



31 January 2022

Prof Dr Rujito Agus Suwignyo
Center of Excellence Peatland Conservation and Productivity Improvement (CoE PLACE)
Sriwijaya University
Jalan Palembang-Prabumulih, KM.32, Indralaya, Kabupaten Ogan Ilir,
Sumatera Selatan, Indonesia 30662

Dear Dr. Rujito Agus Suwignyo,

Letter of Agreement (LoA) for Research Project entitled ***"Sustainable Community based Reforestation and Enterprise (SCORE)"***

The Center for International Forestry Research ("CIFOR"), in close collaboration with its partners, has submitted to National Institute of Forest Science (NIFoS), Republic of Korea, a proposal entitled "Sustainable Community based Reforestation and Enterprise" (SCORE). The proposal has now been accepted for funding, and CIFOR is pleased to grant to Center of Excellence Peatland Conservation and Productivity Improvement (CoE PLACE), Sriwijaya University (Center's establishment number: under Universitas Sriwijaya Rector's Decree no 0367/UN9/SK.BUK.KP/2018), ("Subgrantee"):

1. The Subgrant fund of 2022 is in amount of IDR 278,500,000 in accordance with the Terms of Reference described in Annex 1 of this LoA ("Research Project").
2. Project activities and budget of subsequent year (2023) will be included subject to written confirmation from CIFOR towards the end of 2022 for an amendment signed by the Parties.

The Subgrant fund is granted in accordance with following terms and conditions:-

1. **Terms:** The Subgrant Funds shall be administered in accordance with the terms of this LoA and the General Terms and Conditions under Annex 2 which are incorporated by reference herein and form an integral part of this LoA. Unless defined otherwise herein, capitalised terms are defined in Annex 2 of this LoA.
2. **Duration:** The duration of this LoA is four (4) years from to 1 January 2022 to 10 December 2025, subject to extension or earlier termination under the General Terms and Conditions. Since CIFOR receives the funding from the donor on a **yearly basis**, CIFOR shall have the right to terminate the LoA if additional funding for the subsequent year is not received.
3. **Schedule of disbursements:** Disbursements of Subgrant Funds for Year 1 shall be made by CIFOR to the Subgrantee according to the schedule set forth below after receipt and approval of Subgrantee invoice by CIFOR:

Terms and Schedule	Amount (in IDR)
Upon receipt by CIFOR the signed copy of this LoA and an invoice	55,700,000
Upon submission and acceptance of deliverables D2 , draft D6 and financial progress report due 10 July 2022 and an invoice	167,100,000
Upon submission and acceptance of deliverables D6 , D1 , and technical and financial reports of year 2022 due in 31 December 2022 and an invoice	55,700,000
TOTAL	278,500,000

4. Banking details: Payments to the Subgrantee shall be made to the following bank and account in IDR:

Payee:	Center of Excellence Peatland Conservation and Productivity Improvement (CoE Place) Unsri
Account Name:	RPL 014 Unsri Penerimaan BLU
Account Number:	0070570115
Bank:	BNI Cabang Palembang KCP Indralaya
Bank Postal Address:	Jl. Raya Palembang Prabumulih KM 32 Indralaya Utara Kabupaten Ogan Ilir Sumatera Selatan
Sort Code:	-
SWIFT number:	BNINIDJA
IBAN:	-

5. **Reporting schedule:** The Subgrantee shall provide toref CIFOR written project and financial reports **along with transaction listing and receipts**, and any other information/report for monitoring and evaluation purposes as per the following schedule:

Report Type	Reporting Period	Report Due Date
Financial Progress	1 January to 30 June 2022	10 July 2022
Technical and Financial report 2022	1 January to 31 December 2022	31 December 2022

Reporting format: The Subgrantee will prepare the reports required under Clause 5 above in the format approved by the Principal Investigators jointly and in accordance with Donor requirements.

6. Branding and communication: In all publication and communication materials, the Subgrantee agrees to acknowledge Sustainable Community Based Reforestation and Enterprise project, CIFOR, and National Institute of Forest Science (NIFoS), Republic of Korea. CIFOR and/or its Donor reserve the right to communicate changes to its branding terms and/or guidelines from time-to-time, which shall be applicable to the Subgrantee. A copy (soft or hard) of any deliverable (publication, report, database, multi-media product, etc.) produced as a result of the Research Project shall be sent to CIFOR within thirty (30) days from the date of its publication.
7. Authorized representatives: The authorized representatives for technical aspects ("Principal Investigators") of this LoA are:-

For the Subgrantee:

Name:	Prof. Dr. Rujito Agus Suwignyo
Title:	Director of Center of Excellence Peatland Conservation and Productivity Improvement (CoE Place) Unsri
Address:	Jalan Palembang-Prabumulih, KM.32, Indralaya, Kabupaten Ogan Ilir, Sumatera Selatan, Indonesia 30662
Phone:	+62711580645/+62711580069
Fax:	+62711580644
Email:	rujito@unsri.ac.id

For CIFOR:

Name:	Himlal Baral, PhD
Title:	Senior Scientist
Address:	Jalan CIFOR, Situ Gede, Bogor Barat 16115, Indonesia

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Initial CoE Place:

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Phone:	+62-0251-8622-622
Fax:	+62-0251-8622-100
Email:	H.Baral@cgiar.org

The authorized representatives for **financial and administrative aspects** of this LoA are:-

For the Subgrantee:

Name:	Dr. Yulia Saftiana
Title:	Finance Manager of CoE Place Unsri
Address:	Jalan Palembang-Prabumulih, KM.32, Indralaya, Kabupaten Ogan Ilir, Sumatera Selatan, Indonesia 30662
Phone:	+62711580645/+62711580069; +62(811 782 793)
Fax:	+62711580644
Email:	ysaftiana@yahoo.com

For CIFOR:

Name:	Rogier Klaver
Title:	Team Leader, Program Management Unit
Address:	Jalan CIFOR, Situ Gede, Bogor Barat 16115, Indonesia
Phone:	+62-0251-8622-622
Fax:	+62-0251-8622-100
Email:	r.klaver@cgiar.org

8. Language: This LoA is made in the English language.
9. This LoA may be executed in two or more counterparts and by facsimile or any electronic means, each of which shall be deemed an original but all of which together shall constitute one and the same LoA.
10. Shall the terms of this LoA are acceptable to Center of Excellence Peatland Conservation and Productivity Improvement (CoE PLACE), Sriwijaya University, CIFOR and CoE PLACE shall sign and give initial at the bottom of every page of this LoA and send to CIFOR a copy, for the attention of Himlal Baral. For an e-copy, it can be emailed to Himlal Baral (h.baral@cgiar.org) and Ria Widjaja-Adhi (r.widjaja-adhi@cgiar.org).
11. Annexes of this LoA consist of: Annex 1: Research Project, Annex 2: General Terms and Conditions (December 2020), Annex 3: Partner's Financial Reporting Template, and Annex 4: Conditions Precedent.
12. The terms and conditions of this LoA including all its annexes referred to herein are hereby accepted by Center of Excellence Peatland Conservation and Productivity Improvement (CoE PLACE), Sriwijaya University through its authorized representative.

CIFOR,

Robert Nasi
Director General



13.9.2 If the Subgrantee is the lead partner of the Research project, either CIFOR's RER Policy or the Subgrantee's RER Policy shall be followed. In the event that the Subgrantee does not have an adequate RER Policy, CIFOR's RER Policy applies.

13.9.3 Failing to comply with RER Policy is subject to termination set forth under Article 12.2 or 12.3.

13.10 Interpretation

In the Letter of Agreement and this General Terms and Conditions:-

13.10.1 the headings are used for convenience only and shall not affect its interpretation;

13.10.2 references to person shall include incorporated and unincorporated persons;

13.10.3 references to the singular include the plural and vice versa; and

13.10.4 references to the masculine include the feminine.

13.11 Conditions Precedent and Subsequent

13.11.1 This LoA shall be effective upon satisfactory the Conditions Precedent set out under Annex 4 of the LoA in a form and substance satisfactory to it. The Conditions Precedent are for the benefit of CIFOR and its donors in accordance with donor regulations on exclusion criteria of funding and may only be waived in writing by CIFOR.

13.11.2 During the period of the LoA, the Subgrantee will use all reasonable efforts to comply or cause to be complied with the Conditions Subsequent by informing and submitting to CIFOR any significant update that are relevant to the exclusion criteria such as any changes made to the Subgrantee's article of association, annual audited financial statements, annual tax return, and other legal documents as relevant.

13.12 Entire Agreement

The Letter of Agreement, including its annexes, sets out the entire agreement between the parties relating to the Research Project and supersedes all prior oral or written agreements, arrangements or understandings between them relating to such subject matter. The parties acknowledge that they are not relying on any representation, agreement, term or condition which is not set out in the Letter of Agreement or this General Terms and Conditions.

13.13 Dispute Resolution

13.13.1 Any disagreements between the parties concerning the interpretation or application of the Letter of Agreement will be settled amicably by negotiation in the first instance, failing which all disputes arising out of or in connection with it shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules.

13.13.2 The Letter of Agreement and this General Terms and Conditions shall be governed by general principles of law to the exclusion of any national system of law. Such general principles of law shall be deemed to include the UNIDROIT Principles of International Commercial Contracts 2010.

14. Ex-post Publication of Information on Sub-grantees

In accordance with Donor Financial Transparency regulations, CIFOR will publish on its internet site in the financial year following the signing of the sub-grant, the information below:

- name and address of the Sub-grantee;
- amount of sub-grant awarded;
- nature and purpose of the sub-grant/title of the contract or project.

This information will be published with due observance of the requirements of confidentiality security and in particular the protection of personal data. The publication shall be waived, if such disclosure risks threatening rights and freedoms or harm the commercial interests of the Sub-grantee.

ANNEX 1: RESEARCH PROJECT

Sustainable Community based Reforestation and Enterprise (SCORE)

Background

Indonesia has the largest tropical peatlands that store high amount of densely packed carbon in its peat soils. Almost 20 million ha of peatland in the country reserves about 57.4 Gt C. However, deforestation, drainage, and burning of peatlands mainly for land conversion for commercial agriculture has resulted in loss of biodiversity and release of large amount of carbon. Further, decades of such unsustainable practices have led to large areas of degraded peatlands which are highly susceptible to oxidation, dissolution, and fires. As the El Niño's events, that create drier conditions for fires, are projected to occur more frequently in the future, restoration of degraded peatlands is of urgent concern.

Realizing the urgency to act, Indonesia has made several important commitments toward protection and restoration of peatlands. Paludiculture, the cultivation of biomass on wet peatlands can be a viable restoration option. The agroforestry technique contributes to peat formation (increase the carbon stock) while producing commodities such as food, fibre, bioenergy, and other Non-Timber Forest Products (NTFPs). There are already practices of low-impact agriculture on shallow peatlands. Respecting this type of traditional knowledge in combination with new technologies of paludiculture systems, a resilient and sustainable peatland use model can be designed. However, much research is to be carried out to know if these systems are feasible to protect peat soil against degradation and if they deliver socio-economic benefits to the communities.

Since 2018, CIFOR, UNSRI and partners have been carrying out research on restoration of heavily degraded peatlands using climate smart agro-silvo-fishery approach in Perigi Village, Pangkalan Lampam District, Ogan Komering Ilir Regency in South Sumatra. The activities carried out have shown positive results, such as: trees planted have shown good health and growth, agricultural productivity (paddy yield and pineapple) enhanced, the community has actively participated in implementing the program, the community has participated in protecting the land from fires during the dry season, etc. CIFOR and partners would like to continue monitor current plot and expand additional 10 ha in the same landscape. Based on household survey, focus group discussion and informal meetings with the community groups they are interested to participate scale up activities. At this stage, community involvement has been invited to the stage of selecting tree plants to be planted, so that the benefits of these plants are in accordance with the wishes of the people involved. These activities can contribute to combating climate change while also producing a variety of socio-economic and environmental benefits to rural communities. The planned activities under this agreement covers employ combination of participatory and field based action research on current project site (i.e., 3ha) and a new research site (10 ha).

Objectives

The overall aim of this research is to conduct participatory action research on restoration of degraded peatland for multiple economic and environmental values such as agri-food, fish, timber and other materials. The key activities as below:

1. To monitor growth performance of various tree species, and environmental parameters such as soil, water level and land characteristics,
2. To identify and select interested farmers for scale up (10 ha), arrange necessary contracts, including choice of species combination,
3. To coordinate with farmer groups in establishing appropriate agroforestry/agro-silvo-fishery models, including seed collection, nursery, seedling production; site preparation, and planting,
4. To carry out training/workshop on agro-silvo-fishery based peatland restoration,
5. To produce scientific papers, news articles, briefs, infographs based on research findings,
6. To disseminate the research findings to village, district, provincial and national levels as well as international forums,

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7. To liaise with local government for further collaboration and endorsement relating CIFOR-UNSRI research activities in South Sumatera province.

Key deliverables

1. Series of database of tree growth and environment monitoring of 13 ha research sites (D1).
2. A report of establishment of 10 ha agrosylvofishery plots based on farmers' preferred designs/models (D2).
3. A draft article on cost benefit analysis of various paludiculture models on degraded peatlands in South Sumatera, ready for CIFOR publication or submission to international journal (D3).
4. A how to do manual on activities for the agrosylvofishery models based literature and Perigi application (D4).
5. A draft article on farmers perception on agrosylvofishery scenario for peatland restoration in South Sumatera ready for CIFOR publication or submission to international journal (D5).
6. An article based on literature review on peatland fishery: opportunity, challenges and way forward to be published as CIFOR infobrief (D6).
7. An article based on growth performance of various tree species planted on degraded peatland in Perigi village, South Sumatera ready for CIFOR publication or submission to international journal (D7).

Timeline

Period	Deliverables
1 January-31 December 2022	<ol style="list-style-type: none"> a. A draft of articles of deliverable (D6), due 1 June 2022 b. A report of deliverable (D2), due 1 July 2022 c. A submitted deliverable (D6) due 1 November 2022 d. A series of monitoring data 2022 (D1), due 15 December 2022
1 January-31 December 2023	<ol style="list-style-type: none"> e. A draft of deliverable (D4), due 1 March 2023 f. A published of deliverable (D4), due 1 May 2023 g. A draft of deliverable (D5), due 1 May 2023 h. A submitted of deliverable (D5) due 1 July 2023 i. A series of monitoring data 2023 (D1), due 15 December 2023
1 January -31 December 2024	<ol style="list-style-type: none"> j. A draft of deliverable (D7) due 1 March 2024 k. A submitted of deliverable (D7) due 1 June 2024 l. A series of monitoring data 2024 (D1), due 15 December 2024
1 January-10 December 2025	<ol style="list-style-type: none"> m. A draft of deliverable (D3) due 1 March 2025 n. A submitted of deliverable (D3) due 1 June 2025 o. A series of monitoring data 2025 (D1), due 15 December 2025

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Budget for 2022

	Items	Unit	Quantity	Cost (IDR)	TOTAL (IDR)
1	Personnel UNSRI				
	Lead scientist	Person-month	2	7,500,000	15,000,000
	Agroecologist, Paludiculture and swamp-land restoration specialist	Person-month	2	4,750,000	9,500,000
	Fishery in Peatland Specialist	Person-month	2	4,750,000	9,500,000
	Biology of mangrove, Mangrove restoration specialist	Person-month	2	4,750,000	9,500,000
	Agricultural Economist, Community based research specialist	Person-month	2	4,750,000	9,500,000
	Supporting staffs (2 person)	Person-month	4	2,500,000	10,000,000
2	Operation UNSRI (travel includes car, ojek, boat rental and DSA, 3 - 4 trips per annum)	Package	1	20,000,000	20,000,000
3	Training, dissemination, publications (CIFOR will pay directly)				-
	Writeshop, International Conference, National conference and local workshop, Journal article, edit, open access, etc.				-
4	Field operation:				
	Land preparation (clearing, raised mounds)	Ha	10	3,000,000	30,000,000
	Tree and fruits seedling	Seedling	2500	20,000	50,000,000
	Pineapple seedling	Seedling	5000	1,000	5,000,000
	Seedling transportation	Trip	1	5,000,000	5,000,000
	Fertilizer, Manure, Pesticide	Package	10	2,000,000	20,000,000
	Planting	Ha	10	2,500,000	25,000,000
	Fishpond (2x10m)	Pond	10	1,450,000	14,500,000
	Fish seed and feed	Package	10	1,000,000	10,000,000
	Plot maintenance	Ha	10	2,500,000	25,000,000
	Village meeting/workshops	Meeting	2	500,000	1,000,000
5	Measurement and monitoring of tree plant	Package	1	10,000,000	10,000,000
	TOTAL 1, 2, 3, 4, 5				278,500,000

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ANNEX 3: PARTNER'S FINANCIAL REPORTING TEMPLATE

FINANCIAL REPORT

Project title :
 Project code :
 Institution/Organization :
 Contract amount :
 Contract period :
 Reporting period :
 Reporting currency : IDR

Budget Items	(A) Agreed Budget	(B) Expenditures			(C) = (A) - (B) Budget Balance	(D) = (B) / (A) Budget used in %
		Prior Period	Current Period	Total		
TOTAL	-	-	-	-	-	-

Cash position	
Amount	Currency
(IDR)	
Cash receipts	
(date-dd,mm,yy)	Xx
(date-dd,mm,yy)	Xx
Total cash receipt	Xx
Expenditures	
Prior period (date-dd,mm,yy)	Xx
Current period (date-dd,mm,yy)	Xx
Total expenditures	Xx
Cash balance	Xx

I certify that all the amounts detailed above have been actually and necessarily expended under the terms and conditions of the relevant Letter of Agreement.

Signed : _____
 (name)

Position Held :title

Date :(date-dd,mm,yy)



Initial CIFOR: *MBS*
 Initial CoE Place: *[Signature]*

ANNEX 4: CONDITIONS PRECEDENT

In accordance with the provisions of Article 13.11 of Annex 2, this LoA shall be effective upon satisfactory assessment of the Conditions stipulated below based on a due diligence carried out in accordance with CIFOR Due Diligence Procedures to Third Parties in a form and substance satisfactory to it.

That the Subgrantee or a person having powers of representation, decision-making or control over them or a member of their administrative, management or supervisory body have not been the subject of a final judgment or of a final administrative decision for one of the following reasons:

- a. bankruptcy, insolvency or winding-up procedures;
- b. breach of obligations relating to the payment of taxes or social security contributions;
- c. grave professional misconduct, including mis-representation
- d. fraud;
- e. corruption;
- f. conduct related to a criminal organisation;
- g. money laundering or terrorist financing;
- h. terrorist offences or offences linked to terrorist activities;
- i. child labour and other trafficking in human beings;
- j. irregularity (not applicable to Financial Instruments);
- k. creating a shell company;
- l. being a shell company.

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ANNEX 2
GENERAL TERMS AND CONDITIONS
December 2020

The following General Terms and Conditions are incorporated by reference in, and shall form an integral part of, the Letter of Agreement. In the event of conflict or inconsistency between the provisions of these General Terms and Conditions and the Letter of Agreement, the latter shall prevail.

1. DEFINITIONS

Capitalized terms in these General Terms and Conditions have the following meanings:-

Background Intellectual Property	All products, genetic materials, software, knowhow, data, technologies, processes, or formulations, and all associated Rights developed by a party or acquired from third parties by a party prior to the commencement, or during the period, of the Research Project, which the party has the right to use and license out for the purpose of the Research Project.
Donor	Any entity that contributes to the Subgrant Funds.
Subgrantee	The recipient of Subgrant Funds named in the Letter of Agreement.
Subgrant Funds	The sum stated in the Letter of Agreement for funding of Research Project.
Letter of Agreement	The letter awarding the Subgrant Funds to the Subgrantee containing the specific terms and conditions applicable to the Subgrant Funds.
Intellectual Assets	any results or products of research and development activities of any nature whatsoever (including, but not limited to, knowledge, publications and other information products, databases, improved germplasm, technologies, inventions, know-how, processes, software, and distinctive signs), whether or not they are protected by Intellectual Property (IP) Rights.
Principal Investigator	The authorized representatives of the parties for technical aspects of the Subgrant Funds named in the Letter of Agreement.
Research Project	The program of research described in Annex 1 of the Letter of Agreement.
Resulting Intellectual Assets	All products, knowledge, publications, genetic materials, software, knowhow, data, technologies, processes or formulations and all Rights that are generated, created, compiled or conceived as part of work on the Project by a Party and/or its subcontractor whether or not copyrightable or patentable.

2. SUBGRANT FUNDS AND INVESTMENT

- 2.1 Subgrant Funds are disbursed to the Subgrantee for the sole purpose of carrying out activities under the Research Project, and are contingent on satisfactory performance of the Research Project.
- 2.2 CIFOR shall not be obligated to reimburse the Subgrantee for costs incurred retrospectively of the start date specified in the Letter of Agreement or in excess of the Subgrant Funds committed under the Letter of Agreement. Any Subgrant Funds that are unexpended or uncommitted at the conclusion of the Research Project must be promptly returned to CIFOR without request.

- 13.3.2 In no event shall the Fund Donor, its directors, officers and employees, and CIFOR, its directors, officers and employees be liable for any kind of losses caused by the Subgrantee, its personnel or third party engaged by the Subgrantee, including but not limited to losses suffered by the person or third party engaged by the Subgrantee while performing services under this Research Project, and/or any data losses arising out of or in any way related to the implementation of the Research Project;
- 13.3.3 The Fund Donor, its directors, officers and employees, and CIFOR, its directors, officers and employees shall not be liable for any costs incurred by the Subgrantee in terminating the engagement of any person or third parties under this Research Project.
- 13.4 **Amendment**
The Letter of Agreement and this General Terms and Conditions may only be amended in writing signed by duly authorized representatives of the parties.
- 13.5 **Assignment**
The Letter of Agreement shall not be assigned by either party without the prior written consent of the parties hereto.
- 13.6 **Non-Waiver of Remedies**
- 13.6.1 No failure or delay by either party in exercising any of its rights under the Letter of Agreement shall be deemed to be a waiver of that right, and no waiver by either party of any breach of the Letter of Agreement by the other shall be considered as a waiver of any subsequent breach of the same or any other provision.
- 13.6.2 Any provision of the Letter of Agreement or this General Terms and Conditions may be waived if, but only if, such waiver is in writing and is signed, by the party against whom the waiver is to be effective.
- 13.7 **Invalid Clauses**
If any provision or part of the Letter of Agreement or this General Terms and Conditions is held to be invalid, amendments to the Letter of Agreement or this General Terms and Conditions may be made by the addition or deletion of wording as appropriate to remove the invalid part or provision but otherwise retain the provision and the other provisions of the Letter of Agreement or this General Terms and Conditions to the maximum extent permissible under applicable law.
- 13.8 **Compliance with Anti-Bribery, Anti-Corrupt Practices and Anti-Money Laundering Policy and Anti-Fraud Policy**
- 13.8.1 The Subgrantee is required to practice zero tolerance against bribery, corrupt practices (including, collusion and coercion), money laundering and fraud in the use of Subgrant Funds and in all activities related to the Research Project.
- 13.8.2 The Subgrantee hereby agrees to comply with CIFOR's Anti-Bribery, Anti-Corrupt Practices and Anti-Money Laundering Policy and CIFOR-ICRAF's Anti-Fraud Policy or an equivalent. CIFOR Policies can be accessed at:
<http://www.cifor.org/fileadmin/downloads/CIFOR-AF-AC-AML-POLICY-22June2016.pdf> and
<http://www.cifor.org/fileadmin/downloads/CIFOR-ICRAF%20Anti-Fraud%20Policy.pdf>
- 13.8.3 If the Subgrantee fails to comply with the Policies above, based on evidence to support, CIFOR reserves the right to terminate the Letter of Agreement in compliance with Article 12.2.
- 13.9 **Compliance with Research Ethics Review (RER) Policy and Toolkit**
The Parties hereby agree to comply with Research Ethics Review (RER) Policy and Toolkit with the following conditions:
- 13.9.1 If CIFOR is the lead partner of the Research Project, CIFOR's RER Policy shall be followed. Such Policy can be accessed at <http://www.cifor.org/fileadmin/downloads/CIFOR-Research-Ethics.pdf>.

of the Letter of Agreement, or used for purposes or in a manner other than as provided in the Research Project or the terms and conditions of the Letter of Agreement.

12. **TERMINATION OR SUSPENSION**

- 12.1 CIFOR reserves the right to suspend or terminate the Letter of Agreement, and/or to discontinue making payments under the Letter of Agreement, if CIFOR's funding is discontinued or suspended for any reasons whatsoever.
- 12.2 The Letter of Agreement shall immediately terminate solely with respect to the defaulting party if that party:
- 12.2.1 breaches any provision of the Letter of Agreement that is not capable of being remedied;
 - 12.2.2 materially breaches any provision of the Letter of Agreement that is capable of being remedied but not remedied within sixty (60) days as of the date of notice sent to that party by the other party; or
 - 12.2.3 enters into an arrangement for the benefit of creditors, becomes insolvent, files for protection under the bankruptcy laws or otherwise seeks relief from creditors or anything analogous to the matters stated hereinbefore shall occur to that party under any applicable law.
- 12.3 The parties may suspend or terminate the Letter of Agreement by mutual agreement and after full discussion of the reasons and implications (documented in writing) for such suspension or termination.
- 12.4 The Letter of Agreement shall be automatically terminated if the implementation of the Research Project is rendered impossible or the obligations hereunder become incapable of performance due to Force Majeure reasons.
- 12.5 In the event of termination by CIFOR under Clauses 12.2.1 and/or 12.2.2, CIFOR reserves the right to claim against the Subgrantee for all losses incurred, including requiring the Subgrantee to refund all Subgrant Funds disbursed prior to the termination date and/or liquidate all capital, vehicle and/or equipment purchased using Subgrant Funds within sixty (60) days as of the date of termination, for repayment to CIFOR.
- 12.6 In the event of termination due to any reason, the parties shall co-operate and work together to effectively fulfil all obligations, safeguard and preserve the assets of the Subgrant including all Intellectual Assets created. An appropriate winding up period for completion of post-termination obligations shall be agreed between the parties if necessary.

13. **General**

13.1 **Force majeure**

Neither party shall have any liability or be deemed to be in breach of the Letter of Agreement for any delays or failures in performance which result from circumstances beyond the reasonable control of the parties, including, without limitation, fire, flood, riots, strikes, epidemics, war (declared or undeclared and including the continuance, expansion or new outbreak of any war or conflict now in existence), embargoes and governmental actions or decrees.

13.2 **Relationship between the Parties**

13.2.1 In the performance of all activities hereunder, the Subgrantee shall be deemed to be and shall be an independent contractor.

13.2.2 Neither party is authorized to act as agent for the other for any purpose and shall not on behalf of the other enter into any contract, warranty, or representation as to any matter. Neither shall be bound by the acts or conduct of the other.

13.3 **Liabilities**

13.3.1 The Subgrantee hereby agrees that the Fund Donor, its directors, officers and employees, and CIFOR, its directors, officers and employees shall not be liable for activities of the Subgrantee and/or any person or third party engaged by the Subgrantee including but not limited to all injuries, illness, claims, expenses or damages arising out of or in any way related to the implementation of the Research Project;

Project and/or financed by Subgrant Funds, except to the extent that such damages are the result of CIFOR's actions.

- 10.2 None of the Donors or CIFOR shall be responsible for the activities of any person or third party engaged by the Subgrantee with use of Subgrant Funds or as a result of the Letter of Agreement, or any sub-agreement; nor will the Donors or CIFOR be liable for any costs incurred by the Subgrantee in terminating the engagement of any such person.

11. PROHIBITED USE OF SUBGRANT FUNDS

- 11.1 Recognizing the obligations of countries that are members of the United Nations under various United Nations Security Council resolutions to take measures to prevent financing of terrorists, the Subgrantee agrees to undertake to use reasonable efforts, consistent with their governing arrangements and policies, including those pertaining to combating financing for terrorists, to ensure that the Subgrant Funds disbursed from CIFOR for use in the Research Project are used for their intended purposes and are not diverted to individuals or entities associated with terrorism, as identified in accordance with relevant United Nations Security Council resolutions. The Subgrantee shall (i) not use such Subgrant Funds for the purpose of any payment to persons or entities, or for the import of goods, if such payment or import, to the Subgrantee's knowledge or belief, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, including under United Nations Security Council Resolution 1373 and related resolutions, and (ii) include a corresponding provision in any sub-agreements that the Subgrantee enters into with entities to which the Subgrantee makes such Subgrant Funds available. While the Subgrantee must comply with the prohibition set forth in this Clause 11.1, for the avoidance of doubt, this Clause 11.1 does not prevent the Subgrantee from operating or partnering in territories where threats of terrorism may be present.
- 11.2 The Subgrantee shall not partner with any other organization or subcontractor in implementing the Research Project that (a) appears on the List of Specially Designated Nationals and Blocked Persons maintained by the U.S. Treasury's Office of Foreign Assets Control or any similar list maintained by the European Union, or (b) within the past five years, has been found guilty or liable under any anti-money laundering, trading with the enemy, anti-bribery or similar statutes of any country, or is under investigation with respect to any of the foregoing and such investigation has been publicly announced by the investigating entity or body.
- 11.3 The Subgrantee agrees not to discriminate against persons with disabilities in the implementation of the Research Project activities financed by Subgrant Funds, and to make every effort to respect the principles of the UN Convention on the Rights of Persons with Disabilities in performing such activities. To that end, and to the extent this goal can be accomplished within the scope of the objectives of the Research Project, the Subgrantee should demonstrate a comprehensive and consistent approach for including men, women and children with disabilities consistent with such principles: (1) respect for inherent dignity, individual autonomy including the freedom to make one's own choices, and independence of persons; (2) non-discrimination; (3) full and effective participation and inclusion in society; (4) respect for difference and acceptance of persons with disabilities as part of human diversity and humanity; (5) equality of opportunity; (6) accessibility; (7) equality between men and women; and (8) respect for the evolving capacities of children with disabilities. The full text of the UN Convention on the Rights of Persons with Disabilities can be found at the following website:
<http://www.un.org/disabilities/documents/convention/convoptprot-e.pdf>.
- 11.4 The Subgrantee agrees that no portion of the Subgrant Funds disbursed under the Letter of Agreement for use in the Research Project is earmarked for lobbying activity, defined as attempting to influence legislation (1) through affecting the opinion of the general public or any segment thereof (i.e. grassroots lobbying), or (2) through communications with any member or employee of a legislative body.
- 11.5 The Subgrantee confirms that Subgrant Funds disbursed under the Letter of Agreement for use in the Research Project shall not be used to influence the outcome of any specific public election or to directly or indirectly carry on any voter registration drive.
- 11.6 The Subgrantee shall promptly return to CIFOR without request any portion of Subgrant Funds disbursed for use in the Research Project that is unexpended or uncommitted at the termination

- that is incompatible with those purposes;
- 8.3 adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed;
- 8.4 accuracy and, where necessary, kept up to date;
- 8.5 storage limitation, to be kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed; and
- 8.6 processed in a manner that ensures appropriate security of the personal data.

9. DISCRIMINATION, HARASSMENT AND ABUSE

- 9.1 The parties shall maintain a healthy, safe and productive work environment which is free from discrimination or harassment or abuse based on race, color, religion, sex, sexual orientation, age, national origin, disability, or other factors that are unrelated to the parties' business interests. The parties have zero tolerance for sexual exploitation and abuse, misconduct including harassment, exploitation or abuse of children and adults at risk or any kind of abuse.
- 9.2 The parties agree to comply with CIFOR-ICRAF Safeguarding Policy. Such policy can be accessed at: <http://www.cifor.org/fileadmin/downloads/HRD0.106.1%20CIFOR-ICRAF%20Safeguarding%20Policy%20%20Effecti%201st%20May%202019.pdf>
- 9.3 If either Party fails to comply with the Policy, based on evidence to support, the other Party reserves the right to terminate the Letter of Agreement in compliance with Article 12.2.

10. CONTINUING REPRESENTATION AND UNDERTAKINGS

- 10.1 Unless otherwise specified in the Letter of Agreement, the Subgrantee makes the following representations and undertakings on behalf of itself during the time that any Subgrant Funds are held or expended by the Subgrantee as part of the implementation of the Research Project:
 - (a) The Subgrantee has full power, capacity and authority to enter into the terms of the Letter of Agreement and carry out its obligations hereunder.
 - (b) The Subgrantee shall carry on its own operations in accordance with sound administrative, technical, financial, economic, environmental and social standards and practices under the supervision of qualified and experienced management assisted by competent staff in adequate numbers.
 - (c) The Subgrantee shall use Subgrant Funds received as part of the Letter of Agreement with due regard to economy and efficiency and uphold the highest standards of integrity in the administration of such Subgrant Funds, including the prevention of fraud and corruption.
 - (d) The Subgrantee shall agree that Subgrant Funds received shall not be used for payments for which corrupt, fraudulent, collusive, obstructive, or coercive practices were engaged in by representatives of the Subgrantee. Specific clause on Anti-Bribery, Anti-Corrupt Practices and Anti-Money Laundering Policy compliance is stipulated under Article 13.8 below.
 - (e) The Subgrantee shall promptly report to CIFOR any occurrence of which the Subgrantee becomes aware of any Subgrant Funds disbursed for use in the Research Project is being used for purposes other than as provided in the Letter of Agreement.
 - (f) The Subgrantee shall confirm that, given the activities funded by Subgrant Funds, the Subgrantee does not believe that Subgrant Funds would be diverted in support of drug trafficking.
 - (g) The Subgrantee shall use its best efforts, to the extent allowed by applicable agreements, laws and regulations, to ensure that the Subgrant Funds made available by CIFOR under the Letter of Agreement will be free from any taxation or fees imposed under local laws. In this regard, the Subgrantee shall assert all exemptions from taxes and duties to which it believes the Subgrant Funds may be entitled.
 - (h) The Subgrantee is not aware of information that indicates the need for further scrutiny of the use of the Subgrant Funds (including non-frivolous allegations that corrupt, fraudulent, collusive or coercive practices were undertaken in relation to such use). In the event that the Subgrantee becomes aware of information that indicates the need for further scrutiny of use of the Subgrant Funds in violation of this section of the Letter of Agreement (including non-frivolous allegations that corrupt, fraudulent, collusive or coercive practices were undertaken in relation to the use of the Subgrant Funds), the Subgrantee shall promptly notify CIFOR thereof.
 - (i) The Subgrantee agrees to carry out all regulated research activities under high standards (set with reference to internationally accepted practices) and in accordance with applicable laws and regulations. The Subgrantee agrees to indemnify CIFOR for any damages arising from the Research

<u>Type of Information Products</u>	<u>Deadline to make public</u>
(i) Peer-reviewed scholarly articles	No later than 6 months from the date of publication
(ii) Reports and other papers	Within 3 months of completion
(iii) Books and book chapters	Within 6 months after publication
(iv) Data and databases	Within 12 months of completion of data collection or appropriate Research Project milestone, or within 6 months of publication of the information product underpinned by that data, whichever is sooner
(v) Video, audio and images	Within 3 months of completion
(vi) Computersoftware	Upon completion of software development.

6.9 In the event of early termination of the Research Project, all Resulting Intellectual Assets at the date of termination shall continue to be subjected to this Clause 6.

7. CONFIDENTIAL INFORMATION

7.1 Parties will take appropriate and reasonable care to keep any information marked as "confidential" ('Confidential Subject Matter') received from another party in relation to the Research Project confidential and will not disclose or transfer it to any third party. It shall only grant access to those of its employees or consultants to whom it will be necessary to grant access thereto and who have executed undertakings securing their compliance with the Research Project. In case of oral disclosure of Confidential Subject Matter, the disclosing party shall reduce the Confidential Subject Matter (including marking it confidential) to writing within thirty (30) days after disclosure.

7.2 The parties shall:

- 7.2.1 assume responsibility for the observance of their obligations by all persons having had access to the Confidential Subject Matter through the said party;
- 7.2.2 exercise at least the same degree of care that it uses for its own proprietary information; and
- 7.2.3 maintain adequate security to prevent unauthorized disclosure, theft, loss or destruction of the Confidential Subject Matter.

7.3 However, the foregoing confidentiality obligations shall not apply to Confidential Subject Matter which:

- 7.3.1 was in a party's possession and at its free disposal prior to disclosure by the other party, as evidenced by written records; or
- 7.3.2 was in the public domain at the time of disclosure by a party; or
- 7.3.3 subsequently comes into the public domain through no fault, action or omission of the party; or
- 7.3.4 becomes available to the party without any obligation of confidence from a third party having the right to transmit the same.

7.4 The foregoing shall not prevent a party to disclose information in order to comply with any applicable law or if required to do so by order of any court or other judicial or administrative body, provided that prior to making such disclosure the receiving party gives the disclosing party notice of the requirement of disclosure and the information to be disclosed and the opportunity if available to seek any legal redress.

7.5 The obligations in this clause shall survive the termination or expiry of the Letter of Agreement.

8. DATA PROTECTION

The parties shall ensure an appropriate protection of holding and processing personal data in accordance with applicable procedures, laws and regulations. Such protection shall incorporate the following principles on personal data protection:

- 8.1 processed lawfully, fairly and in a transparent manner in relation to the data subject;
- 8.2 collected for specified, explicit and legitimate purposes and not further processed in a manner

to CIFOR, financial data relating to the Subgrant Funds.

- 4.4 The Donor or CIFOR may commission independent audit of the Subgrant Funds provided to the Subgrantee and the Subgrantee shall fully cooperate with and facilitate such independent audit.
- 4.5 The Subgrantee shall: (i) retain all records evidencing expenditures of Subgrant Funds disbursed pursuant to the Letter of Agreement for at least seven (7) years after the termination of the Letter of Agreement; (ii) permit designated representatives of CIFOR or the Donor to examine such records; (iii) provide to CIFOR or the Donor all such information concerning such records as they may from time to time reasonably request.

5. **MONITORING AND EVALUATION**

- 5.1 The Subgrantee agrees that CIFOR and the Donor have the right to commission evaluations of the Subgrantee in connection with activities undertaken by the Subgrantee under the Subgrant. CIFOR and/or the Donor shall inform the Subgrantee of such evaluations in a timely manner.
- 5.2 The Subgrantee hereby agrees to adhere to procedures communicated by CIFOR and/or the Donor for monitoring progress, and for evaluation, of the Research Project, from time to time.

6. **MANAGEMENT OF INTELLECTUAL ASSETS**

- 6.1 All Intellectual Assets in the Research Project shall be managed in a way that is consistent with the CGIAR Principles on the Management of Intellectual Assets approved as of 7 March 2012.
- 6.2 The party introducing Background Intellectual Property for use in the Research Project hereby grants to the other party a license to use and sublicense the Background Intellectual Property for the purposes of the Research Project. Where Background Intellectual Property used contains restrictions that may prevent its incorporation into, or use for the Research Project, the party introducing the same shall inform the other party prior to the start of the activities or immediately after this is known by the said party.
- 6.3 All rights to Resulting Intellectual Assets under the Research Project shall be owned either solely or jointly between the parties, in accordance with their contribution in creating Resulting Intellectual Assets.
- 6.4 Where Resulting Intellectual Assets is owned solely by a party, the owner party shall, on request, grant a non-exclusive, worldwide, royalty-free, irrevocable license to use and sublicense the Resulting Intellectual Assets to the other.
- 6.5 Where Resulting Intellectual Assets is jointly owned, the joint owners agree to grant one another a non-exclusive, worldwide, royalty-free, irrevocable license to use and sublicense their respective share of Resulting Intellectual Assets. Any request by third parties to use jointly owned Resulting Intellectual Assets may be made to either one of the joint owners. Each joint owner is free to use, and sublicense Resulting Intellectual Assets to third parties, without the express consent of the other provided that such use and sublicense do not prevent the other joint owner from using and/or sublicensing the same.
- 6.6 In the event that an owner of Resulting Intellectual Assets decides that it is appropriate to file for a patent application or application for other intellectual property rights for protection on the results of the Research Project in its name, parties shall consult with one another prior to such application.
- 6.7 Parties shall work together to develop guidelines for the management of Intellectual Assets created in the Research Project, which may include guidelines on attribution, authorship and data sharing.
- 6.8 Where Resulting Intellectual Assets comprises the following information products, Parties shall make available such information products to the public no later than the timeline set in the CGIAR Open Access and Data Management Policy approved as of 2 October 2013 as follows:-

2.3 Disbursements of Subgrant Funds to the Subgrantee shall, at all times, be subject to receipt of funds from the Donor. CIFOR shall not incur any liability for delay or non-payment of Subgrant Funds to the Subgrantee that is due to delay, default or non-payment by the Donor.

2.4 All yet-to-be spent or committed Subgrant Funds, which have been disbursed to the Subgrantee must be invested in highly liquid investments (such as an interest-bearing bank account) with the primary objective of preserving principal so that they remain available for funding of activities under the Research Project. Any interest or other income generated by such Subgrant Funds, including currency conversion gains, shall be: (i) reported in the financial report; (ii) used only for the purposes described in the Letter of Agreement, or (ii) if not needed for such purposes, returned to CIFOR. The Subgrantee may freely exchange Subgrant Funds into other currencies as may facilitate their use and disbursement.

3. **RESPONSIBILITIES OF THE SUBGRANTEE**

3.1 The Subgrantee shall commence performance of the Research Project promptly after the commencement date of the Letter of Agreement and shall use reasonable endeavours to perform such Research Project substantially in accordance with the terms and conditions of the Letter of Agreement. Parties may however at any time amend the Research Project by mutual written agreement.

3.2 The Research Project will be under the supervision of the Principal Investigators. If the Principal Investigators become unable or unwilling to continue the Research Project, the parties shall inform each other immediately and shall agree on a substitute within thirty (30) days. If such a substitute cannot be agreed upon, parties shall be entitled to terminate the Letter of Agreement by giving thirty (30) days' notice in writing to the other.

3.3 The Subgrantee warrants that it has, and shall maintain for the term of the Letter of Agreement, the facilities and skilled personnel that are necessary to maintain and fulfil the requirements of the Letter of Agreement.

3.4 CIFOR and/or its Donor reserves the right to conduct due diligence and review of the Research Project and the Subgrantee to the extent deemed necessary or appropriate.

3.5 Whenever relevant and possible, the Subgrantee shall carry reasonable liability insurance in connection with the Research Project in light of the insurance available, the activities being undertaken by the Subgrantee, and the Subgrant Funds involved.

3.6 The Subgrantee agrees to seek approval from CIFOR to make material revisions to the Research Project, including for the following reasons: (i) to change the scope or the objectives of the Research Project or to add any new material activity; (ii) to change any budget line item by more than 10% or US\$500,000, whichever is lower; and (iii) to request an increase in the Subgrant Funds.

3.7 In the event that the Subgrantee sub-contracts part of its activities in the Research Project to third parties, it shall ensure that such third parties are bound by the relevant obligations of the Subgrantee under the Letter of Agreement which includes but not limited to the due diligence procedure on the exclusion criteria set forth under Partner Due Diligence section in CIFOR Project Management Guidelines. Notwithstanding this, the Subgrantee remains solely and wholly responsible for its obligations under the Letter of Agreement.

4. **REPORTING**

4.1 The Subgrantee shall provide to CIFOR such reports as are specified in the Letter of Agreement, and in accordance with the schedule specified therein.

4.2 CIFOR reserves the right to request from the Subgrantee further reports (such as audited financial statements) as may be reasonably necessary for its own purposes and/or to comply with its reporting obligations to the Donor.

4.3 The Subgrantee shall maintain books, records, documents, and other evidence in accordance with its usual accounting procedures to sufficiently substantiate, in a manner reasonably satisfactory