
MEMORANDUM OF UNDERSTANDING

BETWEEN

REPUBLIC OF KOREA

AND

REPUBLIC OF THE PHILIPPINES

FOR IMPLEMENTATION OF ASEAN-ROK FOREST COOPERATION
PROJECT:

**“Capacity Building on the Application of Landscape Approach to Support the
Sustainable Natural Resources Management in Brunei Darussalam, Indonesia,
Philippines and Singapore”**

UNDER THE AGREEMENT BETWEEN THE GOVERNMENTS OF THE
MEMBER STATES OF THE ASSOCIATION OF SOUTHEAST ASIAN
NATIONS AND THE REPUBLIC OF KOREA ON FOREST COOPERATION





MEMORANDUM OF UNDERSTANDING

Provision of funds from the Korea Forest Service

To

Participating ASEAN Member States

for the implementation of ASEAN-ROK Forest Cooperation Project

“Capacity Building on the Application of Landscape Approach to Support the Sustainable Natural Resources Management in Brunei Darussalam, Indonesia, Philippines and Singapore”

1. Introduction

The Korea Forest Service (hereinafter referred to as "KFS") of the Republic of Korea (hereinafter referred to as the "ROK"), through the ASEAN-ROK Forest Cooperation Secretariat (hereinafter referred to as the "Secretariat"), will make available to the respective participating ASEAN Member States (hereinafter referred to as "Implementing Countries") a financial contribution specified under Article 5 "Terms of Payment" of this Memorandum of Understanding (hereinafter referred to as "MOU") for the implementation of "ASEAN-ROK Forest Cooperation Project: **“Capacity Building on the Application of Landscape Approach to Support the Sustainable Natural Resources Management in Brunei Darussalam, Indonesia, Philippines and Singapore”** (hereinafter referred to as the "Project"), which will be implemented under the framework of the Agreement between the Governments of the Member States of the Association of Southeast Asian Nations and the Republic of Korea on Forest Cooperation (hereinafter referred to as the "AFoCo Agreement"), which entered into force on 5 August 2012. The project was approved during the 6th Session of the Governing Council of AFoCo Agreement (hereinafter referred to as the "Council"), held in Bali, Indonesia, on 22 April 2015. The Forest Management Bureau of the Philippines (hereinafter referred to as "FMB") will be the lead coordinating agency of this Project.

2. General Conditions

- a) Funds provided by KFS through the Secretariat under this MOU will be used by Implementing Countries exclusively for implementation of the activities identified in the attached **“Attachment A”** entitled "Project Document", which constitutes an integral part of this MOU.

- b) The project information, objectives, outputs, work plan, budget plan, implementation arrangement, monitoring arrangement and in-kind contribution by the Implementing Countries, if any, are given in detail in the attached Project Document.
- c) FMB, in collaboration with the implementing countries, will, where applicable, ensure to follow the Operating Guidelines for implementation of the Project, as attached in the “**Attachment B**” of this MOU.
- d) The Secretariat will facilitate for effective financial management and efficient implementation of the Project.
- e) Upon coming into effect of this MOU, FMB will immediately appoint a Regional Project Coordinator and support staff under the terms and conditions identified in the Project Document and Operating Guidelines as well as in accordance with the domestic regulations of the Philippines.
- f) FMB will provide a furnished office for the purpose of coordination and effective implementation of activities under the Project.
- g) Upon coming into effect of this MOU, FMB, in collaboration with the Implementing Countries, will immediately undertake necessary management actions for implementation of activities identified in the Project Document and in accordance with the domestic regulations of each country.
- h) All intellectual property rights (including copyright) in respect of any technological development, products or services development to be carried out jointly under this MOU will be jointly owned by the respective countries. For those carried out through the sole and separate effort of the individual countries, will be owned by the Party concerned. This provision will survive the expiration or termination of this MOU.
- i) All publications and technical reports resulting from implementation of the Project will carry statements of appropriate recognition to the contribution and role of Implementing Countries and KFS.
- j) The personnel assigned under this MOU for the operation of the activities will not be entitled to any compensation or reimbursement by KFS or the Secretariat.
- k) In accordance with the provisions under Article XIV of the AFoCo Agreement, the termination of AFoCo Agreement will not affect the on-going implementation of this MOU.
- l) 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 consent by all Parties.

- m) The Implementing Countries 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 this MOU, the Implementing Countries will provide clarification, failing which, the payment of fund will be suspended or terminated.
- n) Either upon completion or termination of any activities under the Project including final payment of related expenses for such activities, the FMB, in collaboration with the Implementing Countries, will arrange the refund of surplus or unspent budget to the Secretariat.

3. Reporting

- a) FMB, in collaboration with the Implementing Countries, will ensure to submit to the Council through the Secretariat annual progress reports and other reports such as study reports, workshop reports and technical/thematic papers within one (1) month after the completion of each activity.
- b) FMB, in collaboration with the Implementing Countries, will ensure to submit to the Council through the Secretariat, regular progress reports every six (6) months.
- c) FMB, in collaboration with the Implementing Countries, will ensure to submit to the Council through the Secretariat, a final project completion report within three (3) months after the completion of the last activity of Project.
- d) FMB, in collaboration with the Implementing Countries, will ensure to submit to the Council through the Secretariat, financial status report which comprises balance sheet, statement of cash flow and statement of expenditures on quarterly basis.
- e) FMB, in collaboration with the Implementing Countries, will submit to KFS and Council, a final audited statement of accounts and an itemized statement of expenditures certified by an independent auditor or a similar third party auditor within three (3) months, following the completion of the last activity of project.
- f) FMB, in collaboration with the Implementing Countries, will ensure to maintain supporting documentation showing the utilization of funds under this MOU and all other documentation and records related to the activities for a period of five (5) years following the completion of the activities, during which period, the Council or a person designated by KFS will have the right to review or audit the relevant records.
- g) All documents and reports will be done in English language.

4. Monitoring Arrangement

Subject to approval by the Council, an independent monitoring team will be organized by the Secretariat to assess and evaluate the Project for the successful implementation of the Project.

5. Terms of Payment

- a) For the implementation of the activities under this MOU, the Secretariat, in accordance with the provision under 2 (a), will make the payment as follows:
 - i. The payment will be made upon the recommendation by FMB on the financial request officially submitted by the Implementing Countries in every six (6) months with reference to the work and budget plan of the Project Document (**Attachment A**) and the Operating Guidelines (**Attachment B**); and
 - ii. The fund allocation for implementation of activities in the Implementing Countries will be up to **Five Hundred Thirty Nine Thousand and Seven Hundred Twenty Six United States Dollars (USD 539,726.00)** as specified under the budget plan of the Project Document (**Attachment A**).
- b) The Secretariat will remit the above-mentioned payments in accordance with the banking instructions provided by the Implementing Countries.

6. 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.

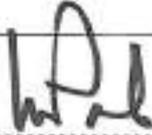
7. Amendments

Any amendment to this MOU will be effected by consensus among the Parties.

8. Coming into Effect

- a) This MOU will come into effect from the date of signing by all Parties.
- b) The MOU must be signed in three (3) original copies in English. Each Party must receive one (1) copy of the duly signed MOU.
- c) FMB, will enter separate Project Implementation Agreement with other implementing countries on the implementation of the Project activities in respective Implementing Countries.

IN WITNESS WHEREOF, the undersigned, duly authorized thereto by their respective Governments, have signed this MOU.

Parties to this MOU	Signatures
<p>1. International Affairs Bureaus Korea Forest Service 189 Cheongsa-ro, Seo-gu Daejeon Metropolitan City Republic of Korea, 35208</p>	<p> KIM, YONGKWAN Director General Date: <i>30. March. 2016</i></p>
<p>2. Forest Management Bureau Visayas Avenue, 1100, Diliman, Quezon City Republic of the Philippines</p>	<p> CALDERON, RICARDO L. Director Date: <i>30. March. 2016</i></p>
<p>3. ASEAN-ROK Forest Cooperation Secretariat 8th Floor, 9 Gukhoe-daero 62-gil Yeongdeungpo-gu, Seoul Republic of Korea, 150-874</p>	<p> HADI S. PASARIBU Executive Director Date: <i>30. March. 2016</i></p>

PROJECT DOCUMENT

PROJECT TITLE : CAPACITY BUILDING ON THE APPLICATION OF LANDSCAPE APPROACH TO SUPPORT THE SUSTAINABLE NATURAL RESOURCES MANAGEMENT IN BRUNEI DARUSSALAM, INDONESIA, PHILIPPINES AND SINGAPORE

1. BACKGROUND AND RATIONALE

The world's forest cover had a total of 4,128 million hectares in the year 1990 which decreased to 3,999 million hectares by the year CY 2015. Most of the forest cover comprises of natural forest with a total of 3.7 billion hectares as of the year CY 2015, with Europe being the largest having an approximately 900 million hectares. Of the world's natural forests, South America holds the record of the largest loss in natural forest with an estimated 2.1 million hectares per year while East Asia holds the record of the largest increase in natural forest area of about 450, 000 ha per year(FAO 2015).

Asia's natural resources are among the richest and most diverse in the planet. The region holds 20% of the world's biodiversity, 14% of the world's tropical forests, and 34% of global coral resources, including the greatest number of marine species in the world (<http://www.adb.org/features/natural-resources-conservation-asia-adbs-take>).

Natural resources are the basis of livelihoods and economies of every nation in Asia. Given the rich cultural, social, political, and biophysical diversity across Asia, the professionals working in natural resources management need a strong working knowledge of several interrelated sciences (<http://www.serid.ait.ac.th/wpserd/natural-resources-management/>).

For 25 years there had been a significant decrease in global carbon stocks in forest biomass by almost 17.4 giga tons mainly caused by forest conversion and degradation (FAO 2015). It was hypothesized that those in the countries with abundant resources tend to over exploit such resources. For example, in Asia, widespread deforestation was a result of population growth and development. In southeastern Asia, shifting cultivation, colonization, commercial development, trade and population are drivers of deforestation. In fact, an approximate of 40 million hectares of forest was cleared during the period of the late nineteenth centuries to early twentieth centuries (FAO, 2012). Nevertheless, such countries are providing continuous efforts in enforcing sustainable forest management in order to regain the losses and provide resources for the future generations.

Several approaches have been developed to improve natural resources management. Review of these approaches reveal that despite being applied in various degrees and context, said approaches share basic development principles that aims to address the social, economic and environmental objectives.

The Ridge to Reef (R2R) approach is scalable, in that it allows for a wide range of interventions and system-wide analysis (Guiang and Aragon, June 2014). Ecosystem-based management is an environmental management approach that recognizes the full array of interactions within an ecosystem, including humans, rather than considering single issues, species, or ecosystem services in isolation

(Christensen *et al.* 1996, McLeod *et al.* 2005). The Integrated Ecosystem Management (IEM) approach is based on the ecosystem approach adopted by the Convention on Biological Diversity. It aims at integrating land, water and living resources management to promote conservation and sustainable use in an equitable way (https://www.thegef.org/gef/knowledge_series/land_degradation/India). “Landscape approaches” seek to provide tools and concepts for allocating and managing land to achieve social, economic, and environmental objectives in areas where agriculture, mining, and other productive land uses compete with environmental and biodiversity goals.

The evolution of integrated conservation and development projects and ecosystem approaches toward landscape approaches has been incremental. The main substantive innovations have been the recognition of the need to address the complex interactions between different spatial scales, and the need to embrace the full complexity of human institutions and behaviors (Sayer *et. al.*, 2012).

The de facto use of landscape approaches by most conservation organizations has evolved from the dominant paradigm of the late 20th century of integrated conservation and development projects. Landscape approach reconciles conservation and development through interventions in different components of a landscape matrix—some of which are managed toward livelihood development goals and others for conservation.

Landscapes are multifunctional as they provide various services to human such as food, water, shelter, livelihood which contributes to economic growth and human well-being. Moreover, they provide balance environment amongst diverse species helpful for biodiversity conservation. The ecological balance of landscape is more influenced by human intervention operating as external agents. Through landscape we can visualize the advantages of combined natural resources, environmental and livelihood management. (<http://www.forestlandscaperestoration.org/tool/our-approach-landscape-approach>)

More recently, the landscape concept had been central to some major international conservation initiatives. For instance, the Congo Basin Forest Partnership articulates its programs around 12 priority landscapes (<http://carpe.umd.edu/works/landscape>). The Worldwide Fund for Nature has advocated the conservation of forests in a landscape context since at least 2003, and has configured a significant part of its conservation portfolio into a series of Global Initiatives, several of which work at landscape scales and address social and institutional issues. The World Bank is building partnerships both globally and through country-specific programs to promote integrated landscape solutions to agriculture, rural development and broader ecosystems management challenges. For example, the Program on Forests (PROFOR), a multi-donor partnership housed at the Bank, is working to mobilize additional investment in trees and landscape restoration in Africa, among many other projects (Sayer *et-al.*, 2012).

Landscape approach can provide a practical solution to achieve goals of biodiversity conservation, rural development and food security (Kusters, 2014). The variety and complexity of available approaches to natural resources management, the need to increase the capacities of natural resources managers and technicians are still evident. Majority of learning experiences are project driven and sustainability of knowledge gain remains in question vis-à-vis application and integration to the actual development plans of the subject landscape.

2. PROJECT INFORMATION

2.1. Guiding Principles

In the implementation of the Project, the ten (10) principles to landscape approach adopted by the Subsidiary Body on Scientific, Technical and Technological Advice of the CBD shall be considered as follows:

Principle 1: Continual Learning and Adaptive Management - With the changes and development in the landscapes, first hand practitioners must be able to understand and learn the dynamics of landscapes, adapt, and be open to new technologies.

Principle 2: Common Concern Entry-Point - Variables of a landscapes vary between different stakeholders, which is why the entry point must be people-oriented concretely addressing the common concerns in a short time.

Principle 3: Multiple Scale - Strengthening and widening the function and involvement of the stakeholders in the management of landscapes covering both the ecological dynamics and socio-economic benefits of landscapes.

Principle 4: Multi-Functionality - The “multi-functionality” of landscapes must be able to cater both social and ecological objectives without compromising the diversity and productivity of landscapes. Therefore, a sustainable management of landscapes must be applied.

Principle 5: Multi-Stakeholder - Different stakeholders, whether directly or indirectly affected, must have a harmonize relationship as to achieve equality, equity, and good governance towards a sound management of landscapes.

Principle 6: Negotiated and Transparent Change Logic - a collaborative and transparent trust building and priorities setting must be agreed upon together with the stakeholders, managers and decision-makers to achieve their goals.

Principle 7: Clarification of Rights and Responsibilities - Institutional arrangements to the access and rights of various stakeholders to the resources and management of the landscapes must be well defined.

Principle 8: Participatory and User-Friendly Monitoring - collaborative monitoring and evaluation of landscape changes with the stakeholders are necessary to cater their evolving needs and at the same time addressing biodiversity conservation.

Principle 9: Resilience - Keeping the biological diversity of landscapes through development of the adaptive capacity of institutions to improve the landscapes resilience from the impacts of environmental, economic, and political changes.

Principle 10: Strengthened Stakeholder Capability - There is a need for the involved stakeholders to be equipped with knowledge in achieving sustainable, resilient, and multi-functional landscapes.

2.2. Regionality

Drawing from a definition of an ecosystem, these landscapes or ecosystems share commonalities of having communities that are either solely dependent or have stakes in various degrees in term of economic, environmental and socio-cultural aspects.

The ASEAN region comprises 4.46 million square kilometers or only 3% of the world’s total land area. Even so, the region is gifted with three mega biodiversity countries, namely Indonesia, Malaysia, and Philippines. Being located in the tropics, the region is blessed with abundant natural resources. (<http://environment.asean.org/about-us-2/>)

While having abundant natural resources, ASEAN Member States (AMS) share the same concerns pertaining presence of communities dependent in these resources. As presented in StatisticsTimes.com, the total population of ASEAN region is 538.4 million as of CY 2015 (**Table 1**). With this great number of population, realities would dictate that different ecosystems, especially the upland areas, are inhabited by indigenous peoples and upland migrants. This situation calls for a strategy to incorporate the natural resources dependent communities as partners in ecosystems' restoration, rehabilitation and protection. Given this scenario, there is a need to apply a comprehensive approach such as landscape approach as a strategy to restore the forests.

Table 1. Demography of ASEAN countries

Country	Population
Brunei Darussalam	428,539
Cambodia	15,677,059
Indonesia	255,708,785
Lao PDR	7,019,652
Malaysia	30,651,176
Myanmar	54,164,262
Philippines	101,802,706
Singapore	5,618,866
Thailand	67,400,746
Viet Nam	93,386,630
ASEAN total	630,858,421

Source: StatisticsTimes.com, 2015

2.3. Participants

Brunei Darussalam, Indonesia, Philippines and Singapore (BIPS) as the implementing AMS are expected to render active and sustained participation in the Project with the Republic of Korea (ROK) as an important partner for the exchange of technologies, knowledge and experiences in landscape approach as a whole. Likewise, other non-implementing AMS will take part in the knowledge exchange and experiential learning through their participation in the regional workshop.

Likewise, provision of technical assistance from domestic and international forestry and natural resources management experts and institutions (from the academe and other international development organizations) including other forms of support from key stakeholders such as the local government units and relevant non-government organizations will be encouraged and developed through the Project.

The active participation of various stakeholders in different countries is necessary for the successful implementation of the in-country level project. Some of these important stakeholders, their roles and institutions are summarized in **Table 2** below.

Table 2. Stakeholder with Respective Roles and Institutions

Stakeholder Group	Roles	Institutions
Community/village members, organizations	Manage the designated forest areas with tenurial instrument; share indigenous/traditional knowledge or skills on forest management	People's organizations, Community/village organizations,
Department or Ministries on Forestry, Environment and Natural Resources	Provision of funding support and technical assistance; policy direction; issue land permit to use or manage	Forestry agencies at various levels (national, sub-national and local)
Other national government departments/ministries	Provision of support for the management and protection of natural resources	Other relevant government agencies at various levels (national, sub-national and local)
Local Government Units	Administration of forest areas; management regulations Provision of information and funding support; Community development; Infrastructure development	Local Government Offices at various levels (village, municipal or provincial)
Civil Society Organizations	Provision of information Development of sustainable forest management systems capacity building and advocacy for communities, source of funds	NGOs, Churches, Youth, etc.
Development partners	Provision of funding support, Advocacy for institutional and policy reforms	Asian Development Bank, World Bank, FAO-UN, GIZ, ITTO, CIFOR, donor countries, etc.
Academic Institutions and Research agencies	Analysis of programs, Provision of information on all aspects of programs. Provision of information Development of sustainable forest management systems	Relevant Colleges and Universities Public and Private research entities

3. GOAL, OBJECTIVES AND OUTPUTS

3.1. Goal

This cooperation Project primarily aims to strengthen trans-boundary cooperation of respective forestry sector within ASEAN countries through the application of landscape approach in natural resources management.

3.2. Objectives

Specifically, the Project intends to:

3.2.1. Recognize and contribute in addressing wide range of natural resources management issues and concerns across different ecosystems in the implementing AMS countries as follows:

- 3.2.1.1. Erosion and forest fires in established forest reserve (beach forest);
 - 3.2.1.2. Conversion of peatland forest in favor of the establishment of oil palm and pulpwood plantations;
 - 3.2.1.3. Impending loss of selected commercially important tree species within natural forest;
 - 3.2.1.4. Varying interests on the management of natural forest; and
 - 3.2.1.5. The natural forest has reduced to cater for rapid housing, infrastructural, economic and industrial development.
- 3.2.2. Assess the management compatibilities of communities/stakeholders within a specific landscape and its interrelationships (pros and cons) between and among landscapes in a Ridge to Reef horizon.
- 3.2.3. Capacitate respective forestry sector technicians through formal and experiential learning on RRR-DFE following the landscape approach.

3.3. Expected Outputs and Impact

Upon completion, the proposed Project is expected to yield the following outputs/deliverables namely;

- 3.3.1 Establishment of model/demonstration site for future replication/adoption;
- 3.3.2 Demonstration plots/learning areas in various landscapes within implementing AMS countries properly maintained and protected by the concerned stakeholder;
- 3.3.3 Capacity building activities and its corresponding training modules relative to the application of landscape approach to RRR-DFE among implementing AMS countries;
- 3.3.4 Regional workshop and cross country visits as venue for sharing of experiences between and among implementing AMS countries on Project learning and future directions;
- 3.3.5 Documentation reports relative to the lessons and experiences of the Project that will serve as reference in the development of future policy directions by the implementing AMS countries;
- 3.3.6 Comparative assessment of management capabilities across communities/ stakeholders and landscapes; and
- 3.3.7 Experiential learning modules (focus is on knowledge and skills acquisition within an established/existing learning sites)

4. PROJECT CONTEXT AND WORK PLAN

4.1. In-Country Project Perspective

Specific to each BIPS country, this Project will be implemented within the context of differentiated environmental and developmental concerns which cut across the different ecosystems, as follows:

4.1.1. In **Brunei Darussalam**, certain beach forest, particularly in Berakas Forest Reserve categorized also as a recreational and rehabilitation forest area, can be found 18 kilometers from the capital. The total area of forest reserve inclusive of the park is about 348 hectares. Said beach forest is being threatened due to **erosion and forest fires**. It has been left to regenerate, however due to natural hazards, the ecosystem has been affected.

4.1.2. Tropical peatlands in Southeast Asia, including peat swamp forests (PSF), are facing crisis of disappearance due to human impacts. Southeast Asia undisturbed peatland area were estimated 19.93 - 32.94 million hectares where the majority (approximately 20 million hectares) found in Indonesia (Sumawinata and Darmawan, 2009). The Indonesian PSF were excessively logged and opened for establishment of oil palm and pulpwood plantations. Deforestation and PSF degradation, in this regard, have caused catastrophic effects on environment and society, such as increasing greenhouse gasses emission, haze pollution, drought, flooding, biodiversity loss, poorer local livelihood and worse community health. Page et al. (2002) estimated that carbon emission from Indonesian peatlands was approximately 2.57 Gt C per year.

4.1.3. Over the years, the massive change in Philippine landscape can be gleaned in relation to the changes in forest areas. The country suffers from severe deforestation which resulted to rapid decrease by nearly 50% in forest cover from 1970 to 2000 (Aquino et al, 2014).

One of the unique features of forest resources is that multiple stakeholders are associated with its multiple uses and represent local to global interests. Efforts towards sustainable forest management **need to consider these varying interests, without marginalizing the concerns of the local communities, especially those whose lives depend on these resources for survival**. This calls for the development and institutionalization of social processes that will ensure that the local communities and other legitimate stakeholders are able to participate meaningfully in decision making concerning forest management and benefit sharing from forests (Rebugio *et. al*, 2010).

4.1.4. Singapore is known to be one of the most densely populated countries in the world. The natural forest area in Singapore has reduced to cater for rapid housing, infrastructural, economic and industrial development since the 19th and 20th centuries. Although forest now covers only a small percentage of the land area, and commercial forestry is non-existent, a very high proportion of the residents in Singapore interact with the existing forests on a regular basis. Whereas forest(ry) is important but distant for many citizens of ASEAN countries with much higher forest cover, in Singapore the daily comfort of every resident depends on the city's trees. To aid in the enhancement of quality of life in Singapore, efforts in Singapore's management towards urban forest(ry) are increasingly tailored towards habitat enhancement, restoration and rehabilitation of degraded ecosystems with greater emphasis on the use of native species. Nature Reserves, as well as public parks, park connectors and roadside greenery enhance the human

and natural environment. Singapore’s landscape has transformed to one where greenery and urban forestry are important features.

4.2. Work Plan

Correspondingly, this Project shall have the following major activities to be implemented for duration of three (3) years with actual timeline indicated in **Annex 1**:

- 4.2.1. Establishment of demonstration plots/learning areas in various landscapes within implementing AMS, i.e. natural, degraded, peat land/swamp, urban and mangrove forest;
- 4.2.2. Capacity building of respective forestry sector technicians through formal and experiential learning on RRR-DFE following the landscape approach;
- 4.2.3. Sharing of experiences between and among implementing AMS on Project learning and future directions; and
- 4.2.4. Documentation and packaging of lessons and experiences of the Project.

5. MANAGEMENT AND IMPLEMENTATION ARRANGEMENTS

This Project will be led by the Philippines through the Department of Environment and Natural Resources – Forest Management Bureau (DENR-FMB). The ASOF leader will take the responsibility of the project in each implementing AMS. Each of the implementing countries will be responsible for the implementation of the Project at the country level. ROK, will provide support to project implementation through its able contribution in capacity building activities.

5.1. Management Arrangements

5.1.1. Regional Project Level Management

At the regional level, a Regional Project Coordinator and its technical and administrative support staff complement will be assigned from the pool of DENR-FMB staff to supervise, monitor and evaluate country project outputs towards regional-level outcomes, including implementation of the project. The Regional Project Coordinator will also be the Country Project Coordinator for the Philippines. Such roles and responsibilities are as follows:



- 5.1.1.1. Management of project office, staff and financial matters to ensure the operation of the Project and delivery of service at the highest possible standard and quality;
- 5.1.1.2. Coordination with the relevant officials and focal points from the implementing countries for efficient operation of the Project;
- 5.1.1.3. Ensure timely implementation of the activities at the national and regional levels identified in the Project document;
- 5.1.1.4. Provide guidance and assistance in organizing activities, workshops and training courses of the Project;
- 5.1.1.5. Review and submit regular and special reports of the project through AFoCo secretariat to the Governing Council of the AFoCo Agreement;
- 5.1.1.6. Prepare and submit financial report including itemized statement of expenditures to the AFoCo Secretariat in a timely manner as required in the implementation of the Project;
- 5.1.1.7. Maintain record of activities implemented and accomplished including technical documents, recommendations and consultancy reports;
- 5.1.1.8. Ensure managerial and financial accountability in accordance with the Project criteria and existing operational guidelines of the AFoCo Agreement;
- 5.1.1.9. Facilitate the provision of financial support to implementing AMS upon submission of their respective budget requests for approval of the RPMO and eventual release of fund thru the AFoCo Secretariat; and
- 5.1.1.10. Perform other duties as may be assigned as appropriate in implementing the Project.

5.1.2. Country Project Level Management

At the level of implementing AMS countries, existing forestry organization will be utilized to ensure the smooth implementation of the project activities and submission of reportorial requirements. A Country Project Coordinator and project site coordinator including its support staff will be designated by the concerned forestry organization with the duties and responsibilities stated below (5.1.2.1 to 5.1.2.8). Whenever feasible or as necessary, implementing countries may also create their dedicated project organization to be drawn-up from their existing forestry organization or financed through its own resources to be created as counterpart (in-kind) contribution to the project.

- 5.1.2.1. Overall supervision and management of project office, staff and financial matters to ensure timely, efficient and effective implementation of project activities in their respective countries;
- 5.1.2.2. Ensure the timely implementation of the activities identified in the Project document in their respective countries;

- 5.1.2.3. Provide guidance and assistance in the implementation of project activities in their respective countries;
- 5.1.2.4. Review and submit periodic accomplishment reports of the project to the Regional Project Coordinator and AFoCo Secretariat;
- 5.1.2.5. Maintain record of activities implemented and accomplished including technical documents, recommendations and consultancy reports;
- 5.1.2.6. Ensure managerial and financial accountability in accordance with the Project criteria and existing operational guidelines of the AFoCo Agreement;
- 5.1.2.7. Submit budget request, financial reports and liquidations based on the approved Work and Financial Plan (WFP); and
- 5.1.2.8. Perform other duties and responsibilities as may be deemed as appropriate.

5.1.3. Implementation Arrangements

The Project will involve international and international researchers and experts on landscape approach in support to natural resources management from international and national agencies. The project will involve local communities and other concerned stakeholders including government agencies and non-government organizations especially those within the vicinity of to be established demonstration plots/learning areas.

The main responsible agency for the implementation of the Project is the Department of Environment and Natural Resources – Forest Management Bureau (DENR-FMB) for the Philippines and its counterpart in all implementing AMS countries to the Project.

To ensure that domestic needs and priorities of each of the implementing AMS countries are considered in project implementation, a Project Coordination Committee (PCC) will be created to be composed of AFoCo Focal Persons and Country Project Coordinators in each implementing country to be headed by the ASOF Leader of the Philippines. Said Committee will meet at least a year or as necessary.

5.2. Monitoring and Evaluation

Monitoring and Evaluation (M & E) is an embedded concept and constitutive part of the project. Monitoring activities will be done to determine if the project is proceeding based on the identified activities and schedules. While during an evaluation, information from previous monitoring activities will be used to understand the ways in which the project should proceed and whenever adjustments have to be taken. Further, evaluation process will be an analysis or interpretation of the collected data which delves deeper into the relationships between the results of the project, the effects produced by the project and the overall impact of the project. M & E will be done internally by the respective project management offices and independently through the Task Force for the Assessment of the current AFoCo Agreement, or similar bodies to be created for the same purpose.

Quarterly monitoring and evaluation will be conducted by the Regional Project Coordinator through submission of quarterly progress reports of each implementing AMS. Further, field monitoring and evaluation shall be conducted by the respective Country-level Project Management of implementing AMS covering plan implementation.

To ensure effective and efficient monitoring of project implementation, performance indicators as well as process indicators for milestone accomplishments shall be developed based on the Project's approved Work and Financial Plan (WFP) of each implementing countries.

5.3. Reporting

The project will follow the standard in reporting for AFoCo and all documents and reports will be done in English language. Reporting submissions are as follows:

- 5.3.1. The Implementing AMS will submit financial status report which comprises balance sheet, statement of cash flow and statement of expenditures, on quarterly basis, to the Regional Project Coordinator for monitoring purposes.
- 5.3.2. The Implementing AMS will submit to the Governing Council of the AFoCo, every six (6) months regular progress reports and activity reports such as workshop reports within one (1) month after the completion of each activity.
- 5.3.3. As the outputs of project implementation, all workshop materials/technical documents will be produced and disseminated. The workshops and trainings will also provide policy brief, if needed.
- 5.3.4. The Implementing Countries will submit through the secretariat to the Council a final project completion report within three (3) month after the completion of the last activity of the project.
- 5.3.5. The Implementing Countries through the Secretariat will submit to the KFS and Council a final audited statement of accounts and an itemized statement of expenditures certified by the auditor following the completion of the last activity of the project.

6. INDICATIVE BUDGET

The Project will entail a total budget cost of USD 539,726.00 to be spent for the implementation of five (5) major components broken down under Table 3. Detailed Budget Breakdown by country, by component and by year is in **Annex 1**.

Table 3. Budget breakdown

Project Component	Budgetary Requirement (USD)	Implementing Countries			
		Brunei	Indonesia	Philippines	Singapore
1.Establishment of demonstration plots/learning sites	225,000	75,000	75,000	75,000	
2.Trainers Training on Urban Forestry and Biodiversity Conservation	62,340				62,340
3.Regional Workshop for the sharing of experiences and lessons learned among implementing AMS countries	78,260			78,260	
4.Visit to selected implementing AMS	60,800	15,200	15,200	15,200	15,200
5. Project Management, Supervision and Financial Audit	113,326	22,546	22,546	45,688	22,546
GRAND TOTAL	539,726	112,746	112,746	214,148	100,086

On the other hand, the financial contribution equivalent to one percent (1%) from the implementing countries shall be in a form of in-kind contribution such as personnel attribution, provision of office space including utilities for the project management offices and including other logistical support.

Below is the estimated time attribution of designated project staff in each project activity for each implementing country. The number of man-days may change vis-à-vis progress of implementation and/or corresponding revision of project activities and timelines.

Activity	Project Staff to be involved (per R/CPMO)	Time attribution (in man-days)	Remarks
1. Establishment of demonstration plots/ learning sites	Project Coordinator, Focal Person and support staff	75	Provision of technical and administrative assistance in the conduct of activity orientation, site identification, training and actual establishment
2. Trainers Training on Urban Forestry and Biodiversity Conservation	Project Coordinator, Focal Person and support staff	15	Provision of technical and administrative assistance during pre, actual and post training

Activity	Project Staff to be involved (per R/CPMO)	Time attribution (in man-days)	Remarks
3. Regional Workshop	Project Coordinator, Focal Person and support staff	15	Provision of technical and administrative assistance during pre, actual and post workshop
4. Visit to selected implementing AMS	Project Coordinator, Focal Person and support staff	15	Provision of technical and administrative assistance during pre, actual and post visit
5. Project Management and Supervision	Project Coordinator, Focal Person and support staff	105	Provision of technical and administrative assistance at the different stage of the Project.
Total		225	To be distributed over the 3-year period of Project Implementation

The preceding computation includes only the attribution of Project Management Staff and is on top of the attribution from other personnel either directly or indirectly involved in the project during the course of project implementation (e.g. Technical personnel and Finance Officers).

7. SUPPORT INFORMATION

7.1. Sustainability

The completion of the Project will sustain collaboration among the Implementing Countries in the field of Landscape Approach and Sustainable Natural Resources Management. In each project area, the demonstration site will be developed within an established tenured area. Hence, an accountable forest/resource manager will share the responsibility in the maintenance and protection of development intervention brought about by the Project. For this, an appropriate management/sustainability arrangement will form part of the formal agreement between the tenure holder/ forest manager and the respective implementing institution.

Moreover, the project area being a demonstration/model site will trigger replication or adoption in similarly situated areas through experiential learning in capacity building activities, i.e. practicum and cross farm/site visits.

The project will also envision mainstreaming the knowledge product developed under the project to the overall implementation of sustainable natural resources management initially in the BIPS countries and in other AMS. A process documentation activity shall be conducted to ensure proper recording of lessons learned during project implementation.

7.2. Potential Risk and Mitigation Strategy

There are several possible risks that may be encountered in the Project, to wit:

- Inadequate participation among the cooperating institutions in the respective Implementing Countries
- Difference in socio-political condition of proposed sites among the Implementing Countries

To mitigate the impacts of the said risks, project supervision and coordination at the regional and country levels will be strengthened and sustained throughout the project implementation period. Similarly, efforts to narrow limitations in terms of the gaps identified among implementing countries will be addressed in all potential venues, such as regional workshops and cross country visits and relevant project activities.

7.3. Potential Gender, Environment and Social Impacts

Potential gender, environmental and social impacts will be addressed through the following strategies:

- Encouraging wider participation of the forest dependent communities and other stakeholders
- Participation of both women and men without giving any privilege to any social groups
- The participation of relevant stakeholders in the whole cycle of the project implementation

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Operating Guidelines

For Implementation of Regional Cooperation Projects

“Capacity Building on the Application of Landscape Approach to Support the Sustainable Natural Resources Management in Brunei Darussalam, Indonesia, Philippines and Singapore”

under the Agreement between the Governments of the Member States of the Association of Southeast Asian Nations and the Republic of Korea on Forest Cooperation

March 2016

I. Definition

1. For the purpose of applying these Operating Guidelines:

- a) "AFoCo Agreement" means the "Agreement between the Governments of the Member States of the Association of Southeast Asian Nations and the Republic of Korea on Forest Cooperation" that was signed on 18 November 2011 in Bali in Indonesia and entered into force on 5 August 2012.
- b) "Council" means the Governing Council established under the AFoCo Agreement.
- c) "Executive Director" means the head of the Secretariat established under the AFoCo Agreement.
- d) "Implementing Agency" means an agency nominated by the Implementing Country for implementation of the project activities in the country.
- e) "Implementing Country" means a party to the Memorandum of Understanding (MOU)/ Project Implementation Agreement (PIA) of the Project, who is responsible for implementation of activities under the Project.
- f) "Implementation Agreement" means an agreement signed by the respective parties for implementation of the Project under the specific terms and conditions.
- g) "Project" means cooperation Project entitled "Capacity Building of the Application of Landscape Approach to Support the Sustainable Natural Resources Management in Brunei Darussalam, Indonesia, Philippines and Singapore" approved by the "Council" to be implemented under the framework of the AFoCo Agreement.
- h) "Project Coordinator" means a person-in-charge appointed through the Project Implementation Agreement (PIA)/Memorandum of Understanding (MOU), based on the nomination of Implementing Country for coordination and financial management of the project at regional level.
- i) "Project Personnel" means any personnel appointed, hired or assigned for implementation of the project activities.
- j) "Secretariat" means the Secretariat established under the AFoCo Agreement.

II. Introduction

- 2. The Guidelines will be applied for operation of the Project "Capacity Building of the Application of Landscape Approach to Support the Sustainable Natural Resources Management in Brunei Darussalam, Indonesia, Philippines and Singapore".

3. The Project will be implemented in accordance with the respective Implementation Agreement within the scope of the objectives and the framework of the AFoCo Agreement.

III. Scope and Purpose

4. The Guidelines cover the basic conditions of entitlements and obligations of Project Personnel as well as fund management procedure to be applied in carrying out the activities of the Project. The Guidelines will be applied in accordance with the institutional regulations and national laws of the Implementing Country.
5. In case of difference or dispute arising from the application of Project Document and the Guidelines (**Attachments A and B** of the MOU), the latter will prevail in order to maintain consistency in Project implementation.

IV. Staff management

4.1 Status, Duties and Obligations

4.1.1 Status of Project Personnel

6. The Project personnel who are existing personnel from respective forestry office of Implementing Countries will be designated to work for the Project.

4.1.2 Duties and obligations of Project Personnel

7. By accepting such designation the said Project personnel will render services for the Project over and above his/her regular functions, and will have the following duties and obligations:
 - a) Will work under the Implementing Country who has ultimate responsibility for the implementation of Project activities;
 - b) Pledge themselves to discharge their functions efficiently and uphold the highest standards of competence, integrity and respect for all cultures; and
 - c) For the purpose of Project coordination, monitoring and financial management at the regional level and country level, the lead coordinating country as well as the other Implementing Countries will designate their respective Project Coordinator.
8. Under the over-all guidance of the Director of the Forest Management Bureau (FMB) and in close consultation with the Executive Director of the AFoCo Secretariat, the Regional Project Coordinator will be responsible for:
 - i. Management of project office, staff and financial matters to ensure the operation of the Project and delivery of service at the highest possible standard and quality;
 - ii. Coordination with the relevant officials and focal points from the implementing countries for efficient operation of the Project;

- iii. Ensure timely implementation of the activities at the national and regional levels identified in the Project document;
 - iv. Provide guidance and assistance in organizing activities, workshops and training courses of the Project;
 - v. Review and submit regular and special reports of the project through AFoCo secretariat to the Governing Council of the AFoCo Agreement;
 - vi. Prepare and submit financial report including itemized statement of expenditures to the AFoCo Secretariat in a timely manner as required in the implementation of the Project;
 - vii. Maintain record of activities implemented and accomplished including technical documents, recommendations and consultancy reports;
 - viii. Ensure managerial and financial accountability in accordance with the Project criteria and existing operational guidelines of the AFoCo;
 - ix. Facilitate the provision of financial support to implementing ASEAN Member States upon submission of their respective budget requests for approval of the RPMO and eventual release of fund through the AFoCo Secretariat; and
 - x. Perform other duties as may be assigned as appropriate in implementing the Project.
9. On the other hand, the Country-level Project Manager in implementing ASEAN Member States will have the following duties and responsibilities:
- i. Overall supervision and management of project office, staff and financial matters to ensure timely, efficient and effective implementation of project activities in their respective countries;
 - ii. Ensure the timely implementation of the activities identified in the Project document in their respective countries;
 - iii. Provide guidance and assistance in the implementation of project activities in their respective countries;
 - iv. Review and submit periodic accomplishment reports of the project to the Regional Project Management Office-Philippines and AFoCo;
 - v. Maintain record of activities implemented and accomplished including technical documents, recommendations and consultancy reports;
 - vi. Ensure managerial and financial accountability in accordance with the Project criteria and existing operational guidelines of the AFoCo;

- vii. Submit budget request, financial reports and liquidations based on the approved Work and Financial Plan (WFP); and
- viii. Perform other duties and responsibilities as may be deemed as appropriate in implementing the Project.

4.2 Recruitment and Appointment

4.2.1 Consultancy and Expert Assignment

- 10. A Service Contract Agreement is required in hiring consultant firm, individual consultancy or expert assignment. The Contract Agreement will cover scope of work, deliverables or outputs, work program and schedule, place of work, fees and other benefits for the assignment. The consultancy fee for international consultant / expert will be within the limit of USD 300 to 400 per man-day based on qualifications and experience. For the national consultant, a fee limit of USD 100 to 200 per man-day shall be applied. The consultancy fee will be inclusive of social security and any other personal insurance applicable by the Implementing Country.

4.3 Remuneration of the project personnel

- 11. Remuneration of the Project Personnel will be stated in and determined by the Project Document approved by the Council.

4.4 Social Security, Insurance and other benefits

- 12. All Project Personnel will be covered by a social security and insurance system applicable under the national laws and regulations of the Implementing Country. The Project Coordinator will ensure all Project Personnel have equal access to basic health care services and social security entitlements provided to the nationals of the Implementing Country.

4.5 Official Travel

4.5.1 Travel authorization and coverage

- 13. Subject to the availability of the budget, official travel will be authorized upon the approval by the Implementing Country, the Secretariat or lead coordinating country, as the case maybe, before it is undertaken.
- 14. In case of overseas travel, the expenses will be covered for the most direct economy class air transportation, lodging allowance at actual cost per night and daily subsistence allowance at the rate of USD 105 per day¹. Such allowances are entitled for actual day(s) of mission plus one (1) day of travel.

¹ Overseas rates are with reference to the staff guideline of the ASEAN-ROK Forest Cooperation Secretariat.

15. In case of domestic travel, expenses will be covered for the most direct economy class ground or air transportation, lodging allowance at actual cost, daily subsistence allowance at the rate of USD 35 per day². Such allowances are entitled for actual day(s) of mission plus one (1) day of travel.
16. The travelling Project Personnel are entitled to the incidental travel expenses mentioned below:
 - a) Charges for visas;
 - b) Vaccinations (if required by the destination country);
 - c) Hire of local transportation (applicable when public transport is unavailable or unreliable);
 - d) Telephone, telegraph, radio and internet communications related to the work;
 - e) Transportation or storage of authorized baggage used on official business;
 - f) Travel-related insurances; and
 - g) Such other incidentals as specifically approved by the respective authority.

4.5.2 Payment of the travel expenses

17. Expenses arising from official travel will be reimbursed after completion of travel and upon receipt of the travel claim. Where appropriate, the project office may directly arrange air ticket for the official travel.

V. Fund management

5.1 Fiscal Year

18. The fiscal year of the Project will be from 1 January to 31 December of each calendar year.

5.2 Accounting control

19. The Implementing Agency will ensure a proper bookkeeping and account control system in place and submit quarterly financial reports to the designated authority of the Implementing Country and the Executive Director.
20. The Implementing Agency may re-align available budget from the Component 5. Project Management and Supervision (PMS) for activities of its sub-component, as the need arises, to ensure effective and efficient implementation of the Project.

5.3 Procurement of Goods and Services

21. For procurement of goods or services valued more than USD 3,050, at least three (3) bids (quotations) from the suppliers or providers should be invited prior to procurement and the Implementing Country, in accordance with the related national laws and regulations, will determine the lowest and appropriate bid for purchase of goods or

² Domestic daily subsistence allowance rate is one-third of overseas rate and also with reference to the average rate applied for individual cooperation projects in 2011.

services. Direct purchase can be made for those items with value less than USD 3,050 subject to the purchase regulations of the Implementing Country.

VI. Project management

6.1 Inception

22. Immediately after signing of the Project Implementation Agreement/MOU by the respective Implementing Countries and upon receipt of fund, the Implementing Countries will initiate the inception of the Project and begin the implementation of activities.

6.2 Planning and Implementation

23. In order to carry out project implementation in a timely and efficient way, the Implementing Agencies will develop quarterly work plans with detailed activities, timeline and budget based on the Project Document and these Guidelines.
24. In case of organizing short-term training course, seminar and workshop under the Project, the same conditions and rates for travel, accommodation and daily subsistence allowance described under section 4.5.1 will be applied for the participants of the event.

6.3 Reporting

25. The Project Coordinator will compile regular progress reports submitted by the Implementing Country to the Executive Director intended for consideration of the Council every six (6) months. Where appropriate, the Project Coordinator will also submit to the Governing Council other reports (annual report, study report, workshop report, technical paper, policy brief) of the activities within one (1) month after completion of the activity.
26. The Project Coordinator will compile a financial status report, comprising balance sheet, certified statements of cash flow and expenditures submitted by the Implementing Country to the Executive Director intended for consideration of the Council every three (3) months.
27. The Project Coordinator, in close cooperation and consultation with the Implementing Countries, will submit a final project completion report intended for the Governing Council via the designated authority of the Implementing Country to the Executive Director, within three (3) months after completion of the last activity of project. The final report shall cover the outcomes of the project in the outlines mentioned below:

Project title:

Project duration:

Executive summary

- I. Introduction
- II. Objectives
- III. Project management structure
- IV. Project outputs (both tangible and intangible)

- V. Implementation status (tabulated)
- VI. Major achievements/success stories
- VII. Issues and constraints
- VIII. Plan for the sustainability of project activities
- IX. Conclusion/Recommendation
- X. Annexes/Appendices
 - a. Financial statement
 - b. Audited financial report
 - c. Matrix of planned and actual activities
 - d. Other relevant documents

6.4 Termination

28. The submission and acceptance of final report and the financial audited report represent the completion of the Project. The respective Project Personnel will hand over the records, documents and all other transferrable to the designated authority of the Implementing Country before discharging his or her official duties. The designated authority of the Implementing Country, in consultation with the Executive Director, will officially announce the effective termination date of the Project.

VII. Monitoring Arrangement

29. The Project will be monitored in accordance with the procedure for assessment for implementation of the AFoCo Agreement and report to the Council under the terms and conditions set forth by the Council.
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