



# Asia-Pacific Network for Sustainable Forest Management and Rehabilitation

APFNet/Board/ENG/2015/04

## Rules of Procedure of the Board of Directors

(Draft)

The Asia-Pacific Network for Sustainable Forest Management and Rehabilitation (APFNet) was proposed by China and co-sponsored by Australia and the United States at the 15<sup>th</sup> APEC Economic Leaders Meeting held in Sydney, Australia in September 2007. It was formally launched with an International Symposium in Beijing in September 2008. APFNet is registered as an independent and not-for-profit international organization with full legal personality under Chinese law. The vision of APFNet is expanding forest cover and improving forest ecosystem quality in Asia and the Pacific to promote the multiple functions of forests, help mitigate and adapt to climate change, and meet the changing socio-economic and environmental needs of the region. The mission of APFNet is to help promote and improve sustainable forest management and rehabilitation.

These Rules of Procedure govern the conduct of the Board of Directors based on the Operational Framework of APFNet (hereinafter referred to as “OF”), which as of the date of this document, had been ratified by 24 members.

### **I. Nature and Responsibilities of the Board of Directors**

#### *Rule 1 Nature of the Board of Directors*

The Board of Directors is established as the decision-making body of APFNet, pursuant to the Operational Framework of APFNet, Article 4.2.

#### *Rule 2 Responsibilities of the Board of Directors*

According to the Operational Framework, the Board of Directors provides general oversight of APFNet operations and makes decisions on major issues such as, but not limited to changes to APFNet’s objectives, changes to the nature or requirements for membership, a decision to expand, or dissolution of the organization, or a decision to change the location of the organization’s headquarters. Its mandate includes:

- a) defining and revising APFNet strategies, objectives and priorities, including approval of the Strategic Plan and provision of input into the development of the organization’s draft Strategic Plan to the extent feasible;
- b) providing input to the Secretariat and ensuring implementation of risk reduction and procedural safeguards sufficient to fulfill its general oversight activities as a Board and ensure that APFNet activities, procedures and expenditures are consistent with and contribute meaningfully to the

- organization's vision and mission;
- c) adopting APFNet administrative and financial regulations, including approval of the annual work plan and annual budget, which includes:
    - Deciding on the start date of APFNet's fiscal year and ensuring that financial matters are conducted according to relevant regulations of the host government (OF 5.2);
    - Approving internationally acceptable accounting standards to govern the financial operations of APFNet (OF 5.3);
    - Appointing an independent international accounting agency to conduct an annual full financial audit of APFNet financial operations (OF 5.4);
    - As necessary, inspecting APFNet records and accounts, and imposing reasonable restrictions based on recommendations contained in the audit or other information brought to the attention of the Board (OF 5.5);
    - Approving the Staff Regulations of the Secretariat.
  - d) developing guidelines, procedures and timelines for recruitment of the APFNet Executive Director consistent with relevant provisions of the Operational Framework;
  - e) appointing the Executive Director, determining his/her term, approving and revising as necessary the Executive Director's job description, assessing performance and terminating employment, if warranted;
  - f) appointing the **members** of the Project Appraisal Panel (after review of Council recommendations) and the **Chair** of the Panel (after nomination by the Executive Director); and
  - g) deciding on the organizational framework and the establishment of subsidiary bodies, including branches and offices in the region.

*Rule 3 Power*

The Board may by consensus assign any of its powers, other than item d) and e) specified in Rule 2, to the Executive Director, subject to the oversight of the Board.

*Rule 4 Remuneration*

The Directors shall serve without remuneration from APFNet, but APFNet may pay reasonable expenses incurred in attending the meetings of the Board. The Directors are encouraged to cover their costs of participating in Board meetings.

*Rule 5 Professionalism and Conflict of Interest*

Board members should act to the best of their ability and judgment to further APFNet's Mission and Objectives rather than the interest of any third party or individual. They should carry out their duties diligently and maintain confidentiality concerning the internal discussions of the Board. Board members should disclose any potential conflicts of interest relating to matters to be considered by the Board, and recuse themselves from participating in such matters.

## II. Composition

### *Rule 6 Composition*

The Board should consist of no less than eight and no more than sixteen Directors, as follows:

- a) one ex-officio, non-voting Director appointed by the host economy;
- b) the Executive Director of APFNet who serves as an ex-officio, non-voting Director and Secretary of the Board; and
- c) a maximum of fourteen other Directors-at-large, after considering any information or input provided by the Board.

### *Rule 7 Status*

Directors serve on the Board in their personal capacity, rather than as formal representatives of their home economy or affiliations, with the exception of the two ex-officio non-voting Directors who serve based on their affiliations, as noted in Rule 6.

## III. Directors

### *Rule 8 Nomination*

Following each of its regular meetings, the Board shall notify the Council of the number of seats coming open. Circumstances leading to seats coming open can include:

- a sitting member has completed the maximum two terms;
- a decision by a sitting Board member not seek a second term, or that he/she cannot complete their current term in office;
- the Board decides to conclude a members service after a single term;
- the term in office of a director appointed by the Board to complete the remaining term of another Director, is expiring.

Nominations to open seats on the Board can be made by any Member of the Council and shall be submitted through the Secretariat, for consideration by the full Council at the next appropriate meeting.

When proposing Directors of the Board, due consideration should be paid to professional experience and qualifications, gender and geographical balance, active involvement in forestry in the Asia-Pacific region, and to economies, international organizations, academic institutions and enterprises who have an interest in and provide substantial support to APFNet.

### *Rule 9 Selection*

Directors for seats coming **open** shall be selected by majority support of the Council, with the first open seat being allocated to the nominee receiving the largest

number of votes from the Council, and proceeding in this manner until selections are made for each open seat. Those Directors selected shall begin their term at the next meeting of the Board. The Council may, at its discretion, choose to reduce the size of the Board by leaving one or more seats unfilled, or add to the size of the Board by creating additional seats, up to the maximum number of fourteen voting Board members. The Council is encouraged to seek the views of the Board before taking steps that would alter the size of the Board. **Vacancies for partial terms** arising because of the resignation, incapability, or removal of a sitting director, will be filled by majority support of the remaining Directors from among those nominated and willing to serve. Any Director so-selected will serve only for the remainder of the term in question. Such directors may serve an additional full term of their own if they are nominated and selected by the Council to do so.

Directors whose first terms are about to expire should notify the Board, via the Secretary, of whether or not they desire to serve a second term as Directors six months ahead of the expiration. Providing there is a consensus among the remaining voting members of the Board following discussion of the question, the Board can extend the term in office of such members to include a second term. In the absence of such a consensus, the Board will notify the Council that the seat will become vacant at the expiration of the incumbent's current term in office.

Directors of the initial Board shall be appointed by the host economy of the APFNet secretariat based on the recommendation made by the Selection Committee for the initial Board of APFNet.

*Rule 10 Term of office*

The Directors at large shall be appointed to a three year term and can be renewed only once by consensus of the Board of Directors.

Directors of the Initial Board, except ex-officio Directors, should have staggered terms of three years that can be renewed only once. The first term of one-third of the Initial Board Directors shall be one year, and that of an additional one-third shall be two years, to initiate the staggering of subsequent three-year Board terms.

*Rule 11 Resignation*

The resignation of a Director shall be submitted to the Chair of the Board in writing. The Chair should immediately notify the resignation to all Directors, and request that they propose names for possible alternates to replace the resigning Director for the remainder of that person's term.

*Rule 12 Termination*

Directors can be removed from office, by consensus of the other Directors at large, as a result of failure to attend two consecutive Board meetings, inability or unwillingness to carry out the Duties of a Director, undisclosed conflict of interest, or verified personal/professional conduct which could damage the reputation of the Board and/or of APFNet. If the Board wishes to consider termination of a Director, the Chair of the Board, after consultation with other Directors, should send a special notice of any resolution to remove him/her to the Director at least 21 calendar days before a meeting. The Director shall have the right to ask the Board to circulate any representation he/she wishes to make.

## IV. Officers

### *Rule 13 Election of Officers*

At the first regular session of the Board, the Directors shall elect the Chair of the Board.

The Executive Director shall serve as the Secretary of the Board, unless the Board decides otherwise.

### *Rule 14 Duties and Powers of the Officers*

#### **Chair:**

- a) preside over each meeting during his/her term of office, declare the opening and closing of each meeting, direct the discussion to ensure that all views are heard and the agenda's timetable maintained, and announce decisions;
- b) ensure observance of these rules;
- c) participate in the Board meeting as a voting Director with equal right to offer views;
- d) represent the Board of Directors in front of the Council, the Secretariat, other organs if any, and other organizations, after coordination with the Executive Director;
- e) partner with the Executive Director of APFNet;
- f) try to solicit financial support from all possible sources;
- g) maintain good relations and communications with all APFNet members to deepen policy support for the development of APFNet; ensure that the Board and members are well-informed of any policy priorities and organizational concerns of the host economy with respect to APFNet;

The Chair may assign its powers of a) and d), to other Directors, if appropriate.

#### **Secretary:**

- a) Circulate proper and timely notice of all regular and special meetings of the Board;
- b) Ensure preparation and distribution of official communications, required reports,

- and other information to the Board;
- c) Ensure that clear, accurate and timely minutes of Board meetings are prepared and distributed;
  - d) Enlist the support and participation of a note-taker and/or facilitator for Board meeting(s) if, in the judgement of the Secretary, doing so would further the effective conduct of Board business;
  - e) Maintain familiarity with the history, organizational development and previous official decisions of APFNet so as to advise the Board of relevant background, maintain continuity of policies and practices, and ensure accountability to these Rules;
  - f) Serve as the custodian of official Board and organizational records, ensuring that they are safeguarded and kept in an orderly manner;
  - g) Inform the Board of any legal or fiduciary actions required for APFNet, to comply with host economy law and ensure that such actions are taken in a timely matter;
  - h) Inform the Board of any legal actions pending against APFNet, its Board, or its staff members in their official capacity.

*Rule 15 Term of office of the Officers*

The Chair normally serves a three-year term that can be renewed once only.

An Officer shall cease to hold his/her office when he/she is considered no longer qualified for the position by consensus of the remaining Directors, or his/her term of being a Director ends.

## **V. Meetings**

*Rule 16 Regular meetings*

The Board of Directors normally holds one regular meeting annually. The regular meeting shall normally be held after the Council meeting, during the same calendar year, to enable the Council to consider and make recommendations to the Board of Directors. The regular meeting can, however, be held before the Council meeting if agreed by the Board.

*Rule 17 Special meetings*

Special meetings for specific purposes shall be held

- a) By decision made by the Board of Directors at a regular or special meeting;
- b) Upon request by consensus of the Board of Directors;
- c) Upon the request of a majority of the Council; or
- d) Upon request of the Chair of the Board of Directors, in consultation with other Directors.

Special meetings can be held electronically to save costs and make decisions in an efficient manner.

*Rule 18 Special committees of the Board*

The Board can, but is not required to, establish standing, as well as temporary, special purpose committees if it judges such necessary to carry out its duties. Committees' preferred method of meeting is electronic. Committees, may, however, also meet in person if necessary, following consultation with the Secretariat as to logistical and financial implications. Committees should proceed in a manner that minimizes the logistical and financial impact of their activities consistent with accomplishing their duties. Committees shall keep minutes of their discussions, and keep the Chair and the remainder of the Board promptly informed of their activities.

*Rule 19 Venue of meetings*

The Board of Directors will normally hold its meetings in China, the host economy of APFNet, but may convene in another APFNet member economy after agreement of the Board and consultation with that economy and the Secretariat.

*Rule 20 Preparation of provisional agenda*

The Secretariat, under the guidance of the Secretary, and with input from the Chair, should prepare the provisional agenda for each meeting, submit to the Chair for approval, and circulate it among Directors. The provisional agenda shall include all items proposed by

- a) The Board of Directors;
- b) The Council;
- c) The Executive Director.

*Rule 21 Communication of provisional agenda*

The Secretary shall disseminate the provisional agenda to all Directors after announcement of a regular meeting, but no later than 28 calendar days before the first day the meeting is to convene.

*Rule 22 Supplementary items*

After communication of the provisional agenda by the Executive Director, any Director may propose supplementary items no later than 14 calendar days before the meeting with documentation related thereto. The Executive Director shall immediately notify all Directors about any supplementary agenda items.

*Rule 23 Notification of meetings*

The Secretary shall inform all Directors the date, venue and duration of each regular meeting at least 30 calendar days in advance.

Notification of a special meeting shall include the date, venue and duration, and outline the specific purpose for this meeting. The Executive Director should communicate the special meeting to all Directors as far in advance as practical consistent with the nature and urgency of the business to be discussed.

*Rule 24 Distribution of documents*

The Secretariat shall collect and prepare the documents needed for any meeting of the Board of Directors, including

- a) any proposals and amendments to existing documents for consideration at the meeting;
- b) any recommendations from the Council for the Board;
- c) any recommendations on the work plan of APFNet for consideration;
- d) any reports or recommendations on the annual budget;
- e) any reports or other documents for the Board's information or action pursuant to its duties as described in Rule 2 of these Procedures.

The documents for a regular meeting should be disseminated prior to the date set for the meeting, and for a special meeting.

*Rule 25 Attendance and quorum*

The meetings of the Board of Directors shall be closed meetings unless the Board decides otherwise. Attendance of the meetings shall be restricted to the Directors the person designated to be the note-taker of the meeting, and any other person(s) invited by the Board. The Board can also invite the Chair or Co-chair of the Council of APFNet to the regular meetings as an observer, so as to fully understand the recommendations of the Council.

As the voting Directors serve in their personal capacity, if a voting Director must be absent from a meeting, he/she cannot assign an alternate to attend the meeting on his/her behalf; an ex-officio Director can, however, designate an alternate to attend the meeting on his/her behalf.

A Director should inform the Secretariat of his/her absence, at least 14 calendar days before the meeting is held, except for reasons of force majeure. Ex-officio directors should also inform the Secretariat that they will be represented by an alternate at least 14 calendar days in advance.

A majority of voting Directors shall constitute a quorum for the transaction of business at both regular and special meetings of the Board. In cases where there is an even number of voting members, a quorum shall consist of one-half the total voting members on the Board, plus one.



*Rule 26 Adoption of agenda*

At the opening of each meeting, the Board shall adopt the agenda based on the provisional agenda and supplementary items, and the result of any amendment to the agenda approved during discussion.

*Rule 27 Meeting records*

Each meeting shall be recorded in writing by the Secretariat and distributed as soon as possible to all the Directors.

*Rule 28 Executive Session*

The Board may, by consensus of the voting members, convene in executive session to discuss personnel or other sensitive matters, such as evaluation, appointment, and/or renewal of the Executive Director. The Secretary, Executive Director, is excluded from executive sessions, and only a summary of decisions taken is provided.

## **VI. Decision-making**

*Rule 29 Consensus decision-making*

Decisions taken shall be effective only if a quorum is present at the meeting in question. To be collaborative, inclusive and participatory, consensus decision-making shall be adopted at the meetings of Board on all matters. Consensus shall be understood to mean the absence of any objection expressed by a participating Director to the adoption of the decision in question. If consensus cannot be reached, both views of supporters and concerns of dissents will be reflected in the record.

*Rule 30 Right of making statement*

A voting Director can state his/her agreement or objection, or abstain during the call for consensus. Abstention shall not be considered an objection for purposes of determining whether or not a consensus exists. An ex-officio, non-voting Director is not eligible to make statement regarding the decision in question.

*Rule 31 Procedures for items where a consensus is lacking*

For items of normal Board business, the lack of a consensus shall be recorded per Rule 28, and terminate further discussion and action of that item. The matter in question may, however, be considered again in identical or amended form at the next regular meeting of the Board.

For items of major importance where failure to take a timely decision could significantly and negatively impact APFNet's ability to carry out its Mission, the Chair, Secretary, and ex-officio member of China, the host economy, shall

constitute themselves as a temporary sub-committee, and are authorized to temporarily suspend the meeting in order to carry out such consultations and deliberations as they deem appropriate. The sub-committee will attempt to achieve consensus among its members on an alternate approach which, in their judgement, is in the best interests of the organization and likely to achieve overwhelming support from the full Board. The sub-committee may submit such a new approach to the Board via resuming the temporarily suspended session of the Board, or at a special meeting of the Board convened at a later date. Should the approach proposed by consensus of the sub-committee, including any subsequent amendments, fail to gain consensus from the Board, a super-majority of two-thirds support from voting Board members present shall be sufficient to approve the sub-committee's proposal.

## **VII. Languages and recording**

### *Rule 32 Working language of meetings*

The working language for the Board of Directors and its meetings shall be English, while the Secretariat may provide interpretation as it deems necessary.

### *Rule 33 Language of formal decisions and documents*

English shall be the official language of resolutions, recommendations, formal decisions and documents. Chinese may be used when submitting reports to the host economy. In such circumstances, the Secretariat shall translate the documents and forward the needed documents to the host economy.

### *Rule 34 Written record of meetings*

The written record of meetings of the Board shall be kept by the Secretariat.

### *Rule 35 Summary records*

The APFNet secretariat shall prepare an English-language summary of meetings of the Board and decisions taken at the meetings in English. The Secretary of the Board shall inform all Council Members of APFNet of the decisions made by the Board of Directors by suitable means. Minutes of Board Meetings shall be retained by the Secretariat as permanent archives of APFNet.

## **VIII. Amendments of Rules of Procedure**

### *Rule 36 Amendment*

These Rules of Procedure may be amended by decision of the Board. Amendments which significantly alter items derived from the Operational Framework shall also require the agreement of the Council to be approved. Where possible, prior agreement and input should be sought from the Council.

Where this is not feasible, the amendment proposed by the Board should be placed on the agenda of the next meeting of the Council for either ratification or rejection.

*Rule 37 Method of amendment*

Any Director may propose an amendment to these Rules of Procedure for the consideration of the Board. Such proposed amendments shall be received by the Secretariat no later than 28 calendar days before a regular meeting of the Board. Any proposed amendment shall be placed on the agenda of the meeting and in order to be adopted requires a consensus of the Board.

When adopted by the Board, these Rules of Procedures shall be signed and dated by the Secretary of the Board and made part of the APFNet permanent archives.

The Rules of Procedure shall be reviewed at least once every five years and reaffirmed or amended as required during that review.

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