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Grant Agreement	Grant Management Regime I	Date:	17.06.2016

GRANT AGREEMENT

BETWEEN

THE NORWEGIAN AGENCY FOR DEVELOPMENT
COOPERATION
AND

IUCN, INTERNATIONAL UNION FOR CONSERVATION OF
NATURE AND NATURAL RESOURCES

REGARDING

RAS-17/0015 INCLUDING MANGROVES IN REDD+ ASIA

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This grant agreement (the Agreement) has been entered into between the Norwegian Agency for Development Cooperation Affairs (Norad), and International Union for Conservation of Nature and Natural Resources (IUCN), an international association with its World Headquarters located at Rue Mauverney 28, 1196 Gland, Switzerland represented by its Asia Regional Office located at 63, Sukhumvit Soi 39 (the Organisation), (jointly referred to as the Parties),

WHEREAS the Organisation, through its Asia Regional Office, has submitted a Concept Note to Norad dated 30 August 2017 (the Project Document) regarding financial support to the project titled Including Mangroves in REDD+ Asia, RAS-17/0015 (the Project); and

WHEREAS Norad has decided to comply with the request;

NOW THEREFORE the Parties have agreed as follows:

1 SCOPE AND OBJECTIVES

- 1.1 This Agreement, including all annexes, sets forth the terms and procedures for Norad's financial support to the Project. The estimated costs of the Project are indicated in the budget attached as Annex A.
- 1.2 The Parties expect the Project to be implemented between October 2017 and October 2018 (the Support Period).
- 1.3 The expected results of the Project are as follows:

The planned effect(s) on society is/are: [The inclusion of mangroves in REDD+ policies and plans will make their economic value more tangible to decision makers, by generating direct flows of funds as a result of their role in reducing emissions and increasing carbon storage and removals. (Sustainable, ecosystem and nature-based decision-making for the use, management, rehabilitation and restoration of mangroves).

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

- Selection of up to five countries for project where the inclusion of mangroves could yield the biggest impact.
- Communication regionally and strategically about the opportunities and benefits of including mangroves in REDD agenda.
- A plan for the implementation phase, including; refined theory of change, results framework, detailed work plan and budget; screening of environmental and social concerns including gender, human rights, and anti-corruption.
- Capacity built with key stakeholders specifically focussed and targeted at the inclusion of mangroves in the REDD agenda at country level.

The intended target group is National Coordinating Bodies in select participating countries (with participants from government, civil society and international organisations)

- 1.4 The full results framework is as set out in Annex B.
- 1.5 Any significant deviations from or changes to the Project Document or approved implementation plans or budgets are subject to written agreement between the Parties.

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2 REPRESENTATION AND COMMUNICATION

- 2.1 The Department for Climate, Energy Environment and research is competent to act on behalf of Norad. All communication to Norad regarding this Agreement shall be directed to:

norad-post-gronn@norad.no

- 2.2 Asia Regional Office, Bangkok is competent to act on behalf of the Organisation. All communication to the Organisation regarding this Agreement shall be directed to:

63 Sukhumvit Road Soi 39 Klongton-Nua, Wattana, Bangkok, Thailand 10110

steen.chistensen@iucn.org

- 2.3 The Parties may give notice of other contact information to replace the above.
- 2.4 Norad's agreement number and agreement title shall be stated in all correspondence regarding this Agreement, including disbursement requests and repayment of unused funds.

3 PROJECT IMPLEMENTATION

- 3.1 The Parties shall cooperate to ensure achievement of Project objectives. The Parties shall immediately inform each other of any circumstances likely to hamper or delay the implementation of the Project.

- 3.2 The Organisation shall, through Asia Regional Office, have the overall responsibility for planning, implementing, reporting and monitoring of the Project, and shall:

- a) implement the Project in accordance with the Agreement and the latest agreed Project Document, including implementation plan and budget;
- b) exercise the necessary diligence, efficiency and transparency in line with best practise principles;
- c) ensure sound financial management of the Project, including that all Project funds are satisfactorily accounted for;
- d) keep Norad informed of any major organisational changes within the Organisation;
- e) be solely responsible for any adverse effects of the Project;
- f) 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;

- 3.3 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 partner is required to cooperate with the Organisation to ensure that it is able to fulfil its obligations hereunder. The agreement shall have provisions related to i.a. reporting, audit, procurement and measures to prevent financial irregularities. The agreement shall explicitly state that representatives of Norway shall have the same access to undertake the control measures related to the cooperating partner's use of the Grant as described in article 18.

4 THE GRANT

- 4.1 Norad shall provide a financial grant of maximum NOK 5 000 000 (Norwegian Kroner <five Million) (the Grant).

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- 4.2 Disbursement after the current calendar year is subject to Norwegian Parliamentary appropriations.
- 4.3 The Grant, including accrued interest, shall be used exclusively to finance the actual costs of the implementation of the Project during the Support Period.
- 4.4 The Grant may be used to cover overheads/indirect costs up to a maximum of 5 % of the actual costs of the Project.
- 4.5 The Organisation is responsible for obtaining any additional resources which may be required to duly implement the Project.
- 4.6 The Organisation shall acknowledge Norad's support to the Project in all publications and other materials issued in relation to the Project. Norad's logotype will be provided by Norad upon request. All use of Norad's logotype must be approved by Norad.

5 DISBURSEMENTS

- 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 Organisation 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 expenditures for the upcoming period, less any funds available to the Project from all other sources during the same period.
- 5.3 The financial need shall be documented through an updated financial statement for the Project and a reference to the latest approved implementation plan and budget.
- 5.4 The disbursement requests shall be signed by an authorised representative of the Organisation. A confirmation that the Project is being implemented in accordance with the Agreement shall be included in the disbursement requests.
- 5.5 All disbursements are conditional upon the Organisation's continued compliance with the requirements of the Agreement, including the timely fulfilment of reporting obligations.
- 5.6 All disbursements will be made in NOK to the following bank account:

Name of the account:	International Union for Conservation of Nature and Natural Resources
Account no.:	001-0-016179-0
IBAN no.:	
Name and address of the bank:	Standard Chartered Bank (Thai) Public Company Limited (SCBT) 90 North Sathorn Road Silom Bangrak, Bangkok 10500, Thailand
Swift/BIC code:	SCBLTHBX
Currency of the account:	USD

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- 5.7 The Organisation 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 ON RESULTS

- 6.1 A progress report covering the first six months, shall be submitted to Norad for approval by April 2018. The progress reports shall describe the results achieved by the Project during the reporting period and shall be set up in a way that allows for direct comparison with the latest approved Project Document, implementation plan and budget. It shall be signed by an authorised representative of the Organisation.

- 6.2 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 any deviations from the Project Document;
- c) an assessment of how efficiently Project resources have been turned into outputs;
- d) a brief account of materialised risk factors to the Project and how they were handled in the reporting period and/or will be handled going forward. Identified risks related to the climate and environment, gender equality, corruption and other financial mismanagement and human rights shall always be accounted for.

7 FINANCIAL REPORTS

- 7.1 A financial report covering the first six months shall be submitted to Norad for approval by April. The final financial report shall cover the entire Support Period and shall be submitted along with the final report referred to in article 10.

- 7.2 The financial reports 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 as per clause 8.4 below. It shall be certified by the financial controller as well as by an authorised representative of the Organisation.

- 7.3 The financial statements shall be set up in a way that allows for direct comparison with the approved budget, using the same currency and budget line items. They shall, as a minimum, include:

- a) the accounting principles applied;
- b) income from all sources, including bank interest. Norad's contribution shall be specified;
- c) expenses charged/capitalised in the relevant reporting period;
- d) expenses charged/capitalised from start-up of the Project to the end of the reporting period;
- e) unused funds as per the reporting date;
- f) overhead/indirect costs to be covered by the Grant in accordance with article 4 above;
- g) balance sheet, when required in accordance with the accounting principles applied;
- h) explanatory notes including a description of the accounting policies used and any other explanatory material necessary for transparent financial reporting of the Project.

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7.4 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 Organisation shall include a written explanation of any deviations amounting to more than 10 % from a budget line.

8 AUDIT

8.1 The Project's annual financial statements shall be audited, and the audit report shall be submitted to Norad within November 2018. Any other document from the auditor significant to the implementation of the Project, as well as the Organisation's comments thereto, shall be submitted to Norad within the same deadline.

8.2 The audit shall be carried out by an independent chartered/certified public accountant acceptable to Norad. International audit standards such as International Standards of Auditing (ISA) 800, ISA 805, or equivalent shall be applied.

8.3 The auditor shall form an opinion on whether the 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 Organisation, and;
- b) requirements of article 8 clause 3.

8.4 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.

8.5 The costs of the audit shall be included in the Project budget.

8.6 The audit requirements stated in this Agreement shall apply to the total Grant including any part of the Grant transferred to other entities. 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 partners and the consolidation process

8.7 Norad may request additional information from the auditor at any time. Such information shall be provided within 30 days of the request.

9 FINAL REPORT

9.1 A final report for the Support Period shall be submitted to Norad for approval within three months after the end of the Support Period. The final report shall be set up in a way that allows for a direct comparison with the Project Document and shall be signed by an authorised representative of the Organisation.

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9.2 The final report shall, as a minimum, include:

- a) the items listed for the progress reports described in article 7 covering the entire Support Period;
- b) a description of how outputs and outcomes can contribute to achieving the impact on longer term;
- c) a description of the main lessons learned from the Project;
- d) an assessment of the sustainability of the results achieved by the Project.

10 FORMAL MEETINGS

- 10.1 The Parties shall hold a formal meeting, tentatively in April 2018 in order to discuss i.a. the results achieved by the Project during the Support Period. The meetings shall be called and chaired by the Organisation.
- 10.2 The Parties shall discuss the latest progress report and financial report, as well as the implementation plan and budget for the upcoming period, unless otherwise agreed. In the event that such reports have not been received at least 2 weeks before the meeting, the Parties shall agree upon a new date to hold the meeting.
- 10.3 The Organisation shall record main issues discussed, points of view expressed and decisions made, in minutes from the meetings. The Organisation shall draft the minutes and submit them to Norad no later than two weeks after the meetings for any comments. The agreed minutes shall be signed by both Parties.
- 10.4 The Parties may invite others to participate as observers or advisers to their delegations. The Parties shall notify each other in advance of any external participants and their role in the meetings.

11 REVIEWS AND OTHER FOLLOW-UP MEASURES

- 11.1 If the Organisation or another interested party initiates a review or evaluation of activities wholly or partly funded by the Grant, Norad shall be informed. Norad shall be invited to participate in the review. The Organisation shall forward a copy of the report of any such review or evaluation to Norad without undue delay.

12 PROCUREMENT

- 12.1 All procurement shall be completed in accordance with Annex C.

13 PROJECT ASSETS

- 13.1 The Organisation shall have full ownership to all equipment, consumables and intellectual property rights procured or developed by use of the Grant, unless otherwise described in the Project Document. Norad shall have a non-exclusive and royalty-free license to use all intellectual property rights procured or developed by use of the Grant. Norad may assign this right to any individual or organisation at its own discretion.
- 13.2 All matters associated with equipment, consumables and intellectual property rights are the exclusive responsibility of the Organisation. However, significant use of such equipment, consumables and intellectual property rights for purposes outside the Project shall be subject to Norad's prior approval.

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- 13.3 Transfer of ownership of any equipment, consumables and/or intellectual property rights during the Support Period shall be executed in accordance with the national legislation of the Organisation and be made at market terms. Ownership may not be transferred to an employee of the Organisation or its cooperating partner, or anyone related to or connected with an employee, if such a relation could lead to a conflict of interest as described in article 15 clause 2.
- 13.4 Before a transfer is decided, the Organisation shall assess whether it may have an impact on the Project and, where appropriate, consult with Norad. Any income from a transfer shall accrue to the Project, and shall be reported in the financial statement of the Project.
- 13.5 The Organisation shall prepare records of transfer of ownership for any equipment, consumables and intellectual property rights. The records shall comprise information on the object of transfer, the original purchase price paid by the Organisation, price offers received, the final sales price and the name of the purchaser. The record shall be submitted to Norad along with the first progress report due after the sale.
- 13.6 If the activities of the Project do not continue after the end of the Support Period or after termination of the Agreement, the Organisation shall inform Norad about the remaining equipment and goods that have been purchased by use of the Grant. Norad may require that such assets be sold. Such sale shall be completed in accordance with the procedures described above. Income from the sale shall be repaid to Norad unless otherwise agreed by the Parties.
- 13.7 The Grant may not be used to purchase or construct real property (land or buildings) unless specifically agreed upon between the Parties in writing.

14 CONFLICT OF INTEREST

- 14.1 The Parties shall take all necessary precautions to avoid any conflicts of interest in all matters related to the Project.
- 14.2 Conflict of interest refers to any situation where the impartial and objective exercise of the functions of anyone acting on behalf of the Parties is, or may be, compromised for reasons involving family, personal life, political or national affinity, economic interest or any other connection or shared interest with another person.
- 14.3 If a conflict of interest occurs, the affected Party 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.
- 14.4 If the conflict of interest cannot be resolved and if it relates to a decision or transaction of significance to the Project, the affected Party shall immediately notify the other Party. The Parties shall discuss in order to reach an understanding on the appropriate measures to be taken.

15 FINANCIAL IRREGULARITIES

- 15.1 The Parties shall practice zero tolerance towards any financial irregularities within and related to the Project. The zero tolerance policy applies to all staff members, consultants and other non-staff personnel, contractor, implementing partners and beneficiaries of the Grant.
- 15.2 Financial irregularities refer to all kinds of:
- a) corruption, including bribery, nepotism and illegal gratuities;

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- 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 latest agreed Project Document, implementation plan and budget.

15.3 The Parties are firmly committed to prevent, detect and manage financial irregularities and shall therefore:

- a) organise their operations and internal control systems in a way that financial irregularities are prevented and detected;
- b) cooperate fully to prevent, stop and handle 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 Parties shall immediately inform each other of any indication of financial irregularities and of the measures initiated to handle the situation.

15.5 The Parties shall cooperate fully in the investigations of such events, whether the investigation is led by Norad or the Organisation.

15.6 The Parties shall consider prosecution and/or other reasonable sanctions towards any person and/or legal entity suspected of financial irregularities within or in relation to the Project.

15.7 Norad may apply any measure as referred to in article 19 clauses 1 and 2, with immediate effect and irrespective of article 20 clause 3, if Norad determines that any financial irregularities have occurred. Any repayment claim may also include interest, investment income or any other financial gain obtained as a result of the financial irregularity.

16 TRANSPARENCY

16.1 The Parties shall distribute copies of this Agreement, as well as any subsequent amendments thereof, to all individuals and institutions involved in the Project or otherwise in need of information on its content.

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

If internet publication is impossible, all the information in this clause shall be published by other appropriate means. The Organisation shall give Norad precise information on where the publication is made.

Publication shall take place as soon as possible, and at the latest within six months after the contracts and/or sub-agreements were entered into.

Any deviations from this clause shall be agreed by the Parties in writing.

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16.3 The Parties shall make other project documentation, including the Project Document and all agreed reports, available to anyone upon request. Requests for disclosure may be denied if such disclosure is prohibited by national legislation, confidentiality obligations and/or if it may be detrimental to the Organisation's legitimate interests.

17 VERIFICATION

17.1 Representatives of Norway may at all times carry out independent reviews, field visits, evaluations and other control measures to verify that the Grant has been used in accordance with the Agreement.

17.2 The Organisation shall facilitate such control measures by providing all information and documents necessary to carry out the relevant initiative, as well as ensuring the unrestricted access of such representatives to any premises, records, goods and documents requested.

17.3 The Organisation shall ensure that the representatives have access to the auditor of the Project, as well as to the auditor's assessments of all relevant information pertaining to the Project. The Organisation shall release the auditor from any confidentiality obligations in order to facilitate such access.

17.4 The rights and obligations of this article shall remain in force for five years following the end of the Support Period or after termination of the Agreement.

18 RESERVATIONS

18.1 Norad reserves the right to withhold disbursements at any time in case the Organisation fails to fulfil its obligations under this Agreement and/or if there is suspicion of financial irregularities.

18.2 Norad reserves the right to terminate the Agreement with immediate effect and/or claim repayment of all or parts of the Grant in the event of material breach of this Agreement by the Organisation. Material breach of the Agreement shall include, without limitation, the following:

- 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 use of the Grant has not been satisfactorily accounted for,
- c) the Organisation has, after having been granted an extended deadline, failed to provide the agreed reports,
- d) financial irregularities, grave professional misconduct or illegal activity of any form have taken place within the Project,
- e) the Organisation has failed to inform Norad of indication of financial irregularities within the Project in accordance with article 16 above.

18.3 Before withholding disbursements, claiming repayment or terminating this Agreement, the Parties shall consult with a view to reaching a solution on the matter.

19 LIABILITY

19.1 Norad shall not be held liable for damage, injury or loss of income sustained by the Organisation or its agencies, staff or property as a direct or indirect consequence of the Project. No claim for compensation or increases in payment in connection with such damage, injury or loss of income will be accepted.

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19.2 The Organisation 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 Organisation shall indemnify Norad against any claim or action from the Organisation's employees or third parties in relation to the Project.

20 PRIVILEGES AND IMMUNITIES

20.1 Nothing in this Agreement or any document related to the Agreement shall imply a waiver, express or implied, by Norad, the Government of Norway, nor the Organisation, or any of either's officials of any privileges or immunity enjoyed by them.

21 DURATION, AMENDMENT AND TERMINATION

21.1 The Agreement shall enter into force on 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 this article. Whether the obligations shall be considered fulfilled, will be determined through consultations between the Parties and confirmed by Norad in a completion letter.

21.2 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.

21.3 Each Party may terminate the Agreement upon one month's written notice. If the Project cannot continue without the financial support of Norad, the Organisation shall exert its best efforts to discontinue or scale down the Project promptly and in an orderly and financially sound manner.

22 RETURN OF INTEREST AND UNUSED FUNDS

22.1 Upon completion of the Support Period or upon termination of this Agreement, any unused funds that total more than NOK 500 shall be repaid to Norad as soon as possible and at the latest within 6 months. The repayment shall include any interest which has not been used for Project purposes, and other financial gain accrued on the Grant. This does not apply in case of termination where such funds have been irrevocably committed by the Organisation in a legally binding agreement entered into with any third parties prior to the receipt of the notice of termination.

22.2 Repayments shall be made to the following bank account:

Name of the account:	Norad
Account no.:	7694 05 14815
IBAN no.:	NO31 7694 05140815
Name and address of the bank:	DNB BANK ASA, N-0021 Oslo, Norway
Swift/BIC code:	DNBANOKKXXX

22.3 The transaction shall be clearly marked: "Unused funds". The name of the Organisation shall be stated, along with the Norad's agreement number and agreement title.

23 DISPUTE RESOLUTION

23.1 Any dispute concerning this Agreement shall be settled by consultations between the Parties.

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IN WITNESS WHEREOF the undersigned, acting on behalf of their respective Party, have signed the Agreement in two -2- originals in the English language, whereof the Parties keep one each. In the event of any discrepancies between this English language version and any later translations, the English language version shall prevail.

Place: *Oslo, Norway*
Date: *27/9-2017*

Tale Kvalvaag

for Norad,
Tale Kvalvaag
Director

Department for Climate, Energy, Environment
and Research

Aban Marker Kabraji

for IUCN,
Aban Marker Kabraji
Regional Director

IUCN, International Union for Conservation of
Nature and Natural Resources

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Attachments:

Annex A: Approved budget for the Project

	Budget for NICFI						
	Unit	Unit cost	Total Unit	Sub-Total, USD	Total Cost, USD	Total cost, NOK	Rounded up Total cost, NOK
Output 1. Up to five countries for implementation phase selected					149,185	1,241,219	1,242,000
Learning event / session at RSC-14 to initiate the inception phase and discuss the potential of using the MFF governance platforms to promote inclusion of Mangrove ecosystems into the REDD+ agenda					46,225	384,592	385,000
Venue and logistics for RSC-14 learning event	lump			20,000			
Coordination cost (MFF Staff-5 days for each of the nine MFF countries)	Days	320	45	14,400			
Technical input for co-chairing the RSC-14	Days	1,182.5	10	11,825			
Short listing of countries based on preliminary situation analysis and National and regional consultations with MFF NCBs and major stakeholders in each of the nine MFF countries considered for the project					102,960	856,627	857,000
Country consultation (1 meeting in each of nine MFF countries)	Meetings	2,000	9	18,000			
NCB Meeting cost (1 NCB meeting in each of nine MFF countries)	Meetings	1,000	9	9,000			
National Consultant for preliminary situation analysis (1 month for each of the nine MFF countries)	Months	3,000	9	27,000			
Coordination and technical input for situation analysis (MFF Staff-17 days for each of the nine MFF countries)	Days	320	153	48,960			
Output 2. Implementation plan for shortlisted countries					175,880	1,463,322	1,463,000
Detailed situation analysis in each of the selected countries					78,000	648,960	649,000
REDD+ intl. consultant	Month	8,000	4	32,000			
National Consultants (2 month for the select five MFF countries)	Month	3,000	10	30,000			
Coordination and technical input (10 days for each of select five MFF countries)	Days	320	50	16,000			
National and joint consultations with NCBs and stakeholders from the selected countries to identify and endorse priority areas of intervention					66,730	555,194	555,000
Consultation cost	Meetings	2,000	5	10,000			
NCB meeting cost	Meetings	1,000	5	5,000			
Coordination and technical input (5 days for each of select five MFF countries)	Days	320	25	8,000			
MC-6 Meeting cost	Lump			15,000			
IUCN technical input to MC-6 meeting	Days	1,182.5	4	4,730			
Regional Consultation	Lump			24,000			
ESMS review completed for all the work packages					31,150	259,168	259,000
Coordination and technical input (10 days for each of select five MFF countries)	Days	320	50	16,000			

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	Budget for NICFI						
	Unit	Unit cost	Total Unit	Sub-Total, USD	Total Cost, USD	Total cost, NOK	Rounded up Total cost, NOK
IUCN technical input for ESMS coordination	Days	1,015	10	10,150			
ESMS consultant	lump			5,000			
Output 3.Strategy for Knowledge Management and Communication developed					71,995	598,998	599,000
Potential synergies and collaboration with existing regional and national agents working on REDD+ explored					36,000	299,520	300,000
REDD+ intl. consultant	Month	8,000	1	8,000			
National consultants (1 month for each of the five countries)	Month	3,000	5	15,000			
NCB meeting	Meetings	1,000	5	5,000			
Coordination and technical input (5 days for each of select five MFF countries)	Days	320	25	8,000			
Theory of change for policy influence developed in collaboration with national and regional partners					35,995	299,478	299,000
REDD+ intl. Consultant	Month	8,000	1	8,000			
National Consultants (1 month for each of five MFF countries)	Month	3,000	5	15,000			
Coordination and technical input (5 days for each of select five MFF countries)	Days	320	25	8,000			
Communication staff cost	Days	555	9	4,995			
Project management					175,336	1,458,796	1,459,000
Regional Secretariat staff (80% of time of MFF Programme Manager)	Days	795	161	127,836			
Finance Manager	Days	900	5	4,500			
Equipment (computer and printer)	Lump			6,000			
Office running cost	Lump			14,000			
Travel cost	Lump			18,000			
Audit	Lump			5,000			
Subtotal					572,396	4,762,335	4,762,000
Management cost					28,620	238,117	238000
Total					601,016	5,000,451	5,000,000

Annex B: Results framework

Objectives	Activities	Verifiers
Outcome Objective		
Proposal for multi-year project to include mangroves and associated ecosystems into the REDD+ agenda in select MFF member countries approved by	Preparatory studies, surveys and consultations in nine MFF member countries informing development of project proposal	<ul style="list-style-type: none"> - Meeting and consultation reports - Proposal to NICFI/Norad submitted

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<p>NICFI/Norad. The proposal will include:</p> <ul style="list-style-type: none"> - Refined theory of change - Full results framework - Detailed work plan and budget, co-created with the MFF national co-ordinating bodies (NCBs) and endorsed by the MFF Management Committee (MC) and Regional Steering Committee (RSC). - Full screening of environmental and social concerns including gender, human rights, and anti-corruption. IUCN has a full set of policies and safeguards in these areas 		<ul style="list-style-type: none"> - Grant agreement signed
<p>Capacity built with key stakeholders specifically focussed and targeted at the inclusion of mangroves and associated coastal ecosystems in the REDD agenda at country level, taking into account general REDD capacity building carried out and/or funded through other initiatives; and key knowledge shared across the sector, through thorough engagement primarily associated with MFF meetings falling within the inception period</p>	<p>Learning events at MFF RSC-14 and MC-6 Presentations and learning sessions at NCB meetings</p>	<ul style="list-style-type: none"> - Events held and recorded in proceedings - Presentations given - NCB members accept and understand the role of REDD+ for sustainable management of mangroves
<p>Output objectives</p>		
<p>Output 1: Up to five countries for implementation phase selected</p>	<p>Learning event / session at RSC-14 to initiate the inception phase and discuss the potential of using the MFF governance platforms to promote inclusion of Mangrove ecosystems into the REDD+ agenda</p>	<ul style="list-style-type: none"> - Proceedings from RSC-14
	<p>Communication and co-ordination of information regionally and strategically about the opportunities and benefits of including mangroves in national REDD</p>	<ul style="list-style-type: none"> - Learning events and presentations at RSC-14 and MC-6, and NCB meetings, recorded in

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	agendas to all MFF countries, ensuring the ground is prepared for possible future extension of the approach	proceedings
	Identification and engagement of carbon mitigation and REDD expertise on the MFF national coordinating bodies, and within IUCN regionally and globally	– Experts are involved in studies selecting countries
	Consideration of detailed information on potential for reduced emissions and increased carbon storage/removals by mangroves and associated coastal ecosystems, political and social context, up to date state of REDD+ readiness, strategy and implementation, and alignment with NORAD priority countries for investment	– National study reports
	Selection of countries based on preliminary situation analysis and National and regional consultations with MFF NCBs and major stakeholders in each of the nine MFF countries considered for the project. Selection will take into account where the inclusion of mangroves in the REDD+ agenda could yield the biggest impact. Countries will be selected based on potential for reduced emissions and increased carbon storage/removals, political and social context, state of REDD+ readiness and implementation specifically related to mangroves and associated coastal ecosystems, and alignment with NORAD priority countries for investment	– National study reports – Meeting reports – NCB minutes – Report outlining the rationale for country selection
Output 2: Implementation plan for shortlisted countries		–
	National and joint consultations with NCBs and stakeholders from the selected countries to identify and endorse priority areas of intervention	– Country consultations – Meeting reports – NCB minutes – MC-6 minutes – Reports outlining national priorities and work packages
	Completion of a detailed situation analysis, as it related to the inclusion of mangroves and associated coastal ecosystems in the REDD agenda, of relevant stakeholders, policies and policy makers, governance and decision-making processes, actors, and existing extent of full valuation of the benefits provided by intact and well-	– Situation analysis completed and used to develop the full theory of change and implementation plan

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	ESMS review completed for all the work packages	- ESMS review and report
Output 3: Strategy for Knowledge Management and Communication developed	Potential synergies and collaboration with existing regional and national agencies working on REDD+ explored	<ul style="list-style-type: none"> - NCB meetings - Reports on synergies between regional and national agencies - Regional and national agencies working on REDD+ participate in and agree to contribute to the implementation plans for selected countries
	Theory of change for policy influence developed in collaboration with national and regional partners	- Updated MFF Knowledge Management and Communication strategy

Annex C: Procurement Provisions

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PART III: PROCUREMENT IN THE CONTEXT OF PROJECTS FINANCED BY THE NORWEGIAN AGENCY FOR DEVELOPMENT COOPERATION

1 INTRODUCTION

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

2 BASIC PRINCIPLES

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

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

3 ELIGIBLE TENDERERS

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

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

4 GENERAL PROCUREMENT RULES

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

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

5 AWARD OF CONTRACTS

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

6 PUBLICATION OF PROCUREMENT NOTICE

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

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

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

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

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

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

7 USE OF NEGOTIATED PROCEDURE WITHOUT PRIOR PUBLICATION

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

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

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