# **Annex 5. Template for Project Memorandum of Understanding**

**MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

**ASIAN FOREST COOPERATION ORGANIZATION**

**AND**

**[……Implementing Agency……]**

**FOR IMPLEMENTATION OF PROJECT:**

**[……project number……]**

**“[……project title……]”**

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| [Logo of Asian Forest Cooperation Organization] | [Logo of Implementing Agency] |

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| [Logo of Asian Forest Cooperation Organization] | [Logo of Implementing Agency] |

**MEMORANDUM OF UNDERSTANDING**

Between

ASIAN FOREST COOPERATION ORGANIZATION (AFoCO)

and

[……Implementing Agency……]

for the implementation of Project

**“[……project title……]”**

(…project number…)

1. **Introduction**

This Memorandum of Understanding (hereinafter referred to as the “MOU”) is entered into by and between the Asian Forest Cooperation Organization (hereinafter referred to as "AFoCO") and [……Implementing Agency……] (hereinafter referred to as “XXXX”), hereinafter referred to individually as “Party” and collectively as the “Parties”. The AFoCO will make available to [……Implementing Agency……], project fund up to [United states dollars …………………… only **(USD XXX,XXX.XX)**], specified under Article **[…6a…]** “Terms of Payment” of this MOU for the implementation of Project [……project number……] “**[……project title……]** (hereinafter referred to as the “Project”). The project was approved by the [……XXth……] Session of the Assembly of the AFoCO, held on [date - DD MMM YYYY], in [……venue……].

1. **Objectives**

The parties agree to undertake the activities under the terms and conditions of this MOU to meet the following objectives of the Project:

1. [……Project objective……]
2. [……Project objective……]
3. [……Project objective……]
4. **General Conditions**
5. Funds provided by AFoCO will be used by the [……Implementing Agency……] exclusively for implementation of the activities identified as per **“Attachment A”** entitled “Project Document”, which constitutes an integral part of this MOU.
6. The project information, among others, objectives, outputs, work plan, budget, implementation arrangement, monitoring arrangement and in-kind contribution by the participating countries, are given in detail in the attached Project Document.
7. AFoCO Project Manual and related guidelines as approved by the Assembly of AFoCO will be used by the […Implementing Agency……] for implementation of the project.
8. The AFoCO National Focal Point (hereinafter referred as “NFP”) of [….Participating Countries…] will coordinate and facilitate the implementation of the Project.
9. Intellectual Property Rights (hereinafter referred to as “IPR”), including copyright, transfer of genetic materials, any technological development, products or services under this MOU, carried out jointly will be jointly owned by the respective countries. For those IPR, carried out through the sole and separate effort of the individual countries under this MOU, will be owned by the Party concerned. This provision will survive the expiration or termination of this MOU.
10. All publications and technical reports resulting from implementation of the Project will carry statements of appropriate recognition to the contribution and role of Parties to this MOU and participating countries.
11. The project management personnel assigned under this MOU for the implementation of Project activities will be subjected to the regulations, responsibilities and rights referred to in the Project Manual and not be entitled to any compensation, honorarium, and/or reimbursement by the AFoCO.
12. If the continued implementation of the Project under this MOU becomes impossible or impractical, any Party concerned will, through the Secretariat, notify the other Parties its intention and reason for termination at least one (1) month prior to this effect. However, such termination of the Project will be in effect upon mutual agreement of the Parties and decision by the Assembly; and,
13. Extension of the project without additional budget may be considered upon mutual agreement of the parties.

**3.1 Role of [……Implementing Agency……]**

1. The [……Implementing Agency……] will immediately appoint a Project Manager and core project personnel in accordance with the guidelines of Project Manual and domestic regulations of the participating countries and provide a furnished office for the purpose of coordination and effective implementation of activities under the Project.
2. The [……Implementing Agency……] will open a designated project bank account in USD, in accordance with domestic regulations;
3. Upon coming into effect of this MOU, the [……Implementing Agency……], in collaboration with the participating countries, will immediately undertake necessary management actions for implementation of activities identified in the Project Document, in accordance with Project Manual and the domestic regulations. The actions will, where appropriate, begin with the formation of Project Steering Committee (hereinafter referred to as the “PSC”) and relevant inception arrangements.
4. [……Implementing Agency……], can make other legal arrangements solely for the implementation of the project, among others, service contracts, and other project-related agreements according to the annual work plan and budget. For those legal arrangements that are not stipulated in the annual work plan and budget, prior consultation with the Secretariat is required.
5. [……Implementing Agency……] will assist in arranging visas, stay permits, exit and re-entry permits to foreign officials and experts related to the Project activities to facilitate the entry into and exit from, and movement and sojourn within the country.
6. [……Implementing Agency……] will ensure exemption of tax and duties on the imported materials related to the Project in accordance with existing laws and regulations of the country.
7. [……Implementing Agency……] will ensure that the activities are implemented as effectively as possible in accordance with the Project Document. In the event of non-compliance or partial compliance with the terms of the Project Document and this MOU, the [……Implementing Agency……] will provide clarification, failing which, the payment of fund will be suspended or terminated; and,
8. Either upon completion or termination of any activities under the Project including final payment of related expenses for such activities, [……Implementing Agency……], in collaboration with the participating countries, will arrange the refund of surplus or unspent budget to the Secretariat.

**3.2. Role of AFoCO**

1. AFoCO will provide financial support for the implementation of the project.
2. The AFoCO Secretariat will provide overall administrative and technical support to ensure effective financial management and implementation of the project.
3. **Reporting**
4. [……Implementing Agency……], in collaboration with the participating countries, will ensure the submission of physical and financial reports to the Assembly through the Secretariat, every 15 January for the annual report and 15 July for the mid-year report for each implementation year in accordance with the Project Manual.
5. [……Implementing Agency……], in collaboration with the participating countries, will ensure to submit to the Assembly through the Secretariat, a completion report and a financial audit report certified by an independent auditor or a similar third party auditor within three (3) months from the completion date of the Project, during which period, it shall not be allowed to disburse any project budget for the project management;
6. [……Implementing Agency……], in collaboration with the participating countries, will ensure to maintain supporting documents showing the utilization of funds under this MOU and all other documents and records related to the activities for a period of five (5) years following the completion of the Project, during which period, the Assembly or a person designated by the Assembly will have the right to review or audit the relevant records and documents; and
7. All documents under this Project will be done in English language.
8. **Monitoring Arrangement**

The PSC will create a project monitoring team to conduct regular or annual monitoring to assess the progress of Project implementation and submit the monitoring reports to the PSC (or designated authority) in accordance with the Project Manual.

1. **Terms of Payment**

For the implementation of the activities under this MOU, the Secretariat, will make the payment as follows:

1. The fund allocation for implementation of project activities will be up to [United states dollars …………………… only (USD XXX,XXX.XX)] as specified under the budget plan of the Project Document (Attachment A).
2. The payment will be made upon the budget request by [……Implementing Agency……], in consultation with the NFP, in every six (6) months with reference to the annual work plan and budget of the Project Document (Attachment A) and the Project Manual; and
3. The Secretariat will remit the above-mentioned payments to project bank account in accordance with the banking instructions provided by the […Implementing Agency….] upon signing of this MOU.
4. **Settlement of Disputes**

Any dispute between the Parties arising out of the interpretation or execution of this MOU will be settled amicably through mutual consultations and/or negotiations between the Parties, without reference to any third party or international tribunal.

1. **Amendments**

Any amendment to this MOU shall be made upon mutual agreement by the parties through written instrument duly executed and signed. Such amendment will form the integral part of this MOU.

1. **Entry into Effect**
2. This MOU will come into effect from the date of signing by all Parties and shall remain in effect until project completion. The official starting and completion dates of the project shall be [……starting date….] and […..ending date…] respectively.
3. The MOU must be signed in two (2) original copies in English. Each Party must have one (1) copy of the duly signed MOU.

IN WITNESS WHEREOF, the undersigned, duly authorized representatives of the AFoCO and [……Implementing Agency……], have signed this MOU.

|  |  |
| --- | --- |
| Parties to this MOU | Signatures  |
| 1. Asian Forest Cooperation Organization8th Floor, 9 Gukhoe-daero 62-gil Yeongdeungpo-gu, SeoulRepublic of Korea, 07236
 | ………………………….[……name……]Executive DirectorDate: ………………….. |
| 1. [……Implementing Agency……]

[……Address……] | ………………………….[……name……][……title……]Date: ………………….. |

|  |  |
| --- | --- |
| Witness to this MOU  | Signature |
| 1. On behalf of the Government of [……Participating Country……]

[……National Focal Point……] [……Address……]  | ………………………….[……name……][……title……]Date: ………………….. |
| 1. On behalf of the Asian Forest Cooperation Organization
 | ………………………….[……name……][……title……]Date: ………………….. |

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**Attachment-A: Project Document**

**[PLEASE USE THIS TEMPLATE AS THE COVER PAGE OF THE PROJECT DOCUMENT]**

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**AFoCO Project Document**

|  |  |
| --- | --- |
| **Project code** | [……Project Code……] |

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| --- |
| **Project Profile** |
| **Project title** | **Times New Roman, Font size 14.0** |
| **Project duration** | Estimated start date: Times New Roman, Font size 12.0 Estimated end date: Times New Roman, Font size 12.0 |
| **Implementing Agency** | Times New Roman, Font size 12.0 |
| **Participating countries** | Times New Roman, Font size 12.0 |
| **Project site** | Times New Roman, Font size 12.0 |
| **Main objective** | Times New Roman, Font size 12.0 |
| **Target Area[[1]](#footnote-1)** | Primary Target Area: Times New Roman, Font size 12.0Secondary Target Area Times New Roman, Font size 12.0 |
| **Budget and source of finance** | Total: US$ Times New Roman, Font size 12.0* AFoCO: US$
* National: US$ \_\_\_\_\_\_\_\_\_\_\_\_\_
* Others: US$ \_\_\_\_\_\_\_\_\_\_\_\_ (to be specified)
 |
| **Proponent Profile** |
| **Name/ Position** |  |  |
| **Organization** |  |
| **Address** |  |
| **Contact** | Tel:  | Fax:  | Email:  |

**\*Template for Procurement Plan**

**[PLEASE ATTACH PROCUREMENT PLAN TO THE BUDGET TABLE IN PROJECT DOCUMENT]**

**Table x. Procurement Management Plan**

|  |  |  |  |  |  |  |  |  |
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| **Activity No.** | **Item** | **Unit** | **Unite Cost** | **Number** | **Total cost (USD)** | **Owner** | **Delivery Time** | **Remarks** |
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1. Refer to the list of target areas in accordance with the objectives and prevailing strategic plan of AFoCO (provided by the Secretariat) [↑](#footnote-ref-1)