| **Templates 7B: Checklist of contract components (adapted from UNEP 2008)** |
| --- |
| **Context and form** |
| * A title for the agreement * Start and end dates * Detail of the physical area the contract will cover * Stakeholder details and addresses * Objectives of the agreement * Definitions (e.g. conservation measures, payments, land owner, etc.) * Contract time frame * Description of the legal rights of each party (e.g. under what conditions the contract can be terminated; rights to verification) * Signature of each party (must be legally of age or otherwise permitted) |
| **Actions and responsibilities of parties** |
| * Define and clearly state actions to be taken by each party (provider, beneficiary, degrader intermediary, other) * Define responsibilities of each party and specify under what circumstances contract conditions are met,  considering relevant criteria such as fairness, non-leakage, etc. * Payment terms: type of payments (e.g. cash, in-kind, technical assistance,), timing (e.g. a schedule), recipient(s) * Agreed role of third parties * Clarify how risks of unavoidable loss (e.g. related to natural events) are to be handled and how this risk will be shared between parties * Warranties (i.e. guarantees that specific facts or conditions are true or will happen) |
| **Cost and benefit sharing arrangements** |
| * Specify how revenues, income or other proceeds generated by the instrument will be owned and/or shared between actors * Specify the purposes for which any shared proceeds will be utilized and the administrative arrangements * Specify how costs and expenses of implementing the instrument will be covered and/or shared between actors |
| **Management and mitigation plans** |
| * Lay out any social, environmental or other management or mitigation plan that will accompany the instrument * Specify the actors responsible for implementing management/ mitigation plans, and their roles and responsibilities, including funding * Specify the means by which compliance will be monitored and enforced, and the penalties for non-compliance |
| **Monitoring and enforcement** |
| * Monitoring requirements * Verification requirements * Consequences of regarding transgressions of agreements (e.g. punishments, sanctions) * Actions to be taken in unforeseen circumstances * Rules for modifying or adapting the contract * Accepted reasons for terminating the contract |