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Summary
Ministry of Land and Environment:

Ministerial Order nº 55/2022:

Approves the Directive on Biodiversity Offsets.

MINISTRY OF LAND AND ENVIRONMENT

Ministerial Order nº 55/2022

Of 19 May

There being a need to establish the principles, methodologies, requirements and procedures for the correct implementation of Biodiversity Offsets integrated in environmental impact assessment processes, under article 2 of Decree No. 54/2015, of 31 December, I determine:

Art. 1. The Directive on Biodiversity Offsets, which is an integral part of this Ministerial Order, is approved.

Art. 2. It is incumbent upon the Ministry that oversees the area of Environment to ensure the implementation of this Ministerial Order.

Art.3. This Ministerial Order shall enter into force from the date of its publication. Maputo, 28 April 2022. - *The Minister of Land and Environment, Ivete Joaquim Maibaze.*

Directive on Biodiversity Offsets

I. Introduction

1. Definitions

The meaning of terms and expressions used in this Directive is contained in the glossary which forms an integral part of this Directive.

2. Object

This Directive establishes the principles, methodologies, requirements and procedures for the proper implementation of Biodiversity Offsets as part of environmental impact assessment procedures.

3. Scope of Application

1) This Directive applies to all national and foreign public and private entities registered in Mozambique that implement projects potentially generating impacts on all natural values and resources existing in the national territory and in waters under national jurisdiction, and to all sectors of activity subject to Environmental Impact Assessment.
2) Whenever significant negative residual impacts on biodiversity exist or are foreseeable after the application of measures to avoid, minimize and restore the affected areas, the approval of biodiversity offsets management plans is mandatory in Category A+ or A projects of any type of activity subject to environmental licensing, including oil operations and the mining industry, under penalty of refusal of applications for the issue or renewal of environmental licenses.

4. Purpose of biodiversity offsets

1) Biodiversity offsets shall achieve no net loss or net gain of biodiversity relative to the status of biodiversity at the project site and offset sites considered together immediately prior to the start of project impacts.
2) Biodiversity offsets must be designed to achieve Net Gain where any significant residual negative impacts of the project in its area of direct or indirect influence occur in:

a) Key Biodiversity Areas, provided these do not possess the requirements to be considered fatal flaws under the Environmental Impact Assessment Regulations;
b) critical habitats according to International Finance Corporation (IFC) criteria or High Conservation Value Areas according to the Forest Stewardship Council (FSC); and
c) any threatened species or ecosystems.

3) A net gain in biodiversity is considered to be that which exceeds the result of No Net Loss by at least 15%.
4) Biodiversity offsets must be designed to achieve at least No Net Loss, where any significant residual negative impacts of the project on its direct or indirect area of influence occur on the other types of biodiversity listed in this Directive.
5) Conservation outcomes to achieve No Net Loss or Net Gain of biodiversity through a project offset may be

achieved either before or after implementation of the project or activity.

5. Principles

This Directive is governed by the following principles, without prejudice to those established by specific legislation concerning environmental management and the protection of biodiversity and forest and ecological heritage:

a) of non-offsettable values: no project or activity shall be approved which, in the light of the applicable legislation, is considered to be a fatal flaw or which, due to its location, may cause significant negative impacts on certain types of biodiversity considered to be non-offsettable;
b) respect for fatal flaws: proponents of offset projects shall ensure respect for areas or biodiversity considered to be fatal flaws under applicable legislation, by designing and implementing activities in such a way as to avoid them;
c) mitigation hierarchy: offsetting as a commitment to achieve No Net Loss or Net Gain in relation to significant residual adverse impacts on biodiversity identified following implementation of appropriate avoidance, minimization of impacts and restoration measures;
d) subsidiarity: offset management plans may only be approved on the basis of the provisions of the environmental management plan (including the appropriate measures for prevention, minimization and restoration, recovery or rehabilitation of damages to biodiversity);
e) net gain or no net loss: the offset shall be planned and implemented with a view to achieving tangible and measurable conservation outcomes on the ground resulting in no net loss and preferably a net gain of biodiversity relative to the state of biodiversity at the project site and offset sites considered together immediately prior to the start of project impacts;
f) equivalence: the conservation activities proposed as part of the offset must be, in type, value, function and extent, equivalent to or greater than the damage caused, benefiting the same types of biodiversity that are or will be affected, as a way of maintaining the balance of habitats and ecosystems;
g) permanence: biodiversity offsets must ensure the permanence of the results achieved, based on a management approach adapted to the context, and must integrate monitoring and evaluation actions, with the aim of guaranteeing the production of permanent results or, at least, results that have the same duration as the impacts of the project or activity in question;
h) landscape context: the offset must, as a priority, be planned so as to fit into the landscape context of the area that is defined for the implementation of the offset, promoting a holistic approach and maximizing knowledge of the biological, ecological, social and cultural values present in the region and its surroundings;
i) participation: the processes of planning and implementing biodiversity offset programs, and of monitoring actions and impacts, must be participatory and inclusive, and stakeholders must be involved, both those affected by the development project and those who may be interested in the implementation of the offset, ensuring that communities can benefit from it and never be disadvantaged in relation to their situation prior to the implementation of the offset;
j) equity: biodiversity offsets shall be planned and implemented in a fair and balanced manner, with the associated rights, duties and benefits shared between affected and interested parties;
k) transparency: the design and implementation of biodiversity offsets should ensure that information is available, accountable and responsive to the different actors involved and affected; and
l) commitment to national targets: biodiversity offset projects should be oriented so that they contribute to the achievement of national biodiversity conservation targets.

II. Material Requirements

1. Biodiversity that has to be offset

1) Biodiversity with the characteristics listed below shall be safeguarded from any significant adverse impacts following the application of the mitigation hierarchy, and to this end all mitigation actions considered possible for this purpose shall be implemented:
   a) Legally protected species, ecosystem/habitat;
   b) Species or ecosystem/habitat is threatened or in a vulnerable situation;
   c) Species or the ecosystem/habitat is endemic or has a restricted geographic distribution
   d) Ecosystem/habitat is of significant importance to threatened, endemic or restricted geographic distribution species and/or species protected in the country;
   e) Ecosystem/habitat which favors conditions for the existence of significant concentrations of migratory and/or congregating species;
   f) A location that corresponds to a Key Area for biodiversity; and
   g) And other species/ecosystem/habitat that it are considered important to preserve.
2) The list of threatened species and ecosystems, as well as of key areas for biodiversity should be consulted in the information systems of the Government of Mozambique (Example: Mozambique Biodiversity Information System - SIBMOZ).

2. No replacement

The biodiversity offset cannot be exchanged or replaced by compensations of a purely economic, monetary, social, cultural or other nature that are not directly related to the significant negative residual impacts on biodiversity.

3. Type of Activities

Biodiversity offsets may be developed, among others, through the following activities:

a) Restoration and rehabilitation of biodiversity; and
b) Reducing anthropogenic impact on existing biodiversity within Conservation Areas or in Areas of importance for biodiversity, so that it results in biodiversity gains.

5. Duration

1) The Biodiversity Offset Management Plan shall define the duration of the offset and must necessarily consider the time required to achieve the conservation outcomes expected to ensure No Net Loss or Net Gain of biodiversity, as the case may be.
2) The proponent is responsible for offsetting significant negative residual impacts not foreseen in the Biodiversity Offset Management Plan that occur or are identified after the closure of the project and rehabilitation of the respective area and that are found to be related to the effects of the previously developed project.

6. Territorial approach

1) Biodiversity offsets shall be implemented in sites with the necessary characteristics to ensure the viability and permanence of the offset results. The project proponent must select one or more of the following areas:

a) Conservation areas:
   i. Which present levels of biodiversity degradation and whose financing is not sufficient to achieve the respective conservation objectives;
   ii. Which are under considerable human pressure and which require improved conservation conditions or territorial extension in order to attain or increase their conservation objectives.

b) Areas of importance for biodiversity outside conservation areas:
   i. Key Biodiversity Areas, Ramsar Areas, Forest Reserves or other types of nationally or locally important ecological areas that are considered important areas for biodiversity.

2) The Environmental Authority will regularly make available the list of Conservation Areas and Areas of Importance for Biodiversity in which biodiversity offsets should preferably be implemented.
3) The Biodiversity Offset Management Plan shall be implemented preferably in the province where the impacts on biodiversity occur or, if this is not feasible, in a neighboring province, or as a last resort, any other location within the national territory provided that the terms of this Directive are met.
4) If offset activities are not feasible in a given geographical area or if they are not sufficient to achieve Net Gain or No Net Loss, the proponent shall propose for approval by the Environmental Authority two or more locations that, individually or together, will achieve the required results.
5) The offset recipient area should have had biodiversity values equivalent to those impacted and/or of higher value (threat status, degree of rarity, endemism or relevance to key ecological processes) according to the principles set out in this Directive.
6) The site where the offset is to be implemented must always be outside the area of direct influence of project impacts and have all the characteristics that will ensure the permanence of the results of the offset. It may be located within the area of indirect influence, provided that project impacts do not have significant adverse effects on the biodiversity targeted by the offset.
7) Offset areas shall be properly marked by means of identification boards indicating the reference of the offset registration.

7. Implementation in Conservation Areas

1) Whenever biodiversity offsets occur within a conservation area, a partnership agreement must be established between the proponent of the project or activity, the management body and the area's management entity regarding the mechanisms and modalities for implementing the offset.
2) The Conservation Area must have an approved Management Plan, or declaration of management intent, identifying management needs and priorities listed in the respective habitat and species conservation program.
3) The Biodiversity Offset Management Plan must be aligned with the Conservation Area Management Plan and must provide for specific activities that lead to measurable conservation outcomes aligned with the objective of offsetting significant residual negative impacts of a particular project or activity.

8. Important areas for biodiversity outside conservation areas

1) The implementation of offset projects outside the territorial limits of conservation areas shall preferably, be carried out in an area adjacent to an existing conservation area in order to contribute to the expansion of the area or to connect it to another conservation area or may even result in the creation of a new conservation area, in accordance with the applicable law.
2) The proponent shall establish a partnership agreement with the management body of the area and with the holders of the land use and benefit rights of the implementation site.
3) In cases where the offsetting considers the creation of a new conservation area, a management structure must be created in accordance with the category of conservation area proposed, and the respective management intent statement developed, identifying the management needs and priorities listed in the habitat and species conservation program.
4) The Biodiversity Offset Management Plan shall be in harmony with the management intent statement and shall provide for specific activities that lead to measurable conservation outcomes aligned with the objective of offsetting significant residual impacts of a particular project or activity.

9. Management Models

1) Biodiversity offset management plans within conservation areas or in areas of importance for biodiversity may be implemented through public-private partnerships and/or with the active participation of local communities.
2) When biodiversity offset management plans result in new conservation areas, the most appropriate management model must be selected in accordance with the categories and respective procedures set out in the Law.
3) As an alternative to the previous number, other types of formal protection provided by the Law may be used, as long as they guarantee effective protection of the area at all times, recognizing it as an area dedicated to the conservation of biodiversity.

III. Management Bodies

1. Environmental Impact Assessment Authority

It is the duty of the Environmental Impact Assessment Authority, without prejudice to the other competencies attributed by law:

a) Identify and map, at the national level, potential areas with conditions to be recipients of biodiversity offsets management plans;
b) Manage and coordinate, within the scope of the EIA, the processes of evaluation of biodiversity offsets management plans submitted by project proponents;
c) Designate and chair the Technical Committee for Environmental Impact Assessment established for each project submitted to it for consideration;
d) Evaluate information on the socio-environmental reference conditions in the areas of production of negative impacts on biodiversity and in the sites of implementation of biodiversity offset management plans;
e) Approve biodiversity offset management plans and the issuing of licenses accordingly;
f) Establish, host and operationalize the Technical-Scientific Support Unit for Biodiversity Offsets;
g) Monitor, evaluate and follow up the implementation of Biodiversity Offset Management Plans;
h) Collaborate and co-ordinate with the competent entity in the supervision and auditing of the implementation of the Biodiversity Offset Management Plans, as well as to authorize or impose complementary measures necessary to ensure the achievement of the objectives defined in those plans;
i) Ensure the registration, in the national mechanism, of the biodiversity offset management plans, the conservation results achieved and the opinions issued under the terms of this Directive;
j) Assess whether the insurance and guarantees presented by the proponent are sufficient to cover all the risks inherent to the implementation of the Biodiversity Offset Management Plans.
k) Issue and disseminate guidelines on the design and preparation of Biodiversity Offset Management Plans, their implementation, monitoring and adaptation; and
l) Make available for public consultation the reports, maps and opinions produced relating to the design, implementation, monitoring, auditing and adaptation of biodiversity offset management plans.

2. Technical Committee for Environmental Impact Assessment

1) It is incumbent upon the Technical Commission for Environmental Impact Assessment, without prejudice to the other competences attributed by law:

a) To undertake a review of the biodiversity offsets component, in the context of the Environmental Pre-Feasibility and Scoping Study and the Environmental Impact Assessment;
b) To review Biodiversity Offset Management Plans and the respective proposals for their modification or adjustment, issuing opinions to be submitted to the Environmental Impact Assessment Authority.

3. Technical and Scientific Unit to Support Biodiversity Offsets

1) The Technical and Scientific Support Unit for biodiversity offsets is responsible for supporting the Environmental Impact Assessment Authority responsible for biodiversity offsets in:
   a) Conduct annual reviews of the set of biodiversity offset projects underway and implemented in the country, verifying their alignment with the biodiversity conservation targets set by the Government;
   b) Propose the approval of programs with a view to aligning the application of the environmental impact mitigation hierarchy with national conservation targets;
   c) Contribute to the identification of areas receiving offsets and of sites with the potential to give rise to conservation areas through the implementation of offsets;
   d) Define technical guidelines or other instruments necessary for the implementation of offsets or any necessary amendments to this Directive; and
   e) Issue opinions on the design or implementation of biodiversity offsets management plans, whenever requested by the Environmental Impact Assessment Authority.
2) The Minister for the Environment shall be responsible for approving the terms of reference of the Technical-Scientific Unit for Supporting Biodiversity Offsets, as well as for inviting its members.
3) The Central Authority for Environmental Impact Assessment shall be responsible for chairing the Scientific-Technical Unit for Supporting Biodiversity Offsets.
4) The Scientific-Technical Support Unit for Biodiversity Offsets shall be composed of representatives of the State, private sector, academia and civil society, who must have experience in environmental impact assessment, design, management, implementation or financing of biodiversity offset management plans or biodiversity conservation and management projects.

4. Provincial Environmental Service

The Provincial Service for the Environment is responsible for:

a) Validate and formalize the Monitoring Committee for each biodiversity offset management plan in coordination with the Environmental Impact Assessment Authority and project proponents;
b) Chair the Monitoring Committee for each biodiversity offset management plan in its province, in coordination with the Environmental Impact Assessment Authority; and
c) Promote articulation and good relationships between the entities involved in the implementation of biodiversity offset management plans and stakeholders in the region.

5. Biodiversity Offset Management Plan Monitoring Committee

1) For each Biodiversity Offset Management Plan, a Monitoring Committee will function with the following tasks:

a) Monitor the progress of the offsets activities and results achieved in relation to the established schedule and targets, advising the proponent and the entities involved in the management and implementation of the offsets on aspects that can be improved to ensure effective implementation;
b) Monitor the implementation process of biodiversity offsets management plans and propose the adjustments they consider necessary to achieve the best conservation results;
c) Promote coordination and good relationships between the entities involved in the implementation of biodiversity offsets management plans and stakeholders in the region; and
d) Provide annual information to the Central Environmental Impact Assessment Authority, through a report, on the implementation of biodiversity offsets management plans.

2) The Offset Monitoring Committee shall be chaired by the Director of the Provincial Service for the Environment and may be composed of the following members, its composition being adjusted according to the characteristics of the project in question:

a) a representative of the central Environmental Impact Assessment Authority who shall also assist the Director;
b) a representative of the Provincial Service that oversees the area of Environment, who shall chair it;
c) a representative of the conservation area management entity, if the offset project is being implemented within a conservation area;
d) a representative of the competent entity for the monitoring, supervision and audit of Biodiversity Offsets Management Plans;
e) A representative of the Provincial Service related to the main activity carried out by the project proponent;
f) A representative of a public university of the province or region;
g) Two representatives of civil society;
h) A representative of the district government;
i) Three representatives of the local communities of the site or close to the site where the offset project is being implemented; and
j) A representative of the proponent of the project or activity.

3) Members of the Offset Monitoring Committee provided for in paragraphs a) to g) of the preceding paragraph shall be nominated by the representative of the State in the province of implementation of the offset, or of the province that covers the largest offset area.
4) District government and local community representatives shall be nominated by the Administrator of the District of implementation of the offset, or by joint nomination of the District Administrators if the offset covers more than one district.
5) The proponent shall ensure the functioning of the Offset Monitoring Committee and shall be responsible for paying for meetings and visits to the offset implementation sites.

6. Responsibilities of the Project Proponent

The project or activity proponent is responsible for:

a) Properly implementing the hierarchy of mitigation of impacts on biodiversity;
b) Adequately and justifiably quantifying and qualifying the significant residual negative impacts on biodiversity and the biodiversity gains to be achieved, adjusted for actual losses;
c) Submit appropriate preliminary and final biodiversity offset management plans to offset the predicted significant negative residual impacts, even if measures to prevent, minimize and restore the damage to biodiversity have not been completed, in order to achieve the desired conservation results;
d) Conduct studies of the ecological reference situation in the impact zone and the offset zone;
e) Prove that the project or activity to be developed does not directly or indirectly affect areas that are considered fatal flaws or critically endangered species or ecosystems;
f) Sign the necessary institutional agreements to ensure the appropriate management and implementation of biodiversity offsets;
g) Ensure the necessary funding for the implementation of the biodiversity offsets management plan, including the establishment and meetings of the Offset Monitoring Committee;
h) Ensure the submission of guarantees in Mozambique, in accordance with this Directive and other applicable legislation;
i) Register biodiversity offset management plans and the conservation results achieved, in the national mechanism;
j) Maintain the gains in biodiversity resulting from the offset for a period of time not less than the occurrence of the impacts caused and, preferably, in perpetuity, guaranteeing the effective protection of the results achieved, avoiding their loss or deterioration;
k) Initiate the activities of the biodiversity offsets management plan prior to the beginning of the operation of the development project, taking into consideration the forecast of residual impacts presented in the EIA Report;

l) Submit to the Central and Provincial Environmental Impact Assessment Authority annual monitoring reports on the biodiversity offsets management plan;
m) Engage an independent external auditor to carry out verification of biodiversity gains achieved through the offset;
n) Inform the Central and Provincial Environmental Impact Assessment Authority and the Offset Monitoring Committee of all situations that may compromise the implementation of the offset activities and/or the achievement of the agreed outcomes set out in the management plans;
o) Propose to the Central Environmental Impact Assessment Authority measures or adjustments necessary to ensure the achievement of the objectives set out in the biodiversity offsets management plans;
p) Review calculations of actual biodiversity gains and losses at least every five (5) years, prior to the renewal of the environmental permit, and propose appropriate adjustments to the biodiversity offsets management plans;
q) Adjust biodiversity offsets management plans on the basis of adaptive management or other proposed changes in the period of the environmental permit renewal; and
r) Ensure, in the case of projects with a term period of less than five (5) years, that the biodiversity offsets management plan enables the achievement of conservation outcomes within that period or includes an implementation and financing mechanism necessary for their achievement.

7. Supervision

1) The competent entity to supervise the implementation of Biodiversity Offset Management Plans shall act in collaboration with the Environmental Assessment Authority.
2) Whenever it is shown to be necessary, by decision of the competent authority, supervision may be carried out in collaboration with the ministries responsible for the activity developed by the proponent.

IV. Requirements

1. Biodiversity Offset Management Plans

1) The Preliminary Biodiversity Offset Management Plan must present the following minimum content:
a) Full identification of the proponent entity;
b) Description of the activity or project causing negative impacts and the measures foreseen to avoid and minimize them, as well as to restore the affected areas;
c) Identification of the types of biodiversity that are expected to be directly or indirectly affected, whether ecosystems, habitats, species or others, and the respective areas of impact;
d) Definition of the types of biodiversity affected and for which it is predicted that a net gain or no net loss should be achieved;
e) Definition of the type of biodiversity to be enhanced and protected;
f) Provisional indication of the type of metrics that will be used to measure the losses and gains in biodiversity achieved through offsetting;
g) Preliminary proposal for the type of offsetting activity and the respective geographical area of implementation;
h) An estimate of the total period of time foreseen for achieving the objectives of the offset;
i) A preliminary description of the situation of the reference ecosystem in the geographical area, prior to the implementation of the offset;
j) A preliminary identification of the risks associated with the activity or project and with the offset management plan;
k) A preliminary proposal for the potential members of the Offset Monitoring Committee
l) A summary description of the implementation mechanisms necessary for the implementation of the offset management plan;
m) Presentation of a budget forecast and financial mechanisms for the implementation of the offset activities and their maintenance over time; and
n) Preliminary and summary description of the type of monitoring and evaluation of the offset management plan that is envisaged to be implemented.
2) The final Biodiversity Offset Management Plan must present the following minimum content:
a) Full identification of the proponent entity;
b) Description of the activity or project causing negative impacts and the measures defined to avoid and minimize them, as well as to restore the affected areas;
c) Identification of the types of biodiversity that will be directly or indirectly affected, be they ecosystems, habitats, species or others, and the respective areas of impact;
d) Definition of the types and attributes of biodiversity affected and in relation to which net gain or no net loss should be achieved;
e) Definition and quantification of the results to be achieved, namely as to the type of biodiversity to be improved and protected;
f) Description of the metrics used to measure the biodiversity losses and gains achieved through offsetting;
g) Identification of the type of offsetting activity and proposal of the respective geographical area of implementation;
h) Description of the total timeframe expected to be required to achieve the Net Gain or No Net Loss targets through the offset activities and a detailed timeline for the offset activities;
i) A description of the status of the reference ecosystem of the geographical area, prior to the implementation of the offset;
j) An assessment study on the type, condition and quality of biodiversity in order to determine the potential for biodiversity improvement, in the case of plans to be implemented in conservation areas;
k) Identification of the risks associated with the activity or project and the offset management plan, as well as the measures to prevent and mitigate them;

l) Definition of the mechanisms for participation of the interested parties in the implementation of the offset, which must include, among others, the members of the Offset Monitoring Committee;
m) Description of the implementation mechanisms necessary for the implementation of the offset management plan;
n) Opinion of the conservation area management entity, in cases where the offsets management plans are implemented in conservation areas;
o) Partnership agreement between the proponent of the project or activity and the conservation area management entity, in cases where offsets management plans are implemented in conservation areas;
p) Presentation of a detailed budget and description of the financial mechanisms for implementing the offset activities and maintaining them over time;
q) Identification and description of the profile of the entity or entities implementing the biodiversity offsetting activities, enclosing evidence of the respective technical qualifications and experience; and
r) A monitoring and evaluation plan for the biodiversity offset management plan, including complaint mechanisms.

3) The model structure of the Final Biodiversity Offset Management Plan is described in Annex I of this Directive.

2. Quantifying biodiversity gains and losses

1) The entity that oversees the Environment area shall establish, by specific statute, complementary technical guidelines for supporting the conception, implementation and monitoring of offsets, including rules for quantifying and qualifying significant direct, indirect or cumulative adverse residual impacts on biodiversity, as well as for defining equivalences for offset purposes.
2) The rules for quantifying and qualifying biodiversity losses and for defining equivalence should take into consideration, among other elements, the type and attributes of direct and indirect biodiversity affected by the project or activity.
3) Until the legislation referred to in this Directive is published, or in the absence of a specific metric for the type of biodiversity in question, the project proponent may propose the respective methodology, provided it is duly justified and follows the parameters set out in this Directive.

3. Metrics

1) The losses and gains to a particular type of biodiversity in a project should be accounted for using metrics or indices.
2) If the impacted biodiversity is a species of fauna or flora, the appropriate metric is:
   i. Species abundance or density; or
   ii. Habitat quality and area for a given species, measured in area (hectares) weighted by habitat quality.
3) If the impacted biodiversity is an ecosystem or vegetation type, the appropriate metric is:
   i. the condition and area of the ecosystem measured in hectares weighted by its condition;
   ii. the assessment should be made based on a composite metric, following existing national guidelines or available best practices.
4) In projects where more than one type of biodiversity is impacted, the appropriate metric for each type should be used.
5) The use of metrics or indices other than those presented in the previous paragraphs by project proponents is subject to authorization by the Environmental Assessment Authority.
6) Depending on the final required offset outcome, namely whether net gain or no net loss is to be achieved the basic requirements as indicated below shall be followed:

a) For outcomes where no net loss is to be achieved, the basic requirement is 1:1 for the number of individuals of a species or the weighted area gained for each unit lost;
b) for outcomes where net gain is intended to be achieved, the basic requirement is 1:1.15 for the number of individuals of a species or the weighted area gained for each unit lost; and
c) Where national targets exist for specific ecosystems or species, the baseline requirement is determined per target, unless the baseline requirement is less than that required by (a) and (b) above.

7) The baseline requirements identified in the previous paragraph shall be increased to reflect the uncertainty of success of the offset activities and the length of time between when impacts occur and the predicted outcomes are achieved.
8) The quality of biodiversity to be achieved in the offset area should be equivalent to or greater than that of the impacted area immediately before the impact occurred.
9) The estimate of conservation outcomes to be achieved shall be based on sound ecological evidence and expert opinion.

4. Monitoring and evaluation plan

1) The Offset Monitoring Plan and performance report must be developed according to the specificities of the Biodiversity Offset Management Plan, in order to allow for the monitoring of the proposed activities, the assessment of the degree of implementation and respective results, as well as the necessary adjustments for the benefit of conservation.
2) The proponent shall submit the annual monitoring and performance offset report to the competent entities provided for under the terms of this Directive for the monitoring, supervision and auditing of the Biodiversity Offset Management Plans.
3) The conservation results must be presented every five (5) years, prior to the renewal of the environmental permit, calculating the percentage achieved in relation to that forecast and proposing the necessary adjustments to the Biodiversity Offset Management Plans to improve the performance of the conservation actions implemented to date, where applicable.

4) For projects with a term period of less than five (5) years, the project proponent shall demonstrate that the conservation results will be achieved by the end of its project term or present the necessary financial guarantees and implementation mechanisms for their achievement as set out in the Biodiversity Offset Management Plan.
5) The Central and Provincial Environmental Impact Assessment Authority shall ensure access to the monitoring and assessment reports to all stakeholders.

5. Financing

1) Together with the biodiversity offsets management plan, a detailed budget plan for its implementation shall be submitted, containing information on funding sources, forecast disbursement dates and estimated amounts allocated to each activity, including contingencies for risk management.
2) The proponent shall ensure the existence of a bank account domiciled in Mozambique or other financing mechanisms permitted by law, exclusively for the financing of offset activities, and shall annually submit proof of budget availability to the Environmental Impact Assessment Authority.
3) Prior to issuing the operating license, the proponent shall make available in the bank account referred to in paragraph 2 of this Article at least 50% of the amount necessary to cover the costs of the biodiversity offsets management plan submitted.
4) On renewal of the environmental permit, the proponent shall present the balance of the bank account referred to in number 2 of this point, and shall ensure that it has the necessary amount to cover the costs of the biodiversity offsets management plan for at least the following five years, until the next renewal of the environmental permit.
5) Projects with a duration of less than five years must make available in the bank account cited in number 2 of this point, 100% of the value necessary to cover the costs of the biodiversity offsets management plan submitted.

6. Financial Guarantee

1) In cases where the proponent does not make the necessary amount available in full to ensure implementation of the biodiversity offsets management plan including all costs of monitoring, auditing, contingencies, associated risks, among others, it must submit a financial guarantee in favor of the Environmental Impact Assessment Authority (EIA) for the remaining amount.

2) The Financial Guarantee may be provided in the form of a bank guarantee (or other equivalent type of guarantee), insurance policy or cash deposit, autonomous, unconditional, irrevocable, callable on first demand and liquidable immediately, in favor of the Environmental Impact Assessment Authority (EIA), in a bank account in Mozambique opened exclusively for this purpose.
3) The Environmental Impact Assessment Authority (EIA) shall assess the guarantees presented, based on the cost estimate presented in the Biodiversity Offset Management Plan, verifying whether they are appropriate and sufficient to cover the risks associated with their implementation.
4) The amount of the Financial Guarantee shall be provided in full within 30 days after the valid claim.
5) The Environmental Impact Assessment (EIA) Authority, may request a review of the Biodiversity Offset Management Plan and the respective amount of the Financial Security by an independent and suitably qualified third party, the costs being the responsibility of the proponent.
6) In the case which the Financial Guarantee proves insufficient, including for reasons of total or partial execution, to guarantee full compliance with the Biodiversity Offset Management Plan, the Environmental Impact Assessment (EIA) Authority may order it to be reinforced in order to guarantee compliance with the Biodiversity Offset Management Plan.
7) Evidence of the provision of the Financial Guarantee shall be submitted to the Environmental Impact Assessment (EIA) Authority.
8) Any biodiversity offsets management plan is invalid unless the financial guarantee has been provided or enhanced in accordance with this Directive and, in such situations, the environmental permit shall be conditional.

V. Approval and Registration of the Offsets

1. Integration in Environmental Assessment

Biodiversity Offset Management Plans must be submitted, assessed, monitored, reviewed and renewed as part of the Environmental Impact Assessment processes and renewal of the respective licenses, of which they are an integral component.

2. Environmental Pre-Feasibility Study and Definition of Scope and Terms of Reference

1) In the Pre-Feasibility and Scoping Study a preliminary analysis should be made on the need to develop a biodiversity offset management plan and, if there is evidence that this may be necessary, this should be mentioned in the terms of reference for the Environmental Impact Study.
2) The omission of the need to implement offsets in the Pre-Feasibility and Scoping Study or the indication that no significant residual impacts on biodiversity are foreseeable does not exempt the proponent from the obligation to carry out a Biodiversity Offset Management Plan, should such impacts be identified during the Environmental Impact Assessment or by decision of the Environmental Impact Authority.

3. Environmental Impact Assessment

1) The applicant shall, together with the Environmental Impact Assessment and the Environmental Management Plan, submit a Preliminary Biodiversity Offset Management Plan in which it shall identify the potential significant residual impacts, presenting an estimate of their quantification, as well as the likely offset options, indicating the likely types of receptor area, geographical location and types of activity to be implemented.
2) If the proponent has sufficient information to submit a Final Biodiversity Offset Management Plan, this may be

submitted as an alternative to the preliminary plan mentioned in number 1 of this point.

3) The Environmental Impact Assessment Authority must comment on the preliminary or final Biodiversity Offset Management Plan within the same timeframe as the Environmental Impact Assessment and the Environmental Management Plan.
4) Before obtaining the environmental operating license, the proponent must submit the Final Biodiversity Offset Management Plan, which will include the detailed identification and quantification of the significant residual impacts, the results to be achieved, the options for implementing the plan, the management mechanisms and other elements required under this Directive and the applicable law.
5) The Environmental Assessment Authority must comment on the Final Biodiversity Offset Management Plan within 60 (sixty) working days.

4. Environmental License

1) The presentation of the Preliminary or Final Biodiversity Offset Management Plan is a condition for issuing the environmental installation license or environmental operating license, respectively, for category A+ or A projects with significant residual negative impacts.
2) The issuance of the environmental operating permit also depends on the verification of the following conditions:

a) Registration of the offset with the competent entity;
b) Proof of implementation of the actions of the Preliminary Biodiversity Offset Management Plan;
c) Proof of financial availability for the implementation of the Biodiversity Offset Management Plan and the provision of financial guarantees in accordance with IV in point 5 of this Directive;
d) Proof of payment of the Guarantee for the implementation of the Biodiversity Offset Management Plan, in accordance with IV in point 6 of this Directive.

5. Public Consultation

1) The Preliminary and Final Biodiversity Offset Management Plans are subject to public consultation, and the respective minutes shall be attached to the EIA Report.
2) In public consultations concerning Biodiversity Offset Management Plans, all natural or legal persons, public or private, directly or indirectly interested in and/or affected by the Biodiversity Offset Management Plan must be heard.
3) Ensuring the effectiveness of public consultation is the responsibility of the proponent and implies the provision in advance of all information on the activity to be carried out and on the decisions taken, as well as responding to requests for clarification.
4) The proponent shall make public the Biodiversity Offset Management Plans, any updates and the respective annual monitoring reports by appropriate means to reach all interested and/or affected parties, including relevant authorities, industry organizations and economic associations, civil society organizations and local communities.
5) Notices of consultation shall be made public at least twice, thirty (30) and fifteen (15) days prior to the consultations, and shall be published in the newspaper with the greatest circulation in the country and on public and community radio stations, in this case covering the local communities of the places of implementation of the biodiversity offset management plan.
6) The Environmental Impact Assessment Authority may recommend the use of other means of communication or dissemination of the call or information, depending on the specifics of the project or activity or the profile of the addressees.
7) Comments on the biodiversity offsets management plan, and the public consultation process, as well as the respective minutes, shall be submitted to the Environmental Impact Assessment Authority within 30 days of the date of public consultations.
8) The proponent shall prepare a report containing all comments on the public consultation process.

6. Opinions

The decision on Biodiversity Offset Management Plans must be preceded by the opinion of the Technical Committee for Environmental Impact Assessment and also:

a) The binding opinion of the entity that administers and manages the respective area, in the case of being implemented in conservation areas;
b) The opinion of the area's management body, in the case of being implemented outside conservation areas; and
c) The opinion of the independent peer reviewers for Category A+ projects.

7. Decision

1) The Environmental Impact Assessment Authority shall decide on biodiversity offset management plans taking into consideration the information made available by the proponent, the opinions of the Technical Commission for Environmental Impact Assessment, the report and minutes of public consultations and respective comments, the information provided by the Offset Monitoring Committee, prior knowledge of the area and environmental conditions of the site of implementation of the project or activity and financial guarantee.
2) If the decision of the Environmental Impact Assessment Authority is unfavorable, the proponent has the right to appeal or resubmit the Biodiversity Offset Management Plans with the necessary modifications and respective justification within 90 (ninety) working days after receiving the notification.
3) Rejection of the biodiversity offset management plan is an impediment to the issuing of the environmental permit or its renewal.

8. Adaptive management

1) After approval of the Biodiversity Offset Management Plan, if it is revealed that the authorized offset actions are not sufficient to achieve the results foreseen in the offset management plan, additional or complementary

measures shall be requested from the proponent by the entity in charge of the environment.

2) Whenever it is necessary and advisable to improve the results of the offset, the proponent may propose amendments to the biodiversity offset management plan.
3) At the time of renewal of the environmental permit or closure of the project or activity, if it is found that the residual adverse impacts are lower than the conservation results achieved, the positive balance shall be considered a biodiversity gain.
4) The occurrence of the situation provided for in the preceding paragraphs does not confer on the proponent, respective contractors or subcontractors or any other interested parties the right to any indemnity or compensation.

9. Registration of the Biodiversity Offset Management Plan

1) The National Biodiversity Offset Registration System shall be created within the Environmental Impact Assessment Authority, where the Biodiversity Offset Management Plans shall be registered.
2) The final Biodiversity Offset Management Plan approved by the Environmental Impact Assessment Authority, as well as any subsequent amendments there to, are subject to registration upon request by the proponent.
3) The socio-environmental reference conditions, losses and gains of biodiversity resulting from the implementation of Biodiversity Offset Management Plans are also subject to registration.
4) The Environmental Impact Assessment Authority ensures the registration of opinions and audit reports issued under this Directive.
5) The following elements are required for the initial registration of the offset and its updating:

a) Executive summary of the project;
b) Summary of measures to mitigate impacts on biodiversity;
c) Quantification of residual adverse impacts on biodiversity;
d) Identification of the objectives of the offset and results to be achieved;
e) Indication of the reference level to be considered before starting the implementation of the offset;
f) Indication of the level of risk of suitability of the offset;
g) Description of the recipient area(s), location options and selected offset activities;
h) Indication of the total duration period of the offset activities for the achievement of its Net Gain or No Net Loss targets;
i) Identification of the different stakeholders involved in the implementation of the offsets;
j) Identification of the members of the Offset Monitoring Committee;
k) Summary description of the monitoring, evaluation and reporting procedure to be produced;
l) Presentation of the budget for the implementation and management of the offset;
m) Presentation of the financial mechanism selected to finance the offset; and
n) Summary of the complaints procedure.

6) The following documents shall also be attached to the record of the offset:

a) Final Biodiversity Offset Management Plan and subsequent additions or revisions;
b) Schedule of activities;
c) Monitoring reports;
d) Inspection reports;
e) Audit reports;
f) Reports prepared by the Offset Monitoring Committee;
g) Environmental license and subsequent renewals; and
h) Opinions of environmental authorities and other Government entities.

7) All citizens have the right to free access to the registered data, which may be made available to the public through digital platforms or networks.
8) Without detriment to the obligation of the proponent to implement the entire Plan, the Environmental Impact Assessment Authority shall issue a declaration of compliance in favor of the proponent entity, upon proof of the achievement of at least 50% of the conservation objectives foreseen in the Final Biodiversity Offset Management Plan, in accordance with the approved implementation schedule, and this information shall be inserted in the record of the offset.
9) Without detriment to the qualitative evaluation, the statement of compliance shall specify, in absolute and percentage terms, the degree of achievement of the conservation objectives set out in the Final Biodiversity Offset Management Plan.

10. Auditors and Audits

1) Upon receipt of the environmental license, the proponent shall engage an independent external auditor with proven technical competence and experience to carry out and evaluate the biodiversity gains achieved through offsetting.
2) Private audit reports are required to be submitted to the Environmental Impact Assessment Authority for the purpose of renewing the environmental license.
3) Without detriment to the competencies assigned to the Technical Commission for Environmental Impact Assessment, the Environmental Impact Assessment Authority may, whenever necessary, appoint an auditing entity to assess the degree of implementation of the offset management plans and the biodiversity results achieved.
4) The Environmental Impact Assessment Authority guarantees access to the audit reports to all interested parties.
5) The regime of Decree No. 25/2011, of 15 June, approving the Regulation on the Environmental Audit Process, shall apply to biodiversity offsets.

VI. Penalties and Infringements

1. For non-compliance with the measures proposed in the technical studies for offset, as well as non-compliance with the environmental licensing conditions under the terms of the Biodiversity Offsets Management Plans, the

sanctions provided for in the Regulations on the Environmental Impact Assessment Process and the Environmental Audit Regulation will apply.

VII. Transitional Provisions

1. Previously approved projects:

1) Projects which have been approved prior to the entry into force of this Directive must, during the period of renewal, submit a Biodiversity Offset Management Plan, if significant residual impacts on biodiversity occur or are foreseeable.
2) After submission of the application and approval of the renewal of the environmental permit indicated in the preceding paragraph, the proponent must, within two (2) years, submit the Biodiversity Offset Management Plan.

Definitions:

Key Biodiversity Areas: are areas that contribute significantly to the persistence of biodiversity at a global level, both in terrestrial and aquatic environments according to the criteria defined by the IUCN in 2016.

Area of Influence: It is the geographic space susceptible to alterations in its physical, biotic and/or socio-economic environments, derived from the environmental impacts resulting from the implementation and/or operation of a certain activity or project.

Area of Direct Influence: It is the area subject to direct impacts on biodiversity that may be attributed to the project activities, and whose delimitation is made according to the physical, biotic and socio-economic characteristics of the ecosystems and the characteristics of the project.

Area of Indirect Influence: It is the area subject to indirect impacts that arise as a result of the project activities to be developed, covering the ecosystems and the physical, biotic and socio-economic environments that may suffer secondary impacts resulting from changes occurring in the area of direct influence. Typically, the area of indirect influence lies outside the project boundary and may include human settlements that have been established or expanded as a result of the project's presence.

Environmental Impact Assessment Authority: The entity that oversees the environmental matters through the unit responsible for Environmental Impact Assessment.

Environmental Impact Assessment (EIA): A preventive environmental management instrument which consists of the prior identification and analysis, both qualitative and quantitative, of the beneficial and harmful environmental effects of a proposed activity.

Environmental compensation: Compensation for some loss, damage or service, and may involve money to be given or received as payment for the use, improvement or repair of a service, loss or environmental damage.

Biological community: Set of populations of species that live in a certain geographical area and interact among themselves.

Biodiversity Offset Monitoring Committee: a committee set up specifically for each biodiversity offset management plan, to monitor it throughout its implementation period.

Biodiversity Offsets: are measurable conservation outcomes that result from actions taken to offset the significant residual adverse impacts on biodiversity arising from the development of an activity or project, after appropriate action has been taken to avoid and minimize impacts and restore affected areas.

Statement of compliance: Document issued by the Environmental Impact Assessment Authority upon proof of the achievement of at least 50% of the conservation objectives set out in the Final Biodiversity Offset Management Plan and which identifies the percentage of conservation results achieved at a certain date (usually every 5 years before the renewal of the project's environmental permit) in relation to the results set out in the biodiversity offsets management plan in force, for the same period and for the total period of the offsets project.

Ecosystem: A dynamic complex of plant, animal and micro-organism communities and their non-living environment interacting as a functional unit.

Species: The range of different organisms within genera, families, orders, classes and phyla represented and the relative abundance of each within a community, population or ecological ecosystem.

Threatened species: a plant, animal or other living organism that is becoming rare and may be in danger of extinction if current trends continue. The International Union for Conservation of Nature (IUCN) divides threatened species into three categories: critically endangered species (CR), endangered species (EN) and vulnerable species (VU).

Native species: A species or lower-level taxon living within its natural range (past or present), including the area it can reach and occupy using its natural dispersal systems.

Endemic species: Species that occurs exclusively in a certain geographical region.

Threat status: integrated indicator of the vulnerability of a species or type of biological community, containing information about past losses, number of individuals and amount of available habitat, number and intensity of threats and current prospects for population trends based on recent data on its growth or decline, which has the Red List of Threatened Species of the International Union for Conservation of Nature as its reference.

Environmental Impact Study (EIS): The component of the Environmental Impact Assessment process which analyses, technically and scientifically, the consequences of the implementation of development activities on the environment, within the scope of this Directive for activities classified as category A+ and A.

Avoidance: measures taken to avoid the creation of negative impacts from the beginning, taking into account the spatial or

temporal planning of elements of the development project and/or scope, in order to completely avoid impacts on certain components of biodiversity.

Monitoring: inspection, supervision and surveillance of activities related to the implementation of biodiversity offset management plans, with a view to ensuring compliance with environmental impact assessment legislation and this Directive.

Net Gain (NPG) of biodiversity: occurs when the gains from proper implementation of the mitigation hierarchy exceed the losses.

Adaptive management: management based on the assumption that the components of the ecosystem are not fully understood, and that there is value in monitoring their condition and using what is learned while managing biodiversity.

Habitat: This is a species-related concept, which refers to the particular abiotic and biotic conditions with which individuals or populations of the same species are typically associated; it can also mean the circumstances in which populations of several species tend to occur simultaneously, in which case the term is equivalent to biotope.

Critical habitat: consists of an area of high biodiversity value, including (i) habitat of significant importance for Critically Endangered and/or Endangered species, (ii) habitats of significant importance for endemic and/or restricted range species, (iii) habitats that provide significant concentrations of migratory and/or congregating species, (iv) highly threatened and/or unique ecosystems, and/or (v) areas associated with key evolutionary processes.

Natural habitat: an area formed by viable associations of plant and/or animal species and/or other organisms of predominantly native origin and/or in which human activity has not modified the primary ecological functions and species composition of the area.

Mitigation Hierarchy (MH): a process that works in steps in order to reduce the impacts of a given activity on the environment and is composed of: (i) prevent or avoid - measures taken to avoid generating impacts by the project, such as appropriate spatial or temporal planning, adjustment of infrastructure elements to avoid impacts on environmental receptors or certain components thereof; (ii) minimize - measures taken to reduce the duration, intensity and/or extent of impacts (including direct, indirect and cumulative), which cannot be avoided in a way that is considered feasible; iii) recover, restore or rehabilitate - measures taken to restore or rehabilitate degraded ecosystems or restore ecosystems that have been damaged following exposure to impacts that could not be completely avoided or minimized; iv) offset - measures taken to compensate for significant adverse residual impacts that cannot be avoided, minimized and recovered, rehabilitated or restored, in order to ensure an end result of no net loss or net gain of biodiversity.

Significant adverse residual impacts: also referred to as non-negligible adverse residual impacts are the direct or indirect negative impacts on biodiversity that must be offset, caused by a particular project in its direct or indirect area of influence, that are predicted to remain after appropriate avoidance, minimization and restoration measures have been adequately applied, in accordance with the mitigation hierarchy methodology.

Metrics: are the unit measures used to measure the biodiversity affected or gained, where in the case of species they correspond to their abundance or density, or to the quality and area of the habitat for that species, duly weighted by the respective quality of the habitat; in the case of an ecosystem, they correspond to its area weighted by its condition in relation to a reference state that represents the best existing condition for that ecosystem; in the latter case the evaluation should be carried out on the basis of a composite metric.

Composite metrics: These are metrics made up of a number of ecosystem attributes, each of which is scored for a particular site against its reference state value and weighted and summed to provide an overall score for its condition per hectare.

Minimize: measures taken to reduce the duration, intensity and/or extent of impacts (including direct, indirect and cumulative impacts, as appropriate) that cannot be completely avoided, as far as possible.

No Net Loss (NPL) of biodiversity: means that losses of values representative of the most important biodiversity in the country or area are offset by quantitative and qualitative conservation gains generated through the implementation of offset projects, following prior implementation of the respective steps of the impact mitigation hierarchy and relative to the status of biodiversity at the project site and offset sites considered together immediately prior to the start of project impacts.

Environmental Management Plan (EMP): An instrument that contains actions to be developed by the proponent, aimed at managing negative impacts and enhancing the positive ones, resulting from the implementation of the activity proposed by the proponent, prepared within the scope of the EIA.

Biodiversity Offset Management Plan (BOMP): is an instrument that describes the offset project and its intended conservation outcomes and includes the evidence and assumptions used to predict that these outcomes will be the product of the offset activities described.

Conservation Area Management Plan: A technical document setting out the activities and other technical measures to be implemented by the various parties involved in the conservation, management and use of forest and wildlife resources within a conservation area.

Fatal flaws: Correspond to irreversible adverse impacts on biodiversity or on certain areas with such a level of significance that the implementation of the project or activity under analysis is not considered to be in the public interest.

Recovery: set of restoration, rehabilitation or other actions such as environmental remediation, which aim to improve the state of a given ecosystem or habitat. These measures may also be generically referred to as the process of improving, creating, or recreating habitats and/or populations and/or ecological processes.

Reforestation: the activity of planting trees and other associated vegetation in areas that have been deforested, whether by force of nature (fires and storms) or human influence (fires, construction, mining or logging, etc.), and is normally carried out using native species.

Restoration: measures taken to restore an ecosystem or a population of degraded fauna or flora, as close as possible to their natural condition before degradation, after exposure to impacts that could not be completely avoided and / or minimized, trying to return them to their historical trajectory. The restoration may occur in a natural way, after the elimination of the degradation factors.

Rehabilitation: consists of the repair of the processes, productivity and ecosystem services of an area degraded through anthropic action, not necessarily meaning a return to pre-existing biotic conditions.

Omissions and doubts: The doubts and omissions arising from this Directive shall be applied with the necessary adaptations in accordance with the Environmental legislation and the other rules in force in the National Legal System.

Annex I

Structure of the Final Biodiversity Offset Management Plan

1. Executive Summary
- Presentation of the essential aspects of the Plan in a summarized form

2. Introduction
- Summary on the development project (location, sector, type of activities, proponent/operator).
- Explanation of why it was necessary to develop an offset and its legal framework.
- Summary of intended conservation outcomes.

3. Description of project impacts, respective measures for their prevention, minimization, restoration/rehabilitation, and residual impacts

3.1. Summary table of the strategy to mitigate impacts on biodiversity
- Summary description of the impacts of the project on biodiversity and the activities that generate them (including direct, indirect and cumulative negative impacts, as appropriate), with emphasis on biodiversity that has to be offset in accordance with this Directive. For each impact the measures selected for its prevention, minimization and restoration/rehabilitation must be presented, in accordance with the specifications of the EIA regulation, the Conservation Law and its regulations. Finally, the significant residual negative impacts should be presented.

3.2. Description of measures to avoid impacts on and risks to irreplaceable and/or vulnerable biodiversity
- Demonstration that the project or activity to be undertaken does not directly or indirectly affect biodiversity considered irreplaceable and/or highly vulnerable, i.e. not offsetable, including areas that are considered fatal issues or critically endangered species or ecosystems.
- Demonstration that the extinction risk, at the national level, of the biodiversity targeted in the offset will not increase as a result of project impacts.
- Specification of the strategy developed to avoid impacts and risks to biodiversity considered irreplaceable and/or highly vulnerable, detailing how the respective mitigation measures are implemented at the various stages of the Project (Planning, Construction, Operation and Dismantling or Deactivation).

3.3. Description and quantification of residual impacts on biodiversity
- Clear description and quantification of the significant residual negative impacts on biodiversity that will persist after measures to avoid and minimize impacts and rehabilitate/restore affected biodiversity at the project site have been implemented.
- Description in detail of the methods and metrics used to calculate the significant adverse residual impacts, following the guidelines specified in the regulation.

3.4. Indication of the level of risk of suitability of the offset
- Ecological assessment to determine whether there is a risk that significant negative residual impacts are not possible to offset, qualifying that risk.

4. Description of the conceptualization of the offset

4.1. Offset objectives, biodiversity to be offset and outcomes to be achieved
- Clear identification of the objectives of the offset, including which biodiversity is the target of the offset and what the outcomes to be achieved are, taking into account the significant negative residual impacts that are intended to be offset. Indication of the objective(s) to be achieved for each biodiversity component targeted in the offset, including whether a Net Gain or No Net Loss is to be achieved.

4.2. Description of stakeholders and engagement mechanisms
- Description of how the stakeholders will be identified and involved in the design of the offset, and the results of their involvement, namely the conservation area management entity (when implemented in an existing conservation area or its surroundings) and the area management body, in the case of implementation outside conservation areas. In the latter case, the entities that will set it up and which will be responsible for its management should also be described, as well as the potential members of the Offset Monitoring Committee.

4.3. Type(s) of receptive area(s), location options and selected offset activities

- With reference to the selection procedure provided for in this Directive, the selected option(s) should be explained, including the reasons why other areas which could be considered preferential were not selected
- Geographical location, description of the site(s) selected to apply the offsets and the reasons for selecting it (them), the areas' needs in terms of ecosystem and/or species restoration; presentation of maps of the location
- Detailed explanation of how the type of activity proposed is additional to what was already planned for the recipient area (whether or not it is already a Conservation Area) and is directly related to the result intended to offset the significant negative residual impacts of the development project in question, presenting an evaluation study as to the type, condition and quality of the biodiversity occurring in the recipient area, in order to determine its potential for improvement.
- Location of other offsets projects in the surrounding region.
- Analysis of land use and benefit rights or titles for the private use of maritime space in the offset area.

4.4. Description of selected metrics and rationale for their selection

- A detailed description of the metrics used to determine the quantities to offset and their quality (e.g. metrics for determining ecosystem condition or habitat quality for a species, multipliers, etc.)

4.5. Brief description of the biophysical and socio-economic conditions of the offsets site

- A description of the biophysical and socio-economic conditions of the offsets site, focusing on those related to the type of biodiversity targeted by the offsets, surrounding communities, landscape level ecological connectivity and susceptibility to climate change.

4.6. Analysis of the current causes of biodiversity degradation in the offset area

- Description and analysis of the current causes of biodiversity degradation in the offset area, particularly in the one that is the target of the previously activities to be implemented.

4.7. Determination of reference level

- Determination of the reference level (reference situation) considered in the offset area for the biodiversity values that will be offset, using the metrics indicated in 4.4 and showing the respective calculations.

5. Description of the implementation of the offsets

5.1. Description of the roles and responsibilities of the different stakeholders involved in the implementation of the offset

- Description of the project proponent.
- Description of the entity responsible for managing the offset, clearly explaining whether it will be managed directly by the proponent or through an outsourced entity, such as an Environmental Fund; indication of who will be the entities implementing the offsets (service providers).
- Clear identification of the role of the conservation area management entity in the implementation and management of the offset in cases where the offset is implemented within a conservation area.
- Description of the other parties involved in the offset.

5.2. Description of the institutional and legal mechanisms for implementing offsets

- Description of the institutional relationship and coordination mechanisms, namely the mode of relationship and types of contracts between the proponent, other entities (e.g. Environmental Fund), the conservation area management entity and its co-management partner and/or third parties, should this be the option chosen for the implementer of the offset.
- Presentation of the opinion of the conservation area's management entity, in the case where offsets management plans are implemented in conservation areas.
- Presentation of the partnership agreement between the proponent of the project or activity and the conservation area management entity, in the event that offsets management plans are implemented in conservation areas.
- Presentation of the proposed management structure in the event that the offset considers the creation of a new conservation area and what category of conservation area is proposed.
- Description of the community consultations.
- Description of the members of the Offset Monitoring Committee, their responsibilities, and their Terms of Reference, namely how it will function, frequency of meetings and interaction with the regulator.

5.3. Description of implementation steps and targets to be achieved

- Detailed description of the operational implementation plan, including objectives to be achieved, all stages and activities/actions, as well as the respective responsible persons and timetable for implementation. This information may be presented directly in this chapter. There should always be a table annexed, which will be the Implementation Plan to be used as a reference for control by the environmental authorities.

- In case there are local communities, it should be described how they will be involved in the offset implementation/monitoring/assessment.
- It should be explained how the offset area will be safeguarded from future impacts, e.g. whether there will be access controls, fencing or protective fencing where applicable; the type of nameplate that will mark the offset area, and which should have the offset registration reference, should also be exemplified.
- In the case where the offset implies a new conservation area, the planning for the preparation of the proposal for its creation, the management intent statement and the respective habitat and species conservation program must be presented, identifying the management needs and priorities of the area.

5.4. Description of the monitoring procedure, evaluation and reports to be produced

- Detailed description of the monitoring actions, respective parameters to be measured, locations to monitor and control areas, as well as selected key performance indicators (KPI), including evaluation criteria and maximum and/or minimum acceptable limits and data treatment method (including statistical analyses), and a summary table with the monitoring plan shall be presented, indicating sampling frequency and responsible entities.
- Description of the process for evaluating the results achieved in terms of implementation and performance, including its period and frequency, identifying the internal and external audits to be carried out and the respective process.
- Description of the adaptive management process to be applied during the implementation of the offset, including the criteria and formal process for improving/changing the biodiversity offset management plan where necessary.
- Description of the arrangements for reporting on the implementation of the measures set out in this plan, including the frequency of reporting and how it will be submitted to the regulatory authority and other stakeholders.

5.5. Risk analysis and contingency plan

- Project risk assessment, including actions planned to achieve the desired outcomes and identification of contingency measures to minimize these risks.
- Description of the uncertainties about the success of the enhancement (restoration, rehabilitation or repopulation, as applicable) and biodiversity protection activities and what the acceptable limits are for them to be considered successful.

5.6. Identification of the offset duration and presentation of the Project's activity schedule

- Indication of the total period planned for the global achievement of the Net Gain or No Net Loss objectives, presenting the plan for achieving the results, describing the respective targets, i.e. what is proposed to be achieved in a given period (e.g. first 5 years) and so on until the Net Gain or No Net Loss of Biodiversity is achieved.
- Presentation of the detailed schedule of planned offset activities, including those related to the effective protection of the results achieved.

5.7. Presentation of budget and description of financial mechanisms for the implementation of the offset

- Detailed presentation, by phase, of the budget required for the implementation, management, monitoring and auditing of the offset.
- Description of the financial mechanisms that will be used in the various phases of the implementation of the BOMP and detailed budget plan for the implementation of the BOMP, containing information on funding sources, disbursement dates and the amounts allocated for each activity, including contingencies for risk management.
- Presentation of proof of a bank account domiciled in Mozambique or other financing mechanisms permitted by law, exclusively aimed at financing offsets activities, and proof of budget availability.
- Description and proof of how the financial guarantee will be presented (escrow account, bank guarantees or insurance).

5.8. Description of the grievance redress procedure

- A description of the procedure for any complaints that any interested party may wish to lodge.

6. Conclusions and recommendations for the next period.

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