

2018 ANNUAL REPORT

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Asian Forest Cooperation Organization (AFoCO)

2018 ANNUAL REPORT

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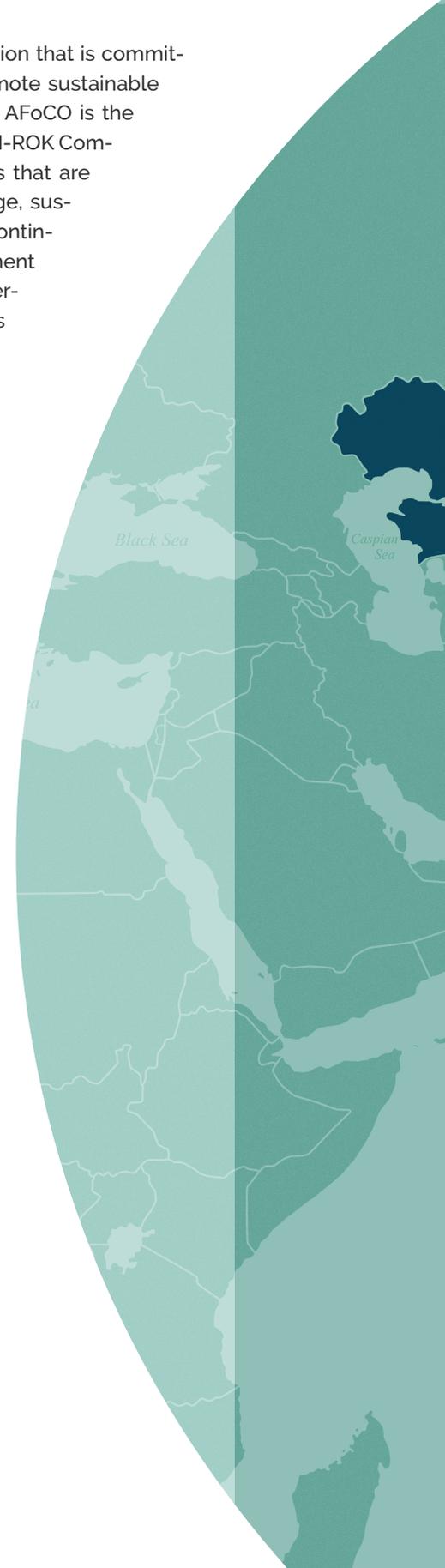
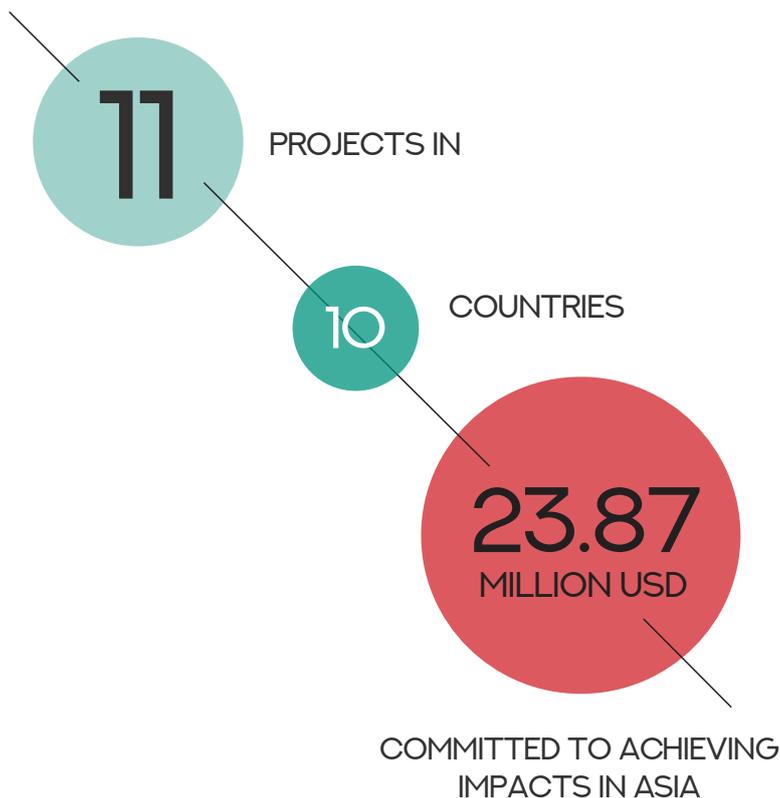
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ABOUT AFoCO

The Asian Forest Cooperation Organization (AFoCO) is an intergovernmental organization that is committed to strengthening regional forest cooperation and taking concrete actions to promote sustainable forest management and address the impacts of climate change. The initial phase of AFoCO is the ASEAN-ROK Forest Cooperation (AFoCo), which was formalized in 2012 after the ASEAN-ROK Commemorative Summit in June 2009. On a global scale, forests are essential resources that are of inestimable value. However, despite their importance in combatting climate change, sustaining livelihoods and providing various ecosystem services, vast areas of forests continue to be overexploited or degraded. The achievement of the Sustainable Development Goals (SDGs) and the global agenda for forestry requires concerted efforts and intersectoral collaboration. By reaching out to Member Countries across Asia, AFoCO has been concentrating its efforts in addressing emerging forestry issues to contribute to the sustainable management of forests and achieve our vision of a Greener Asia. AFoCO consists of two organs—the “Assembly” and the “Secretariat”. The Assembly is the highest decision-making body of AFoCO and it comprises of Representatives appointed by the Parties to the Agreement on the Establishment of the Asian Forest Cooperation Organization (AFoCO). The Secretariat provides administrative support to the Organization and plays an important role in implementing the decisions of the Assembly. The Headquarters of AFoCO, including the Secretariat, is located in Seoul, the Republic of Korea.

As of December 2018, AFoCO's portfolio consists of 14 Member Countries including 7 Parties and 7 Observers, who cooperate and provide support in the implementation of its programs and projects.





KAZAKHSTAN

MONGOLIA

REPUBLIC OF KOREA

BHUTAN

MYANMAR

LAOS

VIET NAM

THAILAND

CAMBODIA

PHILIPPINES

South China Sea

BRUNEI DARUSSALAM

SINGAPORE

INDONESIA

TIMOR-LESTE

Arabian Sea

Bay of Bengal



Regional Education and Training Center



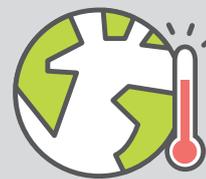
Asian Forest Cooperation Organization

FIVE STRATEGIC PRIORITIES



Initiating customized restoration & reforestation models

Customized restoration and reforestation models in target countries will be established and capacity building activities such as training courses and study tours will be implemented. AFoCO will design projects to ensure the proper involvement of local communities, systematic benefit-sharing mechanisms among stakeholders, and long-term sustainability of people and the environment.



Supporting research & development in climate change adaptation approaches

Scientific researches and studies on the development of climate change adaptation methodologies and approaches for vulnerable areas in the region will be carried out. AFoCO will support the implementation of field surveys and analytical studies on the risks, vulnerability, and impacts of climate change on major forest types as well as the development of relevant technical and policy recommendations.



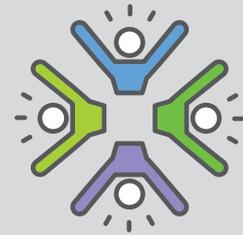
Introducing systematic management on forest-related disasters

Proven forest-related disaster management technologies and integrated systems will be introduced. AFoCO will target disaster-prone areas such as hotspots of forest fires and landslides and carry out projects that cover both preventive and control measures such as forest fire monitoring and management, erosion and landslide control, the establishment of demonstration sites, and capacity building activities.



Local livelihood improvement & community-based small enterprise development

Communities and forest ecosystems in the region will both benefit from the implementation of proven forest-related activities for local livelihood improvement and small enterprise development, such as payments for forest ecosystem services and forest and community-based ecotourism. Advanced communication and imagery technologies will also be introduced to enhance the effectiveness of these activities.



Strengthening institutional capabilities, diversifying resources & promoting regional actions

AFoCO will explore alternative funding sources to continue efforts. Identify common issues and challenges among Member Countries, and engage in international fora and dialogues to promote common interests and positions at the global level.

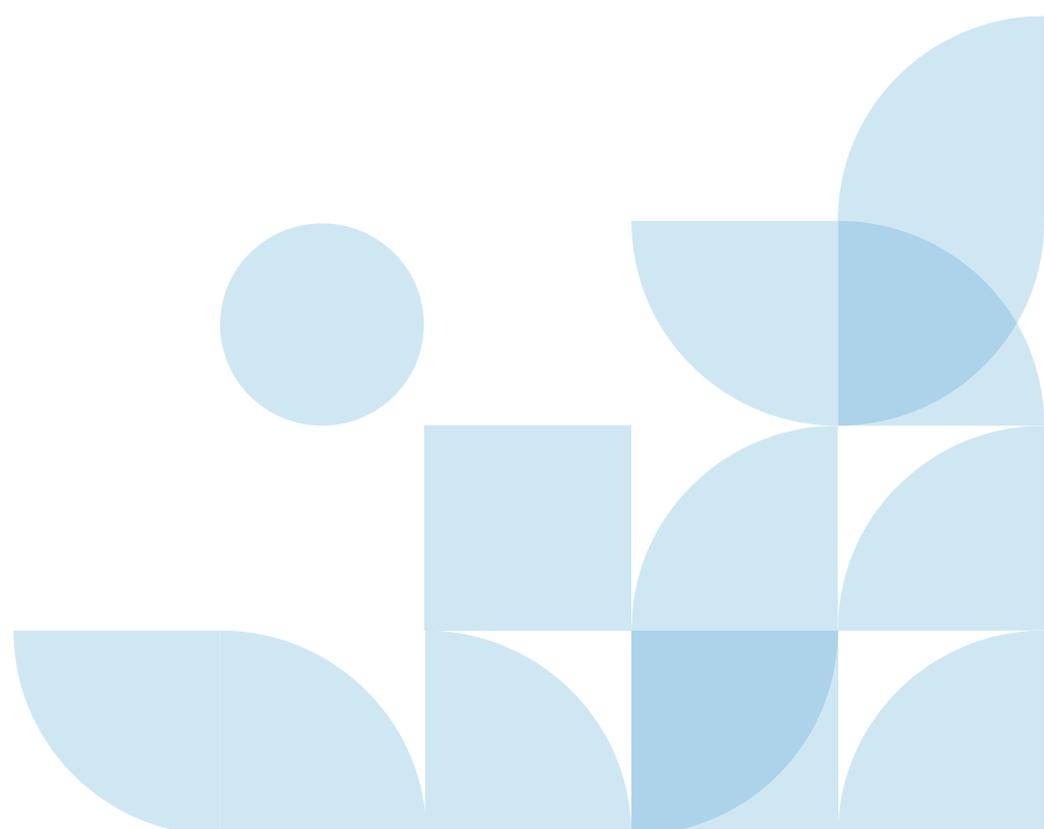
MILESTONES

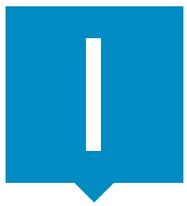
2009-2017





MILESTONES 2009-2017





MILESTONES

2009-2017

2009-2012

Drawing on its expertise and experiences gleaned from national reforestation and forest rehabilitation programs between the 1960s and 1980s, the Republic of Korea (ROK) has ambitious visions to promote and support sustainable development in the Asian region. The ROK proposed the establishment of the Asian Forest Cooperation Organization (AFoCO) at the ASEAN-ROK Commemorative Summit in June 2009 to share best practices and technologies to narrow the development gap among countries in the region.

After a great deal of time and effort, the Agreement between the Governments of the Republic of Korea and the Member States of the Association of Southeast Asian Nations on Forest Cooperation (ASEAN-ROK Forest Cooperation Agreement), as the initial phase of AFoCO, came into effect on 5 August 2012. Since then, all ASEAN Member States and the Republic of Korea have been cooperating closely to address critical forestry-related issues in the region.

On 28 August 2012, the first session of the Governing Council was held in Seoul. Following the meeting, a Governing Council comprised of 11 representatives from all parties and a Secretariat based in Seoul was set up on September 1, 2012, in accordance with the ASEAN-ROK Forest Cooperation Agreement. The first ASEAN-ROK Special Ministerial Meeting on Forestry was held on August 30th, 2012.



1st Session of the Governing Council in Seoul, Korea, August 2012

2013

On 25 January 2013, in Nay Pyi Taw, Myanmar, the 2nd Session of the Governing Council was held. The meeting considered and approved numerous issues related to the AFoCO's activities and plans. The meeting set up the Working Group for the establishment of the Asian Forest Cooperation Organization (WG-AFoCO) to provide the platform for broadening members. Further discussion on the vision, mission, objectives, scope, and areas of cooperation of the future AFoCO was also undertaken.

Soon after, the 3rd Session of the Governing Council was convened in Singapore on 18 October 2013. Among other matters, the Governing Council considered and agreed on the extension of the ASEAN-ROK Forest Cooperation Agreement for two more years.

The meeting endorsed the Landmark Program to be implemented for ten years. The Landmark Program includes the establishment of the Regional Education and Training Center (RETC) Myanmar, the operation of training courses and scholarship programs, as well as the implementation of forest rehabilitation projects in Cambodia, Lao PDR, and Vietnam.



1st Dialogue-AFoCO in Busan, Korea, December 2013

The First Meeting of the Dialogue for the Establishment of AFoCO (Dialogue-AFoCO) was organized in Busan, Korea on 11-12 December 2013. At the meeting, the Secretariat presented the draft Agreement on the Establishment of AFoCO and began developing the framework for the establishment of the organization.

2014

On 30 April 2014, the 4th Session of the Governing Council gathered in Manila, the Philippines, to deal with several agenda including the extension of the agreement, the assessment of the implementation of AFoCO and the status of cooperation projects. The AFoCO Fellowship Program was first proposed at the meeting.

In December of the same year, the 5th Session of the Governing Council convened in Busan, Korea. The Council endorsed projects and witnessed the signing of MOUs for the Landmark Program Restoration Projects and regional projects.



4th Session of the Governing Council in Manila, Philippines, April 2014

The year 2014 marks an important milestone as the ASEAN-ROK Forest Cooperation was extended for two additional years, following the approval of the Governing Council and the timely entry into force of the instrument of extension on 5 August 2014. With this, the ASEAN-ROK Forest Cooperation entered its second phase of operations to continue providing a proper framework for the implementation of on-going activities.

2015

2015 has been the busiest year in the history of ASEAN-ROK Forest Cooperation. According to Dr. Hadi S. Pasaribu — former Executive Director of the ASEAN-ROK Forest Cooperation, the year 2015 was referred to as the “Pinnacle Year,” and he believed it would lead to more dynamic regional forestry cooperation and stronger support for future initiatives.



ASEAN-Korea Youth Network Workshop in Korea and Indonesia, August 2015

There were many achievements in 2015. The Landmark Program gained full momentum with restoration projects launched in Cambodia, Lao PDR and Vietnam. Capacity building initiatives such as technical training courses and the scholarship program benefited government officials from ASEAN Member States. AFoCO also welcomed its pioneer batch of Fellowship Officials from Cambodia, Lao PDR, and the

Philippines, who joined the organization for a one-year assignment. To step-up cooperation in strategic areas and expand outreach into the global arena, AFoCO organized joint events with partner institutions such as the ASEAN-Korea Centre, and The Center for People and Forests (RECOFTC). Major events hosted by AFoCO included the ASEAN-Korea Youth Network Workshop and the AFoCo Forest Week. AFoCO also engaged in collaborative activities at 6th International Wildland Fire Conference in Pyeongchang, Korea.



AFoCo Forest Week in Pyeongchang, Korea, October 2015

Groundbreaking Ceremony for the AFoCO RETC in Myanmar, November 2015

This year also marked the adoption of the Agreement on the Establishment of AFoCO, which paved the way for the formal establishment of a treaty-based intergovernmental organization. The Groundbreaking Ceremony for the AFoCO Regional Education and Training Center (RETC) in Yangon, Myanmar, on 27 November 2015

2016



Onsite monitoring of the RETC Office by AFoCO Secretariat staff

As the ASEAN-ROK Forest Cooperation entered its final year in 2016, many special events were organized, especially the AFoCO RETC construction in Yangon, Myanmar, Regional Projects, Fellowship Program, and transitional arrangements. The prospective parties to AFoCO started respective domestic processes for signing and ratification of the Agreement on the Establishment of AFoCO.

The 8th Session of the Governing Council gathered in Bandar Seri Begawan, Brunei Darussalam, on 30 March 2016, and agreed on the administrative procedures to be undertaken following the successful completion of the ASEAN-ROK Forest Cooperation. Country representatives provided updates on the progress of internal procedures to become a party of AFoCO. The Governing Council also approved two new regional projects to be implemented in Malaysia and Thailand, as well as in Brunei, Indonesia, Philippines, and Singapore.

AFoCO welcomed its second batch of Fellowship Officials from Vietnam, Malaysia, Indonesia, and Thailand. They played vital roles in facilitating upcoming regional projects and assisted in communications with Member Countries on top of their associated team responsibilities.

The Special Session of the Governing Council was held on 26 July 2016 in Bangkok, Thailand as the final session of the Governing Council before commencing the interim period on 4 August 2016. The meeting agreed on the detailed transitional arrangements required for the operation of the Interim Secretariat.

In 2016, four parties signed the Agreement following the Republic of Korea—Timor-Leste (June), Indonesia (August), Bhutan (September), and Viet Nam (October).

2017

In the first month of 2017, after the interim arrangements were put in place in 2016, AFoCO organized a Roundtable Discussion for AFoCO Strategy Development in Seoul to seek advice and recommendations in setting the direction and the planning of AFoCO Strategy from six professionals and professors who have been working in relevant institutions and universities in the fields of forestry and international development. The discussion resulted in the identification of AFoCO's priority areas.

In February 2017, two scholars from the pioneer batch of AFoCO Landmark Scholarship Recipients who commenced their studies in 2015 completed their dissertations and graduated from Yeungnam University. After a rigorous selection process, the 2017 Landmark Scholarship was awarded to five scholarship recipients from Lao PDR, Myanmar, Philippines, Thailand, and Viet Nam.



2017 Landmark Scholarship Award Ceremony

On 23 December 2017, the construction of the AFoCO Regional Education and Training Center (RETC) was successfully completed. Outfitted with modern training equipment and facilities, the two-storey center boasts of a total floor area of 5,014 m² and is divided into three functional zones—education and training zone, accommodation zone, and support zone. Through the provision of diverse forestry-related training courses and workshops and provision of modern training equipment and facilities, the RETC will help build capacities in the forestry sector of Member Countries.

The year 2017 was especially significant as the Agreement on the Establishment of AFoCO was signed by four countries—Cambodia, Brunei Darussalam, Myanmar, Mongolia. Bhutan, Timor-Leste and Viet Nam also deposited their respective instruments of ratification this year.

MEETINGS & EVENTS





MEETINGS & EVENTS

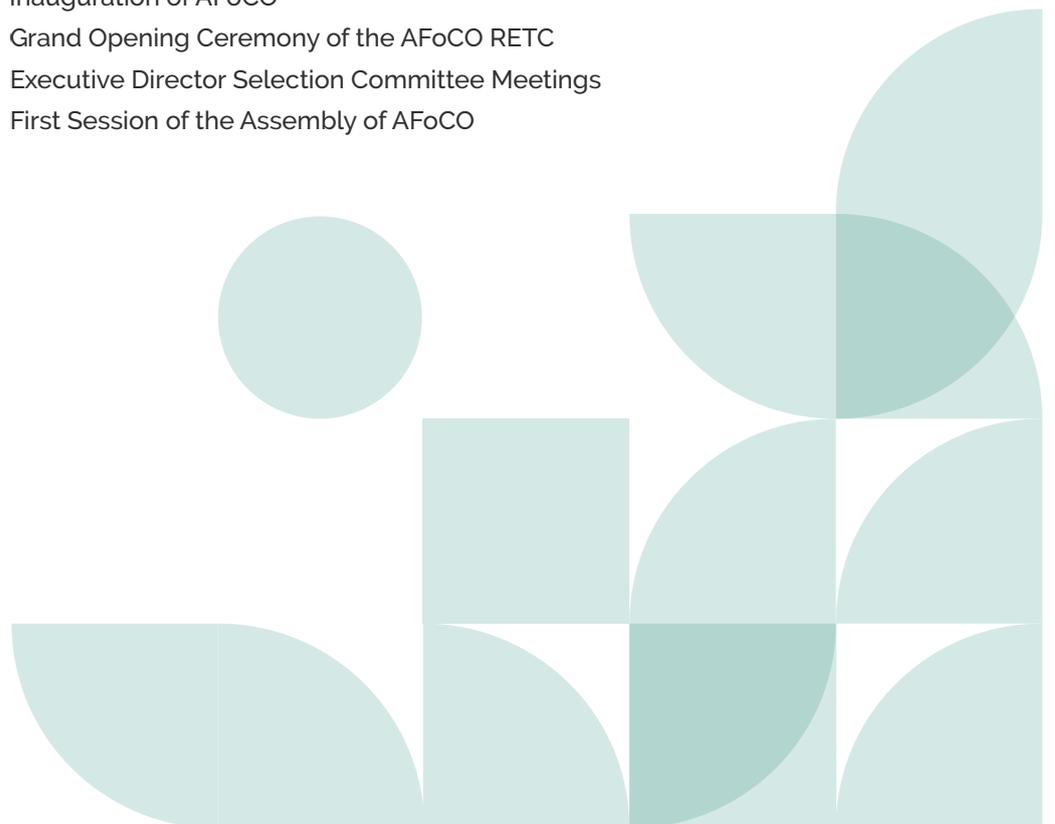
Signing Ceremonies

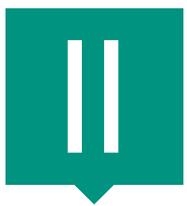
Inauguration of AFoCO

Grand Opening Ceremony of the AFoCO RETC

Executive Director Selection Committee Meetings

First Session of the Assembly of AFoCO





MEETINGS & EVENTS

Signing Ceremonies

2018

January

February

March

April

May

June



3/13

Signing of AFoCO Agreement by Lao PDR

Minister of Agriculture and Forestry of Lao PDR, H.E. Dr. Liane Thykeo, signing the Agreement.

3/28

Deposit of Instrument of Ratification by Myanmar

Myanmar became the 5th Party to deposit its instrument of ratification, and AFoCO officially entered into force on 27 April 2018.



6/4

Signing of AFoCO Agreement by the Philippines

On 4 June 2018, H.E. Mr. Roy Cimatu, Secretary of the Department of Environment and Natural Resources, signed the AFoCO Agreement. The signing was arranged during the occasion of the State Visit of the President of the Philippines to Korea. The Philippines became the 11th country to sign the AFoCO Agreement.



July

August

September

October

November

December

8/10

Deposit of Instrument of Acceptance by Cambodia

8/23

Deposit of Instrument of Ratification by Brunei Darussalam

Inauguration of AFoCO



3 May 2018

A major milestone was reached on 27 April 2018 when the Agreement on the Establishment of AFoCO entered into force 30 days after the date of deposit of the fifth instrument of ratification by Myanmar, and AFoCO was officially established as an international organization.

The formalization of AFoCO was celebrated during the Inauguration Ceremony, which took place on 3 May 2019 in Seoul. The Ceremony was attended by the Ambassadors of Member Countries, the 1st Vice Minister of Foreign Affairs, the Minister of the Korea Forest Service, and some 90 representatives and guests from related organizations and partner institutions.



Inauguration Ceremony for the Asian Forest Cooperation Organization (AFoCO)

Grand Opening Ceremony of the AFoCO RETC



Grand Opening Ceremony of the AFoCO RETC

14 July 2018

On 14 July 2018, more than 130 guests were invited to the Grand Opening Ceremony of the AFoCO Regional Education and Training Center (RETC) to celebrate and commemorate its official opening. H.E. Mr. Ohn Winn, the Union Minister of the Ministry of Natural Resources and Conservation of Myanmar and H.E. Mr. Ryu Kwang-su, the Vice Minister of Korea Forest Service welcomed Ambassadors and ASEAN Senior Officials on Forestry (ASOF) Leaders of AFoCO Member Countries to the ceremony.

Executive Director Selection Committee Meetings



First & Second Meetings of the Executive Director Selection Committee

9-10 August & 11-12 October 2018

In accordance with the decisions of the 2nd Technical Meeting for AFoCO held in December 2017, the Executive Director Selection Committee composed of representatives nominated by Parties and Signatory countries was organized.

The First Meeting of the Executive Director Selection Committee was held on 9-10 August 2018 in Seoul. The Committee adopted the rules of procedure, including the evaluation criteria for the candidates, schedule, and work plan of the Committee, as well as the text for the vacancy announcement. The Committee convened again from 11-12 October during the Second Executive Director Selection Committee Meeting to carry out the interview process and shortlist up to five candidates. The Meeting conducted a final deliberation and selected a final candidate to be recommended to the Assembly.

First Session of the Assembly of AFoCO

13 November 2018



First Session of the Assembly of AFoCO

Prior to the First Session of the Assembly, a Preparatory Meeting was convened to review and make improvements to the program, agenda, and composition of the documents for the First Session of the Assembly. The First Session of the Assembly was successfully held on 13 November 2018 in Seoul, Korea. All Parties were present to make strategic decisions to establish AFoCO as a key player in the region and officially set up the framework of the organization. Signatory countries, as well as observer countries, were also present to witness the significant event.



Mr. Chencho Norbu, Executive Director of AFoCO

After extensive and thorough discussions, the Assembly endorsed necessary internal regulations and the strategic plan for the next five years, and appointed Mr. Chencho Norbu, as the first Executive Director of AFoCO. Mr. Norbu delivered his acceptance statement through a video message and extended his appreciation to the Executive Director Selection Committee and the Assembly. Emphasizing that the restoration of the degraded areas is a priority in the region, he stated that the AFoCO would continue efforts in implementing concrete actions.

The Assembly also made important decisions on the implementation of future projects and approved four projects in Bhutan, Cambodia, Timor-Leste and Viet Nam. These AFoCO projects will be implemented for 3 to 5 years, with a total project budget of USD 2.3 million. The Assembly also endorsed the work plan and approved the budget for the next two years.

Strategic Plan (2019-2023)

In order to keep in track with global megatrends including Sustainable Development Goals (SDG) and to align the priority areas to be delivered for the members in a distinctive and effective manner, AFoCO started developing an organization strategy in 2016 in accordance with the objectives set out in Article 2 of the Agreement on the Establishment of AFoCO.

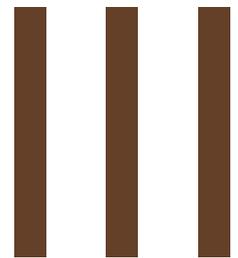
As part of the strategic plan development, external and internal factors for AFoCO were studied systematically and reflected in the strategic plan. Three external factors—global megatrends, national policy priorities, and regional players in the forestry sector—were studied, and their corresponding opportunities and threats were identified in political, economic, socio-cultural, and technological perspectives.

The Strategic Plan identified five priority areas for five years (2019-2023)



PROJECTS & COOPERATIVE ACTIVITIES





PROJECTS & COOPERATIVE ACTIVITIES

Landmark Program

Component 1: Establishment of Regional Education & Training Center (RETC)

Component 2: Development of Education & Training Programs for Capacity Building

Component 3: Restoration of Degraded Forest Regions in Cambodia, Lao PDR & Viet Nam

Regional Projects

Promotion of Forest Rehabilitation in Cambodia & Viet Nam through Demonstration Models & Improvement of Seed Supply System (AFoCO/003/2014)

Facilitating the Participatory Planning of Community-Based Forest Management using Geographic Information System & Remote Sensing Technologies in Forest Resources Management in the Philippines, Indonesia & Thailand (AFoCO/004/2014)

Developing High Valuable Species in Viet Nam & Thailand as a Mechanism for Sustainable Forest Management & Livelihood Improvement for Local Communities (AFoCO/009/2015)

Domestication of Endangered, Endemic & Threatened Plant Species in Disturbed Terrestrial Ecosystems in Malaysia & Thailand (AFoCO /010/2015)

Capacity building for Landscape Approach to Support the Sustainable Natural Resources Management in Brunei Darussalam, Indonesia, Philippines & Singapore (AFoCO/011/2016)



PROJECTS & COOPERATIVE ACTIVITIES

Landmark Program

Launched in 2014, Landmark Program is a long-term initiative aiming to capacitate forestry stakeholders in Member Countries. The program consists of four components—(1) establishment of the AFoCO RETC; (2) development of education and training programs for capacity building; (3) restoration of degraded forest regions in Cambodia, Lao PDR and Viet Nam, and; (4) development of advocacy activities.

Component 1: Establishment of Regional Education & Training Center (RETC)

Situated in Hmawbi Township, Yangon, Myanmar, the AFoCO RETC is a two-storey training facility built on a total area of 28,419 m² with a total floor area of 5,014 m². The Center consists of lecture rooms, laboratories, meeting venues, a conference hall, and accommodation facilities. As a subsidiary organ of AFoCO, the AFoCO RETC will play a key role in strengthening the capacities of Member Countries and young leaders in the forestry sector through quality training and education programs.



AFoCO Regional Education and Training Center (RETC) in Hmawbi Township, Yangon, Myanmar

AFoCO Regional Education and Training Center (RETC)

The AFoCO RETC was established to educate and foster exemplary leaders in the forestry sector to realize the goal of a Greener Asia; provide practical and problem-solving oriented education programs to train government officials in the field of forestry to practice and promote sustainable forest management, and contribute to improving the livelihood of forest communities.

To date, more than 2000 trainees have benefitted from the training courses under the Landmark Program. In the coming years, the AFoCO RETC will function as an important platform for international cooperation in the forestry sector and empower Member Countries to deal with pressing regional forestry issues and achieve shared global and regional forestry objectives.



Certificate ceremony at the end of the first training course held at the RETC, June 2018

Landmark Program

Component 2: Development of Education & Training Programs for Capacity Building

Since the AFoCO RETC began operations in 2018, various capacity building activities have been implemented at the center. AFoCO organized four regular short-term training courses, two customized training courses, and one community development training course at RETC. A training program was also conducted in Korea to improve the management capacities of the RETC staff and provide

Regular Short-term Trainings



Participants visit a 50-year old Teak Plantation Site in Bago Yoma

National Forest Inventory and REDD+ (28 May – 1 June 2018)

The very first training course at the RETC was organized on national forest inventory (NFI) and REDD+ for 20 participants. During the 5-day training course, participants were taken through 11 topics by seven experts and researchers from the Myanmar government, UN-REDD+ Myanmar, and the Green Climate Fund, who shared knowledge and insight on evolving issues in NFI and REDD+ as well as related best practices in the region.

Community Forest Management for Livelihood & Community Forest-Based Enterprise Development (8 - 13 October 2018)

In partnership with The Center for People and Forests (RECOFTC), a training course on 'Community Forest Management for Livelihood and Community Forest-Based Enterprise (CFE) Development' was organized for 20 participants. The course focused on the conceptual understanding of community livelihood and CFE development and basic experience to support communities, related best practices in the region.



Participants interviewing fruit sellers and village representatives

The training course aimed to facilitate the potential identification of entrepreneurs and assess local context supportive to enterprise development; use participatory tools to facilitate the short-listing of potential enterprise ideas; facilitate simple value chain surveys to select promising enterprise ideas, and strategize development steps to commercialize products and services, and enhance understanding of the importance of developing enterprise strategies and business plans.

Landmark Program

Forest Fire Management for Training of Trainers (22 – 26 October 2018)

The five-day training course welcomed a total of 20 technical-level government officials and forestry experts involved in forest fire management at the national level. Through a combination of lectures and practice sessions, the training course provided opportunities for participants to learn best practices related to forest fire management, strengthen their understanding of the dynamics of forest fires and develop their capabilities of officials in formulating forest fire management guidelines based on advanced technologies.



Forest fire management practice at Hlaing Yoma Reserved forest

Forest Restoration and Reforestation for High-Level Policy Makers (28 – 30 November 2018)

In November, the training course was organized inviting 20 high-level officials involved in national forest restoration and reforestation programs. With a focus on the sharing of exemplary practices and policies related to the management of national and cross-boundary forest restoration and reforestation activities, the training provided a platform to discuss challenges and lessons learned from previous reforestation experiences to guide ongoing and future initiatives to develop forest restoration and reforestation models in Asian countries.



Participants at a commercial teak plantation in Kaw-Li-Ya Reserved Forest

Core Training Areas

AFoCO's regular training courses are intended to strengthen the capacity of Member Countries by enhancing knowledge and understanding of forest management and providing greater access to advanced technologies. Our goal is to empower them to deal with pressing forestry issues in the region and establish networks to facilitate the exchange of knowledge and experiences. AFoCO focuses on the implementation of regular training courses based on three core training areas:

- forest rehabilitation and reforestation,
- forest fire management, and
- community-based forest management.

Landmark Program

Customized Trainings

To expand its scope of capacity building activities and reach out to more stakeholders, AFoCO cooperates with other international organizations, universities and research institutes to organize customized forestry-related courses on a variety of forestry topics. The training topics, schedule, and duration are customized in consultation with the requesting organizations to suit the needs of trainees. In 2018, AFoCO conducted two customized training programs at the AFoCO RETC in Myanmar.

2018 Young Forester Research Program (2 – 9 July 2018)

The Young Forester Research Program was the first customized training course to be held at RETC, and a total 19 professors and graduate students from universities in Korea participated in the week-long course. The course was designed to enhance participants' understanding of the biology of tropical forests in Myanmar and the various aspects of sustainable forest and forest resource management, by incorporating a mixture of lectures, discussions and field visits to forests and parks in Yangon.



Participants learn about tree planting in Min Hla Township

2018 Young Forester Leadership Program (15 – 19 August 2018)

In partnership with the Korea Forestry Promotion Institute (Kofpi), AFoCO conducted the Young Forester Leadership Program for 20 undergraduate students from Korean universities to nurture global leaders in the forestry sector and provide a unique opportunity to learn about international forestry cooperation.



Participants visit a Teak Tree Plantation Site

Landmark Program

Community Development Training

On 12 August 2018, the first training targeted at local people was organized for 80 school teachers in Hmawbi Township, where the RETC is located on 12 August 2018. The training aimed to encourage awareness of the importance of forests and forestry and to promote the RETC to local people residing in the vicinity.



Forest Department officials at the RETC teaching visitors about tree planting

Capacity Building Workshop for RETC Staff

The Workshop on 'Capacity Building for RETC Staff' was carried out from 22 April to 5 May 2018 in the Republic of Korea. A total of three RETC staff including the center's Acting Head participated in the workshop and visited relevant regional training institutes such as the Forest Training Institute of the Korea Forest Service and the Rural Community International Education and Exchange Center.



RET staff learn about training management at the Forest Training Institute of Korea

Scholarship Program

AFoCO Landmark Scholarships finance government officials from ASEAN Member states to study for a graduate degree in the field of forestry in the Republic of Korea. The Landmark Scholarship Program aims to groom future leaders who will be able to maximize the forest sector's contribution to the Sustainable Development Goals (SDGs) and play an active role in the forestry sector in their home countries by engaging in the implementation and setting of related policies.

In 2018, AFoCO awarded the scholarships to three new scholarship recipients :

- Ms. Areeyapat Petcharat from Thailand (Doctoral degree program in Yeungnam University)
- Mr. Tran Hai Long from Viet Nam (Master's degree program in Seoul National University)
- Ms. Su Yi Hnin from Myanmar (Master's degree program in Yeungnam University)

AFoCO also congratulated the two scholars—Mr. Muhammad Sulaeman from Indonesia and Ms. Baisone Inthirath from Lao PDR—who completed the scholarship program in 2018.

In August, AFoCO Scholars attended a three-day workshop which included field visits to the Korea National Arboretum and other forestry institutions in Korea.



Professional Development Workshop for AFoCO Scholars

Ms. Baisone Inthirath graduated with a MSc in Forest Resources & Ecological Restoration

Landmark Program

Component 3: Restoration of Degraded Forest Regions in Cambodia, Lao PDR & Viet Nam

Establishment of Forest Genetics Center for Restoration of Major Timber Species in Cambodia (AFoCO/005/2014)

Cambodia and other regions in the Greater Mekong Subregion (GMS) lost significant forest cover over the past 30 years from 1973 to 2009. Forest cover in Cambodia was reduced by 22 % in a period between 1973 and 2010, posing threats to several species, including, and notably *Dalbergia cochinchinensis*, one of the valuable and native species in Cambodia.

This restoration project (2016-2025) aims to implement a long-term tree breeding plan for three main timber species, namely, *D. cochinchinensis*, *Dipterocarpus intricatus*, and *Pterocarpus macrocarpus*; and, strengthen the restoration and tree breeding capabilities of the Forestry Administration in Cambodia. Through a technical cooperation with the National Institute of Forest Science (NIFoS) of the Republic of Korea, the project is establishing the country's first clonal seed orchard for three major timber species in Cambodia.



Aerial photos of the project site in Khun Ream (left) and Chan Sor (right) in 2018

Major activities in 2018

- Four thousand seedlings of *D. intricatus* raised at the nursery were planted in the second project site in Chan Sor (4 ha) as part of the Progeny Test Plantation. Further, grafted seedlings of *P. macrocarpus* and *D. cochinchinensis* representing 100 mother trees were planted as part of the clonal and seedling seed orchard (3 ha).
- Plantlets in the cultural room and seedlings of orchids produced from tissue culture are being raised in the greenhouse for mass production. Protocol testing will be continuously be done for the culture of vascular plants, particularly the three species. This is complement the seed orchard.
- Training and extension programs were conducted to villagers living around the project area on the benefits of the forest, seed germination, grafting, maintaining seedlings, tree planting, forest fire suppression, and so on. The training helped to impart knowledge and awareness on forestry activities especially the tree breeding plan of the country.

- Students and lecturers from the Faculty of forestry, Royal University of Agriculture, have organized a study tour to the Khun Ream Forest Research Station. During this period, the students studied the on-going project as well as research techniques and activities that have been carried out in the field.
- Researchers from NIFoS continued providing technical backstopping to the project staff. A student from Seoul National University has been carrying out research at the project sites for his master's degree since 2017.

Rehabilitation & Development of Mangrove Forest Ecosystem in Thai Binh Province, Viet Nam (AFoCO/006/2014)

Mangrove forests play a very important role in sustaining the livelihoods of the coastal villagers in Viet Nam. They also help preserve shoreline environments and maintaining the stability of coastal land, especially from the increasing frequency of heavy floods and typhoons due to climate change. Mangrove survival in northern Viet Nam, where Thai Binh province is located, is constantly challenged by low temperatures at relatively higher latitudes. Between 2000 and 2012, the province's mangrove forests cover declined drastically by about 19%. This project (2015-2024) is aimed at rehabilitating and developing mangrove forest ecosystems in the province and will be carried out through new planting, supplementary planting (enrichment), and protection of mangrove forest; and training for capacity building and communication.

Major activities in 2018

- New planting (30 ha) and supplementary planting (30ha) of mangrove forest were complemented in Thai Thuy and Tien Hai.
- Tending work completed in 100 ha and Tending and protection of mangrove forest planted in 2017 (60 ha).
- Four communes have directed communal forest protection groups to strictly patrol the forests and promptly prevent and detect any violations to the forests. 800ha of existing mangrove forests have been well protected.
- The "Guidelines for Forest Plantation and Protection for Mangrove Forest Management and the M&E Framework in Thai Binh Province" developed in 2017 was revised and updated.



Local patrol group in front of young mangrove trees planted in 2016 and 2017 in Thuy Xuan commune, Thai Thuy district, Thai Binh province

Landmark Program

Village-Based Forest Rehabilitation in Lao PDR (AFoCO/008/2014)

The overall objective of the project (2016-2025) is to increase forest cover by the restoration of degraded forest areas, strengthen the capability of government agencies, local authority, and villagers in implementing National Forest Rehabilitation Policy and contribute to poverty reduction by providing direct income to local people, particularly, the poor.

Drawing on the ROK's experiences and expertise in national forest rehabilitation, the project is introducing a new concept of 'village-driven forest rehabilitation' in two project sites – Paksong in Champasak province and Sangthong in Vientiane capital – with a focus on capacity building to boost villagers' ownership of forests through practical methodologies.



VFDGs and VFPGs of Sangthong visiting Paksong (left) and those of Paksong visiting Sangthong (right)

Major activities in 2018

- A total of 94,300 seedlings were produced in the two project sites for ex-situ conservation plantation and enrichment planting.
- About 37 ha and 18 ha of degraded forest land have been reforested in Paksong and Sangthong respectively through the establishment of ex-situ conservation plantation, which, will also function as future quality seed sources of valuable native tree species.
- 35 ha and 30 ha of degraded forest land have been regenerated through enrichment planting by Village Forest Development Groups (VFDGs) in Sangthong and Paksong respectively, with native tree species; and.
- Village Forest Protection Groups (VFPGs) conducted regular patrolling for the whole project sites (3,020 ha) in Sangthong and Paksong. Further, consultation session by local technicians was held to train VFDGs and VFPGs, including the cross-village visits.
- The "Guidelines for Village-driven Forest Rehabilitation and the Project M&E Framework" was improved and revised with the practical data and methodologies from the two projects sites.

Regional Projects

AFoCO tackles a variety of issues pertinent to the forestry sector in close cooperation with ministries responsible for forestry in our Member Countries. Regional projects are designed to complement and enhance forest-related national policies and programs and strengthen the country's capacity to effectively deal with pressing forestry issues.

Promotion of Forest Rehabilitation in Cambodia & Viet Nam through Demonstration Models & Improvement of Seed Supply System (AFoCO/003/2014)

The project (2014-2019) aims to promote reforestation and rehabilitation in Cambodia and Viet Nam by improving tree seed supply systems. This will improve tree seed collection and nursery practices and ensure that quality seeds are readily accessible to seed users and forest restoration practitioners. Cambodia is more focused towards improving the local seed supply system and demonstration of good practices to encourage peoples, while Viet Nam focuses more on the improvement of the existing seed sources, seedling production system, and support local communities on the reforestation in a watershed area.

With the support of the project, seed sources and the supply chains for economically and ecologically important tree species will be surveyed and established across implementing countries. The demonstration models established will serve as study sites for future capacity building activities on forest restoration and rehabilitation.

Major activities in 2018

- In Cambodia, two seed production areas were developed—one ha each for the plantation of *Acacia auriculiformis* and *A. mangium* in 2017 (2 ha in total). Regular maintenance and monitoring of the area was also conducted.
- In Cambodia, maintenance and monitoring of the existing seed production area in Kbal Chhay Watershed Protected Area (10 ha), seed production areas of indigenous, high-value timber species (3 ha), and demonstration sites (2 ha) were also done timely. These include weeding, fires maintenance, refilling, and other tending operations.
- In Cambodia, 22.5 kg of superior seeds of *Dalbergia oliveri*, *Xylia xylocarpa*, and *Afzelia xylocarpa* were collected for use in the seed testing laboratory.
- Further, seed collection equipment was distributed to identified local seed suppliers for efficient collection of seeds.
- The project published a thousand copies of the book on "Direct seeding for forest restoration" in Khmer. The book is a compilation of lessons learned on forest restoration by direct seeding and includes the identified seed sources in natural forests.
- In Viet Nam, 91 ha Community-based forest management (CFM) model in Xom Khoe, *Mai Chau* -Hoà Binh, including 1 ha of medicinal trial planting (Sa nhân tím: *Amomum longiligular*) under the CFM forest canopy, 15 ha of agroforestry model, and 1 ha medicinal trial plot in Ky Son, Cao Phong, Viet Nam has been well-protected and managed.

Regional Projects

- A three-day training course on "the impact of forest rehabilitation on soil, water and biodiversity in target sites of Hoa Binh" was organized for 30 relevant participants in Hoa Binh province, Viet Nam.
- In Viet Nam, project monitoring was conducted from 21 to 25 May in 2018 to assess the project progress and help resolve issues faced during project implementation.



Identified local seed suppliers (left) and the publication "Direct Seeding for Forest Restoration" (right)

Facilitating the Participatory Planning of Community-Based Forest Management using Geographic Information System and Remote Sensing Technologies in Forest Resources Management in the Philippines, Indonesia & Thailand (AFoCO/004/2014)

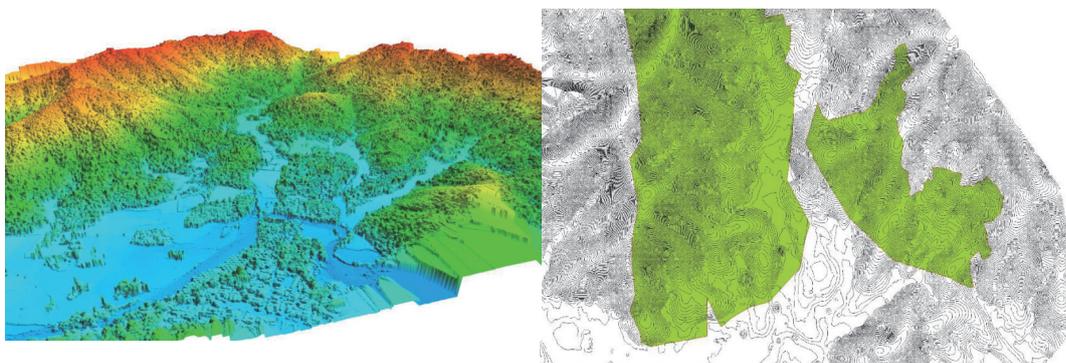
4,803 project sites covering 2.9 million hectares had been placed under the Community-Based Forest Management (CBFM) program across the country in the Philippines. Similarly, Indonesia provides legal access to communities managing state forest, through Community Forest, Village Forest, Private Forest, and People's Plantation Forest. Thailand, as part of its 2007 National Constitution (Article 56), recognizes communal rights in the conservation and use of natural resources.

CBFM is hailed by advocates for its effectiveness in promoting conservation and maintaining traditional livelihoods, while simultaneously contributing to the development of local economies. However, to manage the forest, a community-driven management plan is a must, and accordingly, technical capacities of communities needs to be strengthened, especially in areas of planning, monitoring, and implementation of forest management activities, projects, and programs.

In this context, this project (2014-2019) promotes the use of Geographic Information System (GIS) and Remote Sensing (RS) technologies in CBFM in the preparation of community-level forest management (CFM) plans by fostering the capacities of local technicians in the community. Within the framework of national programs and policies, three pilot sites were selected in each country, and the outputs of the project were identified to develop feasible and workable CFM in the future.

Major activities in 2018

- **(Plantation)** Around 123 ha plantation (30 ha in Region-1 and 30 ha Region 5, 63 ha in Region-11) have been established in the Philippines while Indonesia established an agroforestry plot for a total of 28 ha at the three (3) pilot sites. Thailand established three pilot sites: forest plantation in Nkhom (6 ha), and tree buffer zone respectively in Mae Tha and Klong Cha which separates community forest and farming areas by trees. Other structures required for establishment and maintenance of plantations such as farmer's hut and water reservoir have also been constructed.
- **(Database on management and monitoring system for the CBFM)** While Thailand pilot-tested the database for a year before the final launch in 2017, the Philippines developed the database management and monitoring system for the CBFM – People's Organizations (communities) and conducted the Users Appreciation Testing (UAT) of the database. Indonesia, on the other hand, finalized 3-D mapping using a drone in Cempaka Forestry Partnership, Lampung Province.
- **(Enterprise/livelihood development activities)** The Philippines hired an Enterprise Development Specialist to assist in the enterprise/livelihood development activities. Indonesia conducted nine (9) training/technology transfers on coffee processing at Cempaka Forestry Partnership, Pringwesu Regency, Lampung Province on 11-12 April 2018, and series of training/ technology transfer to support the development of forest-based agribusiness of the three (3) pilot sites. Thailand conducted a workshop for the selection of potential forest-based enterprise held in Bangkok on 25-26 May 2018.
- **(Advocacy activities)** Indonesia produced a Documentary video on the plantation activity and area profiling of Cempaka Forestry Partnership, and four (4) Info Brief on the technology transfer on: honey and rattan processing for supporting forest-based agribusiness, developing CBFM plan through assisted forest inventory, and incentive scheme to increase community participation in forest management at the AFoCO project sites.
- **(Capacity-building activities)** Besides the various capacity development programs implemented to fulfill the above-mentioned objectives, Indonesia organized a cross country visit for Member Countries and AFoCO to the province of West Sumatra on 1-5 October 2018 while Thailand conducted one on 5-9 November 2019 which was participated in by the representatives from the Philippines, Thailand and AFoCO.
- Project monitoring was conducted from 16 to 25 July 2018 to assess the project progress and help resolve issues faced during project implementation.



3-D mapping of Cempaka Forestry Partnership: Digital Terrain Map (left) and Contour Map (right)

Regional Projects

Developing High Valuable Species in Viet Nam & Thailand as a Mechanism for Sustainable Forest Management and Livelihood Improvement for Local Communities (AFoCO/009/2015)

The project (2015-2018) was initiated in 2015 to improve sustainable forest management and livelihood of local people in Viet Nam and Thailand through the development of high-value species. The development of suitable high-value species in each of the project sites will be utilized as a mechanism to manage forests sustainably and improve the livelihoods of the local communities. A total of 14 ha and 16 ha of planting and tending models in Viet Nam and Thailand respectively are used for local vocational training and learning sites for sustainable forest management concerning economically valuable species.

Major activities in 2018

- In Thailand, the project helped improve the livelihood of the rural people by generating additional income through the corn and pineapple plantations and sale of wild forest produce, for example, mushroom and bamboo (*Cephalostachyum pergracile* in Loei, *Dendrocalamus sericeus* in Nan) collected from the green forest near by their community;
- In Thailand, vocational training was imparted on making bamboo chopsticks besides providing them machinery for making chopsticks (cutting machine, sticking machine, arraying machine and packing machine).
- In Viet Nam, *Illicium verum* in Cao Bang province and *Cinnamomum cassia* in Bac Kan province were identified as a highly valuable species. Therefore, a series of activities were conducted to develop and improve the management of the two species. Training curricular was developed and six trainings were provided to around 180 participants; and.
- In Viet Nam, 2 ha of planting models and 5 ha of tending models of *Illicium verum* were established in Cao Bang province, and 2 ha of planting models and 4 ha of tending models of *Cinnamomum cassia* was established in Bac Kan province.



Vocational training for bamboo chopsticks in Thailand

Domestication of Endangered, Endemic & Threatened Plant Species in Disturbed Terrestrial Ecosystems in Malaysia & Thailand (AFoCO/010/2015)

The domestication of endangered, endemic, and threatened species (EETS) is known an effective approach to conserve germplasm. It also plays an important role in recovering the ecological functions of ex-mining areas. In this context, the project (2016–2022) aims to develop and transfer domestication techniques of EETS in disturbed terrestrial ecosystems and conserve biodiversity in Thailand and Malaysia. The selected EETS consisting of national and IUCN Red List species were planted in ex-mining areas of each country.

The project will strengthen bilateral cooperation between the two nations in the field of biodiversity conservation, domestication, and eco-tourism through pilot testing, workshops on the sharing of best practices and technology transfers, as well as other capacity development activities. The project is expected to enhance the capacities of Malaysia-Thailand in the reclamation, rehabilitation, and restoration of degraded forest ecosystems through the domestication of EETS, exchange of expertise, and capacity development.

Major activities in 2018

- In Thailand, 10 EETS have been planted in 5.3 ha of land in Mae Mot and Takuapa. 4,800 EETS seedlings have also been procured for future use.
- In Thailand, the manual on "Weeds at Mae Moh mine" was published in November 2018.
- Malaysia conducted the cross-visits to Bogor Botanical Gardens in Indonesia on 2–5 March 2018, while Thailand organized the Regional Workshop on "Domestication of EETS in Disturbed Terrestrial Ecosystem" from 28 November to 1 December 2018, with 43 participants from 8 countries.
- Officials from Malaysia attended and presented preliminary results of this project in the 10th International Symposium on Plant–Soil Interactions at Low pH on 25–28 June 2018 and the 28th Malaysian Society of Plant Physiology Conference on 28–30 August 2018.



Rice straw used as mulching material around the seeding base to retain soil moisture after watering (left) and bananas planted as nursing plants (right)

Regional Projects

Capacity building for Landscape Approach to Support the Sustainable Natural Resources Management in Brunei Darussalam, Indonesia, Philippines & Singapore (AFoCO/011/2016)

Forest Landscape Restoration (FLR) is a planned process targeted at regaining ecological functions and enhancing human well-being in deforested or degraded forest landscapes. The participation of local communities constitutes a key aspect of the FLR approach, from planning through implementation.

This regional project, which will be implemented from 2016 till 2019, aims to strengthen trans-boundary cooperation across the forestry sectors of ASEAN countries through the establishment of four different learning sites for increasing the local capacities in the FLR: peatland restoration with agroforestry in Indonesia, assisted natural regeneration in the Philippines, coastal forest rehabilitation in Brunei Darussalam, and urban forestry with enhancing biodiversity in Singapore.



Opening ceremony of the bunkhouse constructed for seedling storage and training purposes

Major activities in 2018

- The Philippines constructed a bunkhouse for the storage of seedlings and training. Three sessions of training on Vulnerability Assessment and Assisted Natural Regeneration were conducted with a local expert. Further, to share and learn from each other, the Philippines hosted a Cross-Country Visit on 25-28 September 2018, where a total of 16 delegates visited the 30 ha ANR demonstration learning sites in Candelaria.
- Brunei Darussalam obtained approval from the ministry to award the project to the selected contractor and accordingly, site preparation of the learning site (0.5 ha) started on 19 November 2018.
- Indonesia established Peatland Agroforestry Farmer Groups in Kalampangan and Tumbang Nusa villages to carry out agroforestry practices in peatland areas. A workshop on "Designing Community based Peat Swamp Forest Restoration" was conducted on 15 May 2018. In line with the local trainings, scientific research to identify fungus species for rapid soil decomposition was continuously conducted. Indonesia hosted the Cross-Country Visit on 20-23 November 2018, where 15 delegates visited the 4 ha demonstration site and agroforestry peatland at Tumbang Nusa Research Station, Plangya Raya – Central Kalimantan.
- Project monitoring was conducted from 24 to 31 August 2018 to assess the project progress and help resolve issues faced during project implementation.

Appendix

Summary of Financial statements



SUMMARY OF FINANCIAL STATEMENTS

I. Introduction

1. In accordance with the DECISION 8-I-18R adopted by the 1st Session of the Assembly, the functions, personnel, assets, and archives of the interim Secretariat has been transferred to the Secretariat for the Asian Forest Cooperation Organization.
2. Accordingly, the Secretariat submits to the Assembly the Annual Financial Report and audited financial statement with independent auditor's report for FY 2018 in accordance with paragraph 7.5 under the Financial Regulations of AFoCO. The reporting period is from 1 January 2018 to 31 December 2018.

II. Status of the Administrative Account for Operating Cost (Refer to Table 1)

3. The approved budget for the 2018 operating cost was US\$ 2,241,593. As the supplementary budget of US\$ 811,257.96 for the 2018 operating cost was made from the unobligated balance of 2017 operating cost, the finalized budget for 2018 operating cost amounted US\$ 3,052,850.
4. The amount of total expenditures for the 2018 operating cost was US\$ 2,515,196.9 and the total amount of unobligated balance subject to carryforward to the Working Capital Reserve was US\$ 537,653.1.

III. Status of the Special Accounts for Cooperative Activities (Project Fund) (Refer to Table 2)

5. The approved budget for cooperative activities in FY 2018 was US\$ 3,805,412. As the supplementary budget of US\$ 1,165,147 for cooperative activities in FY 2018 was made from the unobligated balance arising from the completed regional projects (US\$ 1,156,886) and special activities (US\$ 8,261) in the previous years (2013-2016), the finalized budget for cooperative activities in FY 2018 was US\$ 4,970,559.
6. The amount of total expenditures for projects in FY 2018 was US\$ 3,137,824 and the total amount of remaining balance committed for ongoing projects was US\$ 3,087,957.

IV. Status of the Working Capital Reserve (Refer to Table 3)

7. A total amount of cash surplus over expenditures carried forward to the Working Capital Reserve was US\$ 537,653.1 arising from: 1) the unobligated balance of operating cost, 2) other incomes arising from the refund of company insurance premium for the separated Staff Members, 3) the interest incomes on the Administrative Account, and 4) the interest incomes on project funds.
8. Since most of the contributions in cash from the Republic of Korea has been paid in the currency of Korean Won, the Administrative Account for the Working Capital Reserve has been established and managed separately for Korean Won (KRW) and United States dollar (US\$). The remaining balance in the Working Capital Reserve after the carryforward of cash surplus over expenditures in FY 2018 is KRW 1,955,974,971 and US\$ 283,480.48.

V. Status of Contributions from the Parties

10. As the Agreement for the establishment of AFoCO was entered into force on 27 April 2018, no Parties was obligated to pay the mandatory contribution in FY 2018 in accordance with the Financial Regulations of AFoCO.
11. In conformity with the decision of the 8th Session of the Governing Council of the ASEAN-ROK Forest Cooperation on the transitional arrangement for the interim Secretariat, the Republic of Korea, through the Korea Forest Service fully contributed the 2018 operating cost in the amount of US\$ 3,052,850 including carried forward balance from the previous year for the supplementary budget arrangement and project funds for FY 2018 in the amount of US\$ 4,970,559 including supplementary budget made from the unobligated balance arising from the completed cooperative activities.

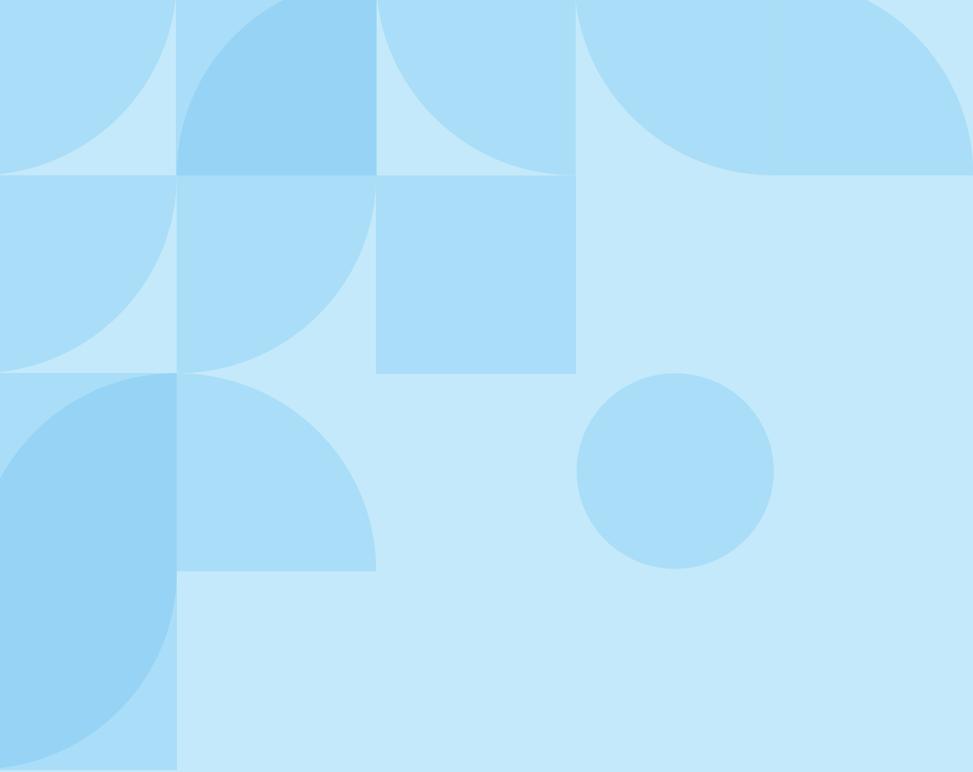
VI. Status of Investment

12. N/A

VII. Audited Financial Statement with Independent Auditor's Report

13. The financial audit was conducted for two (2) months from February 2019, and the Secretariat received an unqualified opinion from its external auditors stating that:

"the financial statements present fairly, in all material respects, the financial position of the Secretariat as of December 31, 2018, and the result of its financial performance and its cash flows operations for the year then ended in accordance with Accounting Standard for Non-Public Entities in the Republic of Korea".
14. Audited Financial Statements for FY 2018 are appended together with the Audit Report by an independent external auditor. The Financial Statements included are the Statements of Financial Position, Statements of Financial Performance, Statements of Cash Flows, and Notes to those Financial Statements for the years ended December 31, 2018 and 2017.



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