

Rules for the Norwegian Government's Climate and Forest Initiative – civil society support - Chapter 166.73

These rules have been drafted pursuant to section 6 of the Regulations on Financial Management in the Central Government, and chapter 6 of the Provisions on Financial Management in the Central Government. The rules apply to Norad's management of grants to civil society actors within the Norwegian Government's Climate and Forest Initiative according to chapter 166.73, and enter into force on 1 January 2010. The Regulations and Provisions on Financial Management in the Central Government and the Ministry of Foreign Affairs' "Rules for Climate and the Environment – chapter/item 118.76, 166.72 and 166.73" have precedence over these rules.

1 Objective of the scheme

This scheme is part of Norway's International Climate and Forest Initiative, the object of which is to help in attaining essential, cost-effective, early and measurable emission reductions through reduced deforestation and forest degradation in developing countries, inter alia, by regulating these emissions by means of a new international climate agreement.

The considerable competence and capacity of civil society in this field are viewed as preconditions for succeeding in establishing mechanisms for reduced deforestation (so-called REDD mechanisms¹). Input, critical assessments and proposals from civil society may help in establishing robust strategies and agreements for reduced greenhouse gas emissions from deforestation and forest degradation. The scheme as a whole is intended to contribute to:

1. Increased knowledge and new innovative solutions in the field of reduced deforestation and forest degradation in developing countries
2. Systematic information and debate concerning the need for a new climate regime and for including measures against deforestation in this regime
3. Increased participation by indigenous peoples and local communities in monitoring and management of more sustainable forestry, and increase in indigenous peoples' and local communities' rights to land and rights of use and establishment of equitable distribution mechanisms

These three subsidiary objectives are intended to support Norway's global objectives associated with climate, environment and sustainable development².

Funding for civil society actors is provided within the framework of current policy guidelines, particularly the annual budget proposition (Proposition No. 1 to the Storting). Funding is also subject to annual fiscal budget allocations.

¹ REDD stands for "Reducing Emissions from Deforestation and Forest Degradation in Developing Countries".

² See the Ministry of Foreign Affairs' "Rules for Climate and the Environment".

2 Target group for the grant scheme

The scheme seeks to impact two target groups:

- a) civil society actors who work to promote increased knowledge and innovative solutions in the field of reduced deforestation and reduced forest degradation in developing countries, and
- b) vulnerable social groups, indigenous peoples, population groups and local communities in developing countries that live in and off the forest.

3 Criteria for achievement of objectives

In order to be able to aggregate information on the results from the various projects under the scheme to the overall objectives of the scheme, reporting of the results of the individual projects must be at the highest possible level.

Annual reports shall mainly refer to the most important products and services (output), deviations and risk management, while periodical and final reports shall deal with effects achieved for the users (outcome), sustainability, cooperation patterns and what has been learned from the initiatives. The reporting shall be kept at an aggregated level, thus showing current trends and tendencies for development efforts. In addition, the organisations shall select one or more representative examples at project level for an account of results achieved for the users. The long-term impacts of the projects shall be included if possible.

4 Allocation criteria

Where can projects be implemented?

Funded projects within this scheme shall be implemented in countries that at any given time are included in the OECD/DAC list of ODA recipients. Exceptions from this may be made in cases where an isolated project is implemented outside the countries referred to here if the project as a whole is assessed as being consistent with the purpose of the scheme.

Norad will give priority to supporting demonstration projects and pilot projects in countries with a nationally based process for reducing emissions from deforestation and forest degradation, either as pilot countries under UN-REDD or as Forest Carbon Partnership Facilities (FCPF).

Who can apply for support?

Norwegian, foreign and international institutions and federations of institutions may apply for support. Purely commercial actors, enterprises and consultancy firms fall outside, but research institutions, competence centres and think tanks with an idealistic, non-commercial purpose can apply.

A grant recipient is required to:

- be an independent legal entity with its own articles of association and a responsible board. The board must normally be administratively separate from the day-to-day operations of the organisation.
- have established ethical guidelines for its activities or develop such guidelines during the first year of the agreement.

- have an adequate economic base for the work to be carried out, and the necessary technical and administrative competence to implement the projects.
- have an established cooperation with local partners for its field-based operations in the countries that at any given time are included in the OECD/DAC list of ODA recipients.

Who can be a local partner:

The allocation shall primarily be used for cooperation with non-governmental partners in civil society. Local or central government authorities may exceptionally be development partners when this is assessed as a whole as being consistent with the purpose of the scheme, and when the grant recipient has a specific competence.

What topic areas can be supported?

The allocation may in principle be used in all topic areas conducive to essential, cost-effective, early and measurable emission reductions by means of reduced deforestation and forest degradation in developing countries. The topics to be given priority at any given time are decided in relation to policy guidelines, particularly the annual budget proposition (Proposition No. 1 to the Storting) and the annual letter of allocation from the Ministry of Foreign Affairs to Norad cited in the scheme's announcement text. In addition, the allocation may be used for methodological development, analyses, studies, reviews, etc. and, in special cases, for pilot projects designed to clarify the potential for translating new initiatives into practical development assistance.

Norad will give priority to the following:

- projects significant to the drafting of global and national agreements
- projects significant to development of national REDD systems
- capacity building in relation to indigenous peoples and local communities in order to ensure their participation in policy shaping and decision-making processes and to ensure sustainable use of natural resources/ forests
- projects conducive to strengthening of South-based actors' potential for influencing international, regional and national decision-making processes. Importance shall be attached to projects conducive to strengthening capacity and competence in developing countries and promoting cross-border cooperation.

Assessment criteria when considering applications:

These criteria shall in principle apply to all agreement types, but the requirements imposed are gradually increased for each higher agreement level, from one-year project agreements to three-year project agreements.

Grant decisions shall be made on the basis of overall assessment of the application. Criteria fall into two main categories: those that apply to assessment of the organisation and those that apply to assessment of the development assistance activity.

Key factors in assessing the development assistance activity are provided in "Rules for Support to Civil Society Actors – chapter 160.70", but the following shall particularly apply to climate and forestry funds:

- The extent to which the activities are conducive to attaining essential, cost-effective, early and measurable emission reductions by means of reduced deforestation and forest degradation in developing countries. This includes assessment of the organisation’s strategic plan/action plan and its implementation, value platform, ethical guidelines, ambitions and resources.

See also the full assessment criteria provided in “Rules for Support to Civil Society Actors – chapter 160.70”.

Requirements regarding the recipient’s share of costs:

There are no requirements regarding the recipient’s share of costs in connection with grants under this chapter.

Proportion used for administration:

See the full provisions of “Rules for Support to Civil Society Actors – chapter 160.70”.

Requirements regarding applications:

See the full provisions of “Rules for Support to Civil Society Actors – chapter 160.70”.

5 Provisions concerning announcement of the scheme

Criteria and final application dates for the scheme shall be announced on Norad’s web pages to ensure the greatest possible transparency concerning the support.

6 Processing of applications, follow-up and control

See the full preliminary provisions of “Rules for Support to Civil Society Actors – chapter 160.70”.

a) Procedures for processing of applications

An application for a new agreement applies for one or more years. It shall be updated each year (annual plan). Following an overall assessment, applications may be submitted to a specially appointed expert committee consisting of representatives of specialist departments of the climate and forestry project of the Ministry of the Environment, the Ministry of Foreign Affairs and Norad for developmental and environmental assessment. In some cases, relevant specialist departments of the Ministry of Foreign Affairs and Norad, and development assistance embassies will also be contacted. On the basis of an overall assessment of the application, a decision document is drafted, which applies for one year at a time. A grant is made in a separate grant letter, if appropriate, with special guidelines.

Detailed requirements regarding the content and form of the application are given in the approved application template.

b) Consideration of appeals:

See the full provisions of the “Rules for Support to Civil Society Actors – chapter 160.70”.

c) Identification of risks and risk management

See the full provisions of “Rules for Support to Civil Society Actors – chapter 160.70”.

d) Assessment and reporting of the degree of achievement of objectives

Norad requires that each programme or project must have a realistic objective. The objective must be a result, not only a description of processes and activities. The objectives must have sound indicators of the extent to which the objectives are attained. The applications must specify baseline data in order later to be able to report on changes in and effects of the projects. It is important to maintain a clear distinction between activities and results.

In the case of multi-year agreements, reporting shall take place in two stages: an annual report (status report) and a final report (during the year following the end of the support period). The reporting shall relate to contracts and work plans. In the case of long-term agreements, the reports must be approved in a separate letter to the organisations. The discussions include assessment of results achieved and the risk situation both within and outside the programmes and any causes of failure to achieve objectives. The annual report shall be brief, and only describe results achieved (cf. section 3.)

For all categories of reporting, forms have been drafted which give a more detailed description of the requirements imposed by Norad (see www.norad.no). The organisation may report in the format found most suitable in relation to its own routines provided that answers are given to Norad’s questions.

All organisations must continuously submit reports and summaries of reviews and evaluations conducted of programmes financed by Norad. Further instructions are available at www.norad.no.

e) Requirements regarding accounts and audit

See the full provisions of “Rules for Support to Civil Society Actors – chapter 160.70”.

f) Disbursement pace, collection of interest, reimbursement of unused funds

We refer to the provisions of “Rules for Support to Civil Society Actors – chapter 160.70” with the following exceptions:

In the case of international non-state actors, interest earned is not reclaimed, and may be used for purposes agreed between Norad and the individual grant recipient³.

On expiry of the agreement, unspent funds during a project year may, on application, be used as a no cost extension up to six weeks into the next project year. For multiyear agreements, the disbursement amount shall, if appropriate, be settled against unspent funds from the previous project year.

g) Possible forms of sanction against grant recipients

See the full provisions of “Rules for Support to Civil Society Actors – chapter 160.70”.

³ Cf. the consent of the Storting expressed in the annual budget proposition (Proposition No. 1 to the Storting).

7 Evaluation

Grants under this scheme are evaluated in accordance with the continuous climate and forest evaluation conducted by Norad's Evaluation Department.