ANNEX:

PROJECT Agreement FOR Agroforestry

# Project agreement between the Fes Enying project partners and the participating communities in Cameroon.

## *Fes Enying Project*

*2024*

[Once in its final stage, the Project Agreement will be translated in French]

This document lays out the terms of mutual commitment between the partners of the Fes Enying project and the participating project communities in Cameroon. The mutual commitments contained in this Agreement are as follows:

### 1. Introduction

1.1 The Project Agreement describes the roles and responsibilities of the project partners in relation to the Fes Enying Plan Vivo project (Cameroon), including the involved committees and assemblies, and the terms and conditions governing the generation of and payment for ecosystem services from ecosystem protection, non-timber forest products and related management activities. The four project partners (Parties) are (i) Fes Enying, (ii) Graine de Vie Luxembourg, (iii) Climate Lab, (iv) Plan Vivo committees representing the village.

This agreement is valid for the agroforestry interventions (communal gardens) from ………/…………./……………. and is valid for 50 years.

1.2 Ecosystem services (ES) arise from the processes by which the environment produces resources needed by humans, such as clean air, water, food and materials. For the purposes of this agreement, carbon sequestration services, as a result of agroforestry activities and related management activities are considered. Nevertheless, the provision of all ecosystem services from agroforestry is indicated by monitoring changes in tree density and health, biodiversity, carbon sequestration and socio-economic development. The delivery of the ecosystem services will be indicated by monitoring changes.

1.3 The project is intended to facilitate community agroforestry activities and management efforts by strengthening communities that choose for sustainable agricultural systems. Agroforestry activities consist of sustainable management of the agricultural land, and set up of communal gardens. Such activities provide community-wide benefits and valorization of non-timber forest products improves the wellbeing of the community. In support of this intention the local community will be considered beneficiary of this agreement. The project will enter a benefit-sharing mechanism governing the management and distribution of payments received under this agreement.

1.4 It is acknowledged by all Parties that an informative and explanatory “FPIC” meeting was organized before. In this meeting it has been clearly explained that the Plan Vivo project was in the process of maturing, and that it was necessary and even essential that the populations were previously informed, and if they would be convinced, they could freely give their consent. The core of this project remains in the hands of the community. The parties acknowledge having understood all the information given, and that all have been able to ask all the necessary questions to understand it correctly. All parties have understood the answers that were given. No Party has been coerced or influenced in any way to give consent. Parties give their consent out of conviction, so that agroforestry activities are sustainable. The Parties know that plan vivo credits can provide a safety net in the first years during the initial growth period of the agroforestry trees. Parties consider that they now have sufficient information to make an informed decision.

### 2. Roles and obligations of the parties

The roles of Graine De Vie and Climate Lab are to:

* Manage its activities to install a durable agroforestry system and thereby generate ecosystem services; therefore to pay local employees and nursery technicians a salary and thus contribute to improving the life of the people living in the project areas;
* Operate nurseries and distribute all seedlings for free;
* Co-organise minimum once a year a community meeting to discuss the project impact on the communities, keep records and follow-up the issues raised during this meeting;
* Strive for gender balance, create awareness of the issue and actively encourage women participation in their activities;
* Coinvest the generated carbon investments in consensus with the plan vivo committees and the wider community of the villages, with the level of investment as specified below;
* Provide information, cooperation and support to all partners in order to create reports required by Plan Vivo Foundation
* Draft and develop all certification documents (PIN, PDD etc.)
* Organize Project Validation
* Organize Project Registration
* Organize monitoring, quality management, annual reporting and verification
* Organize the sales of Plan Vivo certificates and the distribution of the shared benefits

The project participants have the role and responsibility to support the project towards obtaining its targets as described in Annex A, and that to the best of their ability.

The project participants are not able to generate any other type of carbon credits or be involved in other programs that deliver the same benefits with other parties or standards.

### 3. Monitoring and payment system

3.1 Monitoring. Monitoring activities, annual activity-based indicators and methods are described in [Annex](#bookmark=id.1fob9te) A. A simple set of monitoring indicators will be used, and monitoring observations will concentrate on three main aspects:

1. Ecosystem health
2. Carbon sequestration
3. Livelihood

The annual progress monitoring and the milestone based indicators are set forth in two schemes in Annex A & B. The system shows the monitoring indicators, performance targets and thresholds.

3.2 Payments. Annual payments will be linked to monitoring results in relation to the targets and thresholds described in Annex B. Payments are directly dependent on sales; this means that in case that there are no sales of carbon credits, there will be no payments. Payments will only be made if responsibilities and, where applicable, corrective actions (see performance targets in Annex A) are carried out by the parties.

In addition, the milestonebased payment system is set forth in Annex B. This system outlines the monitoring indicators, evaluation methods, and how they link to project payments.

3.3 Plan Vivo buffer. There is a deduction of the risk buffer (20% of the total carbon removal), which is pooled by Plan Vivo and therefore not available for participants to claim. There is also a 10% Achievement Reserve that becomes available only after verification every five years.

### 4. Use of Payments

4.1 Plan Vivo investments under this agreement are made in consensus with the community and should be gender balanced and take into account the rights and needs of the *peuples autochtones*. The balance based on Payment allocation as per article 4.3 of this agreement will be used to make community investments if performance targets and thresholds are achieved (see Annex A).

4.2 Land management plans and the communal development plan (Plan Communal de Développement) are consulted for community investments. Investments should strengthen 4 main activities (1) Agroforestry activities, (2) water availability, (3) support economic livelihood through fruit and non-timber forest products, (4) improve capacity building and education of local citizens.

4.3 All parties explicitly agree that Climate Lab will sell all carbon credits, while Graine De Vie is responsible to allocate the Payment as follows:

50% of Net Revenue allocated for investment for local village projects in priority sectors (each village may have different priorities);

10% of Net Revenue allocated for community, led by Plan Vivo committees, to maintain these communal gardens.

40% of Net Revenue allocated for the project developers (Fes Enying, Graine de Vie Luxembourg and Climate Lab) for agroforestry activities, administrative and overhead costs.

### 5. Corrective action

5.1 In the event that corrective action is required during the term of this agreement, the project partners (Climate Lab and the Graine de Vie) and the village will reach agreement on the corrective actions necessary, a schedule for the corrective action, and an extension of this agreement.

5.2 All stakeholders (participants, villagers or other stakeholders) are encouraged to use the complaint/suggestion book or box. Mitigation actions to follow up complaints will be performed in mutual agreement between the stakeholders and the community and will strive towards consensus. In the event that there is a dispute between different parties or stakeholders, or a consensus-based decision based on §7 is not possible, the village council will invite all parties and try to mediate. If parties are unable to agree on corrective actions a third-party arbitrator (*autorité tutelle de département Mayo-Banyo*, which could be the prefect or sub prefect), approved by all parties and after consent by the Plan Vivo Foundation, will be appointed to oversee dispute resolution.

5.3 The community will pay the costs of any corrective actions under any agreement extension. Such payments shall be made from Payment allocation for investments in the local village projects (60% Net Revenue) as defined in article 4.3 of this agreement.

### 6. Agreement term

This agreement will remain in force for a period of 50 years from the date of signing, unless payments are withheld in any year, in which case the parties shall agree to an extension and corrective actions as set forth in section 5.

If a community decides to add land to the communal garden, a new milestone-based payment scheme for that project area will be started.

After 50 years, there is a possibility to extend the agreement for the project areas of which the scheme is still running.

7. Consensus-building between Parties

Each village forms a Plan Vivo committee by vote. The composition and roles of the Plan Vivo committees can be found in Annex D. The Plan Vivo committee needs to represent the community in the village and it is obligatory that it consist of at least 30% women (and striving towards 50%) and at least 1 representative of each ethnic group, including the Mbororo, *peuples autochtones[[1]](#footnote-1)* (if relevant[[2]](#footnote-2)). The members of the Plan Vivo committees are elected every 2 years.

At least once per year, one Plan Vivo assembly for the community will be organised by the Plan Vivo Committee, this is called the Annual General Meeting (where the community and the Plan Vivo committees will be present). The meeting prior to the Annual General Meeting will be used to discuss the project progress, and to determine the budget for the next year’s activities and a final budget for the following year must be agreed to prior to the Annual General Meeting. Any decision on Plan Vivo investments is made in consensus, meaning that all Parties, and so all ethnic groupes, must agree with the decision in writing, including the representatives of the Mbororo. If the Plan Vivo committee cannot find a consensus, they will vote for the investment decisions. The vote is valid if 2/3 of the Plan Vivo committee votes pro, and that 2/3 should consist of representatives of different ethnic groups and at least 1 female person.

At the Annual General Meeting, the budget for the next year’s activities will be announced and the amount of money that will go back to the village will also be announced to the community.

The parties agree to the terms and conditions contained in this Project agreement and all Annexes.

Signatures for Fes Enying, Graine De Vie Luxembourg, Climate Lab, the village chief, and the Plan Vivo Committee.

# Annex A: Annual performance targets

The annual activity-based indicators will include:

There are the following consequences for certificate issuance and corrective actions that will be implemented if the yearly performance targets are not met:

(i) If the values for all indicators meet or exceed their performance target, the full issuance is received;

(ii) If one or more of the indicator values are below their performance target for one monitoring period, the full issuance is received but corrective actions must be implemented;

(iii) If one or more of the indicator values are partially achieved for two consecutive monitoring periods, the full issuance is received but corrective actions must be implemented.

(iv) If one or more of the indicator values are missed for two consecutive monitoring periods or partially achieved for three consecutive monitoring periods, certificate issuance is withheld until corrective actions have been implemented and the performance target(s) have been reached.

# Annex B: Milestone based payment scheme

Afbeelding met tekst, schermopname, nummer, document

Automatisch gegenereerde beschrijving

Afbeelding met tekst, schermopname, nummer, document

Automatisch gegenereerde beschrijving

# Annex C: Carbon calculations

[Once finalized the estimated annual carbon sequestration rates will be included here]

Annex D: Statutes for Plan Vivo Committees in Fes Enying project

1. Each village with an area of land under the Fes Enying project shall have a Plan Vivo committee chosen by the village who will help to oversee the use of funds generated from the project and the operations required to achieve the project’s targets.
2. During the establishment phase, each Plan Vivo committee will consist of 11 people.
   1. 08 representatives chosen by the village with voting rights, among the 08 represents, all ethnic groups are represent:
   2. 02 relay agents (1 woman, 1 man) with voting rights, chosen among the eight representatives.
   3. 01 representative to the village council (the chief or one of its *notables*) without voting rights.
   4. 01 representative of the commune without voting rights.
   5. 01 representative from Fes Enying without voting rights.
3. The Plan Vivo committee will eventually consist of a total of 16 people.
   1. 12 representatives chosen by the village with voting rights, among the 08 represents, all ethnic groups are represent:
   2. 01 representative of the group maintaining communal gardens and woodlots with voting rights.
   3. 02 relay agents (1 woman, 1 man) with voting rights, chosen among the twelve representatives.
   4. 01 representative to the village council (the chief or one of its *notables*) without voting rights.
   5. 01 representative of the commune without voting rights.
   6. 01 representative from Fes Enying without voting rights.
4. All committee members will be elected for a 2-year period. Committee members will be allowed to stay on the committee for a period of up to 6 years but must renominate for their position on the committee every two years. Hence, the maximum number of terms will be three consecutive two-year terms.
5. At the formation of the Plan Vivo Committee, 8 members will be chosen by the village. After one year, at the first annual general meeting, another 4 members will be put forward by the village. At the second annual general meeting the original 8 members will have completed their first two-year term and will be required to renominate and stand for election if they would like to continue.
6. Elections of members will take place at the Annual General Meeting. Each year four positions on the subcommittee will become available. These positions may be filled by existing members who are standing down and who have not served more than four years on the committee or by other village members who are not currently on the Plan Vivo Committee.
7. After a period of 6 years, committee members must stand down and may re-stand for election after one year.
8. At least 30% of the village representatives on the Plan Vivo committee must be female. Which means at least 3 women in the first year, and at least 4 women in the second year.
9. The representative of Fes Enying on the committee will act as the secretary and will be responsible for recording the minutes of meetings.
10. There will be a minimum requirement of at least three meetings per year.
11. Meetings will be used to plan project operations and discuss ways to increase village engagement.
12. The final meeting of the year will be the Annual General Meeting – at this meeting, the budget for the next year’s activities will be announced and the amount of money that will go back to the village will also be announced.
13. The meeting prior to the Annual General Meeting will be used to determine the budget for the next year’s activities and a final budget for the following year must be agreed to prior to the Annual General Meeting.
14. The Plan Vivo committee may be required and may choose to call additional meetings throughout the year.
15. At least two-thirds of all voting members must be present at a meeting for the meeting to go ahead. If the appointed representative from Fes Enying cannot attend, another Fes Enying employee may attend and act in their stead.
16. If Plan Vivo committee members miss two or more committee meetings, they may be voted out of the Plan Vivo committee by the other committee members unless there are valid extenuating circumstances.
17. There will be a President and Vice-President elected by the Plan Vivo committee. At least one of these roles must be filled by a non-male person. The President and vice-president are elected again after two years. After a period of 6 years, the President and Vice-President must stand down and may re-stand for election after one year.
18. In addition to meetings, Plan Vivo committee members will also be required to attend training and engagement activities designed to build the overall capacity of the village to manage the project and increase familiarity with project areas and objectives.
19. The role of the Plan Vivo committee will be to represent and engage with their village in relation to the activities and outcomes of the Fes Enying Project.
20. The objective of the Plan Vivo committee will be to support the operations of the Fes Enying Project and to ensure that this project brings benefits to the village through its agroforestry activities including the sale of carbon sequestration credits.
21. The scope of the Fes Enying Project will be fifty years and the Plan Vivo committee should operate for the full length of the project.

Dispute resolution

In the case of a deadlock, where Plan Vivo committee members are unable to reach a majority decision, the President of the committee can:

1. Choose to give a single casting vote to the two non-voting members (Commune and Fes Enying) for that decision only.
2. Choose to refer the matter to the village chiefs
3. Choose to call a village meeting to reach consensus on the issue.

Where the non-voting representatives of the commune Bankim and Fes Enying are in agreement that a Plan Vivo committee decision is contradictory to the aims and purpose of the Fes Enying Project and/or rules governing the expenditure of carbon credit income, they have the right to appeal that decision to the President. Examples can be but are not limited to: Refusal to pursue dispute resolution as per the process defined in the Plan Vivo committee agreement; decisions by the commune to undertake logging or sale of Fes Enying project lands to a private party; decisions to use operating funds for non-project activities or allocating carbon credit income for individual gain rather than for socioenvironmental benefits for the whole village community. In this case, appeal, the non-voting members will be given an opportunity to explain their opposition to the decision and, after hearing these arguments, the committee will vote again. If the decision is still unsatisfactory to the commune and Project Coordinators, the issue will be resolved through arbitration by the Project agreement.

1. In case women are not allowed to participate in meetings, separate meetings including only women will be held and secure that all participants are included. [↑](#footnote-ref-1)
2. When Mbororo settlements are close to villages or if assigned grazing land is adjacent to the village. [↑](#footnote-ref-2)