| **Templates 7B: Checklist of contract components (adapted from UNEP 2008)** |
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| **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)
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| **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)
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| **Cost and benefit sharing arrangements** |
| * Specify how revenues, income or other proceeds generated by the instrument will be ownedand/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
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| **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
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| **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
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