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Temporary Covid-19 exemptions for 2022

The Covid-19 epidemic continues to have profound worldwide consequences. In recognition of the challenges civil society organisations now experience with regards to the implementation of agreed-upon plans and budgets it has been decided to extend some of the temporary exemptions for these partners. This applies to all Norad's grant agreements with civil society partners. The extended temporary exemptions as stated below will be valid for the period 01.01.2022 - 31.12.2022. All other provisions of the grant agreements remain valid and in effect.

The following exemptions will be valid through 2022:

1. Standard requirement in the Agreement's General Conditions, Article 12.2 d) on the requirement of preapproval of changes in the project's annual budget which entails a reallocation of more than 10% per budget line.

<u>Temporary exemption</u>: The threshold for preapproval has been increased to 20% for 2022. Necessary reallocations between budget lines of up to 20% to accommodate for changes in the working environment due to Covid-19 can now be made without written preapproval. This flexibility may be used for adaption and mitigation measures to reduce the spread of the virus among staff, partners and others directly affected by project activities, to facilitate the continuation of activities within the project, as well as for adjustments of input factors. This flexibility is limited to activities contributing to the agreed outcomes and impact of the project. Please note that deviations from the approved budget amounting to more than 10% from a budget line still requires a written explanation in the financial statement.

2. Standard requirement in the Agreement's General Conditions, Article 12.2. c) that any changes to the implementation plan which implies a delay of more than three months of any activity is subject to Norad's prior written approval.

<u>Temporary exemption</u>: Necessary adjustments to the implementation plan timeline and activities due to Covid-19 in order to achieve the agreed upon expected results can now be made without prior written approval. Future reports must reflect deviations from the original implementation plan and clearly explain and justify changes. Delays beyond the agreement period (no-cost extensions) still require a written approval from Norad.

3. Standard requirement in the Agreement's General Conditions, Article 12.2. b) that any changes to the results framework or scope of the Project is subject to Norad's prior written approval.

<u>Temporary exemption</u>: Necessary adjustments of the result frameworks at the output level due to Covid-19 in order to achieve agreed outcomes and impact can now be made without prior written approval if the following preconditions are ensured by our agreement partner:

- such changes will not imply entering into new countries.
- only existing networks and expertise are utilized.

• all project activities and outputs still qualify as official development assistance (ODA) according to OECD DAC's criteria.

Future reports must reflect the original results framework and clearly explain and justify all changes.

The following exemptions will NOT be extended beyond 2021:

• <u>Coverage of operating costs:</u> Please note that coverage of the most necessary operating costs if implementation is disrupted due to Covid-19 will not be continued in 2022.