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# PROJECT AGREEMENT

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Project Agreement between the Voa Aina project  
partners and the participating communities in  
Madagascar.

*Voa Aina 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 Voa Aina project** and the **participating project communities** in Madagascar. 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 Voa Aina Plan Vivo project (Madagascar), including the involved village councils, 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 project partners are Graine de Vie asbl, Climate Lab bv and the village and community representatives of the participating villages.

This agreement is valid 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 forest protection and related management activities are considered. Nevertheless, the provision of all ecosystem services from forest protection is indicated by monitoring changes in tree and forest cover, 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 ecosystem protection and management efforts by strengthening communities that sustainably manage the mangrove/forest area. Ecosystem protection consists of sustainable management, restoration and conservation of the mangroves, forests and trees. Such protection provides 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 Voa Aina project will enter into a benefit-sharing mechanism governing the management and distribution of payments received under this agreement.

## 2. Roles and obligations of the project partners

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

- ✓ Manage its activities to protect or expand the forest and thereby generate ecosystem services; therefore to pay local workers and nursery technicians a salary and thus contribute to improving the life of the people living in the reforestation 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 associations/cooperatives 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 FoundationDraft and develop all certification documents (PIN, PDD etc.)
- ✓ Organize Project Validation:
- ✓ Organize Registration
- ✓ Organize monitoring, quality management, annual reporting and verification
- ✓ Organize the sales of Plan Vivo certificates and the distribution of the shared benefits.

The roles of the participating communities are to perform the operations required to achieve the project's targets (e.g. planting seedlings, ecosystem protection, keeping the project areas well, monitoring, community meetings). 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 A. A simple set of monitoring indicators will be used and monitoring observations will concentrate on three main aspects:

- a. Ecosystem restoration
- b. Carbon sequestration
- c. Livelihood

The monitoring and payment system is set forth in Annex A . The system shows the monitoring indicators, performance targets and thresholds, and corresponding payments that apply under this agreement. It uses a traffic light system to link payments with monitoring results: green for full payment, orange for partial payment, red for zero payment.

3.2 Payments. Annual payments will be linked to monitoring results in relation to the targets and thresholds described in Annex A. 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 are carried out by the parties.

3.3 Plan Vivo buffer. There is a deduction of the risk buffer (20% of achieved annual emission reductions), which is pooled by Plan Vivo and therefore not available for participants to claim.

### 4. Use of Payments

4.1 Plan Vivo investments under this agreement are made in consensus with the community and should be gender balanced. The balance based on Payment allocation as per article 4.3 of this agreement

will be used to make community investments in accordance with forest monitoring targets and thresholds (see Annex A).

4.2 Plan Vivo management plans are consulted for community investments. Investments should strengthen 4 main activities (1) forest restoration and protection, (2) water recharge, (3) support economic livelihood through 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, and will then pay "Payment" to Graine de Vie, on a yearly basis. Graine De Vie is responsible to allocate the Payment as follows:

45% of Net Revenue allocated for investment for local community projects in priority sectors (each community may have different priorities)

15% of Net Revenue allocated to local community education projects

20% of Net Revenue allocated to reforestation projects in the project zones managed by Graine de Vie

5% of Net Revenue allocated to project administration costs of Graine de Vie

## 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 communities 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. Mitigation actions to follow up complaints will be performed in mutual agreement between the association and the community and will strive towards consensus. In the event that there is a dispute between different stakeholders the village council will be consulted. If they are unable to agree corrective actions a third party arbitrator, approved by both parties, will be appointed to oversee dispute resolution.

5.3 The communities 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 community projects as defined in article 4.3 of this agreement.

5.4 Everyone can submit complaints, suggestions or grievances about the project. Everyone is free to complain or provide suggestions to the traditional community leadership and/or government officials. Besides, the project partners invite everyone to complain or provide suggestions during community meetings and/or to project team members (e.g. Landry: +261 34 71 619 19, Amédé: +261 34 91 314 97, Sil: +32 491 75 85 99).

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.

The parties agree to the terms and conditions contain in this Agreement and all Annexes.

Signatures

## Annex A: Annual monitoring targets

The annual milestones or targets of the progress indicators

| Progress indicator   | Annual milestone or target   |   |  |
|--|--|---|--|
|  | Full Target Achievement  | Partial Target Achievement  | Missed Target  |
| P6: Protection of vanished mangrove land for ecosystem restoration   | 1  | -   | 0  |
| P7: Mangrove nurseries operating and delivering tree seedlings for mangrove restoration.                         | ≥ 5000 seedlings per 2 year  | Between 3000 and 5000 seedlings per 2 year                        | <3000 seedlings per 2 year   |
| P8: Mangrove seedlings regenerated or planted per hectare during a planting cycle of 2 years                     | ≥ 4000 seedlings/ha per 2 year   | Between 3000 and 4000 seedlings/ha per 2 year                     | <3000 seedlings/ha per 2 year  |
| P9: Survival rate of mangrove planting   | ≥ 65% and regarnissage in year 2 and when necessary  | Between 50% and 65% and regarnissage in year 2 and when necessary | <50% or no regarnissage in year 2 and when necessary   |
| P10: Organization of minimally 1 training or village meeting with the fishing associations per year per village. | ≥1   | -   | <1   |
| P16: Annual socioenvironmental investments made in the project areas (in Ariary)                                 | ≥ 45% allocated for local community projects in priority sectors and ≥ 15% allocated to local community education projects | -   | <45% allocated for local community projects in priority sectors and <15% allocated to local community education projects |

There are the following consequences for certificate issuance and corrective actions that will be implemented, per project area, if the yearly performance targets are not met (mitigation actions):

- (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 its 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: Carbon calculations

| <b>Project Intervention</b>   | <b>Carbon Benefit<br/>(t CO<sub>2</sub>e/ha)</b> | <b>Project Area<br/>(ha)</b> | <b>Total Carbon Benefit<br/>(t CO<sub>2</sub>e)</b> | <b>Risk Buffer<br/>(t CO<sub>2</sub>e/ha)</b> | <b>Achievement Reserve</b> | <b>Uncertainty Buffer</b> | <b>Potential PVCs<br/>(t CO<sub>2</sub>e)</b> |
|-------------------------------|--|------------------------------|---|---|----------------------------|---------------------------|---|
| Mangrove Restoration Planting | -1426  | 14.1                         | -20 107   | 20%   | 10%                        | 0%                        | 14 075  |
| <b>TOTAL</b>                  | -1426  | 14.1                         | -20 107   | 20%   | 10%                        | 0%                        | 14 075  |

| <b>Year</b> | <b>Expected annual carbon benefit<br/>(t CO<sub>2</sub>e)</b> |
|-------------|---|
| 1           | 469   |
| 2           | 469   |
| 3           | 469   |
| 4           | 469   |
| 5           | 469   |
| 6           | 469   |
| 7           | 469   |
| 8           | 469   |
| ...         | 469   |
| 30          | 469   |



## Appendix C: Plot Planting Planning Scheme

Freehand drawing with a pen