



Ministry of Green Economy & Environment

**NESTED EMISSIONS REDUCTION
PERFORMANCE AGREEMENT**

Between

The Eastern Province Jurisdictional Sustainable
Landscape Programme (EP-JSLP)

and

BioCarbon Partners (BCP) as Developer of the Nested
Luangwa Community Forest Project (LCFP)



Wm

MCEE

A: The Agreement

This Nested Emissions Reduction Performance Agreement, here referred to as the “NERPA” is entered into on this day _____, 20____ between the **Zambia Eastern Province Jurisdictional Sustainable Landscape Programme (EP-JSLP), a Government of the Republic of Zambia (GRZ) Emission Reduction Programme, implemented by the Ministry of Green Economy and the Environment (MGEE) with financial support from the World Bank** (hereinafter referred to as “EP-JSLP”) and the **BioCarbon Partners (BCP), registered Company under the Laws of Zambia and having its registered office on Second floor, Office Block B, Lamasat Building, Off Kafue Road, P.O. Box 36752, in Lusaka as Developer of the Nested Luangwa Community Forest Project (LCFP)** (hereinafter referred to as the Project Developer (Each a “party” and together the “parties”) and shall remain in force for 10 years unless otherwise terminated as under section 8.

Whereas the Project Developer and their project proponents wish to undertake activities on the Eastern Province Jurisdiction Sustainable Landscape Programme (JSLP, as defined below) to reduce emissions from land management practices, including deforestation and forest degradation, and enhance carbon sequestration on land in the Nested Project Area as further defined in this Agreement.

This Agreement recognizes the existence of ER ‘Nested’ project investments and acknowledges their contribution to realizing the mitigation potential of forests and other land management systems. However, it also appreciates the need for coordinated systems that ensure that REDD+ emission reductions are aligned with Government Policy and associated statutory requirements and conservatively measured in accordance with international obligations and reporting and accounting requirements. This Agreement operationalises the Government’s policy decision of a centralized nested approach within a jurisdictional programme. This

NERPA Annex 1 ERPP

WAW



MGEE

Agreement sets out the basis for receiving a performance-based benefit share under the EP-JSLP, including trading of allocations of Verified Emissions Reductions (VERs) and accounting for the same within an approved centralized nested jurisdictional programme for Eastern Province, the EP-JSLP.

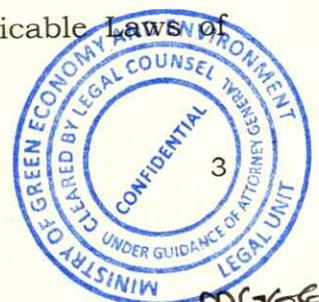
Whereas, EP-JSLP is the Government appointed programme manager and, in such capacity, shall enter into one or more emission reductions purchase agreements known as ERPAs for the sale of emission reductions generated from the programme, with international buyer(s) of the carbon emission in accordance with the Forest (Carbon Stock Management) Regulations, 2021 (Statutory Instrument #66 of 2021).

Whereas EP-JSLP and the Project Developer, acting as the authorized representative of the community proponents in the Nested Project Area, agree to formalize their respective rights and obligations for the Jurisdictional Programme, whereby the Project Developer and the various nested project proponents, shall acknowledge the right of the EP-JSLP to claim credit for emission reductions or additional sequestration generated by the programme in return for benefit sharing from EP-JSLP in the form of a performance based share of the revenues from sales of such emission reductions in accordance with the Forest (Carbon Stock Management) Regulations, 2021 (Statutory Instrument #66 of 2021);

1 Definitions:

“Carbon Standard” means the ISFL carbon standard established by the World Bank Group under the Initiative for Sustainable Forest Landscapes (ISFL) as a GHG emission reduction or removed standard, as updated or modified from time to time or any other applicable carbon standard as the Government through EP-JSLP may engage with.

“Emission Reduction” means all existing and future legal beneficial rights arising from Greenhouse Gas Reduction mitigation activities under applicable Laws of Zambia.



“Gross Revenues” means the cumulative monetised revenues received from the sale of Emission Reductions through a purchase agreement after any uncertainty or reversal risk buffer units that may be deducted by the ISFL Standards but held in the Transaction Registry of the EP-JSLP by ISFL.

“Emissions Reduction Performance Plan” means a plan agreed between the EP-JSLP, the **Project Developer** and **nested project proponents** and other Community Groups represented in the Chiefdom within the **Nested Project Area** that ensures all mitigation activities and associated performance indicators are identified and data collection and management systems defined as required under the applicable rules of the applicable carbon standard are in place to allow subsequent successful Verification of Emission Reductions from the Programme Activity.

“Buyer” means an entity that purchases EP-JSLP Verified Emissions Reductions under the ISFL Standard.

“Verification” means the periodic assessment by a selected entity of the amount of emission reductions generated by the programme in accordance with the applicable rules of the Carbon Standard.

“Nested Project Area” refers to the areas in which the **Project Developer** is present and active in the Jurisdiction. The Nested Project is designed to protect and expand areas under natural forest cover on traditional land through mitigation activities to Reduce Emissions from Deforestation and Forest Degradation (REDD+) as well as improve agricultural productivity through climate-smart agriculture (CSA).

“Nested Project Proponent” means the organisation that has a right of control and responsibility for the Nested Project, which individually or as an organisation that together with others, each of which is also a Nested Project Proponent, has a responsibility for the Nested Project and therefore delivery of emissions reductions. Where an individual executes this Representation in their capacity as an authorized office holder of the company who is the Project Proponent, this Representation is made by the company or organisation, not the authorized office holder;

“Nested Project Activity” means all activities for the project, including, but without limitations:

WAM

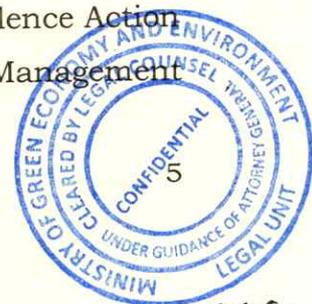


mace

- a. Support zoning of land to implement climate change mitigation activities for sustainable forestry, agricultural, and land use practices in consultation with the Chief(s), community members, cooperatives leaders, community forestry management groups, relevant Government Ministries, local government, and the EP-JSLP. These zoning decisions and land use practices will be formally adopted, implemented, and monitored in an Emissions Reduction Performance Plan (ERPP).
- b. Support the identification and zoning of additional forested areas of sufficient hectarage designated as Community Forest Management Areas (CFMAs) for control, conserving, preserving, and protecting the said area to reduce deforestation, restore forest stock and wildlife habitat, and generate income for the community through non-timber forest products.
- c. Support scaling up initiatives that have resulted in burgeoning non-timber product markets such as honey, where producers demonstrate commitment to forest protection.
- d. Support adoption of climate-smart agricultural / conservation farming, minimal tillage practices at a scale and practice that demonstrably enhances soil carbon and reduces emissions from relevant agricultural practices.
- e. Support adoption of fast-growing soil fertility improvement trees in agro-forestry systems represent a significant increase in biomass and soil fertility improvement in agricultural land, and the development of woodlots provides alternatives from renewable sources of energy as well as increases forest cover to sink carbon.
- f. Support adoption of wood-based energy saving devices such as improved cook-stoves by households and institutions across the Chiefdoms of the Nested Project Area.

“Safeguards” means aspects of environmental, social, health, and safety (ESHS) performance against national standards and legally adopted processes and procedures under the EP-JSLP, including but not limited to the implementation of the Environmental and Social Framework (ESF) including aspects of Sexual Exploitation and Abuse and Sexual harassment and Gender Based Violence Action Plan, Resettlement Framework (RF), Process Framework (PF), Labour Management

Handwritten signature



Handwritten signature: mase

Procedures (LMP), Benefit Sharing Plan (BSP) and functioning of the grievance redress mechanism of the EP-JSLP.

2 Purpose:

This Agreement serves to incentivise and reward Green House Gas emissions reduction activities and service provision across the Nested Project Area through assigning roles, performance criteria and responsibilities as well as a system for monetary rewards through a results-based benefit sharing mechanism for participating entities and community level beneficiaries in conjunction with the EP-JSLP.

3 Terms:

3.1 Commencement:

This Agreement shall commence as of the date first stated above and remain in effect for ten (10) years unless terminated in accordance with this Agreement.

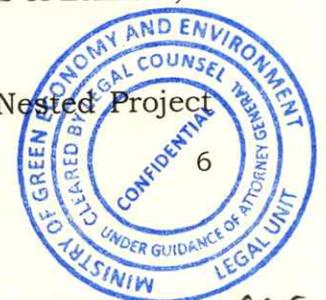
3.2 Legal rights/Assignment

In terms of issuing of title for carbon rights, the legal basis for Government to transfer title of emission reductions (ERs) from EP-JSLP activities to third parties is based on the Laws of Zambia, the Constitution of Zambia, Chapter 1 of the Laws of Zambia with referenced Articles 255 to 257. This provides for Government ownership of carbon as a natural resource until lawfully transferred. EP-JSLP of the Ministry of Green Economy and Environment has received a Forest Carbon Stock Management Permit in accordance with the Forest (Carbon Stock Management) Regulations, 2021 (Statutory Instrument #66 of 2021);

3.3 Representation of the Nested Project Area

As a legally registered company in Zambia under the laws of Zambia, the Project Developer hereby warrants and represents:

3.3.1 That the Project Developer, along with the other Nested Project



Proponents and other local community groups who possess rights under legally recognized customary tenure or has rights recognized at law, whether customary, contract or otherwise, that entitle him/her/them to perform the programme activities on the land in the programme area and receive benefits and revenues from such use:

3.3.2 That the Project Developer, along with the other Nested Project Proponents including recognized community groups have not sold, and will not sell, Emission Reductions except as otherwise agreed to with respect to EP-JSLP under this agreement.

3.4 The Project Developer agrees on His/Her/Their own behalf and on behalf of the other Nested Project Proponents in the Nested Project Area to:

3.4.1 Effective **1st January 2024** and for the term of the agreement, hereby assigns all legal claim through right or trade, to Emission Reductions generated after 1st January 2024 by the nested project in the Nested Project Area to EP-JSLP. Including all the rights to the issuance and forwarding of such emission reductions as issued units under any applicable carbon standard: forwarding of such avoidance of doubt as transfer and assignment does not convey the real property rights of ownership to the land generating the emission reductions under the Laws of Zambia and relevant regulations.

3.4.2 Cooperate fully with EP-JSLP to fulfil requirements for monitoring, timely reporting and verification and facilitating third-party verification of Emission Reductions generated by the programme activities, including providing access to all relevant property, reports and data records both paper and electronic.

3.4.3 Implement along with the other Nested Project Proponents the applicable requirements of the emissions reduction performance plans and the applicable environmental and social safeguard measures, (including, but not limited to, the mitigation,

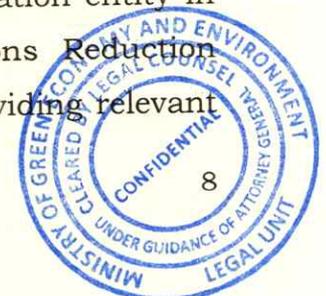
WPM



monitoring, consultation and institutional measures indicated.)

- 3.4.4 Support the implementation of benefit sharing plans of nested project proponents to implement these with and their individual members or groupings, approved/endorsed by the Government of the Republic of Zambia through the EP-JSLP, to ensure fair distribution or usage of revenue received by the chiefdom from EP-JSLP for money given as benefit or transferred Emission Reductions generated under the programme and sold by the EP-JSLP.
- 3.4.5 Carry out the nested project activities along with the other Nested Project Proponents in accordance with the Emissions Reduction Performance Plans (including those of the other Nested Project Proponents) and maintain and operate the programme activity in accordance with sound sustainable land management practices, proper due diligence and high efficiency.
- 3.4.6 Collaborate with the legally recognised governance structures within the Chiefdoms of the Nested Project Area to ensure order in carrying out programme activity and resource utilization and distribution.
- 3.4.7 Satisfy any obligations in respect of applications for all licenses, permits, consents and authorizations required to implement the programme activities. Adopt, implement applicable requirements, and provide oversight on the implementation of the Emissions Reduction Performance Plan.
- 3.4.8 Work with EP-JSLP to provide information to prepare the annual programme progress reports, including progress on the implementation of section 4 below and the handling of grievance (if any) related to the programme and their resolution.
- 3.4.9 Cooperate fully with the EP-JSLP and the verification entity in respect of the implementation of the Emissions Reduction Performance Plan and verification, including providing relevant

MP



ma66

staff, employees, officials and contractors of the EP-JSLP and verification entity in respect with access to all project related property and records.

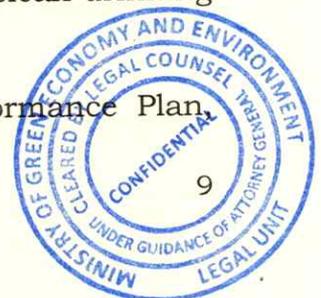
3.4.10 That the Project Developer along with the other Nested Project Proponents shall comply with environmental and social safeguards processes, procedures and requirements relating to EP-JSLP activities within the Nested Project Area. These include but are not limited to the Strategic Environmental and Social Assessment (SESA), Environmental and Social Framework (ESF) including Sexual Exploitation and Abuse and Sexual harassment and Gender Based Violence (SEAH/GBV) Action Plan, Resettlement Framework (RF), Process Framework (PF), Labour Management Procedures (LMP), Benefit Sharing Plan (BSP) required under the Environmental and Social Commitment Plan (ESCP), Stakeholder Engagement Plan (SEP), and functioning of the grievance redress mechanisms. Implement and operate the programme activity in compliance with environmental and social assessment screening and undertake mitigation, consultation, and institutional measures recommended in the report and any due diligence plans and covenants listed in screening or Environmental and Social Management Plan.

4 Rights and obligations of the Project Developer

The Project Developer agree to:

4.1 Maintain active existence of social services in the Nested Project Area through support and/ or through partners to support individuals and households through local community groups (Climate Smart Agriculture (CSA) for cooperatives, CRBs, CFMGs and others) involved with sustainable land management, Livelihood's support, infrastructure for access to social amenities, access to clean drinking water and value chain development and market access.

4.2 In the development of an Emissions Reduction Performance Plan,



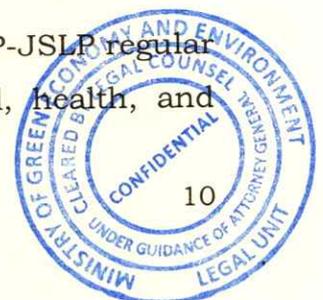
Mou

m966

advise the chiefdom groups to undertake a process that ensures participation and broad support of all communities living in the programme area, including proper representation of groups and genders.

- 4.3 Facilitate transparent and accountable oversight mechanisms of compliance with the Emissions Reduction Performance Plan through EP-JSLP/ Community groups (farming cooperatives, CRBs, CFMGs and others). This should include invitation of EP-JSLP staff to nested project coordination and monitoring meetings.
- 4.4 Support the Chiefdom groups with the relevant trainings required for the Chiefdoms to achieve its obligations, including the establishment and implementation of a clear, transparent and sufficiently independent grievance redress mechanism that will resolve grievances, related to the project in a timely and effective manner.
- 4.5 Administer the ER Nested Project Activities with the Nested Project Area, including:
 - 4.5.1 Support the EP-JSLP with Measuring, reporting and periodical verification of emission reductions generated by the Nested Project Area, as per the prescribed key performance indicators
 - 4.5.2 Collect from the Chiefdom groups, and if necessary, confirm the accuracy of, all information required to be collected under the MRV framework and emissions reduction performance plan and the applicable safeguard measures including, but not limited to, the mitigation, monitoring, consultation, and intuitional measures recommended in the Environmental and Social Monitoring Framework.
 - 4.5.3 Pass onto the Chiefdom Groups any notices it receives from the EP-JSLP that are part of this agreement and that are relevant to the Chiefdoms within the Nested Project Area.
 - 4.5.4 **Regular Reporting:** Prepare and submit to the EP-JSLP regular monitoring reports on the environmental, social, health, and

MW



mg66

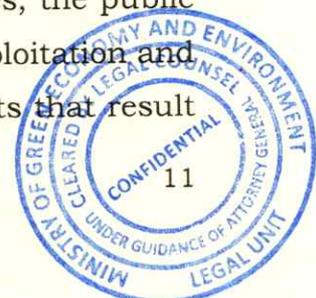
safety (ESHS) performance of the Project, including but not limited to the implementation of Environmental and Social Management Framework (ESMF) including Sexual Exploitation and Abuse and Sexual harassment and Gender Based Violence (SEAH/GBV) Action Plan, Resettlement Framework (RF), Process Framework (PF), Labour Management Procedures (LMP), Benefit Sharing Plan (BSP) required under the ESCP, Stakeholder Engagement Plan (SEP), and functioning of the grievance redress mechanisms.

4.5.5 Labour Management Procedures: comply with Labour Management Procedures (LMP) for the Program, including, inter alia, provisions on working conditions, management of workers relationships, occupational health and safety (including personal protective equipment, and emergency preparedness and response), code of conduct (including relating to SEA and SH), forced labour, child labour, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms.

4.5.6 Project Grievance Mechanism: Comply with the Programme Feedback and Grievance Redress mechanism. The FGRM will continue to maintain and operate an accessible FGRM, to receive and facilitate resolution of concerns and grievances in relation to the Program, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously,

4.5.7 Incidents And Accidents: Promptly notify the EP-JSLP of any incident or accident related to activities within the Nested Project Area which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, including, inter alia, cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result

MDM



mq6e

in death, serious or multiple injury [specify other examples of incidents and accidents, as appropriate for the type of operation]. Provide sufficient detail regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and/or supervising firm, as appropriate.

5 Benefit Sharing and Revenue Allocation

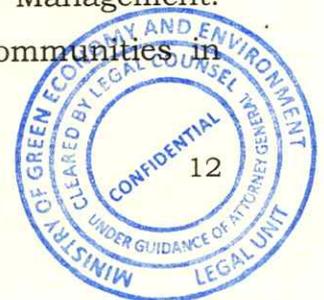
5.1 The EP-JSLP agrees to distribute carbon revenues subject to verification by third-party auditors on behalf of the ISFL standard and performance-based allocations in accordance with the EP-JSLP Benefit Sharing Plan and Performance Assessment in terms of the Emissions Reduction Performance Plan annexed to this Agreement, as follows:

5.2 Thirty (30) percent of the gross revenue shall be allocated to the Project Developer based on performance with reference to the Nested Project Area and performance assessment through the Monitoring, Reporting, and Verification framework. The final performance-based revenue allocation is intended to compensate for the provision of emission reduction (Mitigation) services to cover costs and expenditures related to programme implementation, transaction expenses, extension services, and administration. These may cover, but are not limited to:

5.2.1 Community Engagement: Support staff will guide communities on the mobilisation of communities for NRM Protection and the expansion of protection activities and land use planning, including the provision of Farmer Extension support services, conservation and livelihoods support services.

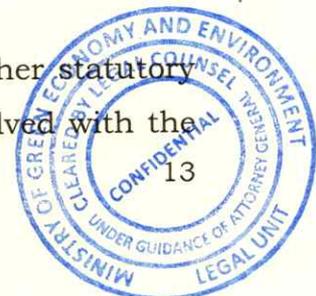
5.2.2 Support Community-Based Natural Resource Management: Capacity building and knowledge transfer to communities in emissions reduction and the AFOLU sector.

MDL



make

- 5.2.3 Facilitate Grievance Redress at the community level and report accordingly.
- 5.2.4 Support the EP-JSLP with Monitoring, Reporting, and Verification data collection and documentation: Facilitate MRV in Nested Chiefdoms and data sharing to enhance MRV, as per prescribed KPIs.
- 5.2.5 Land Use Change Monitoring: Working with communities and PIU to deploy forest monitoring teams and equipment to monitor land use change.
- 5.2.6 Monitoring funds utilisation and compliance by Nested project proponents: Facilitate audits and follow up on compliance and transparent utilisation of revenue shared in accordance with the benefit sharing arrangements and regulations applicable to the use of public funds.
- 5.2.7 Monitoring Compliance and Enforcement: Conducting compliance monitoring and enforcement of environmental and social standards within the nested project area with the relevant Government agency, where necessary:
- 5.2.8 Expansion: Scaling up AFOLU activities (CSA, CFM, Improved Cook Stove, Sustainable Charcoal, and alternatives where feasible and viable) in Chiefdoms in the Eastern Province for the promotion of mitigation measures within the Jurisdiction.
- 5.2.9 Partnership Building: Supporting EP-JSLP with attracting potential buyers of ISFL VERs or sourcing potential Public Private financing for climate change, natural resources management, or eco-tourism related activities within the jurisdiction.
- 5.2.10 Linking communities to Agribusiness and Food Processing, including development of Non-Timber Forest Product value chains.
- 5.2.11 Salaries of Staff: Payment of Salaries and other statutory obligations for project developer support staff involved with the



nested project.

5.2.12 Vehicle maintenance: Management of vehicles allocated to the nested project area activities.

5.2.13 Shareholder dividend: Payment to company shareholders in accordance with the Zambian Laws for companies.

5.3 Delivery and Allocation of performance-based Emission Reductions / Trading Emission Reductions – In line with the centralised nesting arrangement, the **Project Developer** may exercise their right to receive either a cash payment or an allocation of ISFL VERs, or a combination of cash and ISFL VERs once the contract volume has been delivered to ISFL and monitoring and verification has taken place and the verified number of VERs are deposited in the ISFL Registry. The allocation will be based on the MRV and agreed performance assessments using the ER Performance Plan and the associated Performance Effectiveness Index. The final allocation will be endorsed by the EP-JSLP Emissions Reduction Benefit Share Committee as defined in the benefit sharing plan.

5.3.1 Independent trading/ disclosure of sales. This clause will apply once the ERPA contract conditions of delivery to the BioCarbon Fund ISFL have been met. For the Project Developer to receive ISFL VERs, a dedicated account will be opened in the relevant Registry in their name. Then, buyers may be sourced, and sales take place. Accounting for revenue from sales in accordance with the prevailing Zambia Financial Regulations, as well as the relevant sections of the Forest (Carbon Stock Management) Regulations, 2021 (Statutory Instrument #66 of 2021) relating to independent trading, pricing, and gross revenue.

5.3.2 Alternatively, all ERs will be sold by the EP-JSLP and allocations made based on the sales for distribution in accordance with the Benefit Sharing Plan (BSP) and the fund governance arrangements, such as the MRV and agreed performance



maeg

assessments using the ER Performance Plan and the associated Performance Effectiveness Index

5.3.3 Payments: Any transfer of funds under this agreement and relating to the Benefit Sharing Plan shall only be made to official accounts held with registered financial institutions within Zambia in the registered name of the Project Developer.

5.3.4 Base Currency: The base currency for transfers will be United States Dollars.

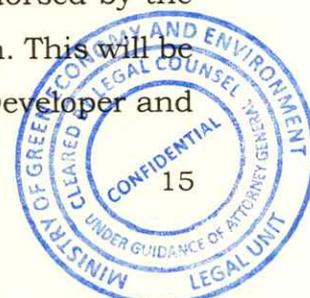
5.3.5 Frequency of allocations will be determined by the ISFL monitoring period, MRV process, third-party verification, if received in ISFL VERs, then payment within 90 days of initial receipt into the registry, or if received in cash, within 90 days of receipt of proceeds of sale of ISFL VERs by EP-JSLP.

5.3.6 Payment Due Date and Delays: Neither the Government of the Republic of Zambia nor the Ministry of Green Economy and Environment nor the EP-JSLP shall be held liable for any delay in the receipt of VERs nor revenue resulting from delay in the monitoring, reporting, third party verification process nor processing of the report and allocation of ERs in the ISFL Registry for the EP-JSLP. These payments will be triggered once emission reduction credits (ERs) are sold and are distributed within 90 days of receipt of funds from the buyer.

5.3.7 Treatment of buffer amounts: These shall remain in the ISFL Registry until the end of the ISFL ERPA terms and will be treated and disposed of in accordance with the relevant ISFL guidelines and the Benefit Sharing Plan in force at the time of release.

5.3.8 Procedure for assessing non-performance and governance, allocation of ERs deducted for non-performance will be based on the Emissions Reduction Performance Plan and endorsed by the ER Benefit Sharing Committee before final allocation. This will be communicated in advance in writing to the REDD Developer and

Wan



mlte

Nested Project Proponents.

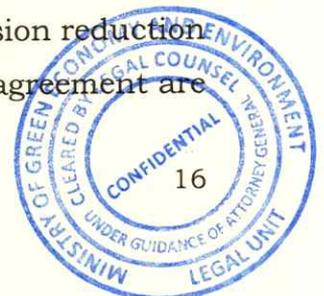
5.3.9 Interest accrued in JSLP Bank trading accounts: Project level: Interest accruing on project bank accounts at Programme level from trading VERs will be paid into a buffer fund to be utilised by the EP-JSLP to support performing Chiefdoms when overall ERs generated by the province are low. Additionally, to support local authorities in Eastern Province, should disaster conditions be declared by the Government. Funds, including interest accrued, will be properly accounted for and reported upon to the JSLP Benefit Share Committee.

5.3.10 Use of non-performance deductions: Deductions that are made due to agreed non-performance based on the criteria in Annex 1 will be held for one monitoring period against the name of the Developer. This will be released upon meeting the agreed actions detailed in the performance assessment. If these actions are not cleared by the start of the subsequent monitoring period, the amount will be placed in the JSLP buffer fund for allocation to other beneficiaries upon approval by the JSLP Benefit Share Committee.

6 Obligations of Eastern Province Jurisdictional Sustainable Landscape Programme (EP-JSLP)

- 6.1 EP-JSLP shall put in place a transparent and auditable system for the transfer of revenues from sales of Emission Reductions, with functional participatory monitoring and evaluation systems, paid for out of EP-JSLP's programme advisory service budget.
- 6.2 EP-JSLP's responsibility to distribute revenues described above is contingent on EP-JSLP's actual receipt of funds from the sales of Emission Reductions. EP-JSLP shall not be held liable for the failure or default of any buyer of Emission Reductions to pay for purchased Emission Reductions in accordance with applicable emission reduction purchase agreements. EP-JSLP's obligations under this agreement are

WDM



mabb

conditioned on its ability to find suitable buyers of Emission Reductions, which it does not guarantee, and EP-JSLP shall not be held liable or responsible to the REDD Developer and Nested Project Proponents if it is unable to do so.

7 General terms

- 7.1 This agreement will be governed by the Laws of Zambia.
- 7.2 This agreement shall become operational after it has been signed by all participating parties.
- 7.3 So long as the ISFL Emission Reduction Purchase Agreement or other trading arrangements are in place, this agreement shall remain in full force and effect and shall not be amended in any material way without the prior written consent of the parties involved, which shall not be unreasonably withheld.
- 7.4 This agreement can only be amended by mutual agreement of both parties in writing. For the EP-JSLP, an amendment, modification or alteration to this Agreement shall not be effected without the prior legal advice of the Attorney General.

8 Termination

- 8.1 Either party may terminate this agreement if the other party fails to perform its obligations and comply with the requirement set forth in the agreement.
- 8.2 Prior to the termination of this agreement by the non-breaching party, it shall provide written notice of the alleged breach to the other party (party in default)
- 8.3 The party in default shall be given the opportunity to cure the alleged breach of the agreement within 30 days after the notice has been submitted.
- 8.4 If the party in default fails to cure the breach within 30 days of such notice to the satisfaction of the other party, the non-breaching party may terminate this agreement.

Wam

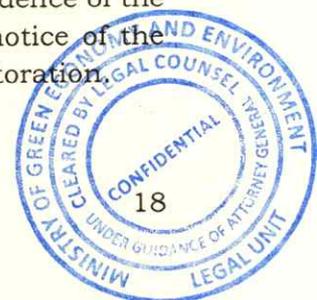


MCEE

- 8.5 This agreement may be terminated by either party with written notice:
- 8.5.1 In the event that EP-JSLP ceases to act as the programme manager for Government, withdraws from its involvement in the programme, or ceases to exist.
- 8.5.2 If the Nested Project Proponents withdraw from the Nested Project and the Nested Project ceases to exist.
- 8.5.3 If the programme fails to achieve programme accreditation, Emission Reductions do not obtain verification or other events beyond EP-JSLP's control prevent the continued implementation of the programme as contemplated by the Emissions Reduction Performance Plan.
- 8.5.4 Where a termination of this agreement, as described under Clause Eight and specifically to sub clause 8.5.1, came into effect the developer will maintain its prior geographical presence and subject to the regulatory framework at the time.

9 Force majeure

- 9.1 Neither party will be liable for any loss or damage suffered or incurred by the other party due to force majeure; either party may terminate this agreement if an event of force majeure persists for ninety (90) days that prevents a party from fulfilling its obligations under this agreement. An event of force majeure includes war, riot, insurrection, civil unrest, martial law, national general strike, wildfire, insect infestation, outbreak of plant diseases, flood, earthquake, storm, or any other circumstance beyond the control of parties (including a change of law)
- 9.2 Any period less than ninety (90) days, within which a party, pursuant to this Agreement is expected to complete any action or task will be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.
- 9.3 If Force Majeure arises, the Party affected will within two (2) weeks following the occurrence of such event, notify the other party, providing evidence of the nature and cause of such event, and will give similar written notice of the restoration of normal conditions within two (2) weeks of such restoration.



MAGE

10 SETTLEMENT OF DISPUTE

- 10.1 Any disputes arising between the parties at any time shall first be submitted to the independent grievance redress mechanism established and funded by EP-JSLP with its share of gross revenue. If after twenty-eight (28) days, the Parties have failed to resolve their disagreement or dispute by such mutual consultation, then either Party may give notice to the other Party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
- 10.2 If after Sixty (60) days, the Parties have failed to resolve the non-binding mediation, then either Party may give notice to the other Party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given. Any dispute or disagreement shall be finally settled by arbitration administered by the Lusaka International Arbitration Centre (LIAC) in accordance with the LIAC Arbitration Rules. The decision of the Arbitrator shall be final and binding on the Parties.
- 10.3 The Parties shall jointly appoint an Arbitrator. Should the Parties fail to appoint an Arbitrator within fourteen (14) days of notice requiring them to appoint an Arbitrator, the LIAC shall appoint the Arbitrator.
- 10.4 The seat of arbitration shall be Lusaka, Zambia.
- 10.5 The language of arbitration shall be English.
- 10.6 Notwithstanding any reference to arbitration herein the parties shall continue to perform their respective obligations under the Agreement unless they otherwise agree.
- 10.7 This dispute resolution clause shall be governed by and construed in accordance with the laws of Zambia.

11 GOVERNING LAW

- 11.1 This agreement will be governed by the Laws of Zambia.

12 CONTRACT LANGUAGE

- 12.1 The English language shall be the controlling language of the contract.



MOM

MACEE

13 SEVERABILITY

13.1 If any provision or condition of the Agreement is prohibited or rendered invalid or unenforceable, such prohibition, invalidity or unenforceability shall not affect the validity or enforceability at any other provision of the Agreement.

14 PUBLIC AUDIT

14.1 The Auditor General or any Public Officer, Agent or Specialist Consultant authorised by him shall have access to and shall examine books, records and other documents relating to the utilization of public funds provided by the EP-JSLP under this Agreement.

15 ENTIRETY

15.1 This Agreement contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make, and the Parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein.

16 SURVIVAL

16.1 The expiration or termination of this Agreement for any reasons shall not release either Party from any liabilities or obligations set forth in the Agreement which remain to be performed or by their nature would be intended to be applicable following any such termination or expiration.

17 NO JOINT VENTURE OR PARTNERSHIP

17.1 Nothing in this Nested Emission Reduction Performance Agreement shall create a partnership or joint venture between the parties hereto and save as expressly provided in this Agreement, neither party shall enter into or have authority to enter into any engagement or make any representation or warranty on behalf of or pledge the credit of or otherwise bind or oblige the other Party hereto.

MW



18 ASSIGNMENT

18.1 Neither Party will assign the whole or any part of the Nested Emission Reduction Performance Agreement or any benefit or interest in or under the Agreement, except by express written consent of the other Party.

19 NON-WAIVER

19.1 No relaxation, forbearance, delay, or indulgence by either party in enforcing any of the terms and conditions of the Agreement or the granting of time by either party to the other shall prejudice, affect, or restrict the rights of that Party under the Agreement, neither shall any waiver by either Party of any breach of the Agreement operate as waiver of any subsequent or continuing breach of Contract.

19.2 Any waiver of a Party's rights, powers, or remedies under the Agreement must be in writing, dated, and signed by an authorised representative of the Party granting such waiver, and must specify the right and extent to which it is being waived.

20 NOTICES

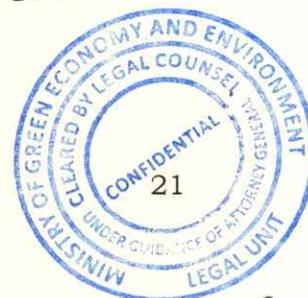
20.1 Any notice by one Party to the other pursuant to this Nested Emission Reduction Performance Agreement shall be sent to the other Party in writing by letter, telex, email or facsimile and confirmed by original copy to other Parties address specified in the Agreement.

A notice shall be effective when delivered to the Party entitled to receive the notice at the set below:

EP-JSLP Address:

Eastern Province Jurisdictional Sustainable Landscape Programme
P.O Box 510169
1940 Building, Provincial Agriculture Office
CHIPATA

WON



MAGEE

BCP Address:

[BioCarbon Partners
P.O Box 36752
Second floor, Office Block B, Lamasat Building, Off Kafue Road
LUSAKA]

IN WITNESS WHEREOF the parties or their duly authorised representatives have set their hands the day and year first before written.

Duly authorized for and on behalf of:

**Eastern Province Jurisdiction
Sustainable Landscape Programme**

Name: DR. DOUTY CHIBAMBA
Title: PERMANENT SECRETARY
Sign: *[Signature]*

WITNESS:

Name: Noel Muchimba
Title: Programme Coordinator
Sign: *[Signature]*

BioCarbon Partners

Name: Nic Mudaly
Title: CEO
Sign: *[Signature]*

WITNESS 1:

Nested Project Community
Proponent 2 (Patron/CFMG
Chairperson)

Sign: *[Signature]*
SAR. CHIEF LUEMBE

WITNESS 2:

Nested Project Community
Proponent 3 (Patron/CFMG
Chairperson)

Sign: *[Signature]*: chieftainess Msoro

[Handwritten mark]



ANNEX 1: EMISSIONS REDUCTION PERFORMANCE PLAN

This plan sets out the performance criteria and indicators for the emissions reduction services provided by The Project Developer to the listed Nested Project Proponents in Annex III within the **Nested Project Area**. Determination of the benefit share will be established based on assessment of agreed performance criteria set out in this Nested ER Performance Plan and will be completed as part of the annual MRV process.

EP-JSLP: Assessing emission reduction performance at Nested Project level

1. Context

The NERPA focuses on the role of the project developer continuing to provide services to the community groups and households in the nested project area and provide incentives to increase coverage and service delivery, budget dependent within the province. The ER Performance Plan Annex 1 of the NERPA therefore focuses on the categories of advisory and support services within their area of operation. These include but are not limited to: Promotion of ER mitigation interventions across nested project areas; mentor and strengthen Community Based Natural Resource Management institutions, including institutions responsible for implementation of the CERPA in each Chiefdom; support operation of safeguards and Grievance Redress Mechanism; support mentoring and monitoring of carbon fund utilization and compliance by Nested project proponents; mentoring & monitoring NR protection and compliance and enforcement of applicable rules; support impact Monitoring Reporting and Verification data collection and documentation; Strengthen Partnerships with the EP-JSLP and others, where appropriate; linking communities to Agribusiness and Food Processing, where feasible and could include (if viable) the development of Non-Timber Forest Product value chains, where feasible; provision of support Staff, logistics and other resources to provide services in the nested project area.

These criteria have agreed performance indicators which will be used to determine a performance index for service delivery. These criteria and performance indicators will be factored into the MRV management system for ease of assessment. Performance will be assessed in terms of ER service delivery to nested project proponents and other stakeholder groups across the nested project area. The project area will be confirmed at time of monitoring for verification to allow for changes of the nested areas during the monitoring period. In terms of service delivery performance, following assessment through the MRV management system, the performance index factor for the monitoring period can be determined and benefit share allocated.

Performance Effectiveness Index



As sustainable land management is core to generating emissions reductions in the province, the focus will be on recognizing or allocating responsibilities and building and strengthening capacity to reduce emissions based on an area basis. The performance-based benefit share mechanism at Nested Project level will be guided by ER performance assessment across the nested project area, firstly as a total of the individual Chiefdoms (project proponents) performance. This would provide the gross value of verified ERs allocated to the nested project area or monetary equivalent on which the 30% benefit share figure in the BSP would be applied. In terms of service delivery performance, following assessment through the MRV management system, the performance index factor for the monitoring period can be determined.

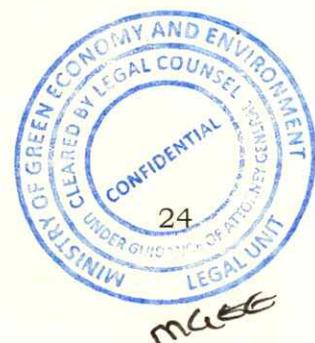
In summary, the performance-based allocations payments at nested project level would therefore comprise a 2-part monitoring system under the EP-JSLP, to be completed prior to issuance of VERs for any one monitoring period.

1. Measurement of performance against the ISFL subcategories within their defined geographic area of responsibility (nested area) through the JSLP MRV system, in order to determine verified emissions reductions attributed to the nested project. Therefore, the quantity of ER is determined by the MRV management system as a sum of the Chiefdom areas within the nested project.
2. Assessment of performance against the ER service performance criteria (see below).

Any such performance-based assessment shall be carried out completed in parallel and in conjunction with the MRV. If no such assessment takes place within the required period, there shall be a default approval of performance. The benefit share is therefore the ER generation performance across combined Chiefdoms of the nested project, combined with an ER service delivery performance index factor based on the service criteria outlined below. In this way benefit payments would come from the applicable share of ERs and a performance scoring of 1.2 or below of the applicable share, which combined would determine the amount payable under the performance-based benefit sharing mechanism.

$$\text{Benefit share allocation} = \frac{\text{Combined Performance Nested project proponents (Chiefdoms)}}{\text{Performance in ER Service delivery}}$$

MSM



At Chiefdom level for Chiefdom beneficiaries, there are further performance criteria in relation to the proxy indicators for ISFL key categories as well as performance criteria relating to environmental and social safeguards including good governance. Reference should be made to the ER Performance Plan for Chiefdoms as Annex 1 to the CERPA. The Project Developer is expected to assist and support the project proponents to achieve the performance standards to a high level in order to bring full value to the respective Chiefdoms and their beneficiary groups to appropriately reward performance and provide incentives to improve and expand

MDS

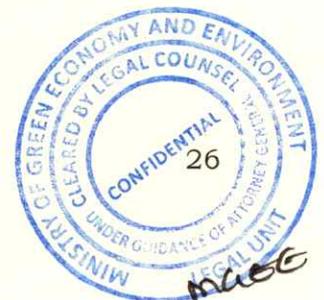


made

NERPA Emissions Reduction Performance Effectiveness Index: ER Service Performance criteria

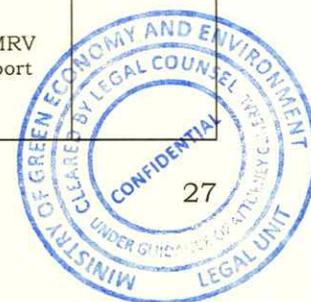
Performance indicator	Sub indicator	Sub scoring	Weight by %	Agreed Baseline	MRV value	Performance Score
5.2.1: Promotion of ER mitigation interventions across nested project area	a. Community Engagement for NRM expansion and protection activities, land use planning to reduce forest loss and degradation	Chiefdom land use plans in place	20	0	12 land use plans	
		Fire management results in fewer late seasons fires (Fire management plans developed, fire marshals trained, conduct early burning training, monitor fires through GIS, fire policing)		0	50% reduction in late fires	
	b. Provision of Farmer Extension support services for soil conservation & improved yields.	Increased area under CSA, CFM, mitigation measures (Number of LFs trained, area under CSA, increase in yields)		0	240 LFs, 275.5 ha, 35% yield increase	
	c. Provision of livelihoods support services.	Services provided in all Chiefdoms of the nested project area		0	4 - village banking, AG and non-cropping service provision, bee keeping, business technical training provision)	
d. Scaling up AFOLU activities within the proponent Chiefdoms	Increase ER activities in existing areas and expansion to new sites				25,000 tree seedlings distributed, formation of new CFMGs	

W/M



Performance indicator Work in progress	Sub indicator	Sub scoring	Weight by %	Agreed Baseline	MRV value	Performance Score
5.2.2 Mentor and strengthen Community Based Natural Resource Management institutions, including institutions responsible for implementation of the CERPA in each Chiefdom.	Capacity building and knowledge transfer for communities in emissions reduction and AFOLU sector.	Training Services provided to CRB/ CFMG/ LFAs in all Chiefdoms of the nested project area	15	0	FY 2025 – 12 CFMGs and from FY2026 onwards – 18 Chiefdoms	
	Core topics – planning, monitoring, reporting (financial & technical)	Timely quality reports received		0	4 trainings each CFMG on Topics	
5.2.3 Support operation of safeguards and Grievance Redress Mechanism	Operational awareness of the FGRM system and reporting information in all Chiefdoms	Functional GR mechanism in place at community level and report accordingly with grievances closed in 6 months	5	0	12 (Access to LCFP GR, transition to EP-JSLP GR in 2025)	
	Social – livelihoods support and beneficiary participation satisfaction and security	Evidence of gender equality and equity in all activities		0	35% women and vulnerable households participating	
5.2.4 Support mentoring and monitoring carbon fund utilization and compliance by Nested project proponents:	Facilitate financial diligence with management and use of revenue shared in accordance with the benefit sharing arrangements and regulations applicable to use of public funds.	Monitoring reports, audit reports and financial statements from participating Chiefdom / community institutions	15	0	FY 2025 – 12 CFMGs and from FY2026 onwards – 18 Chiefdoms)	
5.2.5 Mentoring & monitoring NR protection and compliance and Enforcement of rules:	Carrying out the compliance monitoring and enforcement of environmental and social standards within the nested project area with the relevant Government agency where deemed necessary:	Screening forms and periodic monitoring reports available in prescribed periods	5	0	As above, double count on 5.2.4	
		Guidance regarding the operations of community scouts and HFOs including reporting				
5.2.6 Support impact monitoring Reporting and Verification data collection and documentation	Facilitate the operationalization of MRV in Nested Chiefdoms and data sharing to enhance MRV. Land Use Change Monitoring:	Periodic monitoring & reporting conducted according to MRV reporting SOPs	10	0	1 MRV report	

MOM



MACE

5.2.9 Strengthen Partnership with JSLP and others:	Supporting EP-JSLP with attracting buyers of ISFL VERs or sourcing Public Private financing for climate change, natural resources management or ecotourism related activities within the jurisdiction.	Volume of value of additional sales or funding for ER mitigation activities, adding quality to jurisdictional ERs	10	0	TBA	
5.2.10 Linking communities to Agribusiness and Food Processing	Promotion of commodity value chains including development of Non-Timber Forest Product value chains, where viable;	Number of community enterprises established	5	0	5 Community Enterprises Established	
5.2.11 Provision of Staff, logistics and other resources in the nested project area	Engagement presence in the nested project area	No of staff operating within the nested project area, Project vehicles allocated to the nested project area & activities; Visitation frequency with proponents	15	0	24 support staff	
			100			

Mou



ANNEX II: RESOURCE ALLOCATION PLAN

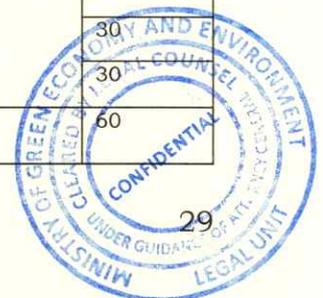
The NERPA focuses on the role of the Project developer continuing to provide services to the community groups and households in the nested project area. Therefore, this plan sets out the resources that will be provided in the Jurisdiction to provide an adequate level of emissions reduction services by the Project developer to the listed Nested Project Proponents in Annex III within the **Nested Project Area**. These will relate to the specific services necessary for the realising the agreed performance criteria set out in the Nested ER Performance Plan, Annex I.

1. Personnel

Engagement presence in the nested project area covering No. of staff operating within the nested project area, Visitation frequency with proponents

Performance indicator	Sub indicator	Sub scoring	Designation of Staff	Number of Staff	Minimum # of days per Calendar Year		
5.2.1: Promotion of ER mitigation interventions across nested project area	a. Community Engagement for NRM expansion and protection activities, land use planning to reduce forest loss and degradation	Services provided in all Chiefdoms of the nested project area	Project Coordinator - LCFP 1	24	30		
			Technical Advisor - LCFP 1		30		
			Sector Manager 1		60		
			Chiefdom Lead 4		60		
			Agriculture & L/hood Officer 4		30		
			Conservation Coordinator 1		30		
			Conservation Officer 4		60		
			Impact Monitoring Assistant/Officers 3		30		
			Logistics 4		60		
			Chiefdom land use plans in place		Sector Manager 1	17	30
					Chiefdom Lead 4		30
					Agriculture & L/Hood Officer 4		30
					Conservation Officer 4		30
	Logistics 4	30					
	Fire management results in fewer late seasons fires	Sector Manager	9	30			
		Chiefdom Lead		30			
		Conservation Coordinator		30			
		Conservation Officer		30			
		Logistics		30			
b. Provision of Farmer Extension support services	Increase ER activities in existing	Agriculture Coordinator		60			

MW



MAGE

	for soil conservation & improved yields.	areas and expansion to new sites	Agric & L/Hood Officer	9	60
			Logistics		60
	c. Provision of livelihoods support services.	Increase adoption and use of energy efficient stoves, sustainable wood energy prod	Sector Manager 1	17	30
			Chiefdom Leads 4		60
			Agriculture Coordinator 1		30
			Agriculture & L/hood Officer 4		60
			Impact Monitoring Assistant/Officers 3		60
Logistics 4	60				
	Increased area under CSA, CFM, mitigation measures	As Above	17	60	
d. Reduced firewood and charcoal consumption across nested project area			N/A		
e. Scaling up AFOLU activities within the proponent Chiefdoms			N/A		
5.2.2 Mentor and strengthen Community Based Natural Resource Management institutions, including institution responsible for implementation of the CERPA in each Chiefdom.	Capacity building and knowledge transfer for communities in emissions reduction and AFOLU sector.	Training Services provided to CRB/CFMG/ LFAs in all Chiefdoms of the nested project area	Project Coordinator	20	30
			Technical Advisor - LCFP 1		30
			Sector Manager		30
			Chiefdom Lead		40
			Agriculture Coordinator		30
			Agriculture & Livelihoods Officer		40
			Conservation Officer		40
			Logistics		40
	Core topics – planning, monitoring, reporting (financial & technical)	Timely quality reports received	Chiefdom Lead	4	40
			Impact Monitoring		40
			Finance and Internal Audit		60
			Logistics		40
	5.2.3 Support operation of safeguards and Grievance Redress Mechanism	Operational awareness of the FGRM system and reporting information in all Chiefdoms	Sector Manager	9	22
			Chiefdom Lead		22
Logistics			22		
Social – livelihoods support and beneficiary			Chiefdom Lead	20	20

MAR



MASE

	participation satisfaction and security	Evidence of gender equality and equity in all activities	Agriculture Coordinator	16	20
			Agriculture and Livelihoods Officer		20
			Impact Monitoring		20
			Logistics		20
5.2.4 Support mentoring and monitoring carbon fund utilization and compliance by Nested project proponents:	Facilitate financial diligence with management and use of revenue shared in accordance with the benefit sharing arrangements and regulations applicable to use of public funds.	Monitoring reports, audit reports and financial statements from participating Chiefdom / community institutions	Project Coordinator	11	22
			Sector Manager		22
			Chiefdom Lead		22
			Finance and Internal Audit		22
			Logistics		22
5.2.5 Mentoring & monitoring NR protection and compliance and Enforcement of rules:	Conducting compliance monitoring and enforcement of environmental and social standards within the nested project area with the relevant Government agency were necessary:	Screening forms and periodic monitoring reports available in prescribed periods	Technical Advisor - LCFP 1	4	30
			Carbon Specialist		30
			GIS		30
			Impact Monitoring		30
			Logistics		30
		Support to operations of community scouts and HFOs including reporting	Conservation Coordinator	9	60
			Conservation Officer		120
			Logistics		120
5.2.6 Support impact monitoring Reporting and Verification data collection and documentation	Support operationalization of MRV in Nested Chiefdoms and data sharing to enhance MRV. Land Use Change Monitoring:	Periodic monitoring & reporting conducted according to MRV reporting SOPs	Technical Advisor - LCFP 1	13	24
			Carbon Specialist		24
			GIS		24
			Sector Manager		24
			Chiefdom Lead		24
			Impact Monitoring		24
			Logistics		24
5.2.9 Strengthen Partnership with JSLP and others:	Supporting EP-JSLP with attracting buyers of ISFL VERs or sourcing Public Private financing for climate change, natural resources management or eco-tourism related activities within the jurisdiction.	Volume of value of additional sales or funding for ER mitigation activities, adding quality to jurisdictional ERs	Chief Operating Officer (COO)	3	60
			Carbon Specialist		30
			Business Development		60
5.2.10 Linking communities to	Promotion of commodity value chains including	Nos of community enterprises trading	Project Coordinator - LCFP 1		

MW



Agribusiness and Food Processing	development of Non-Timber Forest Product value chains;	of multiple production cycles	Agriculture Coordinator	10	30
			Agriculture and Livelihoods Officer		30
			Logistics		30
5.2.11 Provision of Staff, logistics and other resources in the nested project area	Engagement presence in the nested project area	No of staff operating within the nested project area, Project vehicles allocated to the nested project area & activities; Visitation frequency with proponents	Project Coordinator - LCFP 1	4	60
			Sector Manager		60
			Human Resources		60
			Logistics		60

2. Transport

Nested project vehicles are allocated to the nested project area & activities by type.

Performance indicator	Activities	Sub scoring	Fleet Requirements
5.2.1: Promotion of ER mitigation interventions across nested project area	a. Community Engagement for NRM expansion and protection activities, land use planning to reduce forest loss and degradation	Services provided in all Chiefdoms of the nested project area	<ul style="list-style-type: none"> Off-road vehicles × 4 Motorbikes × 12
		Chiefdom land use plans in place	<ul style="list-style-type: none"> Off-road vehicles × 4
		Fire management results in fewer late seasons fires	<ul style="list-style-type: none"> Off-road vehicles Hardtop × 4 Motorbikes × 12
	b. Provision of Farmer Extension support services for soil conservation & improved yields.	Increase ER activities in existing areas and expansion to new sites	<ul style="list-style-type: none"> Off-road vehicles × 4
		c. Provision of livelihoods support services.	Increase adoption and use of energy efficient stoves, sustainable wood energy prod
			Increased area under CSA, CFM, mitigation measures
		d. Reduced firewood and charcoal consumption across nested project area	Not Applicable
	e. Scaling up AFOLU activities within the proponent Chiefdoms	Not Applicable	
5.2.2 Mentor and strengthen Community Based Natural Resource Management institutions, including institution responsible for implementation of the CERPA in each Chiefdom.	Capacity building and knowledge transfer for communities in emissions reduction and AFOLU sector.	Training Services provided to CRB/ CFMG/ LFAs in all Chiefdoms of the nested project area	<ul style="list-style-type: none"> Off-road vehicles × 4 Motorbikes × 12
	Core topics – planning, monitoring, reporting (financial & technical)	Timely quality reports received	as above
5.2.3 Support operation of safeguards and Grievance Redress Mechanism	Operational awareness of the FGRM system and reporting information in all Chiefdoms	Functional GR mechanism in place at community level and report accordingly with grievances closed in 6 months	as above
	Social – livelihoods support and beneficiary participation satisfaction and security	Evidence of gender equality and equity in all activities	as above

MGE



MAGE

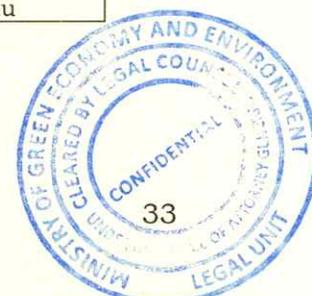
5.2.4 Support mentoring and monitoring carbon fund utilization and compliance by Nested project proponents:	Facilitate financial diligence with management and use of revenue shared in accordance with the benefit sharing arrangements and regulations applicable to use of public funds.	Monitoring reports, audit reports and financial statements from participating Chiefdom / community institutions	as above
5.2.5 Mentoring & monitoring NR protection and compliance and Enforcement of rules:	Conducting compliance monitoring and enforcement of environmental and social standards within the nested project area with the relevant Government agency were necessary:	Screening forms and periodic monitoring reports available in prescribed periods	as above
		Support to operations of community scouts and HFOs including reporting	as above
5.2.6 Support impact monitoring Reporting and Verification data collection and documentation	Support operationalization of MRV in Nested Chiefdoms and data sharing to enhance MRV. Land Use Change Monitoring:	Periodic monitoring & reporting conducted according to MRV reporting SOPs	as above
5.2.9 Strengthen Partnership with JSLP and others:	Supporting EP-JSLP with attracting buyers of ISFL VERs or sourcing Public Private financing for climate change, natural resources management or eco-tourism related activities within the jurisdiction.	Volume of value of additional sales or funding for ER mitigation activities, adding quality to jurisdictional ERs	N/A
5.2.10 Linking communities to Agribusiness and Food Processing	Promotion of commodity value chains including development of Non-Timber Forest Product value chains;	Nos of community enterprises trading of multiple production cycles	• Off-road vehicles × 04

3. Office facilities

The distribution of office facilities allocated to the nested project area.

Sn.	Area/Office	District (s)	Chiefdoms/CFAs Serviced
1	Chipata	Nyimba & Lusangazi	Nyalugwe
			Luembe
			Mwape
			Sandwe
		Mfuwe	Malama
			Msoro
			Mnkhanya
			Jumbe
			Nsefu
		Lundazi	Mwanya
			Chitungulu
			Kazembe
		Chama	Chifunda
			Chikwa
			Tembwe
Kambombo			
Mulilo			
			Lundu

WOW



MAGEE

4. Financial commitment to ER services

Broad indication of the allocation of financial resources to the provision of personnel and support services within the nested project area.

Performance indicator	Annual allocation	Comments
5.2.1: Promotion of ER mitigation interventions across nested project area	All team	Budgeted resources are allocated from the developer share of revenues, these can be estimated once FY 2024 revenue estimates are provided
5.2.2 Mentor and strengthen Community Based Natural Resource Management institutions, including institution responsible for implementation of the CERPA in each Chiefdom.	Engagement + Sector Manager	Budgeted resources are allocated from the developer share of revenues, these can be estimated once FY 2024 revenue estimates are provided
5.2.3 Support operation of safeguards and Grievance Redress Mechanism	Engagement	Budgeted resources are allocated from the developer share of revenues, these can be estimated once FY 2024 revenue estimates are provided
5.2.4 Support mentoring and monitoring carbon fund utilisation and compliance by Nested project proponents:	Engagement + Sector Manager	Budgeted resources are allocated from the developer share of revenues, these can be estimated once FY 2024 revenue estimates are provided
5.2.5 Mentoring & monitoring NR protection and compliance and Enforcement of rules:	Conservation	Budgeted resources are allocated from the developer share of revenues, these can be estimated once FY 2024 revenue estimates are provided
5.2.6 Support impact monitoring Reporting and Verification data collection and documentation	Carbon and Impact Monitoring	Budgeted resources are allocated from the developer share of revenues, these can be estimated once FY 2024 revenue estimates are provided
5.2.9 Strengthen Partnership with JSLP and others:	Sector Manager	Budgeted resources are allocated from the developer share of revenues, these can be estimated once FY 2024 revenue estimates are provided
5.2.10 Linking communities to Agribusiness and Food Processing	Agriculture	Budgeted resources are allocated from the developer share of revenues, these can be estimated once FY 2024 revenue estimates are provided
5.2.11 Logistics and other resources in the nested project area		Budgeted resources are allocated from the developer share of revenues, these can be estimated once FY 2024 revenue estimates are provided

Reporting and Review: The information set out in this Annex will be reviewed on a periodic basis, with the MRV monitoring period being the minimum period.

MOR



maee

ANNEX III: NESTED PROJECT AREA AND PROPONENTS

The NERPA focuses on the role of the Project developer continuing to provide services to the community groups and households in the nested project area under Luangwa Community Forest Project (LCFP). Therefore, this annex sets out the description of the **Nested Project Area** and the community groups and their Chiefdom in the Jurisdiction. This indicates the area and community groups where the Project developer will provide services (Annex I) as well as resources (Annex II) and derive benefit share based on the Nested ER Performance Agreement to which this is an annex.

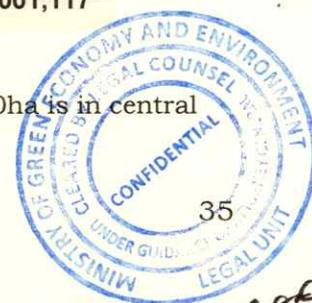
Nested Project Area

This should be described by Chiefdom and by subdivision of the Chiefdom where the whole Chiefdom is not covered and be listed by CFM Area VAG and be accompanied by a GIS shapefile provided to the EP-JSLP PIU.

	Community Forest Management Group	Chiefdom	Project Area (ha)
1	Mwanya	Mwanya	81,668
2	Luembe	Luembe	280,941
3	Nyalugwe	Nyalugwe	60,893
4	Msoro	Msoro	24,688
5	Malama	Malama	21,577
6	Mnkhanya	Mnkhanya	33,623
7	Jumbe	Jumbe	15,443
8	Nsefu	Nsefu	39,801
9	Chitungulu	Chitungulu	38,764
10	Sandwe	Sandwe	92,362
11	Kazembe	Kazembe	31,480
12	Kambombo	Kambombo	77,182
13	Chikwa	Chikwa	81,691
14	Chifunda	Chifunda	37,197
15	Tiyeseke	Mulilo	17,526
16	Tembwe	Tembwe	23,279
17	Lundu	Lundu	30,490
18	Mwape	Mwape	12,512 ¹
	Total		1,001,117²

¹ Portion of the Mwape Project Area located in Eastern Province (The other 20,500ha is in central province)

² This number excludes all private game ranches project areas.



Mwape

Nested Project Area Proponents

List of community groups by Chiefdom in the project area under the Nested Luangwa Community Forest Project (LCFP). This should provide spatial reference (such as by VAG) and be accompanied by a shapefile provided to the EP-JSLP PIU.

	Community Forest Management Group	Chiefdom
1	Mwanya	Mwanya
2	Luembe	Luembe
3	Nyalugwe	Nyalugwe
4	Msoro	Msoro
5	Malama	Malama
6	Mnkhanya	Mnkhanya
7	Jumbe	Jumbe
8	Nsefu	Nsefu
9	Chitungulu	Chitungulu
10	Sandwe	Sandwe
11	Kazembe	Kazembe
12	Kambombo	Kambombo
13	Chikwa	Chikwa
14	Chifunda	Chifunda
15	Tiyeseke	Mulilo
16	Tembwe	Tembwe
17	Lundu	Lundu
18	Mwape	Mwape

Nested Project Area Monitoring Data

Considering that the nested project employs different biomass data collection protocols, including plot design and parameters, compared to the jurisdiction, biomass plot data is not required. However, the dataset for beekeepers is available and can be provided. Likewise, the dataset for conservation farmers, primarily consisting of lead farmers, is also available for sharing. It should also be noted that for the nested projects, all community members within the respective chiefdoms are considered beneficiaries.

