



**APFNet Manual for Project Identification, Implementation  
and Management (PIIM)**

**Second Edition**

**2022**

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Effective on 1 March 2023

The **Asia-Pacific Network for Sustainable Forest Management and Rehabilitation** (APFNet) is a non-profit international organization dedicated to advancing sustainable forest management and rehabilitation in the Asia-Pacific region. The establishment of the organization was proposed by China and co-sponsored by Australia and the United States at the 15<sup>th</sup> APEC Economic Leaders' Meeting, in Sydney, Australia, in September 2007. The proposal was adopted by the APEC Leaders and incorporated into the Sydney Declaration on Climate Change, Energy Security and Clean Development. APFNet was officially launched in September 2008, and since then, it has funded more than 60 projects in the Asia-Pacific region with total investments of over 55 million USD.

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## Foreword

I am pleased to release the 2<sup>nd</sup> version of the APFNet Manual for Project Identification, Implementation and Management (APFNet “PIIM Manual” for short), which intends to provide project partners with a quick reference to ensure that APFNet supported projects are applied for, implemented and managed in an efficient manner.

The new PIIM Manual covers the phases of the project cycle, including project identification, agreement signing and inception, implementation, as well as management requirements such as project monitoring, evaluation, and reporting, and finally project completion and closure. It is clearer in terms of timeframe and rules, and procedures. The member economies, international organizations, Executing Agencies, the Project Appraisal Panel, consultants and project evaluators, auditing firms as well as the APFNet Secretariat, and whoever is involved in APFNet-funded projects should adhere to the procedures and guidelines of the PIIM Manual to effectively conduct all APFNet projects.

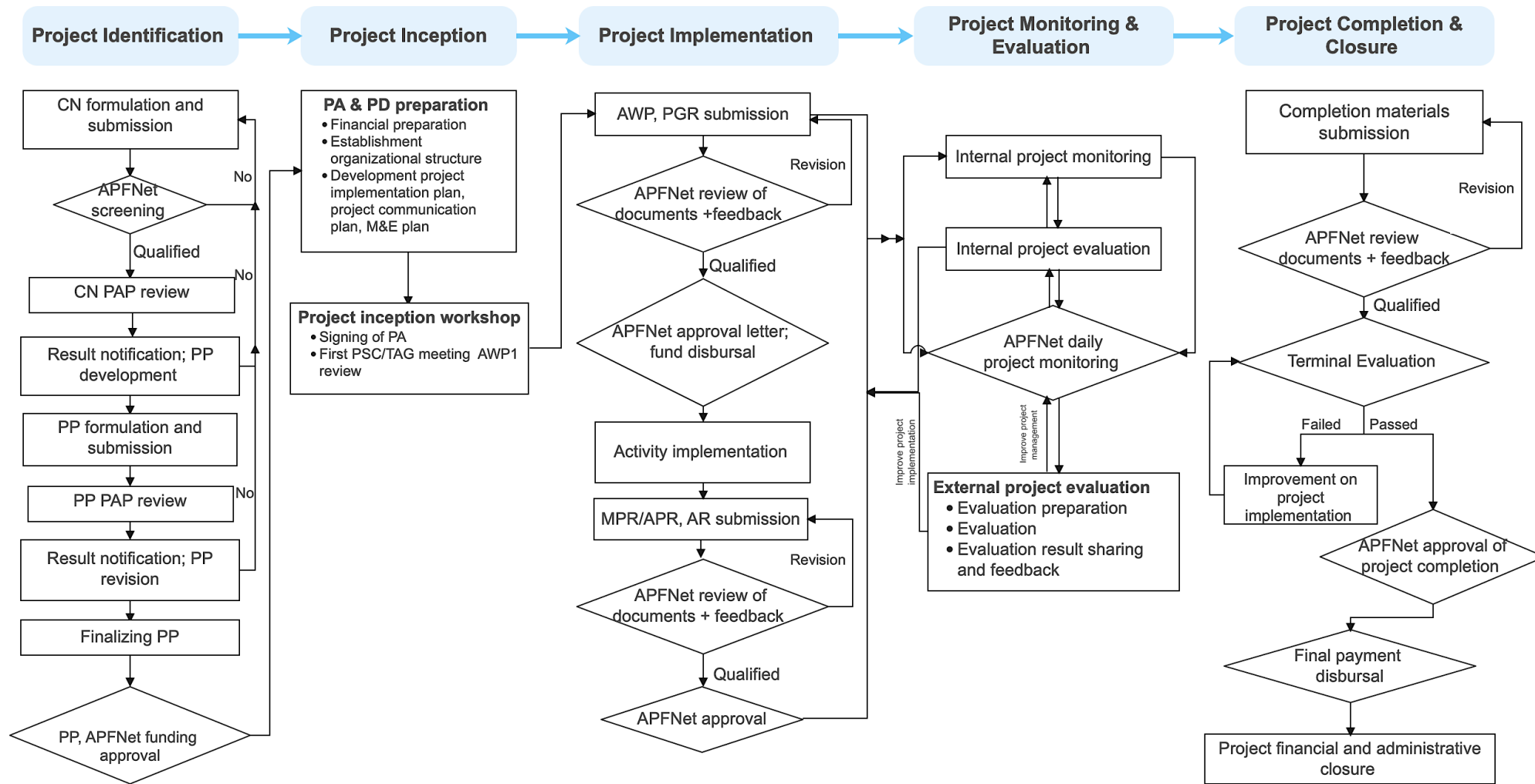
In light of the PIIM Manual, more energy and resources are now required for proposal and project document development to ensure the feasibility and sustainability of a project. The initial steps shape the foundation for successful project implementation and hence also for achieving the expected project objectives.

APFNet will periodically review and update the PIIM Manual to reflect changes in APFNet’s policies and priorities, as well as rules and regulations that have implications for the implementation of APFNet projects. Such changes outside the current version of the PIIM will be directly communicated to relevant parties.



Mr. Lu De  
Executive Director  
APFNet Secretariat

**APFNet Project Management Cycle**



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5. [Annual Work Plan \(AWP\)](#)
6. [Project Grant Request \(PGR\)](#)
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8. [Project Progress Report \(PPR\)](#)
9. [Project Completion Report \(CR\)](#)
10. [Project Technical Report \(TR\)](#)
11. [Project Audit Report \(AR\)](#)

**Reference and Guidelines:**

1. [APFNet Strategic Plan 2021-2025](#)
2. APFNet Project Appraisal Criteria and Indicators [2022]
3. [APFNet Procedures for Project Consultant Selection and Recruitment \[2022\]](#)
4. [APFNet Guidelines for Project Monitoring and Evaluation \[2022\]](#)
5. [APFNet Project Visual Identity and Communications Guide \[2022\]](#)

## Abbreviation and acronyms

APFNet	Asia Pacific Network for Sustainable Forest Management and Rehabilitation
APR	Annual Progress Report
AR	Audit Report
AWP	Annual Work Plan
CN	Concept Note
CR	Completion Report
EA	Executing Agency
IA	Implementing Agency
M&E	Monitoring and Evaluation
MED	Monitoring and Evaluation Division
MPR	Mid-Year Progress Report
MTE	Mid-term Evaluation
PA	Project Agreement
PAP	Project Appraisal Panel
PC	Project Coordinator
PCR	Project Change Request
PD	Project Document
PGR	Project Grant Request
PM	Project Manager
PMO	Project Management Office
PMD	Project Management Division
PP	Project Proposal
PPR	Project Progress Report
PSC	Project Steering Committee
SA	Supervisory Agency
SFM	Sustainable Forest Management
TAG	Technical Advisory Group
TR	Technical Report
TE	Terminal Evaluation

# I Introduction

## 1.1 Scope of the PIIM

The PIIM aims to provide project partners with comprehensive guidance of the life cycle and management of APFNet projects, to ensure the projects are applied for, implemented and managed in an efficient manner. The management guidelines of the PIIM will govern APFNet projects as specified in Section 1.3. Please note that the identification, implementation, and management of projects supported by APFNet mechanisms and initiatives shall take reference of the PIIM but should be governed mainly by their own independent regulations and procedures.

## 1.2 APFNet project focus areas

APFNet supports projects to pilot and demonstrate forest restoration approaches, sustainable forest management (SFM) and multifunctional forestry practices, to conduct research in relevant forestry-related areas, to support forestry policy development and improvement, as well as capacity building among all stakeholders, from forest officials and on-the-ground practitioners. These focus areas can be combined with each other to build synergies within one project.

Project that aims to demonstrate or test specific forest restoration practices, research results, management models, etc., should be relevant to the following themes as identified in the [APFNet Strategic Plan 2021-2025<sup>1</sup>](#):

- 1) Multifunctional restoration of degraded forests through assisted natural regeneration and natural regeneration.
- 2) Multifunctional restoration of deforested lands through afforestation and enrichment planting.
- 3) Improved management of non-degraded forests using best practices in SFM to minimize further forest loss and degradation.

Proposed projects should contribute to the achievement of the overall objectives and priorities of APFNet:

- a. Contributing to forest restoration: assisted natural regeneration (ANR), afforestation, enrichment planting, multifunctional forest restoration, anti-desertification restoration etc.
- b. Reducing forest degradation: silvicultural improvements, reducing forest loss, reducing pressure on forests.
- c. Enhancing forest ecosystem functions: improving water provision, biodiversity, forest health and resilience, cultural values, and functions.

Different themes may be combined with each other for higher efficacy. Consistent with APFNet's objectives, mission and vision, the proposed projects should aim to be in line with priorities at the economy-level and the actual needs of the project target areas in terms of forest conservation and management, and contribute

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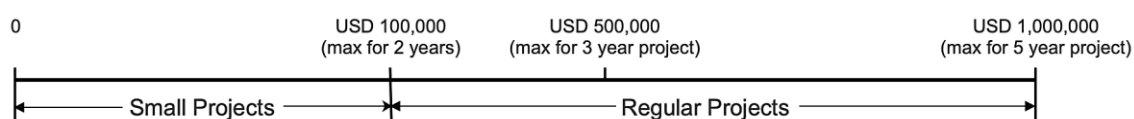
<sup>1</sup> Please note that beyond 2025, it will always refer to the themes identified by the most current strategic plan of APFNet.



to the socio-economic development of local areas.

### 1.3 Project types, duration and grants

- a. **Small projects** A project that seeks funds from APFNet not exceeding USD 100,000 and is to be completed within 24 months. The funding allocated to those projects mainly responds to urgent needs of the members or supports research that is directly related to APFNet priorities. Small project identification adopts a one-step approval process, and the Concept Note shall be submitted to the APFNet Executive Director for approval. The annual funding of these projects shall not exceed 10% of the overall APFNet funding for the year.
- b. **Regular projects** Normally projects requesting APFNet grants above USD 100,000 fall in this category. Regular projects are identified through the APFNet Project Appraisal Panel's (PAP's) technical review and ranking and is finally approved by the APFNet Executive Director and reported to APFNet Councils and Board of Directors. The maximum APFNet grant for a three-year project is USD 500,000, and USD 1,000,000 for a five-year project.
- c. **Earmarked projects** are directly identified by an APFNet donor. This donor entrusts APFNet to plan and execute specific projects and activities using the earmarked funds. Earmarked projects are identified through the donor and approved by the Executive Director of APFNet. Project duration, budget and key contents are determined by the donor in consultation with APFNet.



The projects implemented with a high standard and significant achievements will be eligible for applying for new phases of previous projects. A PAP review will be needed for the additional phases of regular projects with the same approval process.

### 1.4 Eligibility of project application

Government agencies, organizations, NGOs, academic institutes, and social groups from APFNet member and/or observer economies and organizations, which are committed to sustainable forest management in APFNet's geographic focus areas, including the Greater Mekong Subregion, Southeast Asia, South Asia, the Pacific Islands, Latin America, North America and Greater Central Asia can apply for APFNet project grants.

### 1.5 Source of project grants

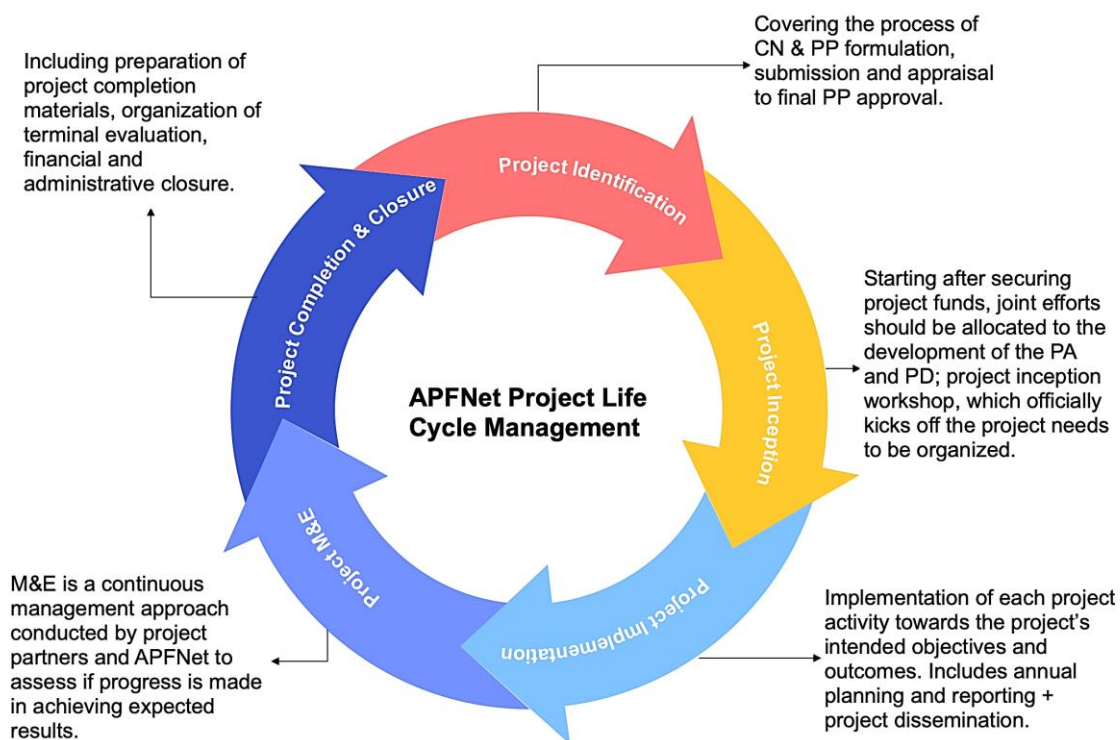
The source of funding to support APFNet projects come from voluntary contributions from the economies, international organizations, enterprises and social groups. The main funding comes from the Chinese government.

To ensure the active engagement in project identification, development and implementation, the

counterpart contribution (either in cash or in-kind support, or both) shall count for at least 20% of the total project expenses for regular projects. APFNet strongly recommends the project partners of small projects and earmarked projects to provide a counterpart contribution as well.

## 1.6 APFNet project cycle

The APFNet project management life cycle includes various phases from project identification to inception, implementation, monitoring and evaluation, and finally completion and administrative closure. This manual gives comprehensive guidance for the key actions and procedures in each project phase.



# II Project Identification

## 2.1 Formulation, submission and appraisal of Project Concept

### Notes

APFNet Call for Projects is published on its website ([www.apfnet.cn](http://www.apfnet.cn) --> Projects --> [Project Application](#)) and circulated to all APFNet members. Project applications (Concept Note (CN) submission) should be submitted in accordance with the Call for Projects Announcement.

#### 2.1.1 Formulation and submission of concept notes

A CN intends to grasp the key points of a project at the conceptual level, thus not much detailed information is required at this phase. Generally, a CN needs to present a CONCISE analysis and description of the context (conditions, problems) and the relevance of the project to forestry development in the target area and to APFNet priorities. The objectives of the project need to be concrete, measurable and achievable in the proposed project timeframe, with logical design and reasonable budget estimation in general.

Supporting materials are requested as attachment, such as feasibility reports, former project reports, related research or work that has been done on the topic(s) in the area. To prove the relevance of the project to forestry development priorities in the target area(s), the provision of additional documents such as domestic/local forest laws and regulations, strategies, plans, and so forth are encouraged.

Formulation should follow the APFNet CN template, using proper English, and should be submitted through appropriate channels. For the economies and organizations where an APFNet [Council Representative](#) have been designated, CNs should be signed by the project proponent and endorsed by the APFNet [Council Representative](#). For cross-regional projects that target several economies, the CN should be endorsed at least by the [Council Representative](#) where the chief Executing Agency is located and all project proponents of the Implementing Agencies and partners.

In other cases, CNs can be directly submitted to the APFNet Secretariat. Especially when regional/international organization apply for projects in a specific economy or several economies, communication with local forest authorities in advance is strongly suggested.

Template: [Project Concept Note](#)

#### 2.1.2 Appraisal and result notification

CNs for regular project applications will be reviewed and ranked by the APFNet PAP, which is composed of independent experts and consultants experienced in both forest resource management and project development and implementation.

CNs for regular projects that meet the appraisal criteria will be recommended by the PAP for further development into a Project Proposal (PP) in full text and take part in the subsequent PP appraisals. The

applicants will be informed of the appraisal results shortly by the APFNet Secretariat and receive the PAP opinions and suggestions.

Reference: [APFNet Project Appraisal Criteria and Indicators](#)

## **2.2 Formulation, submission and appraisal of Project Proposals**

### **2.2.1 Pre-project feasibility assessment**

A feasibility assessment is recommended especially for field projects, to ensure formulation of a realistic project proposal that suits local conditions and demands of proposed project areas. After information collection, the feasibility assessment can give recommendations for the necessary technical design of the project. This can be summarized in a project feasibility report and serve as a reference when formulating a PP in full text.

APFNet can provide guidance and technical support for PP formulation. When requested by the project proponent(s) and considered necessary, APFNet may send consultants or staff for feasibility assessments, field visits and PP development.

### **2.2.2 Formulation and submission of project proposals**

The main project partners of an APFNet project usually include the Supervisory Agency, Executing Agency and, if necessary, an Implementing Agency (refer to Section 3.2.2 for detailed responsibilities of each party). The key personnel in the project team shall be identified during formulation of PPs.

PPs must be officially submitted to the APFNet Secretariat, and the signature of the [Council Representative](#) on the proposal and a cover letter from the forest authority of the project target economy shall be presented.

The following criteria in a PP must be observed:

- a. The project objectives should be SMART (specific, measurable, attainable, realistic and time-based) and must be aligned with the expected outputs.
- b. The project must be relevant to APFNet priorities, and will synthesize and apply best suitable practices on the thematic areas listed in Section 1.2 in the project implementation economy;
- c. Potential project impacts and achievable outcomes should be addressed. The project outputs should be clearly defined and connected to the outcomes which shall be duplicable and could be extended to adjacent regions or similar projects, and otherwise be sustained after project completion.
- d. The project activities should be properly broken into work package-level, with definite responsible parties, key activities, timeframe and a reasonable cost estimate.
- e. Sound monitoring and evaluation as well as auditing should be considered in the work plan and also presented in the budget. Monitoring criteria for each sub-objective and activity should be clearly presented in the project monitoring and evaluation framework.
- f. The project budget must ensure a rational estimate of project cost and an effective use of project

financial resources for project deliverables. APFNet's grant is prioritized for conducting field activities and core research, while the counterpart contribution is suggested to cover such items as staff costs, rental of the project office, equipment, and expenses on project administration, internal monitoring, and evaluation, as well as financial audits.

- g. The overall capacity of the proposed Executing Agency in implementing, coordinating and managing the project at various levels, especially in obtaining policy and administrative support from the forestry authorities, relevant government agencies and disseminating and promoting project deliverables, shall be carefully considered and comprehensively proven. Some of the technical work may also be conducted by one or several Implementing Agencies, which should be identified in the PP.
- h. The project organizational structure must ensure the concerted efforts of stakeholders towards achieving the agreed objectives and outputs through identifying responsibilities, communication, coordination and reporting mechanisms amongst them, and effectively pulling resources together for project implementation.

Template: [Project Proposal](#)

### **2.2.3 Appraisal and result notification of project proposals**

APFNet PAP appraises PPs. If considered technically feasible and reasonable in budget estimation, the PP will be included in a recommendation list for donor consideration. The applicants will be informed of the appraisal result including PAP opinions and suggestions by the APFNet Secretariat. Proposals recommended for funding consideration should be revised to incorporate PAP suggestions and are to be submitted to the APFNet Secretariat within the required timeline. Both electronic copy and hardcopy of the final version of the PPs shall be submitted to APFNet Secretariat with signatures of both the proponents and the [Council Representative](#), and a cover letter from the forest authority of the project target economy. Late submissions may be considered for funding in next year's appraisal.

## **2.3 Project Proposal approval**

PPs favorably considered will be approved by the Executive Director of APFNet for implementation through an official letter of project proposal approval.

Please note that the proposal approval does not necessarily guarantee funding support in same year, APFNet will consider the time to initiate the project based on its annual available budget. Projects that are technically good but lack funding security may be prioritized for next year's funding consideration.

With approval of the project proposal, the project will then be formally handed over from the APFNet Planning Division to the Project Management Division (PMD) and a Project Manager (PM) will be assigned. Upon receiving an official letter of approval, the EA shall outline to the assigned PM the internal procedures of preparing and approving the project agreement, the project document and associated materials, as well as provide an estimate of the overall amount of time needed before the project can be officially kicked off.

## III Project Inception

The project inception phase comes after the project proposal approval and securing of project funding, which includes the project organizational structure set up, identification of project key personnel, the development of the communication and dissemination strategy and the monitoring and evaluation framework, etc. which shall be further incorporated into the Project Document (PD) and to be attached to the Project Agreement (PA). An inception workshop is suggested to be organized with participation of APFNet, key project partners and stakeholders to sign the PA and kick off the project.

### 3.1 Project Document Development

The PD is regarded as an indispensable part of the PA and is further developed from the finalized PP to govern in greater detail the scope of a project, resource use and how the project will be implemented and managed. The implementation details of project activities, the project dissemination and communication plan, the project organizational structure and time schedules already prepared at the proposal level need to be further detailed to ensure the project could be implemented smoothly towards intended objectives and outcomes. In some cases, the PP may directly be used in lieu of the PD.

#### 3.1.1 Project organizational structure

In consideration of the stakeholders involved, a clear organizational structure should be identified to guarantee effective supervision, coordination, implementation and management of a project, with responsibilities of each stakeholder identified.

A Project Management Office (PMO) needs to be established under the direction of a Project Director for day-to-day management. For demonstration projects a Project Steering Committee (PSC) as the decision-making and supervisory body is suggested, while for research projects a Technical Advisory Group (TAG) may be sufficient.

##### a) Project Management Office (PMO)

The PMO is composed of regular project staff, and it might include a Project Director, a Project Coordinator (PC), financial and administrative staff and a communication officer. The responsibilities include communication with APFNet, administrative support, controlling, reporting and monitoring, producing deliverables as outlined in the work plans and communicating about the project as outlined in the communication plan. The posts in the PMO should be kept at a slim and effective level. A list of PMO staff and the responsibilities of each person should be clearly defined in the PD.

A Project Director should be identified in consultation with APFNet to manage project resources, establish the PMO, and coordinate the project team to implement the project plans for delivering the expected outputs.

The main responsibilities of the Project Director include:

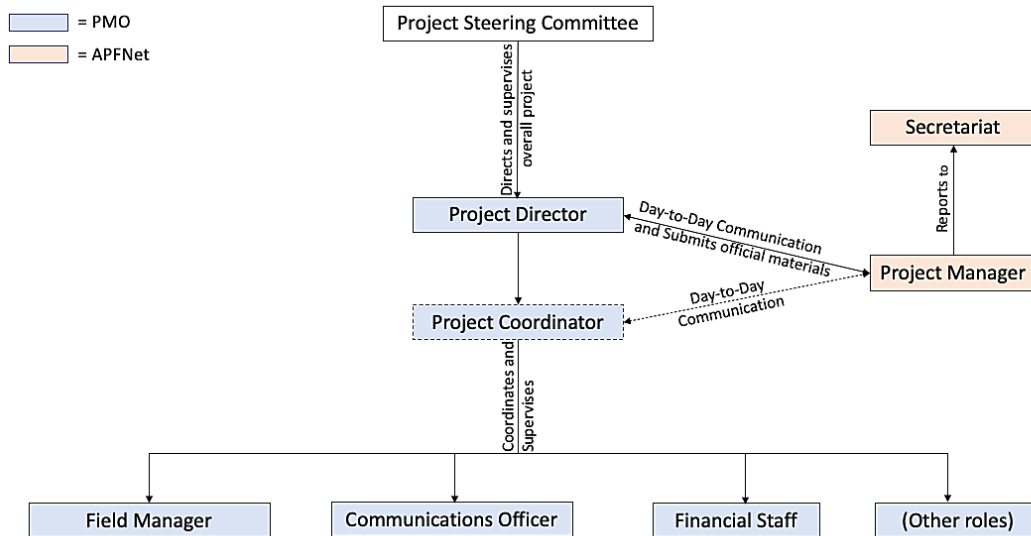
- a. Identify necessary personnel, nominate a Project Coordinator (if needed), establish a PMO, and manage and assess teamwork and performance.
- b. Develop work plans, leads in preparing project progress reports, and lead the completion of other project-related documents with assistance from the PC and project team, and in accordance with the requirements of APFNet.
- c. Coordinate the project activities at various levels to ensure the project implementation remains within budget, on schedule, and within scope.
- d. Sub-contract services in consultation with APFNet and/or PMO.
- e. Monitor the project progress from financial and technical aspects, organize the internal monitoring, and keep PSC and APFNet updated with the project progress.
- f. Secure official acceptance and approval of deliverables from PSC and APFNet through efficient communication.

A Project Coordinator (PC) should be identified by the Project Director to support the Project Director, supervise and coordinate the day-to-day management and implementation of the project activities. The position of the PC is optional and may not be suitable or necessary for certain (e.g., small) projects. If there is no PC, PC responsibilities fall to the Project Director.

The main responsibilities of PC include:

- a. Manage and coordinate project activities on a day-to-day basis to ensure the project implementation is on budget, on schedule, and within scope.
- b. Help the PD to assess teamwork and performance and monitor project progress.
- c. Assist PD to develop work plans, prepare project progress reports and other project related documents required by the project and APFNet.
- d. Act as primary day-to-day communication point for the APFNet PM to update on project progress or any other issues that may arise.

## b) Project Steering Committee (PSC)



*Organizational chart for a demonstration project with PSC*

A PSC is normally necessary for a demonstration project that has multiple stakeholders involved, but it is optional for research projects and small projects.

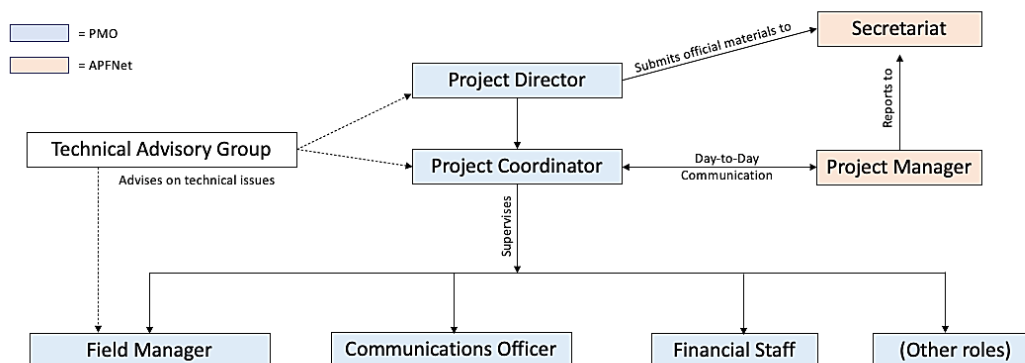
The PSC includes representatives from key stakeholders who directly benefit from the project and are highly relevant to the project in terms of implementation and management. A PSC Chair should be identified and take the lead in organizing the PSC meeting and supervising the project implementation. A representative from APFNet will join the PSC as an observer.

The PSC directs and supervises the project through approving project work plans, annual progress reports, final reporting documents and key deliverables. If necessary, revisions of project scope (objectives and outputs), major project changes, and coordination at policy level to resolve issues and make decisions are amongst the PSC's roles as well. The PSC or individual members of the PSC can also fill other key roles as defined by the project.

Rules of procedure, including meeting frequency (at least once per project year), means of communication and reporting mechanism, will be determined and amended by the PSC in consultation with APFNet and included in the PD. Any decision on key issues is made and enters into force upon the presence of signatures of the PSC Chair and APFNet. Additionally, PSC meeting minutes are expected to be attached in the project progress reports and shared with stakeholders in a timely manner.



### c) Technical Advisory Group (TAG)



*Organizational chart for projects with a TAG*

For research-focused projects, it might be preferable to establish a Technical Advisory Group (TAG). Similar to the PSC, the TAG can include representatives from key stakeholders, but is more focused on gathering experts in relevant areas for the project. The main role of the TAG is to provide technical input to project activities, particularly bring project researchers and experts from different research teams, economies, or regions on the same page towards creating and implementing a project technical route map. Differing from the PSC, the TAG has no decision power on project management issues and does not supervise the project as such. Rather, only if requested by the PMO, the TAG will give its input on relevant questions. TAG meetings are suggested to produce meeting minutes or at minimum should be mentioned in the AWP/PPR.

The TAG can give input to work plans and progress reports but does not have to and is not required to sign these off. The TAG is also not formally involved in project changes or revisions of project scope. In those cases, changes to project scope or significant project changes are to be signed by the Project Director and a representative of the SA.

#### 3.1.2 Project communication and dissemination strategy

The project communication and dissemination (C&D) strategy is further developed from the communication objectives set up in the PP. Effective project C&D is crucial to ensure that key ideas and lessons learned through the project have a long-term impact. A C&D strategy sets out an intervention's communications objectives, target audiences, budget, work plan and mode of evaluation. It should guide media and public relations activities and ensure that such activities are cost-effective and serve strategic purposes.

Project C&D activities should be planned carefully from the initial stages of any intervention to maximize its impact and cost-effectiveness. All APFNet-funded projects should have C&D strategies to ensure that knowledge and information are disseminated effectively to target audiences with the aim of scaling up successes, influencing policies in government and the private sector, and informing future interventions.

Reference: [APFNet Project Visual Identity and Communications Guide](#)

Template: [Project Document](#)

## 3.2 Project agreement preparation and signing

The PA stipulates the rights and responsibilities of the agreement's parties to ensure the achievement of project objectives. The PA contains articles that define the project implementation in principle, including financing and management of grants, monitoring & evaluation and reporting requirements. It also stipulates modalities regarding the revisions, extensions, suspension and termination of the project, and settlement of conflicts that may occur in some circumstances. APFNet only accepts English and Chinese as languages for the PA.

The PA shall be negotiated and signed within 6 months after the APFNet funds have been secured and official *Project Proposal Approval Letter* was issued. If the PA cannot be signed within 6 months from the official handover, the EA should issue an official letter explaining the situation and approximate signing time to APFNet, otherwise APFNet has the right to suspend the project or withdraw project approval.

Given that in a few regional economies the internal approval procedures before PA signing may take longer time, early preparation and negotiation on the PA are strongly encouraged.

### 3.2.1 Project financial arrangements

Financial preparations include:

- a. Specifying a bank account (either a new one or an existing one) for project funds, independent in accounting and management. Project partners receiving grants for several different APFNet projects have the option to use the same account, provided financial reporting and auditing can be conducted clearly separated by project. No private account is allowed as the project bank account. If specifying a bank account takes more than 2-3 months, or more time will be needed to receive international funding after the opening of the new account, the EA shall inform APFNet during the project preparation phase.
- b. Consulting with APFNet to determine an appropriate grant disbursement frequency and reimbursement mechanism, account recording, asset management, auditing; and
- c. Identifying mechanisms of procurement and consultant employment to guarantee proper and transparent use of project funds.

### 3.2.2 PA Signatories

- a. **Executing Agency (EA)** The EA is responsible for implementing the project itself and coordinating any implementing partners to achieve project objectives. The EA is expected to play the key role to lead on coordinating the other parties for the PA signing.
- b. **Supervisory Agency (SA)** When the EA is affiliated with a higher forestry authority of the

project target economy, and/or is to implement/coordinate the project under this forestry authority's approval and/or guidance, the higher forestry authority is suggested to serve as the SA and sign a multi-party-agreement with APFNet, the EA, and any IAs in the project to take the responsibility of providing policy and necessary administrative support for project implementation and dissemination.

- c. **Implementing Agency (IA)** At times the EA will closely work together with another agency, department, company, university or organization in order to make use of their expertise and resources in a specific area. If such an entity is involved in large parts of the project, receives certain parts of the project grant or actively has influenced the project design and will continue to do so, it is recommended to make this entity the IA. Please note that any sub-department, which is either part of the EA or SA, does not need to be made an IA as it is already covered under the other roles. IAs are eligible to receive direct transfers from APFNet, if desired and so noted in the PA or subcontracts.

### 3.2.3 PA Signing

The PA can be signed in two ways, to be detailed below:

- a. **On-site signature:** The PA is preferred to be signed physically with all parties present during the project inception workshop. It is important to note that since the PA needs to be stamped as well, signees should be authorized to stamp and bring the necessary materials.
- b. **Electronic Signature:** At times it may be more feasible and convenient to sign the PA electronically, especially when 1) key signees may not be able to attend the inception workshop; 2) there is a significant time gap between project start and the project inception workshop. A physical copy needs, however, to be signed afterwards, which can either be done in person or through mail. Each signing party receives one copy of the original signed and stamped PA.

Template: [Project Agreement](#)

## 3.3 Project inception workshop

With the PA and PD ready, an inception workshop is suggested to be arranged to officially kick off the project, which shall be chiefly organized by the EA in consultation with APFNet, usually in the relevant project economy at or close to the project site. The inception workshop usually includes the following components:

- 1) PA signing
- 2) The first PSC/TAG meeting in order to build a common understanding amongst the project supervisory body, the implementation team and other key project stakeholders concerning project managerial and financial arrangement, reporting, and monitoring & evaluation
- 3) Fine-tune the annual work plan (if ready).

- 4) APFNet introduction of project management and regulations, usually given either during the inception workshop itself or during a separate PMO meeting by the PM.

### **3.4 Project Changes or cancellation prior to PA signing**

A special case presents itself if after official project proposal approval, but before finalization of the PD and PA, the project needs to be changed or even cancelled.

For **minor** project changes, such as small edits to project activity contents, the associated budget reallocation, and a project timeline revision that would not affect the overall project objectives and outputs the project changes can directly be decided by PMD.

For **larger** project changes, such as: 1) overall budget increase; 2) change of EA/IA or SA; 3) change of project duration; 4) change of project locations, project objectives, outputs, or key deliverables; 5) large budget reallocation, etc. the project changes may need to be approved by the Executive Director of APFNet. The EA needs to send an official letter to APFNet with the proposed changes and a revised PP attached. This proposal will then be reviewed by APFNet. Should the changes be approved, the PP can be further developed into a PD and be readied for agreement signing. In cases of exceptionally large changes the proposal may need to be re-evaluated by the PAP.

Should a project for any reason, be it due to a failure to get new project changes approved or because new circumstances make the implementation of the project impossible, **have to be cancelled**, an official letter needs to be sent to the APFNet stating the situation and the detailing the project cancellation or alternative plans if the desire for cancellation is from project EAs.

# IV Project Implementation

After the PA enters into force, the project implementation phase has started. During the implementation period, the EA should prepare the annual work plans (AWPs) that break down project objectives into key activities with measurable indicators on a yearly basis. The project shall be implemented in accordance with PA, PD, as well as the approved AWP. The project progress shall be reported to APFNet on annual and /or semi-annual basis.

## 4.1 Project annual work plans

Annual work plans (AWPs) are created right before the start of each new project year to break down the overarching plan outlined in the PD and adjust it to for on-the-ground reality of the project. The submission and approval of AWPs and Project Grant Requests are a prerequisite for starting any activity in the project year. Each AWP needs to be approved and signed by the PD and, if existent, by the PSC Chair before being officially submitted to APFNet.

### 4.1.1 Preparation of the First Annual Work Plan (AWP1)

It is recommended that the AWP1 is be prepared in parallel with the preparation of the PA and PD. Otherwise, the AWP1 should be officially submitted to APFNet within 1 month after the PA is signed to effectively start the project implementation. If the AWP1 cannot be submitted on time, the EA should provide an official letter to clarify the reasons and provide an estimated time to get AWP1 ready.

### 4.1.2 Subsequent AWPs

Subsequent AWPs need to take changes in on-the-ground project implementation into account. EAs are encouraged to communicate timeline changes or activity delays to their PM as they become aware of them, as unexplained changes in activities in the AWP will require the PM to inquire about them, potentially leading to delays in approval. Activities that could not be conducted in the previous year need to be re-included in the new AWP. Additionally, there should be a clear indication that the funds for this activity have been received already. Overall, EAs are encouraged to submit the first draft of the AWP **one month** ahead of the end of the current project year to allow for feedback.

### 4.1.3 Project Grant Request (PGR)

PGRs shall be submitted together with the AWPs in order to receive funds. The requested amount shall be up to 90% of the APFNet grant to be disbursed to the project partner, as APFNet retains 10% each year to be disbursed upon project completion, unless another method of grant transfer was agreed upon and incorporated in the Project Agreement.

Templates: [Annual Work Plan](#), [Project Grant Request](#)

## 4.2 Project reporting

Project progress reports are the main tool to inform the APFNet Secretariat about how well the project is doing. Project progress reports monitor project implementation, budget spending, any activity changes and preliminary lessons learned in the project (especially if they lead to proposed changes in activities for the next year). Project progress reports come in two different versions, the Mid-Year Progress Reports (MPRs) and the Annual Progress Reports (APRs) at the end of a project year.

### - Mid-Year Progress Reports (MPRs)

MPRs are primarily viewed as communication tools to update the APFNet PM about the project situation. They are not as detailed as the annual reports, especially regarding financial reporting. In smaller or research projects it is up to the PM's discretion whether to request an MPR.

### - Annual Progress Reports (APRs)

APRs are prepared for every project year, to present the status of project implementation and management against intended results (what), strategies (how), timeframe (when), implementing partners (who) and budgets for the entire planned project year set in the annual project work plan, reflecting achievements and lessons learned of the preceding year as the basis to plan for next project year. APRs should be submitted together with financial documents (e.g., audit reports), publications and products from key outputs.

Budget activities with more than 10% overspending or more than 30% underspending warrant a separate explanation in the financial statement and/or audit report. Additionally, if the project partner is aware that such overspending will occur, he needs to report the overspending to the PM **prior to implementing the activity** for approval.

Project partners are, if applicable, expected to collect a range of baseline data (as specified in PP and PD) regarding the environmental and social factors of their project and project site. Additionally, the EA is expected to produce photographic documentation of forestry activities. This includes time series pictures taken before the intervention and each year after, taken from the same angle, as well as images of the activities themselves (thinning, planting, etc.) (see APFNet Project Communications and Documentations Guide).

Project Progress Reports are submitted by the EA and are approved and signed by the Project Director and, if existent, the PSC chair. Normally, MPR will be submitted within 10 calendar days of end of each reporting period, APR is to be submitted within 20 calendar days of end of project year. All associated output documents produced throughout the year (e.g., technical reports, monitoring data, communication products, etc.) need to be attached, and the photos and videos of project activities should be well documented and submitted together with the progress reports.

All the materials submitted to APFNet need to be in decent English, and within the agreed deadlines, while early submission is strongly encouraged.

Template: [Project Progress Report](#)

## 4.3 Project Communication, Outreach and Publicity

**Communication and dissemination** (C&D) is an essential part of APFNet projects for ensuring that project objectives, activities, resources and outcomes are communicated and disseminated to relevant stakeholders in a clear, consistent and effective manner. The **visibility** of APFNet and its funded projects should be promoted through the C&D process and project partners are required to use the APFNet logo and visual materials in a coherent way. Meanwhile, effective project **documentation** enables the preservation of information and creation of knowledge products by APFNet and partners both during and after the project and is thus crucial to be done diligently.

An annual C&D Plan, which complements the overarching C&D strategy (from the PD) should be created and attached as part of each AWP. Project partners and APFNet should aim to complement each other in their communication efforts. This includes informing each other of C&D activities and cross-linking communications results, such as news articles, reports, websites or even just images throughout and post-project. Project partners should aim to publish at least 2 articles per project year through either their own channels or other news channels.

At times specific outputs (esp. photos or shorter presentations on the project throughout or post-project) are not explicitly mentioned in the communication plan, however to long-term measure the impact of a given project it is important to keep record of such activities and inform APFNet about them. Should the APFNet Secretariat require additional information and materials such as project site and activity photos, audio and video clips and project case studies and feature stories on good practices and experience, the EA shall make the provision in a timely manner. It is highly recommended to submit such materials as separate files in original resolution, especially for photos.

Reference: [APFNet Project Visual Identity and Communications Guide](#)

## 4.3 Consultant recruitment and staff employment

### 4.3.1 Local Consultants

The Project Director is entitled to contract local consultants based on a qualification-cost selection approach. To guarantee the efficient use of project funds, the number of local consultants should be kept at a slim manner and clearly described (with duties and outputs) in each AWP.

### 4.3.2 International Consultants

APFNet Secretariat will lead the selection and recruitment of international consultants, while the EA's recommendation of qualified candidates will be considered. Any planned international hire for a given project year should be explicitly stated in the AWP, including whether the EA already has identified suitable candidates. Depending on the situation, the Secretariat may recommend suitable candidates for the EA or endorse the EA's suggestion.

### **4.3.3 Staff**

The Project Director is responsible for recruiting project staff and establishing the PMO. Staff positions for hiring should be laid out in the PD, including a short description of the position and which project funds will be used for them. Actual staff hires or staff continuing to work for the PMO should be listed in the AWP with ToR. The employment should be kept in a slim manner.

Reference: [APFNet Procedures for Project Consultant Selection and Recruitment](#)

## **4.4 Procurement and management of goods and services**

Procurement with APFNet grants should comply with the local laws and regulations, as well as the APFNet principles of efficiency, effectiveness, openness and maximum competition, transparency, non-discrimination, and accountability. Procurement using APFNet grants should strictly follow the budget outlined in the PD and AWP.

Procured goods should be strictly used for purposes of the project, as agreed by APFNet. Use, management, maintenance and inventory of goods, especially fixed assets should be recorded properly and reported to APFNet.

APFNet-financed project fixed assets (equipment, devices, vehicles, etc.) become the property of APFNet, except in cases where the ownership has been granted to a particular entity by APFNet. Disposal of project fixed assets will be decided by APFNet before project closure.

## **4.5 Grant disbursement, use and management**

### **4.5.1 Mechanism for grant disbursement**

Generally, three means are adopted for grant disbursement.

#### **a. Direct grant transfer**

APFNet will disburse project grants directly through bank transfer to the SA, EA and/or IA in accordance with the PA. Project progress needs to be proven to be on schedule (through submission of a PPR), prior grants properly used based on the previous AWP (through an audit report), and the PGR should be signed by the Project Director. The PGR and associated materials will be jointly reviewed by APFNet PMD and the Finance Division. APFNet may make changes to the amounts requested based on the overall APFNet funds available for the year.

Annual disbursement(s) shall be placed upon approval of the AWP and associated materials, usually up to 90% of the total APFNet grants for the year shall be transferred to the project partners in one or several installments, with 10% of the annual grant retained each year. The next disbursement can only be requested when expenditure rate from the preceding grant has reached 80%. APFNet may need to ask the EA to provide any supporting documents required by the bank to assist the grant transfer.



The last payment is up to 10% of the total APFNet grant for the project which retained from previous project years. The exact amount of the last payment shall be adjusted based on the actual expenditures of the project in accordance with the final audit report. APFNet shall not cover the expenditures after the project duration except the audit cost and necessary costs for the terminal evaluation.

**b. Reimbursement**

Project implementation may be pre-financed with other financial resources before APFNet grant is in place. In this case, documentation of expenditure, such as contracts, procurement receipts and payrolls, is required to support request for grant reimbursement. Before such reimbursement, APFNet can unconditionally require an audit report for the pre-financed expenditures. If necessary, APFNet can provide an official letter confirming that those resources will be reimbursed to the credit entity.

**c. Direct payment to third party**

APFNet grant, though approved for particular project use, may be retained and directly paid by APFNet to a third party, such as sub-contractors, auditing companies, other companies directly executing key parts of the project, international consultants for project planning, implementation and auditing or independent evaluators for external evaluation. In this case this portion of the APFNet grant will be retained by APFNet with consent of the EA. Such retained portions are to be explicitly outlined in each AWP.

**4.5.2 Grant use and management**

APFNet grants shall be used in compliance with the local laws and regulations, and be exclusively for the purposes specified in PA, PD, and approved AWP, and are subject to independent and transparent accounting, recording and auditing. Documents concerning project finances, including financial statements and audit reports shall be submitted to APFNet in a timely manner as required.

Any bank interest and exchange rate gain can only be used for project activities and should be recorded as a credit to the project. Disbursed but unused grant at the end of project implementation will be returned to APFNet, or be used upon APFNet approval of an additional plan with budget. Such an additional plan should be submitted as PCR to APFNet, if possible before project completion.

**4.5.3 Ineligible project expenditures**

Expenditures which CANNOT be financed by APFNet project grants include but are not limited to:

- a. Expenses not related to the activities agreed in the Project Document and approved AWPs;
- b. Debts, interest owed, currency exchange losses, income tax, provident fund, credit to third parties, penalties, deductions and mortgages;
- c. Honorarium or salary for the government staff who supervise or manage and implement the project activities financed by APFNet;
- d. Indirect costs for project administration and miscellaneous above 10% of the total APFNet grant.

Any ineligible expenditure will be repaid by the EA or deducted from the next project grant disbursement.

# V Project Change: revision, extension, suspension and termination

## 5.1 Project revision

A project may need to be revised because of the need to consider changing contexts and current situations, which may be related to:

- a. Changes in policy, whether local authorities' or APFNet's;
- b. Changes in social conditions around the project location;
- c. The occurrence of natural and social disasters;
- d. Economic upheavals resulting in a change to project cost/ budget; and
- e. Other unforeseen incidents.

Any essential revisions deviating from the PD or AWP need to be communicated to the PM in a timely manner. The PM will then inform the EA whether the specific revision warrants a project change request (PCR). Specific incidences requiring a PCR include, but are not limited to:

- a. Change of SA, EA, IA or other key partners throughout the project;
- b. Change of the project bank account information;
- c. Change of the locations of key project activities;
- d. Increase of overall project budget;
- e. Addition of new activities not mentioned in the PD or replacement of activities in PD;
- f. Budget reallocation between categories amongst existing project activities above 10% of the project grant;
- g. Other issues impacting or changing the project scope (objectives and outputs).

In these cases, an official PCR, reviewed and endorsed by the PSC, should be submitted to APFNet before any related activities take place. In the event that the proposed revision is agreed upon, APFNet will send a no objection letter to proceed.

In the case of proposed project changes that would afterwards contradict or not be sufficiently included in the PA, the PA needs to have a **supplementary agreement** for those changes. This especially applies to increases in budget, but also if the PA e.g., no longer entails all key project partners or if the scope and objectives of the project change. The supplementary agreement will be signed with the same parties as in the project agreement, unless mutually agreed by parties that lesser parties will be involved.

The work plans and budget items of the project need to be updated in accordance and attached as an annex to the PCR as a changed work plan. Entirely new or changed activities need to be explained in detail (e.g., planting designs), including the reasoning for their change or creation.

Other revisions to project activities, staff, budget adjustment, which do not entail the corresponding revision to the overall grant amount and project scope still need to be clearly communicated to and approved by the APFNet PM and elaborated upon in the progress reports and work plans. Completion reports always need to reflect the full history of approved project changes (with or without PCR).

## 5.2 Project extension

Project extension may be needed due to unexpected delays in implementation. Such extensions do not entail any change in total APFNet grant amount and project scope. Normally the extension duration would not exceed 24 months. The maximum amount of extension requests is two, but the EA is highly encouraged to plan the amount of extension requested carefully in order to be able to complete the remaining activities within one extension. APFNet can terminate the project and request a refund of the grant from project partners' account if the project cannot be completed within the 24-month extension period.

The Project Director shall submit a request to APFNet, supported by an updated progress report with expenditure status and an extension work plan, which should be consulted with project stakeholders and endorsed by the PSC. Such a request should be made at least 1 month ahead of the originally planned ending date of project implementation. The extension should operate under the premise that no additional funding (including staff costs) will be needed during the extension period.

## 5.3 Project suspension and termination

APFNet reserves the right to temporarily or definitively (prior to project implementation expiry) withhold grants for a project, **i.e., project suspension and project termination.**

### 5.3.1 APFNet policies

- a. Action of project suspension or termination will be taken by APFNet after the EA has been informed by APFNet of any material deficiency in project implementation or financial management, and has been given the opportunity to correct it;
- b. APFNet may immediately suspend or terminate grants without notice when it believes such action is reasonable to protect the interests of APFNet or any of its members/partners;
- c. Circumstances may arise in which either APFNet or EA wishes to terminate the project, and project grants may be terminated by mutual agreement.

### 5.3.2 Procedures

#### – Project suspension or termination by APFNet

- a. When it is proven that the EA has materially failed to comply with the PA, PD or other approved key project documents, APFNet will normally advise EA in writing of the nature of the problem. The EA will be requested to respond in writing within 30 days, describing the action taken or the plan designed to correct the deficiency. Until the deficiency is corrected APFNet may withhold project grants.

- b. If a satisfactory response is not received within the above-mentioned period, APFNet may issue a notice immediately to formally suspend further grants. During the suspension period, the EA shall not incur any further expenditure on activities, goods or services and keep all project assets in safe custody, and shall give notice immediately to any sub-contractor to suspend its activities.
- c. Normally, the suspension will remain in effect for a maximum of 60 days to allow EA to take corrective action. In the event that deficiency is not corrected to the satisfaction of APFNet, APFNet will enter into termination procedures.
- d. APFNet may issue a notice of termination, setting forth the reasons for the action and its effective date. No costs after the effective date of a termination will be allowed.
- e. Within 30 days of the termination date, EA is required to submit a summary of progress under the financial support and an itemized accounting of costs incurred prior to the termination date. Final allowable costs under a termination settlement shall be determined with due consideration to the progress under the financial support, and not exceeding the agreed total grant amount.

– **Suspension and Termination by mutual agreement**

- a. If the EA wishes to suspend or terminate the project, it should propose a request, reviewed and endorsed by the PSC, to APFNet in writing, with a summary of the progress under the financial support obtained to date, an itemized accounting of costs incurred prior to the suspension/termination date, and reasons for the suspension/termination. For suspensions the desired duration of the suspension should also be indicated.
- b. If APFNet agrees to suspend or terminate the project, it will advise the EA in writing and send copies to the PSC.
- c. Within 30 days after receipt of the request from either party for suspension/termination, the other party will provide an appropriate written response. In the event of disagreement between the parties, APFNet will make a final decision.
- d. In case of suspension, the project will automatically resume after the duration of the suspension. For longer time periods a new AWP may need to be prepared ahead of time.
- e. Following termination, financial support closure procedures will be initiated.

Template: [Project Change Request](#)

# VI Project Monitoring & Evaluation, Financial Auditing

Regardless of the grant amount and duration of a project, the EA shall properly record and archive project activities both in hard copies and as electronic versions, especially progress of milestones and key activities, important deliverables and transactions to ensure proper monitoring & evaluation (M&E) over project implementation and dissemination, as well as financial auditing, which must be available for review by the PSC, APFNet and other related parties.

## 6.1 Monitoring and evaluation

Project M&E should be conducted during the entire project management life cycle to ensure the implementation of project activities are on the right track towards the intended project objectives, and the project outcomes are achievable with measurable project impacts. A sound project M&E framework should be developed during project planning period and serve as a living document that should be referred to and updated throughout project life cycle.

The processes of monitoring and evaluation are viewed as relevant, but they have distinct approaches, focuses and functions. Project monitoring is part of project management, which is a systematic and continuous process of project information collection and analysis of an ongoing project.

Project evaluation, in contrast, draws on the data and information generated by the monitoring process. It is a periodic assessment of an ongoing or a completed project, which aims to analyze the implementation of outcomes and impacts of the project. It is independent from regular project management, and is usually conducted by people who have not directly participated in the project.

A project M&E framework should be developed during the planning stage, based on the measurable indicators identified for each output and activity, from which the achievements of project objectives and impacts of the project can be monitored and evaluated. It also defines how to bring the M&E processes into implementation by detailing how and who is going to collect data to track indicators, how monitoring data will be analyzed, and how the results of data collection will be reported.

An annual M&E plan should be formulated based on the overall M&E framework, with data collection methods and timeline defined, roles and responsibilities identified, data analysis and reporting plan created. M&E results should be shared among relevant parties through the PPR or other channels in a timely manner.

### 6.1.1 Internal monitoring and evaluation

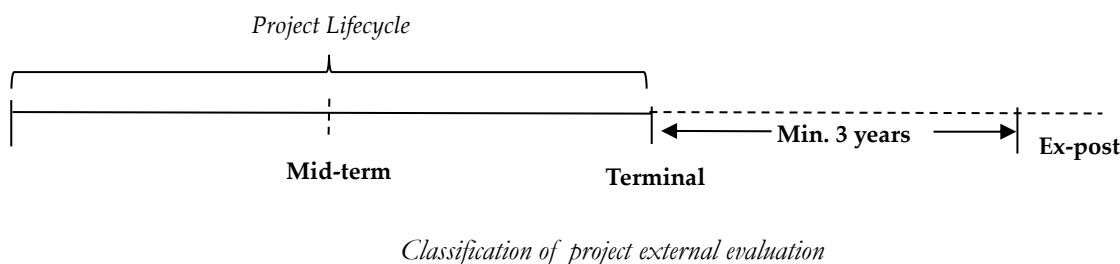
Internal monitoring is undertaken by the PMO through their daily management of the project. Tasks involved are to check project progress, outcome and impacts, as well as the project implementation team's performance and to ensure that project implementation is directed towards achieving its intended objectives.

The internal monitoring result, if necessary, should be shared with APFNet and relevant stakeholders in a timely manner, and be included in the MPR/APR. Internal evaluation is usually the responsibility of the PSC/TAG or the SA through periodical field visits to check project implementation performance on the ground or via PSC/TAG meetings to review project work plans and progress reports.

### 6.1.2 External monitoring and evaluation

APFNet PMD oversees project’s day-to-day management and serves as the external monitoring body to monitor the status of the project throughout its implementation against the approved work plans and budget, to identify actual or potential problems in order to facilitate timely adjustments during project implementation. Monitoring tools include but are not limited to daily communication, field visits, review of project documentation and meeting with project stakeholders.

External evaluation is organized by the APFNet M&E Division through hiring independent consultants or a third-party evaluation teams. It aims to check whether the project is on track towards achieving its objectives and outcomes, figure out problems/challenges, assess the outcomes of projects based on the criteria of relevance, efficiency, effectiveness, impacts and sustainability, and give recommendations. It is classified into mid-term evaluation, terminal evaluation and ex-post-evaluation.



The EA is to assist with local arrangements to facilitate external M&E missions, of which the results will be shared among project partners as reference to adjust and improve project performance.

Reference: [APFNet Guidelines for Project Monitoring and Evaluation](#)

## 6.2 Financial Auditing

Financial auditing is an integral part of project management and is required for all APFNet-funded projects, unless otherwise agreed in the PA. An independent and external auditing firm needs to be authorized, in consultation with APFNet, to conduct financial auditing. The financial auditing should be carried out in accordance with International Standards on Auditing (with the application of ISA 800/805) and the financial requirements and regulations stated in the PA. Normally, the financial auditing should be conducted for each project year, as well as after the completion of the project for the entire duration of the project. The auditing report is required to be submitted before each APFNet installment (except the first).

The objectives of financial auditing include:

- 1) To conduct an independent assessment of the annual financial statements of the project, specifically, the auditor(s) should conduct a proper examination of the project's financial records and statements, and express whether the financial statements are free from material misstatements and frauds.
- 2) To check whether the project expenditures are consistent with the provisions of the PA, PD and the approved AWP's.
- 3) To evaluate the effectiveness of project implementation, report internal control weakness and risk management. The auditor(s) shall examine the project partner's internal control structure related to the project to assess the accuracy and effectiveness of all the internal controls within the organization and find deviations, if there are any.
- 4) To determine whether the project partner has complied, in all material respects, with the conditions of the PA and the rules and procedures applicable to APFNet projects.
- 5) Submitted audit reports will also be reviewed by the APFNet Finance Division.

Template: [Audit Report](#)

# VII Project Completion and Closure

## 7.1 Project completion

APFNet will remind the EA to make necessary preparations for project completion one month before project implementation finishes. A project is regarded as “completed” when it is validated to deliver its scheduled outputs and meet the project’s objectives by means of final reporting and for some projects has received an independent terminal evaluation. APFNet will issue an official approval letter on the completion of the project within one month after receipt and satisfactory acceptance of the TE report and other supporting documents, which symbolizes the project will formally enter the administrative and financial closure phase.

### 7.1.1 Project Completion Report (CR)

The EA shall complete all activities in the scheduled timeframe and submit a finalized project completion report with supporting documents stated in the PD and AWP within 45 days of finishing project implementation, as well as financial and audit reports. However, submission of the completion report as soon as possible is strongly encouraged.

The completion report is a detailed documentation summarizing all planned project elements versus their actual implementation. It gives an overview of the project's progress, accomplishments, milestones, challenges, budgets, project changes and the project parties' performance during the project. The CR will be used to assess the success of the project during the TE, and it also serves as an important tool for identifying project best practices, achievements, and impacts, as well as challenges to improve project management in future projects. All deliverable outputs e.g., plan, reports, published papers, technical manual, and all types of dissemination materials should be attached to the CR.

In addition to throughout project implementation, the EA should make use of available resources to disseminate project achievements, including best practices, lessons learned, and knowledge products at various levels at the end of the project. Additionally, the EA is encouraged to organize outreach events or participate in APFNet activities to promote project deliverables.

Template: [Completion Report](#)

### 7.1.2 Technical Report (TR)

The EAs shall submit the TR to APFNet together with the CR. A TR includes various types of technical information of a project. It presents the data acquired, methodologies and analysis procedures adopted, as well as results and conclusions based on the data analysis and the project activities themselves. TRs should include all technical and scientific knowledge acquired through the APFNet projects. APFNet requires all research-focused projects to submit a TR before project closure. However, not all projects need a TR, it shall be determined based on the project scope and content, and it will be specified in the PD if a TR is needed.



Template: [Technical Report](#)

### **7.1.3 Terminal Evaluation (TE)**

A third party will be invited by APFNet to conduct a TE within 2 months of the submission of final reporting materials to verify the achievements and results of the project. If no TE is to be conducted, the EA will be informed ahead of time.

Reference: [APFNet Guidelines for Project Monitoring and Evaluation](#)

## **7.2 Project financial and administrative closure**

A project must be financially closed as soon as possible, and no later than 12 months of project completion.

The last project grant (balance) should be requested upon APFNet's recognition of project completion and finalization of the TE report and any other outstanding materials. The assets procured with APFNet grants will be disposed. The project PSC and PMO may be dismissed.

Once the project is officially closed, a letter will be sent to EA, informing it of the official closure of the project. This letter normally ends the official correspondence between a project and related bodies.

## PROJECT CONCEPT NOTE

<b>1. General Information</b>													
1.1 Project Title													
1.2 Duration (in month)	_____ (months)												
1.3 Expected Start Date	<b>00/0000</b> (month/year)												
1.4 Project Type (choose project type)													
1.5 Total cost of proposal (APFNet funding + counterpart contribution)  <b>USD <u>000,000</u></b>  Total amount being sought from APFNet  <b>USD <u>000,000</u></b>	1.6 Counterpart Contribution shall be no less than 20% of the total cost of the proposal  <input type="checkbox"/> No less than 20%  <input type="checkbox"/> Less than 20%  <input type="checkbox"/> None												
<b>2. Proponent's Profile</b>													
2.1 Proponent agency/organization/entity:  Nature of organization (choose one item)  Main contact: _____ Email: _____  Address: _____ Tel: _____  Website: _____  (Please attach a brief organizational introduction to this Concept Note )													
2.2 Project team  Number of staff to work on the project _____  <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">Key members:</td> <td style="width: 25%;">Name</td> <td style="width: 25%;">Title</td> <td style="width: 35%;">Role in the team</td> </tr> <tr> <td></td> <td>Name</td> <td>Title</td> <td>Role in the team</td> </tr> <tr> <td></td> <td>Name</td> <td>Title</td> <td>Role in the team</td> </tr> </table>		Key members:	Name	Title	Role in the team		Name	Title	Role in the team		Name	Title	Role in the team
Key members:	Name	Title	Role in the team										
	Name	Title	Role in the team										
	Name	Title	Role in the team										
2.3 Previous experience(s) relevant to the proposed project  <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Project Title</td> <td style="width: 30%;">Total Project Cost</td> <td style="width: 40%;">Funding Source</td> </tr> </table>		Project Title	Total Project Cost	Funding Source									
Project Title	Total Project Cost	Funding Source											
2.4 Previous Project with APFNet (if any)  <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Project Title</td> <td style="width: 70%;">Total Project Cost</td> </tr> </table>		Project Title	Total Project Cost										
Project Title	Total Project Cost												

<p><b>3. Project Synopsis</b></p>
<p><b>3.1 Relevance–Alignment to APFNet</b>  Describe specific priorities and objectives that the project supports, and explain how the project will contribute to their achievement.</p>
<p><b>3.2 Relevance–Alignment to the proposing/target member economy</b>  How does the project align with the priorities, strategic plans, goals and policies in the proposing/target member economy?</p>
<p><b>3.3 Project Summary (max 1.5 pages)</b>  What is the issue that you will address or examine in your project?</p> <p>Describe the significance and necessity of the project. Who will benefit from your project?</p> <p>State the objective(s) of the project in 150 words or less.</p> <p>List all project outputs.</p> <p>Outline the key activities your project will do in terms of what, where, when and with whom.</p>
<p><b>3.4 Methodology and approaches.</b>  Explain the methodology, approach(es), tools, guiding principles or processes you’ll use to plan, manage and execute the project.</p>
<p><b>3.5 Intended Impact</b>  What benefits and impact will the project generate? Describe the expected outcomes of the project.</p>

4. Budget estimation	Unit	Quantity	Price per unit (USD)	Source of funding		TOTAL
				APFNet Grant	Counterpart Contribution	
<b>Project staff cost</b> (Salary and regular allowance for project staff and management personnel)						
<b>Consultants cost</b> (Local and international consultants' fees)						
<b>Travel and related cost</b> (Air fare, local travel, per-diem and etc., including project personnel, consultants, guests and participants for project events)						
<b>Meeting and training cost</b> (Venue, facility, hospitality, speakers/experts' fees, participants accommodation, meeting materials, etc.)						
<b>Field activities cost</b> (Labor cost for local community planting, etc.)						
<b>Publication &amp; Dissemination cost</b> (Formulation, editing, publishing of articles, reports, books and information products and organization of outreach activities, media activities)						
<b>Office Operation cost</b> (Project administrative management fee and administrative staff cost, lease/rental of office premises, office and facility maintenance, etc.)						
<b>Procurement</b> (Purchase of vehicles, equipment, facilities etc.)						
<b>Monitoring, evaluation and audit cost</b>						
<b>TOTAL</b>						

Note: for project concept note appraisal phase, sub-headings for each budget category are not required.

Document No.:  
Receiving Date:  
*(For APFNet Secretariat)*



*Asia-Pacific Network for Sustainable Forest Management  
and Rehabilitation*

## PROJECT PROPOSAL

Project Title

[Proponent Agency]

[Date of submission]

<b>Project title</b>		
<b>Supervisory agency (if any)</b>		
<b>Executing agency</b>		
<b>Implementing partners (if any)</b>		
<b>Expected project duration:</b> YY/MM/DD to YY/MM/DD, months		
<b>Target area</b> (Project locations) (Project sites maps should be attached as Annex)		
<b>Total budget (USD)</b>	<b>Expected APFNet grant (USD)</b>	<b>Counterpart contribution (USD)</b> (in cash and in-kind)
<b>Project Summary:</b> (Please brief the problems/issues to be addressed, the objective and anticipated result of this proposal, summary must be no longer than the box provided)		
<b>Project Proponent(s):</b> Proponent agency/organization/entity: ..... Supervisory agency: ..... Project contact person: .....Title: ..... Tel .....Email.....		
Prepared and Submitted by		Reviewed and Nominated by
<u>(Printing name and title)</u> Project Proponent Signature on behalf of EA Date		<u>(Printing name and title)</u> Council Representative Signature Date

## **Content**

## **Abbreviations and acronyms**

## Project Details

### Project Objective:

State the overarching project objective and specific objectives, please note that the specific objectives need to be SMART (Specific, Measurable, Achievable, Realistic and Time-bound) and must be aligned with the expected outputs.

### SECTION A Project Relevance

#### 1. Issues

What problems does the project seek to address, what is the importance and necessity of the project?

#### 2. Alignment to APFNet

Describe specific APFNet priorities, objectives that the project supports, and explain how the project will contribute to their achievement.

### SECTION B Project Impact

#### 3. Outputs

What will the project produce, build, or deliver? Using a numbered list, describe the expected project outputs and how they connect to or contribute to the project **Outcomes** (below)?

#### 4. Outcomes

What benefits and impact will the project generate? These may include changes in policy, processes, or behavior in the participating institutions or in the targeted area. Describe how the planned benefits and impact support the Project Objective?

#### 5. Beneficiaries

Who will benefit from and be affected by the project? Identify the key stakeholders and how they will benefit from the project, and describe how they will be engaged and communicated during the implementation.

#### 6. Dissemination

Describe plan to disseminate the output documents/reports and other results of the project using the table below, if the publication is recommended to be published as an APFNet Publication, please specify clearly in the Dissemination tools.

Publication/Report/Document	Objectives	Target Audience	Dissemination tools	Language
e.g. Technical manual	Increased knowledge of best practices in	Local people and policy makers in	Brochure	English/ ...
...				



## SECTION C Project Effectiveness

### 7. Plan.

How and when will the work be carried out, develop a plan using the table below, be sure all the outputs are included and key milestones and reports/publications submission dates are indicated.

Outputs and Activities	Methods of Implementation (How and Where)	Timeline (Yr.X, Qtr.X)	Participants and Responsibility (Who are responsible and their roles)
<b>Output 1</b> e.g. Developing an integrated forest management plan for project area			
Activity 1.1	Collecting spatial information for mapping	Yr. 2023, Qtr. 1	-
Activity 1.2			
...			
<b>Output 2</b>			

### 8. Monitoring and Evaluation

Use the table below to make a M&E plan by specifying what will be measured, what the target goals are, how they will be measured and where they will be reported.

Items	Objectively verifiable indicators of achievement	Sources of information and means of verification	Baseline What is the current value of the indicators?	Target What is the target value of the indicators?	Responsibility Who will measure it?	Reporting Where will it be reported?
<b>Output1</b> e.g. Local technical officers trained on the restoration toolkit in the	1.Number of trainees who completed the training	Workshop registration form	100	150	-	Project progress report, Workshop report
	2.Number of learning events	Event agenda and invitation	5	8	-	Project progress report PSC meeting
Activity 1.1						
Activity 1.2						
Output 2						

## 9. Risk

Identify the risks that could impact project implementation and describe the specific approaches to managing risk on this project.

## SECTION D Management and Sustainability

### 10. Project Team and Partners

Please list all members of the project team, with their roles and competences specified, if external consultants or services will be engaged, please describe the plan.

Describe the resources that will be made available and the corresponding external partners, especially if they've already identified as implementing agencies, please provide information on their engagement and the resources that they will bring to the project.

Please provide an organizational chart to illustrate the composition of project steering committee/technical advisor group, give a short introduction and describe how will the project be managed and supervised.

### 11. Sustainability

Whether the benefits or results of this project are likely to continue after the APFNet funded project is completed, what are the intended effects over longer term?

## SECTION E Project Efficiency

### 12. Budget

Please complete the **Project Budget** (Annex B) for the project using the APFNet Project Budgeting Tool provided. The Budget should include calculation assumptions (e.g. unit costs) and Counterpart Contribution.

### 13. Financial Management

Describe how the project be financially managed to make sure the grant be used in an efficient and transparent way.

#### Annexes:

Annex A – Project Sites information

Annex B – Project Budget

Annex C – Land/forest tenure certificates (*if available*)

Annex D – Other documents deemed necessary (*if any*)

Document No.:



# PROJECT AGREEMENT

OF

[PROJECT TITLE (ID)]

BETWEEN

Asia-Pacific Network for

Sustainable Forest Management and Rehabilitation

AND

[SUPERVISORY AGENCY]

AND

[EXECUTING AGENCY]

## PROJECT AGREEMENT

This Agreement is made as of [day]day of [month], [year]

**BETWEEN**

Asia-Pacific Network for Sustainable Forest Management and Rehabilitation (hereinafter referred to as the “APFNet”)

**AND**

[XXXX] (hereinafter referred to as the “Supervisory Agency”)

**AND**

[XXXX] (hereinafter referred to as the “Executing Agency”)

APFNet, the Supervisory Agency and the Executing Agency are hereinafter collectively referred to as the “Parties”.

**WHEREAS:**

- A. **APFNet** has approved and will make available a grant for supporting the implementation of [project name (project ID)] (hereinafter referred to as the “Project”);
- B. **Supervisory Agency** shall supervise and provide the necessary support for the implementation of the Project; and
- C. **Executing Agency** shall be responsible for implementing the Project, in accordance with this agreement and the Project Document.

**NOW THEREFORE**, the Parties hereby agree as follows:

### **ARTICLE I Definition of the Project**

Section 1.01 The objectives, budget, work plan, management, and other aspects relating to the Project shall be governed by the Project Document registered as [[Year]P[No.]-PD] attached hereto and read as an inseparable part of this agreement. The Project Document shall be subject to any subsequent clarifications and supplementary arrangements which may be mutually agreed upon by the Parties.

Section 1.02 The project implementation period is a consecutive [No.] months since the entry into force of this agreement and the approval of the first Project Annual Work Plan.

### **ARTICLE II Financing and Payment**

Section 2.01 The total budget of the Project is USD [amount] (US dollars [amount in English] only), among which USD [amount] (US dollars [amount] only) shall be granted by APFNet, USD [amount] (US dollars [amount in English] only) are provided as counterpart contribution by the Executing Agency, and USD [amount] (US dollars [amount in English] only) are contributory funding from [other channels].

Section 2.02 An account as follows is identified by the Executing Agency to receive and administrate the project grant.

Name of Account:

Number of Account:

Name of Bank:

Bank Branch:

Bank Address:

Swift Code:

Section 2.03 The APFNet Project grant shall be paid in [No.] disbursements upon submission and acceptance of any requested documents as follows:

- (a) The first disbursement of up to 90% of the total annual APFNet budget (not including APFNet retained supporting budget) for the 1<sup>st</sup> project year will be granted upon the approval of the Annual Work Plan for Project Year One (AWP1);
- (b) Subsequent disbursements will be granted upon the approval of the previous project year's Annual Progress Report, Audit Report and the Annual Work Plan for the coming project year;
- (c) Up to 10% of the total grant (against the actual cost) will be disbursed upon acceptance of the project Terminal Evaluation (if conducted), and the approval of the Project Completion Report, any Technical Report and the final Audit Report. The up to 10% grant will be covered by the funds withheld for each project year's budget, where yearly disbursement will be up to 90% of its budget, after subtracting costs retained or directly paid by APFNet.

Section 2.04 The Executing Agency shall officially confirm the receipt of each disbursement of the APFNet grant.

### **ARTICLE III Roles and Responsibilities**

Section 3.01 The Executing Agency shall do its utmost to ensure that the Project is implemented as planned, within the agreed budget, in a manner consistent with the APFNet Manual for Project Identification, Implementation and Management (PIIM, 2022), the APFNet Project Visual Identity and Communications Guide (2022) and the APFNet Procedures for Project Consultant Selection and Recruitment (2022), in such a way as to achieve the objectives and expected outputs set out in the Project Document.

Section 3.02 The Executing Agency, in consultation with APFNet, shall appoint a Project Director to lead the Project Management Office to implement the Project, and to assume the primary responsibility for internal monitoring and evaluation and project coordination.

Section 3.03 The Executing Agency may, in accordance with the Project Document, delegate or sub-contract specific tasks and functions in connection with the Project to [Implementing Agency], any consultant, legal agent, or institution, who or which is not under its daily supervision and control pertaining to the Project. Terms of Reference should be provided for APFNet review before such delegation or sub-contracting, which shall not exempt the Executing Agency from its responsibility for and obligation to the project as defined by this agreement and the Project Document.

Section 3.04 APFNet and the Executing Agency shall promptly inform each other of any event or situation which might affect the implementation of project activities and which may necessitate a revision of the

project scope, implementation, the agreed budget, or other aspects of this agreement and the Project Document. In case changes occur in the project scope, Annual Work Plans, or milestone activities, the Executing Agency shall report to APFNet for approval.

Section 3.05 APFNet shall ensure the timely provision of necessary feedback on deliverables and assist with the validation and approval of project-related documents.

Section 3.06 APFNet shall not be liable for any claims arising from the implementation of the Project or the use of any project equipment. The Executing Agency shall indemnify and hold harmless APFNet and its employees and representatives, from and against any liability, damages, or any claim, action, suit, or other proceeding arising from the implementation of this agreement.

Section 3.07 The Supervisory Agency shall be responsible for governing the Executing Agency and supervising project implementation with due diligence and efficiency and in conformity with sound administrative and financial rules.

Section 3.08 A Project Steering Committee (hereafter referred to as the PSC shall be established to supervise project implementation and make decisions on crucial issues. The PSC shall be composed of representatives from the Supervisory Agency, the Executing Agency and other key project stakeholders. In principle, the PSC shall meet at least once a year to review the annual Project Progress Report and Annual Work Plan for next project year, and provide guidance to addressing technical and financial issues, as well as the policy hurdles. [APFNet may join the PSC meetings as an observer.]

*(Section 3.08 A Technical Advisory Group (hereafter referred to as TAG) shall be established to provide technical input to project activities and support the project implementation in terms of technical aspects. The TAG can include representatives from key stakeholders and experts of relevant research areas from different research teams, economies or regions. In principle, the TAG shall meet at least once a year to review the annual Project Progress Report and the Annual Work Plan for the next project year, and provide guidance to addressing technical issues.)*

#### **ARTICLE IV Use and Management of the Project Grant**

Section 4.01 The APFNet project grant shall be used exclusively to cover the costs itemized in the agreed upon budget set out in the Project Document and is subject to approved Annual Work Plans during project implementation.

Section 4.02 APFNet shall recover any grant from the Executing Agency spent for activities not directly related to the project scope identified in this agreement and Project Document and illegible expenditures listed in the APFNet PIIM (2022). Such amounts may be immediately refunded or deducted from any grant transfer not yet released to the Executing Agency.

Section 4.03 Approved expenses for hiring international consultants, conducting external monitoring and evaluation, and other necessary supporting expenses may be retained and directly paid by APFNet.

Section 4.04 The Executing Agency shall keep strict budgetary control over the APFNet grant for the purpose of implementing the Project and shall keep such a grant in the bank account mentioned in Section 2.02 until its actual disbursement.

Section 4.05 The Executing Agency shall at all times keep up-to-date and full accounts of the expenditures incurred by the Project and provide financial statements, accompanied by certified balances of the project's bank accounts, and such a request shall be promptly complied with.

Section 4.06 Any surplus APFNet grant remaining in the Project account mentioned in Section 2.02 [*could be requested for additional activities for the Project dissemination upon APFNet approval via a Project Change Request, or*] should be returned to APFNet, prior to the closure of the project account.

Section 4.07 The project account shall be audited each project year and upon project completion by an independent audit firm appointed by the Executing Agency in consultation with APFNet, by examining the documents or by on-the-spot checks, on the basis of supporting documents for the accounts, accounting documents, and any other documents relevant to the financing of the project. The audit report shall be prepared in accordance with APFNet's audit scope and objectives.

Section 4.08 The project account is closed upon the closure of the Project, upon which any additional expenditures from the APFNet grant shall not occur (except for expenses for the terminal evaluation and auditing that have to happen after project completion).

#### **ARTICLE V Procurement and asset management**

Section 5.01 The procurement of goods and services shall be made in accordance with the APFNet PIIM and the law(s) and regulation(s) in [target economy(ies)], which conform to generally accepted principles of good procurement practices, including safeguards against the corrupt and illegal practice, and that no offer, gift, payment or benefit of any kind, which would or could be construed as an illegal or corrupt practice can be accepted, either directly or indirectly, as an inducement or reward for the award or execution of procurement contracts.

Section 5.02 Goods and services purchased under the project shall be strictly confined to project use by the project staff. Use, maintenance and inventory of goods, especially the fixed assets, should be properly recorded.

Section 5.03 APFNet-financed project fixed assets (equipment, devices, vehicles, etc.) become the property of APFNet. The disposal of fixed assets purchased with the APFNet grant for the implementation of the Project would be determined by APFNet before the closure of the Project.

#### **ARTICLE VI Monitoring and Evaluation, Recording and Reporting**

Section 6.01 Project monitoring and evaluation should be conducted during the entire project management lifecycle to ensure the implementation of project activities are on track toward the intended project objectives. Project monitoring and evaluation should be conducted in accordance with the APFNet Guidelines for Project Monitoring and Evaluation (2022).

Section 6.02 Internal monitoring and evaluation shall be arranged regularly to check the implementation and management of the Project and measure the progress, performance, achievements and issues.

Section 6.03 External monitoring and evaluation may be conducted by APFNet or its-hired consultants, during or after project implementation, if so desired. Representatives of APFNet shall be entitled to visit

any facility and site included in the Project and to examine the accounts and records, and the goods and services provided under the Project.

Section 6.04 Adequate records and documentation of the Project shall be maintained, enabling information available to APFNet in the form of documents, photos, video clips, and publications, etc.

Specifically, the submission of the following documents is required to keep APFNet updated on project progress and grant disbursement in a timely manner:

- (a) The first Annual Work Plan (AWP1) should be submitted within 30 days after the entry into force of this agreement; subsequent Annual Work Plan(s) should be submitted at least 30 days before the commencement of the new project year(s);
- (b) Semi-annual Progress Report(s) in the middle of each project year should be submitted within 20 days since the end of each reporting period;
- (c) Annual Progress Report(s) and Audit Report of each Project Year should be submitted within 30 days from the end of the reporting period; and
- (d) The Project Completion Report (PCR), final Audit Report, and other supporting documents should be submitted as required within 45 days after the project completion.

All documents and materials submitted to APFNet shall be prepared in proper English, or with notes or instructions in English. If materials are submitted in another language, a translation document shall be attached as well.

## **ARTICLE VII Intellectual Property, Dissemination and Visibility**

Section 7.01 All intellectual property rights (including copyright) in the work to be performed under this agreement shall be vested in the Executing Agency and APFNet, including, without any limitations, the right to use, publish, translate, sell or distribute, privately or publicly, any item or part thereof.

Section 7.02 The Executing Agency shall take all appropriate measures to publicize the fact that the Project has been approved by and received financial support from APFNet. In the information given to the press, all related publicity materials, official notices, reports and publications, the Executing Agency shall acknowledge that the Project was carried out with funding by APFNet and shall display the APFNet logo in an appropriate way.

Section 7.03 The Executing Agency accepts that the APFNet discloses project relevant information in its publications, including the name and address of the Executing Agency, the purpose of the grant, the amount contributed and the percentage of co-financing (both in cash and in-kind), according to the Project Agreement.

Section 7.04 The Executing Agency will provide APFNet with a minimum of 20 copies of each project-related publication unless otherwise agreed. The Executing Agency and APFNet are to be involved as co-authors (if written together) of articles, thesis, which are to be published in the international academic journals and the websites of the Executing Agency and APFNet.



Section 7.05 The Executing Agency, the Project Director preferably, is responsible for coordinating the dissemination of the project outputs on appropriate occasions on sub-national, national and international levels.

Section 7.06 The Executing Agency shall prepare, in liaison with the APFNet Secretariat, brief articles, for possible inclusion in APFNet newsletters and on the APFNet website, reporting on the project progress, outcomes, publications and lessons learned.

Section 7.07 All the vehicles, devices, and equipment procured with the APFNet grant shall visibly bear the logo of APFNet in printing in a manner consistent with the APFNet Project Visual Identity and Communications Guide (2022).

#### **ARTICLE VIII Confidentiality**

Section 8.01 Neither the Executing Agency nor its personnel shall communicate to any other person or entity any confidential information known from APFNet in the course of performing its obligations under the Project Agreement, nor shall it use this information for private or any other advantages. The rights and obligations arising under this article do not lapse upon the termination of the Agreement.

#### **ARTICLE IX Force majeure**

Section 9.01 Force majeure is referred to as any unforeseeable exceptional situation or event, and the occurrence and consequence of this situation or event are unavoidable and insurmountable for the Parties, thus preventing either of them from fulfilling or fulfilling on time any agreed responsibilities in this Agreement. It is not attributable to error or negligence on the Parties (or the project subcontractors, agents or employees). However, defects in equipment or material or delays in making them available, labor disputes, strikes or financial difficulties cannot be invoked as force majeure. A Party shall not be held in breach of its agreed obligations if it is prevented from fulfilling them by force majeure. Without prejudice the Party faced with force majeure shall inform the other Party without delay, stating the nature as well as the probable duration and foreseeable effects, and at the same time take any measure to minimize possible damage.

#### **ARTICLE X Extension, Suspension and Termination**

Section 10.01 Executing Agency may extend the project implementation upon APFNet approval if circumstances make it too difficult to complete the project on time. The request shall be submitted to APFNet in line with the APFNet PIIM (2022).

Section 10.02 APFNet may suspend or terminate the agreement and the project, by written notice, under the situations below:

- (a) where the Executing Agency is unable to prove that the disbursed grant has only been used for the purpose identified in the Project Document;
- (b) where the Executing Agency fails, without justification, to fulfill any of the obligations incumbent on it and, after being given written notice in the form of an official letter to comply with those obligations, still fails to do so without a satisfactory explanation;
- (c) where APFNet has evidence of the involvement of the Executing Agency or any related entity

or person in fraud, corruption, crime, or any other illegal activity detrimental to the interests of APFNet and its member or partners. This also applies to partners and agents of the Executing Agency; and

- (d) where the Executing Agency makes false or incomplete statements or provides reports that do not reflect reality to obtain the grant provided in the Agreement.

Section 10.04 Prior to, or instead of, terminating the agreement as provided in this Article, APFNet may suspend payment as a precautionary measure.

#### **ARTICLE XI Settlement of Disputes**

Section 11.01 Any dispute arising from the interpretation or implementation of this agreement or any breach thereof shall be settled amicably through consultation between APFNet and the Executing Agency or within the framework of laws and regulations of China, where APFNet is based.

(End of clauses)

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Mr. Lu De  
Executive Director

**On behalf of  
Secretariat of Asia-Pacific Network for  
Sustainable Forest Management and  
Rehabilitation**

**APFNet**

Floor 6, Complex A, Baoneng Center, 12  
Futong Dongdajie, Chaoyang District,  
Beijing, P.R.China

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Document No.:



*Asia-Pacific Network for Sustainable Forest Management  
and Rehabilitation*

## PROJECT DOCUMENT

[Project Title (ID)]

[Supervisory Agency]

[Executing Agency]

[Project implementation duration]

### Basic Information

<b>Project title (ID)</b>	
<b>Supervisory agency</b>	
<b>Executing agency</b>	
<b>Implementation agency(ies)</b>	
Project Director: (name and title) Tel. .... Email..... Fax .....	
<b>Target area(s)</b> (project location(s) and context) (maps of project sites should be attached as Annex A, if any)	
<b>Project implementation duration:</b> [mm/yy_to mm/yy, xx months]	
<b>Total budget (USD)</b>	
<b>APFNet grant (USD)</b>	
<b>Counterpart contribution (USD)</b> (list other funding sources and amounts, specify cash and in-kind contribution)	
<p><b>Project description</b> (Please list problems/issues to be addressed, SMART project objectives, alignment with APFNet priorities, expected outputs/impacts and key activities, beneficiaries and main stakeholders, methodology and approaches)</p>	

Please add

**Table of Contents**

**List of Figures and Tables**

**Abbreviations and acronyms**

**PD Instructions:**

1. The PD is a further development of a project proposal, governing the project scope, as well as rules and procedures for project implementation and management. The PD is attached to and to be treated as an indispensable part of a project agreement.
2. EAs should focus on detailing the activity implementation plan, the communication and dissemination strategy, and the monitoring and evaluation plan when formulating the PD. Project organizational structure and PSC should also be set up and be presented in the PD.
3. Please make sure recommendations from the project proposal appraisal are incorporated, and all the contents included in the PD are mutually agreed upon by project stakeholders, including APFNet, before the project is officially launched and implemented.
4. Please delete these instructions (in light blue) when submitting the PD.

## Project details

### SECTION A - Project Relevance

#### 1. Issues and Rationale

- Specify the problems to be addressed
- Specify the importance and necessity of the project
- Explain how the project addresses these problems

#### 2. Background

- Wider project context (on a regional, economy and local level)
- Specify if the project is under any existing initiative or program and briefly list any prior projects and their outputs, especially the ones relevant to the current project.

#### 3. Alignment with APFNet and Regional Priorities

- Relevance to APFNet priorities (refer to the most current APFNet Strategic Plan), and explain how the project will contribute to achieving APFNet's objectives;
- Relevance to forestry strategies, policies, laws and regulations in the target economy (ies), and linkage with other projects and programs (also explain how potential overlap is avoided).

### SECTION B - Project Objective, Outputs and Impacts

#### 4. Objective

- State the **overarching project objective** and list the **specific project sub-objectives**;
- The specific sub-objectives need to be SMART (Specific, Measurable, Achievable, Realistic and Time-bound) and must be aligned with the expected project outputs and outcomes.

#### 5. Outputs

- List the expected project outputs to reflect what the project will produce, build or deliver;
- Clarify for each output how it will contribute to achieving the project sub-objective (above);
- Clarify for each output how it's connected to one or several project outcomes and how it will contribute to generating project impacts (below).

#### 6. Outcomes

- State the project outcomes and expected impacts, such as the potential benefits and long-term changes the project is expected to generate
- May include changes in policy, natural resource management, ecological conditions or behavior in the participating institutions, people, communities or in the targeted area at large.
- Describe how the planned benefits and impacts will support achieving the project objective.

#### 7. Stakeholders and Beneficiaries

- Who are the beneficiaries of the project and its activities?
- Identify the key stakeholders and how they will benefit from the project.
- Describe how they will be engaged and communicated with during project implementation.

## SECTION C - Project Implementation

### 8. Activity Plan

- Give a verbal description of the project activities under the different outputs to be taken, presenting why and how activities will be carried out, as well as when, where and which stakeholders will be involved. Activities selected should be maximally cost-efficient, meeting the criteria of being linked, focused, feasible, and appropriate.
- If necessary, complex, multi-step activities can be broken down into several sub-activities, which detail methodologies and approaches to be used, places, participants and responsible people, work plan, output indicators and if appropriate, the input of an international consultation service and procurement of equipment.
- Clearly define verifiable indicators for each activity. Transfer key information into the project Monitoring & Evaluation Framework (Annex B). This shall be used as a key reference during project monitoring and evaluation.

Example:

#### ◆ Output 1 – Establishing agroforestry demonstration plots

- Activity 1.1 Develop the agroforestry demonstration plot design (who, when, where, how)  
**Methods of implementation:** The project team and farmers (who) will jointly design demonstration plots during a group meeting (how). Initial focus group discussions with local farmers will be held to let the farmers share their interests and concerns, including species they'd be interested in. Based on the preferences the project team will offer several options for suitable agroforestry design amongst which the farmers can choose.  
**Participants and responsibility:** farmers (input for design), project team (design)  
**Place:** Village town hall (where)  
**Timeline:** xx (month), xxxx (year) (when can also be duration)  
**Output indicators:** A design for setting up agroforestry demonstration plot
- Activity 1.2 – Establishment of demonstration plots

### 9. Communication and Dissemination Strategy

- An independent project communication and dissemination (C&D) strategy (Annex C) should be developed following the **APFNet Project Visual Identity and Communications Guide** and the resulting C&D strategy should be included in the PD.
- Describe in the strategy how project results and outputs will be communicated and disseminated, including form and contents, the target audience, and how to extend the project's impacts.
- In the PD in Annex C, the resulting C&D Objectives and Activities are to be specified. Each AWP will subsequently specify these in more detail. The communication activities identified should also be included in Annex D under with corresponding annual budget per activity

## SECTION D - Project Effectiveness

### 10. Monitoring and evaluation

- Follow the **APFNet Guidelines for Project Monitoring and Evaluation** to develop a project M&E Framework (Annex B) to keep project implementation on track and measure the success and lessons learned.
- Identify the indicators and criteria to measure if project implementation is on track (monitoring) and successful in meeting its objectives (evaluation).
- External project M&E will be carried out by APFNet or an independent evaluator.

## **SECTION E - Project Management and Sustainability**

### **11. Project Organizational Structure and Key Personnel**

- Please provide an organizational chart to illustrate the project's organizational structure and communication mechanisms, and describe how the project will be managed and supervised. The organizational structure should further be broken down into the following aspects:

#### **11.1 Project Steering Committee (PSC) / Technical Advisor Group (TAG)**

- Describe how the project steering committee/technical advisory group will be established to supervise the project and keep smooth and timely communication.
- Identify the chair of the PSC/TAG and list each member and their current position. Explain for each person why they are part of the PSC/TAG.
- Describe what meeting and consultation mechanisms will be identified to guarantee its effective functioning and communication with project team. Specify intended frequency.
- Meeting notes for each PSC meeting are to be submitted to APFNet along with the progress reports.

#### **11.2 Project Management Office**

- Please list all members of the project management team, specifying duties and responsibilities for the key roles. Describe what will be done to strengthen project team's capacity of project implementation. Some key roles to list and describe usually are:
  - Project Director
  - Project Coordinator
  - Financial Officer
  - Communications Officer
  - Technical/research staff
- Describe the resources that will be made available and the corresponding external partners, especially if they've already been identified as implementing agencies.
- Please provide information on their engagement and the resources that they will bring to the project.

#### **11.3 External Consultants**

- If external consultants or services will be engaged, list them here.
- TOR(s) should be used to describe requirements of consultants to be recruited for project implementation as an annex.



- Clearly state if they are national or international consultants. If they are international consultants obtain approval from APFNet prior to hiring.

## **12. Project risk and sustainability**

### **12.1 Risks and Assumptions**

- Identify potential assumptions, including risks and uncertainties, as well as positive factors that might impact the achievement of project objectives.
- Describe how they will be managed or mitigated.

### **12.2 Duplicability and sustainability**

- Describe expectations for the project beyond the funding period, factors that ensure the achievement and efforts to be sustained over time.
- Describe how the project can be scaled up, including what factors and resources would be necessary for a successful upscaling of the project.

## **SECTION F - Project Finances (Efficiency)**

### **13. Budget**

- Describe the overall project funding information in text form.
- Use the APFNet Project Budgeting Tool to develop a **Project Budget by Activity** (Annex F) and automatically export the **Project Budget by Category** (Annex G) to present funding resources secured both from APFNet and other channels. Make sure to select the correct budget category, provide key budgeting information (e.g., quantity, unit and unit cost) and give a detailed description for each budget line follow the instruction. The tool will calculate budget for each activity and output automatically.
- The 'APFNet retained grant' is used for APFNet external M&E and other project supporting costs (e.g., pre-study, communication, and dissemination) that may be needed by APFNet. It shall be estimated by EAs and confirmed by APFNet.

### **14. Financial Management**

- Describe in what way the project will maximize the cost-efficient use of resources; if any, procedures and regulations will be obeyed in terms of personnel employment, procurement of goods and services, as well as financial management.

### **15. Auditing**

- Provide (if already determined) information of an external auditing firm which will be in charge of auditing during project implementation and provide periodical and final audit reports.

## **Annex A: Project Sites Map and Relevant Information**

This part presents the map and the current status of the project sites, including its size, forest type, natural and socio-economic conditions as well as the land use status, and potential demonstrative effects on other regions or economies.

**Annex B: Project Monitoring and Evaluation Framework**

Items	Objectively verifiable indicators of achievement	Sources of information and means of verification	Baseline What is the current value of the indicators?	Target What is the target value of the indicators?	Responsible Who will measure it?	Reporting Where will it be reported?
Output 1						
Activity 1.1						
Activity 1.2						
Output 2						
Activity 2.1						
.....						

**Annex C: Project Communication and Dissemination Strategy**

C&D Objectives	Target audience	Key message	Monitoring Indicator	Work plan and budget				
				Activities (what)	C&D tools (how)	Time/Location (when/where)	Responsible person (who)	Estimated budget (USD)

The monitoring and evaluation of C&D objectives should be incorporated into the project monitoring and evaluation framework (Annex B).

## Annex D: Project Budget by Activity

Outputs/activities	Description	Budget category	Budget Item	Quantity				Units	Unit cost (USD)	Budget (USD)						
				APFNet		Counter part				APFNet			Counter part			Total
				Y1	Y2	Y1	Y2			Y1	Y2	Subtotal	Y1	Y2	Subtotal	
<b>Output1</b>									-	-	-	-	-	-	-	-
Activity1.1									-	-	-	-	-	-	-	-
									-	-	-	-	-	-	-	-
Activity1.2									-	-	-	-	-	-	-	-
									-	-	-	-	-	-	-	-
<b>Output2</b>									-	-	-	-	-	-	-	-
Activity2.1									-	-	-	-	-	-	-	-
									-	-	-	-	-	-	-	-
Activity2.2									-	-	-	-	-	-	-	-
									-	-	-	-	-	-	-	-
<b>Output3</b>									-	-	-	-	-	-	-	-
Activity3.1									-	-	-	-	-	-	-	-
									-	-	-	-	-	-	-	-
Activity3.2									-	-	-	-	-	-	-	-
									-	-	-	-	-	-	-	-
<b>Project Administration &amp; Staff</b>									-	-	-	-	-	-	-	-
Project Administration									-	-	-	-	-	-	-	-
									-	-	-	-	-	-	-	-
Project Staff									-	-	-	-	-	-	-	-
									-	-	-	-	-	-	-	-
<b>APFNet retained grants</b>	<b>Project external evaluation and support costs retained by APFNet</b>								-	-	-	-	-	-	-	-
External evaluation									-	-	-	-	-	-	-	-
									-	-	-	-	-	-	-	-
APFNet project support costs	Pre-study, communication, internal monitoring, dissemination, etc.								-	-	-	-	-	-	-	-
									-	-	-	-	-	-	-	-
<b>Total</b>									-	-	-	-	-	-	-	-

– Refer to Excel. Use APFNet Project Budgeting Tool to develop Project Budget by Activity table.

Annex E: Project Budget by Category

Budget Category		Budget (USD)						Total
		APFNet			Counterpart			
Activity	Description	Y1	Y2	Subtotal	Y1	Y2	Subtotal	
<b>1 Project personnel</b>		-	-	-				
		-	-	-				
		-	-	-				
<b>2 Travel</b>		-	-	-				
		-	-	-				
		-	-	-				
<b>3 Procurement</b>		-	-	-				
		-	-	-				
		-	-	-				
<b>4 Meeting &amp; Training</b>		-	-	-				
		-	-	-				
		-	-	-				
<b>5 Labour</b>		-	-	-				
		-	-	-				
		-	-	-				
<b>6 Project Administration</b>		-	-	-				
		-	-	-				
		-	-	-				
<b>7 Project monitoring and evaluation (retained by APFNet)</b>		-	-	-				
		-	-	-				
		-	-	-				
<b>Total</b>		-	-	-				

– Refer to Excel. Use APFNet Project Budgeting Tool to export Project Budget by Category directly from Project Budget by Activity.

## PROJECT ANNUAL WORK PLAN

Project title (ID):			
Supervisory agency:			
Executing agency:			
Implementation agency(s):			
Project implementation duration: [dd/mm/yy to dd/ mm/yy, _____months]			
Duration covered by the AWP: [ mm/yy to mm/yy (Project Year___)]			
<b>Budget</b>	<b>Overall</b>	<b>Carry-forward budget</b>	<b>Budget for the Year</b>
APFNet grant (USD):			
Counterpart Contribution (USD):			
Total (USD)			
<p><b>1. Project Overview</b></p> <ul style="list-style-type: none"> <li>– Brief the overview of the project, highlighting key elements such as project goal(s), objectives, and expected outputs.</li> </ul> <p><b>2. Project Progress</b></p> <ul style="list-style-type: none"> <li>– If the plan is for the second or third project year, also summarize progress achieved in previous project year.</li> <li>– Clearly state any activities that have not been completed in the previous year as planned and are thus partially or fully carried over.</li> </ul> <p><b>3. Activity Plan for the Year</b></p> <ul style="list-style-type: none"> <li>– Briefly outline the annual target and intended results/outputs that will be achieved in this project year.</li> <li>– Highlight strategy, methods/approaches, and key/milestones activities to be undertaken towards the achievements of the expected outputs.</li> <li>– Give a detailed description of the project activities under the different outputs to be taken, presenting why and how activities will be carried out, as well as when, where, and which stakeholders will be involved. And also, specify events/activities that may need APFNet engagement and/or participation. For the establishment of technically difficult activities, such as construction or silvicultural demonstrations, additional detailed documentation may be necessary.</li> <li>– Please list again the activities delayed from previous project years and indicate whether the budget has been allocated.</li> </ul> <p>Example:</p> <ul style="list-style-type: none"> <li>◆ <b>Output 1 Establishing agroforestry demonstration plots</b></li> <li>• Activity 1.1 - Develop the agroforestry demonstration plot design (who, when, where, how)  <b>Methods of implementation:</b> The project team and farmers (who) will jointly design demonstration plots during a group meeting (how). Initial focus group discussions with local farmers will be held to let the farmers share their interests and concerns, including species they'd be interested in. Based on the</li> </ul>			

preferences, the project team will offer several options for suitable agroforestry design, amongst which the farmers can choose.

**Participants and responsibility:** farmers (input for design), project team (design)

**Place:** Village town hall (where)

**Timeline:** xx (month), xxxx (year) (when can also be duration)

**Output indicators:** A design for setting up an agroforestry demonstration plot

- Activity 1.2 - Establishment of demonstration plots

#### 4. Communication and Dissemination

- Develop the Annual Communication and Dissemination Plan in accordance with the overall Project Communication and Dissemination Strategy. Refer to APFNet Project Visual Identity and Communications Guide.
- Include communications activities in the AWP template (Annex A, B and C).

#### 5. Monitoring and Evaluation

- Describe how internal monitoring and evaluation will be conducted in the year to keep project implementation on track. Refer to APFNet Guidelines for Project Monitoring and Evaluation.
- If external project evaluation is needed for the year, please brief the preferred time and arrangements.

#### 6. Project Management Administration

- Brief project organizational structure, PSC/TAG, Project Management Office.
- Describe the consultants needed for the project year. If external consultants or services will be engaged, list them here. Details should be added as an annex, such as via TORs.

#### 7. Project Finance

- Describe the general financial needed for the year.
- Use the APFNet Project Budgeting Tool to export the Annual Project Budget by Activity and Annual Project Budget by Category to present the budget allocation for the year.

**Prepared and submitted by**

**Reviewed and endorsed by**

**[Printing name and title]**

**[Printing name and title]**

Project Director signature on behalf of EA      Date

Project Steering Committee Chair signature      Date



Annex A Detailed Implementation Plan for Project Year \_\_

Planned Outputs/activities	Intended Results and Measurable Indicators	Responsible party	Timeframe											
			Q1			Q2			Q3			Q4		
Output 1														
Activity 1.1														
Activity 1.2														

– List all the activities, including C&D activities, M&E, audits, during the year to achieve the outputs.

## Annex B Budget by Activity for Project Year \_\_\_\_

Outputs/activities	Description	Budget category	Budget Item	Budget for the Year					Carry-forward Budget (USD)		Original Budget for the Year (USD)								
				Quantity		Units	Unit Cost (USD)	Budget (USD)			APFNet	Counterpart	Budget		Adjustment				
				APFNet	Counterpart			APFNet	Counterpart	Total			APFNet	Counterpart	APFNet	Counterpart			
<b>Output 1</b>																			
Activity1.1																			
<b>Output 2</b>																			
Activity 2.1																			
<b>Project Administration &amp; Staff</b>																			
Project Administration																			
<b>APFNet retained grants</b>																			
External evaluation																			
<b>Total</b>																			

- Please use the APFNet Project Budgeting Tool to export the annual budget by activity, add the carry-forward budget from previous project years, and make necessary adjustments based on needs.

Annex C Budget by Category for Project Year \_\_\_\_

Budget Category		Budget (USD)					
		Budget for the Year			Carry-forward Budget		
Activity	Description	APFNet	Counterpart	Total	APFNet	Counterpart	Total
<b>1</b>	<b>Project personnel</b>						
<b>2</b>	<b>Travel</b>						
<b>3</b>	<b>Procurement</b>						
<b>4</b>	<b>Meeting &amp; Training</b>						
<b>5</b>	<b>Labour</b>						
<b>6</b>	<b>Project Administration</b>						
<b>Total</b>							

– Please use the APFNet Project Budgeting Tool to export annual budget by category from the annual budget by activity table.

**Annex D Annual Communication and Dissemination Strategy**

C&D Objectives	Target audience	Key message	Monitoring Indicator	Work plan and budget				
				Activities (what)	C&D tools (how)	Time/Location (when/where)	Responsible person (who)	Estimated budget (USD)

- The C&D strategy should already be done as much as possible during PD development, however some details (such as the C&D tools, when and where the communication activity will take, who will be responsible, and the exact budget) may only be fully developed in the respective AWP.
- The monitoring and evaluation of C&D objectives should be incorporated into the project monitoring and evaluation framework.

**Annex E Project Monitoring and Evaluation Framework**

Items	Objectively verifiable indicators of achievement	Sources of information and means of verification	Baseline What is the current value of the indicators?	Target What is the target value of the indicators?	Responsible Who will measure it?	Reporting Where will it be reported?
Output 1						
Activity 1.1						
Activity 1.2						
Output 2						
Activity 2.1						
.....						

**Other annexes:**

- List **key personnel for project implementation and management/supervision, and describe their roles and responsibilities**
- List **consultants needed/identified for the project year**, providing TORs to specify their roles, tasks, and expected outputs.
- List **planned procurement** for the year.

**AWP Instructions:**

1. The Annual Work Plan (AWP) is prepared for every project year based on intended year results (what) to achieve the project objectives, strategies (how), timeframe(when), implementing partners (who), and budgets for the planned project year, as the same time reflecting achievements and lessons learned of the preceding year.
2. AWP is prepared by the Project Director on behalf of Executing Agency (EA) and is submitted to APFNet via Project Steering Committee review and endorsement. Signatures of both Project Director and Project Steering Committee Chair are required to prove AWP, which is agreed among project team, supervisory body and main stakeholders, with comments on previous project progress among project partners incorporated. If PSC is not established, the signatures of Project Director and representative of Supervisory Agency (if applicable) will be needed.
3. AWP shall be submitted and approved before the intervention of a new project year. The APFNet will review the document, as applicable, according to project grants transfers

## PROJECT GRANT REQUEST FORM

Project title (ID)	
Supervisory agency	
Executing agency	
Implementing agency(s)	
Project Director(coordinator): Tel: _____ Fax: _____ Email: _____	
APFNet total grant (USD)	
APFNet grant received (USD)	
Cumulative expenditures of APFNet grant (USD)	
Expenditure rate (%)	

The amount of USD \_\_\_\_\_ ([amount]USD dollars only) is requested as [first/second/third.../last] grant disbursement, to cover Project expenses during mm/yy to mm/yy. The grant shall be transferred following bank account:

Name of Account:

Number of Account:

Name of Bank:

Bank Branch:

Bank Address:

Swift Code:

**NOTE:** If grant is requested to disburse to different implementing agencies, please specify amounts and bank information separately.

Attachment list (please list documents to prove project progress and expenditure status, such as progress report, financial statements, budget, etc.)

Requested by EA

\_\_\_\_\_  
Project Director Signature      Date



**PRG Instructions:**

1. PGR form could be used for requesting APFNet project grant to cover expenses to be occurred, or to reimburse expenses pre-paid by EA. In case of project grant for reimbursement, please attach expense documentation or records as required.
2. The annual disbursements should be up to 90% of the total annual APFNet budget (not include APFNet retained supporting budget);
3. Up to 10% of the total grant (against the actual cost) will be disbursed upon acceptance of the project completion.
4. Expenditure rate is the percentage of cumulative expenditures against received grants from APFNet. Project grant requests during Project implementation require the expenditure rate to reach 80% or more. Documents/reports to prove project progress and financial status should be attached.
5. Please delete this page when submitting a request.

## PROJECT CHANGE REQUEST FORM

Project title (ID)			
Supervisory agency			
Executing agency			
Implementing agency			
Project Director(coordinator):			
Tel:	Fax:	Email:	
Project total budget(USD):		APFNet Grant(USD):	
Accumulative grant disbursed to date(USD)			
Project implementation duration: dd/mm/yy to dd/mm/yy,      months			
<b>Request Details</b>			
<input type="checkbox"/> Extension	<input type="checkbox"/> Revision	<input type="checkbox"/> Suspension	<input type="checkbox"/> Termination
<p>Justifications and Proposed Actions</p> <ul style="list-style-type: none"> <li>- Project implementation and financing status to date, to what degree the project objectives have been achieved.</li> <li>- Detail the request, such as extended implementation duration, and revision of project scope.</li> <li>- Present why such a change is requested and indicate the contribution of such change to achieve the project objectives, outputs and related deliverables.</li> <li>- Present any negative/positive impact on project implementation.</li> <li>- Highlight proposed action, project milestones/strategic activities.</li> <li>- Attach updated project work plan and budget.</li> </ul>			
<b>Prepared and submitted by</b>		<b>Reviewed and endorsed by</b>	
<b>(Printing name and title)</b> _____		<b>(Printing name and title)</b> _____	
Project director Signature	Date	PSC Chair Signature	Date

**Project Change Request Instruction:**

1. Please refer to APFNet PIIM Manual (2022) for definition of extension, revision, suspension and termination.
2. Clear justification of requested project change and details of a such requested change is required.
3. When project revision/extension is requested, project progress and expenditure so far, and **updated work plan with budget** are required as attachments.

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# PROJECT PROGRESS REPORT

[Project Title]

[REPORTING PERIOD]

[Executing Agency]

[Date of submission]

### Basic Information

Project title (ID)					
Supervisory agency (if any)					
Executing agency					
Implementing agency(s) (if any)					
Project Director: Tel: _____ Fax: _____ Email: _____					
Reporting Period: [ <u>mm/yy</u> to <u>mm/yy</u> ], Project Year___ <input type="checkbox"/> MYR/ <input type="checkbox"/> APR					
Budget	Available Budget for the Year		Total grant received	Cumulative expenditures	Balance
	Carry-forward budget	Annual budget			
APFNet Grant (USD)					
Counterpart Contribution (USD)					
<p><b>Project Progress Summary</b></p> <p>Briefly summarize the reporting period in terms of project implementation, resource utilization, and progress against the approved AWP; plus to what degree the yearly targets and the project objectives have been achieved. Point out issues that emerged and solutions already implemented or planned for the remaining project period.</p>					
<p><b>Prepared and submitted by</b></p>			<p><b>Reviewed and endorsed by</b></p>		
<p>_____</p> <p>Project Director signature Date</p>			<p>_____</p> <p>Project Steering Committee Chair signature Date</p>		

## PLEASE ADD

### Abbreviations and Acronyms

### Table of contents

### PPR Instructions:

4. Project Progress Reports (PPRs) can be applied to cover periodical progress in the middle of a project year as Mid-Year Progress Report (MPR) or at the end of each project year as an Annual Progress Report (APR).
5. Submission of an MPR requires the signature of the Project Director within 10 days after the end of the reporting period. MPRs may not be needed for small or research projects, their necessity will be communicated by the APFNet PM ahead of time.
6. The APR is prepared for every project year, to present the status of project implementation and management against intended results (what), strategies (how), timeframe (when), implementing partners (who) and budgets for the planned project year set in the annual project work plan, reflecting achievements and lessons learned of the preceding year as the basis to plan for the next project year.
7. The APR is prepared by the Project Director (and, if existent, Project Coordinator) on behalf of the Executing Agency (EA) and is submitted to APFNet after the Project Steering Committee's (if applicable) review and endorsement. Narration should be precise, and appendix should follow the format outlined in the instruction notes. Signatures of both the Project Director and the Project Steering Committee Chair are required to prove APR is agreed upon by the project team, supervisory body and main stakeholders, and comments on previous project progress among project partners are incorporated. For projects without a PSC, only signatures of the Project Director and the Supervisory Agency are needed.
8. The APR shall be submitted within 20 days after the ending of the reporting period, and earlier submission is encouraged. APFNet will review the documents, as they are a pre-requirement for project grants transfers for following project year.
9. Please follow the instructions in blue when completing and submitting the document. Delete all the instructions in blue when submitting the report.

1. **Project overview**
  - Introduce the project, including project overarching objective, sub-objectives and expected outputs.
  - Brief on the progress achieved in the previous project year if the report is to cover PY2 or 3.
  - Present intended results set for the project year in the approved Annual Work Plan (AWP).
2. **Implementation progress, achievements and impacts**
  - Describe the status of activities implementation planned for the reporting period, and any change against the approved annual work plan; include any new activities either approved by APFNet via PCR or added for any other reason within the context of the project
  - Highlight what has been achieved toward meeting the project objectives and expected outputs, and what impacts have been made at the project location and on a broader scale.
    - Output 1
      - Activity 1.1 ...
      - Activity 1.2 ...
    - Output 2
3. **Project communication and dissemination**
  - What communication and dissemination (C&D) activities have been implemented during the year to share the project results and achievements among project partners and to a broader audience.
  - Describe the C&D knowledge products produced, and to what extent the C&D objectives have been achieved against the annual C&D workplan.
4. **Monitoring and Evaluation**
  - Monitoring and evaluation: what was done to monitor whether implementation is on track and evaluate project progress, results and impacts as intended.
5. **Challenges, issues and project responses**
  - What challenges and issues were encountered during the reporting period and what was done to respond, and what were the results and impacts.
6. **Project management**
  - PSC/TAG meeting held, key discussion points and decisions made.
  - Project personnel: staff and consultant recruitment and management, goods and services purchased and maintained, capacity strengthening for project management and implementation, and project administration
  - Communication and reporting: how effectively and efficiently the main project stakeholders communicate and update project progress and issues during the reporting period.
7. **Budget and financial management**
  - Approved budget and actual expenditures during the reporting period, clarifying any activity with an expenditure variance exceeding 10%.
  - What was done to manage the financial resources.
8. **Conclusions**
  - Summarize the progress achieved during the reporting period

**Self-assessment of overall progress/achievement rating (0 to 5 or X) (only for APR)**  
The report must assess how well the project is progressing towards the achievement of the agreed project objectives. The assessment must be based on the following scale:

1	=	likely to be completely achieved
2	=	likely to be largely achieved
3	=	likely to be partially achieved
4	=	only likely to be achieved to a very limited extent
5	=	unlikely to be realized
X	=	too early to judge the extent of achievement/Not Applicable (NA)

  - Lessons learned and recommendations
  - Describe expectations for the remaining project year (if this is a MYP) or next project year (in case of APR) based on the progress to date

**9. Annex**

- a) Project progress and expenditure status (only required for APR)
- b) Financial Statement (only required for APR)
- c) List of fixed assets purchased with the APFNet grant (only required for APR)
- d) Annual audit report (by an independent agency) (only required for APR)
- e) PSC members, meeting minutes, crucial decisions (for both reports)
- f) Project staff and consultants hired, responsibilities and work performance (only required for APR)
- g) Outputs, reports and materials of milestone project activities and events (for both reports)
- h) Publications, brochures, leaflets, posters, photos produced during the reporting period (for both reports)
- i) 1-2 feature stories (for both reports)



## Annex A Project progress and expenditure status during [reporting period]

Outputs/activities	Description	Budget Category	Budget Item	Project Implementation Progress				Budget Expenditure Status (USD)							
				Projected Completion Date	Actual Completion Date	Delivery Rate (%)	Verification Indicators	APFNet			Counterpart			Remarks	
								Budget	Actual expenditure	Balance	Budget	Actual expenditure	Balance		
<b>Output1</b>															
Activity1.1															
Activity1.2															
<b>Output</b>															
Activity															
Activity															
<b>Project Administration &amp; Staff</b>															
Project Administration															
<b>APFNet retained grants</b>	<b>Project external evaluation and support costs retained by APFNet</b>														
<b>Total</b>															

- Use the APFNet Project Budgeting Tool to derive this table from the Annual Project Budget by Activity; add information of project implementation and actual expenditures in the Excel.
- Big variance (above 10%) against approved work plan should be explained in the remarks.

## Annex B Financial Statement for [Reporting Period]

Budget Category		Budget Implementation Status (USD)								Remarks
		APFNet				Counterpart				
Activity	Description	Budget	Actual expenditure	Balance	Delivery Rate (%)	Budget	Actual expenditure	Balance	Delivery Rate (%)	
<b>1 Project personnel</b>									-	
<b>2 Travel</b>									-	
<b>3 Procurement</b>									-	
<b>4 Meeting &amp; Training</b>									-	
<b>5 Labour</b>									-	
<b>6 Project Administration</b>									-	
<b>7 Project monitoring and evaluation (retained by APFNet)</b>									-	
<b>Total</b>									-	

- Use APFNet Project Budgeting Tool to derive this table from the 'Project progress and expenditure status' table. All information should be included in the 'Project progress and expenditure status' table before exporting this table.



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## COMPLETION REPORT

[Project Title (ID)]

[Project Duration]

[Supervisory Agency]

[Executing Agency]

[Date of submission]

## BASIC INFORMATION

Project title (ID)			
Supervisory Agency			
Executing Agency			
Implementing Agency			
Date of Project Agreement: [dd/mm/yy]			
Duration of implementation: [mm/yy-mm/yy], ___ months( extended by ___ months, if any)			
<b>Budget</b>	<b>Grant assured</b>	<b>Grant received</b>	<b>Grant spent</b>
APFNet Grant (USD)			
Counterpart (USD)			
Total			
<b>Disbursement status of APFNet grant</b>		<b>Date of disbursement</b>	<b>Amount (USD)</b>
Initial disbursement		[mm/yy]	
...			
Balance to be disbursed			
<b>Reporting status</b>		<b>Schedule implementation<sup>2</sup></b>	<b>Project progress status<sup>3</sup></b>
First reporting (period covered: mm/yy-mm/yy)			
...			
<b>Executive Summary</b>			
<p>Briefly summarize the key points covered in the project completion report, including the background, initiation and implementation of the project, highlighting the project achievements and impacts, e.g. the restoration models demonstrated, improvements of policy regulations, changes of local livelihoods. Project sustainability, duplicability and ideas for follow-up activities after the project completion may be included.</p>			

<sup>2</sup> Schedule implementation status could be on track/behind/ahead of schedule. At least 80% of all activities scheduled to be done in that reporting period were finished can be considered as 'on track'.

<sup>3</sup> Project progress status could be ranked as satisfactory, unsatisfactory, moderately satisfactory, moderately unsatisfactory

<p><b>Prepared and submitted by</b></p>          <hr/> <p>Project Director signature Date</p>	<p><b>Reviewed and endorsed by</b></p>          <hr/> <p>Project Steering Committee Chair signature Date</p>
---	--

**Project Completion Report Instruction:**

1. The Project Completion Report is intended to comprehensively summarize and present an APFNet-funded project from the beginning of project design to the end of implementation, covering main technical, administrative and financial aspects of the project. At the same time, the report serves as a self-assessment tool for the project’s Executing Agency to present how well the project has been implemented and has benefited target groups (in terms of achievements and impacts).
2. The Project Completion Report is prepared by the Project Director (and Project Coordinator, if applicable) on behalf of the Executing Agency (EA), and is submitted within 45 days after project completion date to APFNet with signatures of both the Project Director and the Project Steering Committee (PSC) chair. For projects without establishing a PSC, only signatures of the Project Director and the Supervisory Agency are needed.
3. Along with the Project Completion Report, all additional project materials, such as videos/photos from the project site and project activities, project case studies, publications based on the project content, as well as raw data should be submitted to APFNet.
4. Please delete all the instructions or change the instructions into subtitles so as to make the report more readable.

List of Project Steering Committee (or Technical Advisory Group) members and Project Management Office members (name/title/expertise/responsibility/contact information)

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PLEASE ADD

- List of Figures and Tables
- Abbreviations and acronyms



## **1. BACKGROUND AND INTRODUCTION**

This section looks at the original design of the project, including the context in which the project was proposed, issues and problems faced, alignment with APFNet and regional priorities, and what has been intended to be achieved by the end of the project, and the strategy of the project design. Usually, the following 3 aspects are required. Please insert a project map here, if any.

**1.1 Project context** (include issues and problems faced and alignment with APFNet and regional priorities)

**1.2 Project objectives and sub-objectives (as stated in the PD)**

**1.3 Project expected outputs and outcomes**

## **2. PROJECT IMPLEMENTATION**

### **2.1 Project progress, schedule and implementation**

- This part requires a presentation of the implementation for each project output and activity. Highlight what has been achieved toward meeting project objectives and expected outputs.
- How were project activities scheduled and how well was the schedule implemented (if there were implementation delays, even if the activity overall was completed, clearly say so).
- Describe major changes, particularly formally approved project changes (that change or affect the project scope) against the approved work schedule(s), and the results accordingly. If entire activities or parts of activities were not completed or they were expanded upon/parts were changed, clearly describe this, including whether the change was initiated through a PCR or otherwise.
- Any risks and assumptions that occurred during project implementation and responding actions should be named. If new risks or issues occurred during project implementation, they should be clearly described, including PMO's response.
- Details need to be filled out in Annex A.

### **2.2 Project finance**

- How financial and in-kind resources (funding sources) have been used, planned budgets have been managed (this requires a strict execution of the transparency policy and procedures for procurement, employment, lease and other expenses assuring audit over the project), and budget actually used in the project.
- Approved budget and actual expenditures during the project implementation, clarifying any activity with an expenditure variance exceeding 10%.
- The EA is required to present project financial details as listed in Annex A and Annex B.

### **2.3 Procurement and consultant recruitment**

- Describe goods purchased and services contracted under the approved work plans, presenting if they were directly and only used by the project and how they contributed to the achievement of project objectives and sub-objectives. A detailed list of purchased assets and contracting information as an annex is required. Costs should always be stated in USD.

- Present local and international consultant(s) hired to fulfill specific tasks and functions for the project, especially in terms of project design, monitoring and evaluation and output editing, auditing, legal consultation. Attach a list of work done by consultants and actual outputs, including a brief assessment on whether the work was done of sufficient quality and in a timely manner.

## **2.4 Monitoring & evaluation and reporting**

- Follow the M&E framework set up in the Project Document, and describe if regular monitoring and evaluation (internal as well as externally led by APFNet) was conducted to ensure that project implementation was on track and project objectives were achieved. Present M&E findings, recommendations and suggestions, and what actions were taken in response;
- Describe at what intervals project progress and arising issues have been updated and shared among project team and stakeholders, including APFNet with high-quality reports and materials. This includes how many PSC meetings were held and if there were any special meetings to respond to upcoming situations.

## **2.5 Communication, dissemination and documentation**

- Describe to what extent the project achieved the communication and dissemination (C&D) objectives set up in the Project Document and the Project Communications Strategy.
- What C&D activities have been implemented to share the project results and achievements among project partners and to a broader audience.
- Describe activities/events the project staff organized or participated in – on a local or international scale – to share project contents. Also state the type of audience (general public, researchers, experts, politicians, project stakeholders) and their response, the topic of the event and the contents that were shared.
- Provide a list all C&D products, e.g. photos/videos, project websites, documentary films, publications, scientific papers, and brochures that are based on the contents of this project, and also submit the documents as digital files (in full size) to APFNet. If they are published online, please provide the link. Whenever possible, these materials should be submitted in English or with a simple English translation.
- Other important project files, such as GIS data or raw monitoring data, should be provided as well.

## **3. PROJECT PARTNERS' PERFORMANCE**

### **3.1 Performance of Supervisory Agency (if any)**

- Describe how and to which degree the SA has fulfilled its responsibilities of supervising and supporting the project in terms of policy and administration backup.

### **3.2 Performance of Executing Agency**

- Describe the main responsibilities and tasks of the Executing Agency (EA), and how and to which degree the EA has fulfilled its responsibilities and tasks to implement, manage and disseminate the project.

### **3.3 Performance of the Implementing Agency (if any), consultants (technical assistants), contractors, and suppliers**

- Describe the main responsibilities and tasks of these project partners, how and to which degree they have fulfilled the responsibilities and tasks.

### **3.4 Performance of APFNet**

- Assess if APFNet has provided: 1) timely support and clear guidance for project planning, implementation and management, 2) timely disbursement of project grants, 3) effective communication with the project EA and partners in guiding and undertaking project activities and project dissemination, 4) external M&E during or at the end of project implementation and shared feedbacks accordingly and in a timely manner.

## **4. PROJECT PERFORMANCE**

### **4.1 Project achievements**

- Present results, outputs and outcomes achieved by the project, and describe to what degree or how well the project objectives were met.

### **4.2 Project Impacts**

- Describe the social, economic and environmental impacts of the project, especially in regards to forestry sector policies, strategies, and planning in the economy(ies) the project was implemented in and the change of public behavior/practices in forest management on local and regional scales.
- The impacts should be measurable: All indicators defined in the PD and AWP should be named and their values at project start and end should be presented. If there is more comprehensive data available, provide a short analysis here and state how the raw data can be accessed.
- Name the stakeholders and beneficiaries that benefited from the project implementation. Also state the current, as well as potential and expected future impacts beyond the (geographical) scope of the project site(s). If the project was part of formal regional or national goals (e.g. Bonn Challenge, Initiative 20x20), state this and its contribution as well.

### **4.3 Sustainability, scalability and duplicability**

- “Sustainability” refers to the long-term impacts of the project activities. Provide a description of the aspects of the project that can be expected to persist after the end of the project. State what measures the project team has taken to ensure a lasting impact of the project activities during project implementation and whether any follow-up activities are planned after project completion.
- Describe the possibility of duplicating or scaling up the models demonstrated or experiences gained from the project, including what factors and resources would be necessary for a successful upscaling of the project

## **5. CONCLUSION, LESSONS LEARNED AND RECOMMENDATIONS**

### **5.1 Conclusion**

- Draw a conclusion on whether the project activities have been fully completed, output/objectives have been achieved as expected and planned.
- Give an objective self-assessment on the success of project implementation within the set timeframe and project scope.

### **5.2 Lessons learned and recommendations**

- Summarize lessons learned and issues that arose during project design, planning, implementation and management. Provide specific recommendations to enhance project development and implementation effectiveness in terms of technical, financial, administrative and information dissemination aspects, and how the experience and lessons learned from this project can be applied to similar ones.

### **References**

- In case any external literature or additional sources were used, please provide a reference list here.

## **Annexes**

- A. Project progress and expenditure status
- B. Financial statement
- C. Project audit report
- D. Project outputs, such as technical reports, key project documents (workshops, field visits, technical visits, trainings etc.), publications, brochures, webpages, etc.
- E. 2-3 Feature stories annually produced from the project for promotion
- F. Photos, media cliffs and other materials used/available for project outreach

## Annex A Project progress and expenditure status

Outputs/activities	Description	Budget Category	Budget Item	Project Implementation Progress				Budget Expenditure Status (USD)						Remarks
				Projected Completion Date	Actual Completion Date	Delivery Rate (%)	Verification Indicators	APFNet			Counterpart			
								Budget	Actual expenditure	Balance	Budget	Actual expenditure	Balance	
<b>Output1</b>														
Activity1.1														
Activity1.2														
<b>Output</b>														
Activity														
Activity														
<b>Project Administration &amp; Staff</b>														
Project Administration														
<b>APFNet retained grants</b>	<b>Project external evaluation and support costs retained by APFNet</b>													
<b>Total</b>														

– Refer to Excel. Use the *APFNet Project Budgeting Tool* to develop the project progress and expenditure status table.

## Annex B. Financial Statement

Budget Category		Budget Implementation Status (USD)								Remarks
		APFNet				Counterpart				
Activity	Description	Budget	Actual expenditure	Balance	Delivery Rate (%)	Budget	Actual expenditure	Balance	Delivery Rate (%)	
1 Project personnel									-	
									-	
2 Travel									-	
									-	
3 Procurement									-	
									-	
4 Meeting & Training									-	
									-	
5 Labour									-	
									-	
6 Project Administration									-	
									-	
7 Project monitoring and evaluation (retained by APFNet)									-	
									-	
<b>Total</b>									-	

– Refer to Excel. Use the *APFNet Project Budgeting Tool* to develop the Financial Statement.

Document No.:  
Receiving Date:  
*(For APFNet Secretariat)*



*Asia-Pacific Network for Sustainable Forest Management  
and Rehabilitation*

## TECHNICAL REPORT

[Project Title (ID)]

[Project Duration]

[Supervisory Agency]

[Executing Agency]

[Date of submission]



## BASIC INFORMATION

Project title (ID)			
Supervisory Agency			
Executing Agency			
Implementing Agency			
Project Director: Tel: _____ Email: _____			
Duration of implementation: [mm/yy-mm/yy], _____ months( extended by _____ months, if any)			
Total project budget (USD)		APFNet total grant (USD)	
<p><b>Research team</b></p> <p>Describe the research and/or project team involved in this project and include their contributions to this project/research. State each person's position, the organization they belong to expertise and contact information.</p>			
<p><b>Abstract</b></p> <p>Present an abstract of the technical aspects of the project, including the main data acquired, methodologies and analysis procedures adopted, as well as key findings and conclusions reached.</p>			
<p><b>Prepared and submitted by</b></p>          <hr style="width: 100%;"/> <p>Project Director signature Date</p>		<p><b>Reviewed and endorsed by</b></p>          <hr style="width: 100%;"/> <p>Project Steering Committee Chair signature Date</p>	

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## LIST OF ABBREVIATIONS

Please make sure to provide a list of all abbreviations and acronyms used in the report.

### Technical Report Instructions:

5. A Technical Report (TR) includes various types of 'technical' information of a project. It presents the data acquired, methodologies and analysis procedures adopted, as well as results and conclusions on the data analysis and the project activities themselves.
6. A TR aims to provide **additional, more detailed** information than the completion report on technical aspects of the project. It should include all technical and scientific knowledge acquired through the APFNet project. Except for the introduction, it should not contain content which is identical with the completion report. If the topics covered are widely divergent, several TRs can be produced to cover each topic or incorporate all topics into one TR.
7. Based on this report, an independent person should be able to repeat the measures applied in this project.
8. The project team should provide an analysis and explanation for the results of data collection and monitoring, applying their expertise for project context and the respective scientific field.
9. The technical report is prepared by the project team led by the Project Director (and Project Coordinator, if applicable), and is submitted together with the completion report within 45 days after the project completion date to APFNet with signatures of both the Project Director and the PSC chair or TAG chair.
10. Please delete all the instructions or change the instructions into sub-titles so as to make the report more readable.

## **1. INTRODUCTION**

- Brief description of project context, objectives and intended outcomes. Refer to the Project Document.
- The main technical issue/problem or research question addressed in this project.
- Introduce the background of the demonstration model or research topic and explain the significance and necessity of this activity/research.
- Present the specific study area and necessary related information.

## **2. METHODOLOGY**

- Describe the methodology and approaches applied in this project. For technical demonstrations describe in detail what the intended technical design (e.g. planting design, species choice and reasoning, expected benefits).
- Explain why the project chose such a methodology and where else it has been used nationally or internationally.
- Present all the formulas and techniques used for data processing.

## **3. SAMPLES AND DATA**

- Clearly describe the baseline conditions prior to project intervention. For forestry demonstration plots, this includes information, such as site conditions (climate, precipitation, soil properties, vegetation prior to intervention, biodiversity assessments, ecosystem functionality, erosion rate etc.), land tenure, and socio-economic context (e.g., need to financially rely on demonstration plots, etc).
- Present how the sample plots were set up, how and what dataset was collected, and give detailed tables and figures for the key dataset collected.
- The raw data (e.g., excel files, recording sheets, GIS data, survey sheets and responses) should be attached as annexes of this document.

## **4. ANALYSIS AND RESULTS**

- Describe in detail how the plots or technical demonstrations were set up, especially if they differed from original design (and they differed).
- Explain in detail the methods for data analysis, if applicable.
- Present the results of any data analysis.
- Interpret the results of data analysis.

## **5. DISCUSSION AND CONCLUSION**

- Present key findings, and achievements of this technical demonstration/research.
- List demonstration models that proved worthy to scale up and be applied in similar regions.
- Elaborate on the technical advancement this technical demonstration/research contributes for the project economy(ies).

- Discuss the limitations of this technical demonstration/research.

## **6. RECOMMENDATIONS**

- State how you recommend using the project findings and achievements, for other researchers and practitioners intending to use the models in their own field.
- Suggest future potential follow-up research for this topic.

## **REFERENCES**

- Provide a list of any external literature or additional sources used

## **ANNEX**

All raw data (more detailed than in the completion report) collected during project activities should be provided here. For tables, please also provide the excel-file version.

## **Financial Audit**

### **[Project Title (ID)]**

**Implemented by:** [Executing Agency]

**Funded by:** Asia-Pacific Network for Sustainable Forest Management and Rehabilitation, [Executing Agency and Other Funding Agency/Agencies, if any]

**Audit Period:** [dd/mm/yyyy - dd/mm/yyyy]

**Audited by:** [Audit Firm]

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[Project Title (project ID)]

[Accounting Period]

## 1. Introduction

### 1.1 Description of the Project

#### *1.1.1 Project Goal(s) and Objectives*

[Explanatory note: Descriptions here should be consistent with those found in official project documentation.]

#### *1.1.2 Project Partner(s)*

[Explanatory note: Please list project executing agency, and implementing agencies if any.]

#### *1.1.3 Main Project Outputs/Activities*

[Explanatory note: please describe project outputs achieved or expected and activities undertaken during this audit period.]

#### *1.1.4 Project Grants and Expenditures*

[Explanatory note: if the audit period covers the initial project year, please outline incomes and expenditures for the current year. For the following project year(s), it is necessary to provide information on both the current year's incomes and expenditures, as well as the accumulated totals throughout project implementation period.]

#### *1.1.5 Project Duration*

[Explanatory note: please list both duration of the project and the time period covered by the audit.]

#### *1.1.6 Financial policies and/or inter control system applied for project implementation*

### 1.2 Description of the Financial Audit Task

#### *1.2.1 Audit Team*

[Explanatory note: please list audit team members along with their professional titles.]

#### *1.2.2 Dates of the Site Visit(s)*

[dd/mm/yyyy-dd/mm/yyyy]

#### *1.2.3 Project stakeholders Contacted during the visit(s)*

(1) project executing agency

Project director/coordinator: [name]

Project financial officer: [name]

Project officer: [name]

[(2) project implementing agency/agencies, if any]

Project director/coordinator: [name]

Project financial officer: [name]

Project officer: [name]

(3) APFNet secretariat

Project coordinator:[name]

[Project Title (project ID)]

[Accounting Period]

## 2. Auditor's Report

[Address and Contact information of the Audit Firm]

### **Independent Auditor's Report**

To Asia-Pacific Network for Sustainable Forest Management and Rehabilitation (APFNet)

#### **Opinion**

We have audited the Financial Statements of [Project Title & ID] implemented by [Executing Agency] for the period DD MONTH 20YY –DD MONTH 20YY [(Project Year \*\*)], indicating total costs of [USD\*\*].

In our opinion, the accompanying financial statements are presented fairly, in all material respects, and are in accordance with the financial regulations and requirements of APFNet.

(Or give a true and fair view.)

#### **Basis for Our Opinion**

We conducted the audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in our report's "Auditor's Responsibilities for the Audit of the Financial Statements" section. We are independent of APFNet in accordance with the ethical requirements that are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our opinion.

#### **Other Matters**

*[if there is any]*

#### **Project Management's Responsibilities for the Financial Statements**

Project Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of the project agreement. For such sufficient internal control as Project Management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether it be due to fraud or error.

In preparing the financial statements, Project management is responsible for assessing the project's ability to continue as a going concern, disclosing, as applicable, matters related to going concerns and using the going concern basis of accounting unless management either intends to liquidate or to cease operations or has no realistic alternative but to do so.

Project management is responsible for overseeing the project's financial reporting process.

#### **The Auditor's Responsibilities for the Audit of the Financial Statements**

[Project Title (project ID)]

[Accounting Period]

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect material misstatements when they exist. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISAs), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the project's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures by project management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the project's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the project to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*[Signature of audit team leader with a stamp of the audit firm]*

[The Audit Firm's Address]

[Date: dd/mm/yyyy]

[Project Title (project ID)]

[Accounting Period]

### 3. Statement of Cash Receipts and Disbursements

Currency: USD

<b>Description</b>	<b>Budget</b>	<b>Actual</b>	<b>Balance</b>
<b>Opening Balance<sup>1</sup></b>			
APFNet grants			
[ <i>Counterpart</i> ] Contributions <sup>2</sup>			
<i>[funds from other agencies, if any]</i> <sup>3</sup>			
<b>Subtotal</b>			
<b>APFNet Grants Received<sup>4</sup></b>			
Bank charges			
First installment			
Second installment			
Interests			
<b>Subtotal</b>			
<b>[<i>Counterpart</i>] Contributions Received</b>			
First installment			
Second installment			
<b>Subtotal</b>			
<i>[Funds from other agencies, if any]</i> <sup>3</sup>			
First installment			
.....			
<b>Subtotal</b>			
<b>Total Grants Received</b>			
<b>Disbursements of APFNet Grants<sup>5</sup></b>			
Project Personnel			
Travel			
Procurement			
Meetings & Trainings			
Labor, service			
Project Administration			
Bank charges			
Other			
<b>Subtotal</b>			
<b>Disbursements of [<i>Counterpart</i>] Contributions</b>			
Project Personnel			
Travel			
Procurement			
Meetings & Trainings			
Labor, service			
Project Administration			
Other			
<b>Subtotal</b>			

[Project Title (project ID)]

[Accounting Period]

*[Disbursements of Funds from other agencies]*<sup>3</sup>

---

.....

**Subtotal**

---

**Total Disbursements**

---

**Closing Balance**<sup>6</sup>

APFNet grants

Counterpart contributions

*[Disbursements of Funds from other agencies, if any]*<sup>3</sup>

---

---

<sup>1</sup> **The Opening Balance represents the budget carried forward from the previous years on an accrual basis.**

- *Opening Balance-Budget* reflects the variance between the accumulated budgets and the accumulated expenditures of the project during previous project year(s).
- *Opening Balance-Actual* reflects the variance between the accumulated incomes and accumulated expenditures of the project during previous project year(s).
- *Opening Balance-Balance* reflects the variance between the accumulated budgets and the accumulated annual income of the project during previous project year(s). ("Budget" minus "Actual")
- If the audit period is the first project year, *Opening Balance* stands at 0.

<sup>2</sup> **Counterpart Contributions** refers to funds provided by project executing agency as the matching funding.

<sup>3</sup> **Funds from other agencies**, if any; (delete if not applicable).

<sup>4</sup> **Grants Received** refers to the planned budget and the actual income during the audit period.

- *Grants Received-Budget* refers to the planned project budget during the audit period.
- *Grants Received-Actual* is the actual grant received during the audit period.
- *Grants Received-Balance* reflects the variance between the approved project budget and the actual grants received. ("Budget" minus "Actual")
- *Bank charges* are fees charged by the bank, referring to the differences between grants requested/transferred by APFNet and those received by the executing agency.
- *Interests* generated from project funds and retained in the bank account(s) should be recognized as the project's income for implementing project activities.

<sup>5</sup> **Disbursements of Grants** reflect the expenditure of project funds during the audit period on an accrual basis.

- Items categorized here listed here should be consistent with the approved budget for the audit period.
- *Disbursements-Budget* corresponds to the budget allocated by financial category in the approved budget.
- *Disbursements-Actual* is the actual amount spent under each financial category in the audit period. This should be consistent with the Annual Progress Report (APR) of the project
- *Disbursements-Balance* represents the variance between the budgeted amount and actual expenditure for each financial category.

<sup>6</sup> **Closing Balance** refers to the remaining project funds at the end of the audit period. The *Closing Balance* of the audit period should be the *Opening Balance* of the following project year.

- *Closing Balance-Budget* refers to the variance between the accumulated budget (carry-over budget + audit period's budget) and the accumulated expenditures of the project in the audit period.
- *Closing Balance-Actual* refers to the difference between the accumulated, actual income (bank account balance + received funds) and the accumulated expenditure of the project in the audit period.
- *Closing Balance-Balance* refers to the difference between the accumulated budgets and the accumulated, actual incomes of the project by the end the audit period. ("Budget" minus "Actual")

[Project Title (project ID)]

[Accounting Period]

#### 4. Statement of Project Expenditures by Activity

*- Example statement for the first project year*

Output/activity	Description	APFNet Grants (USD)			Counterpart Contributions (USD)			Funds from other agency (if any)	Remarks <sup>7</sup>
		Budget	Actual expenditure	Balance	Budget	Actual expenditure	Balance	.....	
<b>Output 1</b>									
Activity 1.1									
Activity 1.2									
.....									
<b>Total</b>									

*- Example statement for subsequent project year, which should include the carry-forward budget from previous project year(s).*

Output/Activity	Description	APFNet Grants (USD)				Counterpart Contributions (USD)				Funds from other agency (if any)	Remarks
		Budget		Actual expenditure	Balance	Budget		Actual expenditure	Balance	.....	
		Budget for current project year	Carry-forward Budget			Budget for current project year	Carry-forward Budget			.....	
<b>Output 1</b>											
Activity 1.1											
Activity 1.2											
.....											
<b>Total</b>											

<sup>7</sup> Additional clarifications are required for any variance over 10% between budget and actual expenditures.

[Project Title (project ID)]

[Accounting Period]

## 5. Notes to the Account of Principal Accounting Policies

### 5.1 Basis of Preparation

These financial statements of the Project have been prepared in conformity with the financial reporting requirements of APFNet.

### 5.2 Accounting Period

The Project has prepared financial statements from DD MONTH 20YY to DD MONTH 20YY.

### 5.3 Basis of Accounting

The accompanying financial statements have been prepared in accordance with the accrual basis and the historical cost convention.

### 5.4 Functional and Reporting Currency

The reporting currency for the Project is the US dollar (USD), whereas the functional currency is [local currency]. All transactions carried out in the functional currency will be translated into US dollars using the weighted exchange rates [or the exchange rate used by project management].

### 5.5 Recognition of Revenues

The Project recognizes APFNet Grant Revenue Receipts once the APFNet grants are received in the project bank account of [Executing Agency] in [Location].

### 5.6 Recognition of Expenditures

Expenditures are recognized once the [Executing Agency] has collected the supporting documents, and reviewed and approved them. A project expenditure was recognized when an advance payment was made to the partner and the amount will be adjusted according to the actual expenditure at the liquidation of the advance. The expenditure for goods & services received not included in the advance-liquidation process will be recognized at the end period upon the approval by APFNet of the valid supporting documents provided by the partner and/or project manager.

### 5.7 Taxation, Customs, and Import Duties

Taxes, customs, and import duties shall be excluded from the financing of APFNet.

[Project Title (project ID)]

[Accounting Period]

## 6. Major Observations and Recommendations

### 6.1 Follow-ups of issues identified in previous audit period(s)<sup>8</sup>

<b>Issue identified in previous audit period(s)</b>	<b>Actions taken to address the issues</b>	<b>Issue resolved (Y/N)</b>
Issue 1:		
Issue 2:		

### 6.2 Issues Identified in the audit period<sup>9</sup>

<b>Finding 1</b>	
<b>Explanation of Weakness</b>	
<b>Implication / Risk</b>	
<b>Recommendation</b>	
<b>Project Management Response</b>	
<b>Finding 2</b> .....	

---

<sup>8</sup> The description of issues identified in previous audit periods and the corresponding solutions should be comprehensive, and the reasons for unresolved issues should be fully explained.

<sup>9</sup> It should reflect the outstanding issues in all aspects of project management and fund utilization, including but not limited to the topics such as the standardization of project contracts, the proper utilization of project funds, and the fulfillment of project activities.



[Project Title (project ID)]

[Accounting Period]

## 7. Statement of Accumulated Project Expenditures (Only for Final Project Auditing)

### - Accumulated Expenditures by Activity

Output/activity	Description	APFNet grants (USD)			Counterpart contributions (USD)			Funds from other agency(if any)	Remarks <sup>10</sup>
		Budget	Actual expenditure	Balance	Budget	Actual expenditure	Balance	.....	
<b>Output 1</b>									
Activity 1.1									
Activity 1.2									
.....									
<b>Total</b>									

### - Accumulated Expenditures by Category

Category	Budget	Actual	Balance
<b>APFNet Grants</b>			
Project Personnel			
Travel			
Procurement			
Meetings & Trainings			
Labor, service			
Project Administration			
Other			
<b>Subtotal</b>			
<b>Counterpart Contributions</b>			
Project Personnel			
Travel			
Procurement			
Meetings & Trainings			

[Project Title (project ID)]

[Accounting Period]

Labor, service			
Project Administration			
Other			
<b>Funds from other agencies, if any</b>			
.....			
<b>Subtotal</b>			
<b>Total</b>			

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<sup>10</sup> Additional clarifications are required for any variance over 10% between budget and actual expenditure.