**	7,578	108,261
Output 3.2: CA REDD+ Policy Engagement	29,450	0	35,000	15,000	36,667	**116,117**	8,740	124,857
Output 3.3: Outreach to Policymakers/Public Sector	29,450		6,051		36,667	**72,168**	5,432	77,600
Output 3.4: Outreach to Private Sector	29,450		6,051		36,667	**72,168**	5,432	77,600
3.5: Brazil Jurisdiction Analysis/Outreach	29,450	24,375	9,000	9,562	46,858	**119,244**	8,927	128,220
Outcome 3 Total	**147,250**	**48,750**	**56,102**	**24,562**	**203,716**	**480,380**	**36,158**	**516,537**
Initiative II Total USD	147,250	48,750	56,102	24,562	203,716	480,380	36,158	516,537
Initiative II Total NOK	1,258,545	416,667	479,504	209,932	1,741,162	4,105,810	309,039	4,414,850

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Table 9: Detailed budget for Year 1, Initiative III: Supply Chain Governance and ZDZs

Outcome 4 Outputs/Activities	Personnel	Contractual Services	Travel	Workshops	Partners	Subtotal	Indirect Rate	Total
Output 4.1: ZD Definition	31,996		3,200	2600	34,384	**72,181**	5,433	**77,614**
Output 4.2: Economic Analysis ZDZ	23,997		3700	1260	32,474	**61,431**	4,624	**66,055**
Output 4.3: Analysis Costs Forest Code	23,997		2,500	1000	32,188	**59,685**	4,492	**64,178**
Output 4.4: ZDZ Communications Companies	23,997		4200	0	22,923	**51,120**	3,848	**54,968**
Output 4.5: Development Benefits ZDZs MT	23,997		3700	1315	34,384	**63,397**	4,772	**68,168**
Output 4.6: Communications ZDZs PA/MT	23,997		1600	0	26,743	**52,341**	3,940	**56,280**
Output 4.7: Recommendations PA	0		0	0	15,282	**15,282**	1,150	**16,432**
Outcome 4 Total	**151,983**	**0**	**18,900**	**6,175**	**198,379**	**375,437**	**28,259**	**403,696**
Outcome 5 Outputs/Activities								
Output 5.1: Technical Assistance REDD+	23,997		1,800	2000.1	30,946	**58,743**	4,422	**63,165**
Output 5.2 Funding REDD+	23,997		4125	600	29,418	**58,140**	4,376	**62,516**
Output 5.3: REDD+ MT	0		1500	0	19,675	**21,175**	1,594	**22,769**
Output 5.4: REDD+ PA	0		0	0	17,574	**17,574**	1,323	**18,897**
Output 5.5 PMS	0		0	0	16,619	**16,619**	1,251	**17,870**
Output 5.6 Information Platform FA	0		0	0	17,956	**17,956**	1,352	**19,308**
Outcome 5 Total	**47,995**	**0**	**7,425**	**2,600**	**132,189**	**190,208**	**14,317**	**204,525**
Initiative III Total USD	199,978	0	26,325	8,775	330,568	565,645	42,575	608,221
Initiative III Total NOK	1,709,210	0	225,000	75,001	2,825,364	4,834,575	363,893	5,198,467

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Results Framework

Results	Indicators	Baseline	Targets Y1	Y2	Y3	Y4	Y5	Y1-5	Data Sources	Frequency of Reporting	Responsibility
I. Global Consensus Initiative											
Outcome 1. Additional commitments of 10Gt of CO_2 reductions from tropical forest mitigation in the first post-2020 compliance period (2021-30), supported by agreement across developed and developing countries on relevant global mechanisms, modalities, strategies, institutional frameworks and methodologies.	Additional tons of CO_2 ***committed*** during the project period to be reduced through tropical forest mitigation in the first post-2020 compliance period (2021-30)	Set baseline early in Year 1 after Paris					10 Gt	10 Gt	Country NDCs, WRI analysis, UNEP analysis, UNFCCC analysis, original EDF/CA research	Baseline assessment after Paris in Year 1; further assessments Years 3 and 5	EDF, CA
	Number of agreements (e.g., consensus mechanisms), political commitments and developed and developing country partnership	0	1	1	1	1	1	5	Political announce-ments	Annual	EDF, CA
Output 1.1: Policy research, economic modeling and analysis that demonstrate the enormous contribution of tropical forests to stabilizing global climate, with a particular focus on explaining why emissions reductions from reduced deforestation should be considered as equally or more valuable than emissions reductions from reduced use of other carbon stocks (e.g., fossil fuel deposits) and why they are suitable for policy-driven	Number of new research papers/ reports published by consortium	0	1	1	1	1	1	5	Links to reports posted on line	Annual	EDF, CA
	Number of mentions of products in developed country climate trade press, (e.g., E&E and Mongabay)	0	3	3	3	3	3	15	EDF or CA analysis of news sources	Annually	EDF, CA

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Results	Indicators	Baseline	Targets						Data Sources	Frequency of Reporting	Responsibility
			Y1	Y2	Y3	Y4	Y5	Y1-5			
economic incentives.											
Output 1.2: Outreach and messages targeted at the private sector and other key stakeholders to demonstrate the importance of public policy frameworks to meet private-sector supply-chain commitments and the value to companies and investors of aligning preferential sourcing incentives with REDD+ policies and incentives.	Outreach occurrences to stakeholders through meetings and consultations with thought leaders	0	10	10	10	10	10	50	CA	Annual	EDF, CA
	Number of announcements from companies expressing clear support for forests as a necessary/critical climate solution at major climate events (e.g., COP)	0	1	1	1	1	1	5	Public comments, letters, position statements	Annual	EDF, CA
Output 1.3: A sophisticated media communications and outreach strategy targeting senior policymakers, corporate executives, philanthropists and civil society leaders, as well as broader audiences through social media, that highlights success stories in reducing tropical deforestation; responds effectively and timely to attacks on forest-climate policies and finance in the media and to "myths" about REDD+; and buttresses and expands support for the role	Number of blogs, op-eds and press releases	0	2	2	2	2	2	10	Links to media pieces	Annual	EDF, CA
	Number of case studies, brief and/or analyses published	0	1	1	1	1	1	5	Links to media pieces	Annual	EDF, CA
	Number of presentations (e.g., at roundtables, conferences, meetings)	0	1	2	2	2	2	9	Links to agendas and presentation	Annual	EDF, CA
	Number of story pitches and meetings with major media outlets and reporters	0	3	3	3	3	3	15	Links to stories	Annual	EDF, CA
	Number of mentions of forests and climate mitigation together in major media outlets pieces (e.g., New York Times, Financial Time, The Guardian, Washington Post, AP, WSJ, and	Average of joint mentions in 2014 and 2015 in the identified				75% of baseline	125% of baseline	25% increase in year 2020 above baseline	EDF analysis of news sources	Years 4 & 5	EDF

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Results	Indicators	Baseline	Targets						Data Sources	Frequency of Reporting	Responsibility
			Y1	Y2	Y3	Y4	Y5	Y1-5			
of forests.	The Economist)	publication universe									
	Media and other public interventions to counter anti-REDD commentary	0						As needed	Links to stories and responses	Annual	EDF, CA
	Outreach to stakeholders through meetings and consultations with thought leaders to support the REDD+ agenda	0	10	10	10	10	10	50	Talking points	Annual	CA
Output 1.4: Contributions to ensure implementable and consistent REDD+ policy frameworks.	Participate in forums (e.g., UNFCCC, World Economic Forum); multilateral REDD+ initiatives (e.g., FCPF and UN-REDD program); and green business coalitions (e.g., The Sustainability Consortium and Consumer Goods Forum) and their working, contact and methodological groups	WEFF, UNFCCC, UNREDD, TSC, CGF	1	1	1	1	1	5	Participation lists	Annual	EDF
	Number of submissions, briefs and/or analyses contributed to different forums	0	1	1	1	1	1	5	Links to pieces	Annual	EDF
Output 1.5: Support for indigenous peoples to engage in global REDD+ policy spaces.	Number of advocacy products that incorporate IP and forest communities' interests in the submissions to the UNFCCC or white papers	0	1	1	1	1	1	5	Links to pieces	Annual	EDF
	Number of indigenous leaders financially supported to attend	0	2	2	2	2	2	10	EDF	Annual	EDF

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Results	Indicators	Baseline	Targets Y1	Y2	Y3	Y4	Y5	Y1-5	Data Sources	Frequency of Reporting	Responsibility
	the UNFCCC negotiations or other global REDD+ policy making forum										
Outcome 2: Through the end of 2020, developed nations double their commitments to economic incentives for REDD+ through 2030.	% increase in tons of international forest mitigation in tropical forest countries committed to be supported by all developed countries.	Update after Paris					200%	200%	Public pledges, UNFCCC annex	2020	CA
	% increase in economic incentives from developed nations for REDD+ outcomes in dollars of global commitments for the years 2020-2030 from all donors.	100%			150%		200%		CGD analysis; ODI analysis; CA analysis (e.g., Output 2.4)	Years 3 and 5	CA
Output 2.1 Targeted research and analysis that position financing of international forest mitigation as a primary strategy for advanced economies to raise their climate ambition, with a focus on: (a) forest mitigation commitments by REDD+ countries; (b) international forest mitigation commitments from advanced economies, including finance, and (c) the "business case" for donor-country investment in international forest mitigation.	Number of analytical products (e.g., public reports, policy briefs and/or online datasets) *OR,* Short white papers, talking points, and/or high-impact infographics)	0 0	2 5	2 5	2 5	2 5	2 5	10 25	Links to pieces online	Annual	CA
Output 2.2: Policy assessments for advanced economies to provide	Number of reports such as policy options assessments	0	2	2	2	2	2	10	Links to pieces online	Annual (including reporting of	CA

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Results	Indicators	Baseline	Targets						Data Sources	Frequency of Reporting	Responsibility
			Y1	Y2	Y3	Y4	Y5	Y1-5			
incentives for international forest mitigation in tropical forest countries, including global and donor country-specific options assessments and recommendations of climate policy mechanisms to generate economic incentives for tropical deforestation reduction.	*OR,* Number of briefs, consensus statements, letters, talking points	0	5	5	5	5	5	25		geography of impact e.g. global, regional, national)	
Output 2.3: Clear, targeted communications that make and socialize the case for developed-economy forest incentives to policymakers.	Number of case studies and/or fact sheets	1	2	2	2	2	2	10	Links to pieces online	Annual	CA
	Number of media/communications products (e.g., blogs, op-eds, press releases)	0	4	4	4	4	4	20	Links to pieces online	Annual	CA
	Number of stories pitched to reporters and meetings with major media outlets	0	3	3	3	3	3	15	Talking points and concept notes	Annual	CA
Output 2.4: Elite outreach and coalition building with policymakers and thought leaders on developed country forest incentives.	Number of consultations with thought leaders and policy makers (e.g., meetings, in-person briefings)	0	25	25	25	25	25	150	Talking points, agendas and participation lists	Annual	CA
	Number of interventions in multi-stakeholder processes (e.g., Action Agenda and community coalition building)	0	8	8	8	8	8	40	Agendas and participation lists	Annual	CA

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Results	Indicators	Baseline	Targets						Data Sources	Frequency of Reporting	Responsibility
			Y1	Y2	Y3	Y4	Y5	Y1-5			
II. Market Demand and Investment Initiative											
Outcome 3. At least half a billion dollars in private investment is made into jurisdictional REDD+ through 2020.	Amount of private funding delivered to jurisdictional REDD+ programs through carbon markets and complementary innovative finance and risk-reduction approaches (US$)	0	0 to millions	Mns to 10s of Mns	US$ 140 million	US$ 160 million	US$ 200 million	0.5 billion through 2020	Forest Trends REDDX and Ecosystem Marketplace; government and investor reports	Annual	EDF, FT
	Volume of jurisdictional REDD+ credit/options financed (in tons of CO_2)	0	0 to 10 million	10 million	10 million	10 million	15 million	50 million tons	As above	Annual	EDF, FT
	Amount of public funds deployed through innovative finance and risk-reduction approaches for jurisdictional REDD+ (US$)	0	0	Mns to 10s of Mns	US$ 10s of Mns	10s to 100s of Mns	100s of Mns	100s of Mns	Forest Trends REDDX and Ecosystem Marketplace; government and investor reports	Annual	EDF, FT
	Ratio of private to public investment for REDD+ and associated green growth outcomes	Less than 0.05 (based on Forest Trends REDDX)	0-0.5	0.5-1	1+	2+	3-10	3-10	As above	Annual	EDF, FT
	Number of major donor and finance institutions entities implementing innovative finance and risk-reduction approaches for jurisdictional REDD+	0	0	2	2	3	4	5	Donor, finance entity, and investor public statements	Annual	EDF

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Results	Indicators	Baseline	Targets Y1	Y2	Y3	Y4	Y5	Y1-5	Data Sources	Frequency of Reporting	Responsibility
	Number of tropical forest jurisdictions implementing innovative finance and risk-reduction approaches for jurisdictional REDD+	0	0	0-1	1	2	3	3	Forest Trends REDDX and Ecosystem Marketplace; government and investor reports	Annual	EDF. FT
Output 3.1 Research and modeling that support the development of policy proposals for REDD+ markets, designs for private/public partnerships, and innovative financing and risk-reduction approaches for REDD+, and that quantify value for public and private actors and REDD+ stakeholders.	Number of analyses with accompanying reports produced	EDF economic model developed and initial analysis complete for REDD+ credits/options finance vehicle	1	1	1	0-1	0-1	3-5	EDF and partners generate analyses	Annual	EDF
	Number of public entities attracted to provide input on analyses	Input received to date on design of REDD+ credits/options finance vehicle	3	2	2	1	1	9	EDF and partner meeting notes, presentations	Annual	EDF
	Number of private entities attracted to provide input on analyses	Input received to date on design of REDD+ credits/options finance vehicle	5	5	5	0-5	0-5	15-25	EDF and partner meeting notes, presentations	Annual	EDF
Output 3.2: Support for indigenous peoples, technical experts, and other representatives from Amazon and Mexican states and possibly other REDD+	Number of officials/representatives from REDD+ jurisdictions supported to attend	EDF supported 3 indigenous leaders' participation	8-10	0	0	0	0	8-10	EDF and partner meeting notes and official	Annual	EDF

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Results	Indicators	Baseline	Targets Y1	Y2	Y3	Y4	Y5	Y1-5	Data Sources	Frequency of Reporting	Responsibility
jurisdictions to engage with California policymakersand stakeholders to help establish robust requirements that allow high-quality jurisdictional REDD+ credits in California's compliance carbon market.	meetings and workshops on codifying rules for REDD+ in California's market	for the October 2015 ARB workshop							meeting transcripts		
	Number of policymaker/stakeholder meetings conducted by visiting officials/representatives	The above leaders participated in 2 added meetings.	20	0	0	0	0	20	EDF and partner meeting notes and official meeting transcripts	Annual	EDF
	Number of officials/representatives providing input and support for regulations in public statements or written comments.	5 jurisdictions/ organizations supported by EDF provided letters of support	20	0	0	0	0	20	EDF and partner meeting notes and official meeting transcripts.	Annual	EDF
Output 3.3: Meetings and communications that demonstrate value and feasibility of REDD+ market policies, complementary private/public partnerships and other innovative financing and risk-reduction approaches to policymakers and regulators in carbon market jurisdictions, public donors and development finance institutions.	Number of communications documents communicating finance proposals produced and distributed	Concept notes distributed on design of REDD+ credits/options finance vehicle	1	1	1	0	0	3	EDF and partners generate analyses	Annual	EDF, FT
	Number of government agencies, public donors and development finance institutions expressing support for proposals in public statements, memoranda of understanding, or written commitments	0	1	2	3	4	5	5	EDF and partner meeting notes, presentations; donor, donor/finance entity public statements, memoranda of understanding, written commitments	Annual	EDF

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Results	Indicators	Baseline	Targets Y1	Y2	Y3	Y4	Y5	Y1-5	Data Sources	Frequency of Reporting	Responsibility
Output 3.4: Meetings and communications that demonstrate value and feasibility of purchases of jurisdictional REDD+ credits/options and other investments in REDD+ and associated green growth outcomes to regulated entities in existing/emerging compliance markets and other private investors.	Number of documents communicating finance proposals produced and distributed	Concept notes distributed on design of REDD+ credits/options finance vehicle	1	1	1	0	0	3	EDF and partners generate analyses	Annual	EDF, FT
	Number of private entities with capacity to invest millions of dollars for REDD+, expressing support for proposals in public statements, memoranda of understanding, or written commitments	0	2	4	5	7	10	25 (include-ing potential repeats)	EDF and partner meeting notes, presentations; investor public statements, memoranda of understanding, written commitments	Annual	EDF
Output3.5, Tailored analysis, communication and workshops that demonstrate value and feasibility of private/public partnerships and other approaches to attract private capital for REDD+ and associated green growth outcomes to policymakers and stakeholders in Acre, Mato Grosso, and Pará.	Number of analyses and communications documents produced and distributed to policymakers, stakeholders and investors in Amazon REDD+ jurisdictions	0	1-2	1-2	1-2	1-2	1-2	5-10	EDF and partners generate analyses	Annual	EDF, IPAM, FT
	Number of workshops on private-public finance models held for policymakers and stakeholders in Amazon regions organized by project team	0	1	1	1	1	1	5	EDF and partner meeting notes, presentations	Annual	EDF, IPAM, FT
	Number of officials/representatives participating in workshops organized by project team	0	20	20	20	20	20	100- (includ-ing potential	EDF and partner meeting notes, presentations	Annual	EDF

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Results	Indicators	Baseline	Targets						Data Sources	Frequency of Reporting	Responsibility
			Y1	Y2	Y3	Y4	Y5	Y1-5			
								repeats)			
	Number of officials/representatives expressing support for proposals in public statements, memoranda of understanding, or written commitments	0	10	10	10	10	10	50	EDF and partner meeting notes, follow up communications and written evaluations, memoranda of understanding, written commitments.	Annual	EDF

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