ASEAN-ROK COOPERATION FUND
MANUAL

ASEAN-ROK
COOPERATION
FUND Collaborate, Communicate, Coexist.

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What is ASEAN-ROK Cooperation Fund?

The purpose of the AKCF is to enhance the ASEAN-Republic of Korea relations by implementing various cooperation activities which includes technology transfer, human resource development, culture and academic exchanges.

1 KEY FIGURES

1990
Established in 1990

7M
per year since 2015 (million USD)

88M
Incidental expenditure until 2017 (million USD)

400
Number of projects

2 MAIN REFERENCES FOR AKCF-FUNDED PROJECTS

ASEAN Community Blueprints 2025

ASEAN Sectoral Work Plans

ASEAN-ROK Plan of Action 2016-2020

3 NEW FRAMEWORK FOR THE AKCF 2017-2020

Adopted in February 2017

GOAL
To contribute to the realization of ASEAN Vision 2025

PRIORITY SECTORS

EDUCATION

Strengthen the ASEAN Community Awareness

Reduce Development Gaps to Regional (ASEAN-wide) level

ENVIRONMENT

Enhance Ecosystem Management

Enhance Climate Change Cooperation

CULTURE

Promote Culture and Media Industry development in ASEAN

ASEAN-ROK PROGRAMME MANAGEMENT TEAM (AKPMT)

AKPMT jointly formulates and manages AKCF funded activities together with ASEAN and the Ministry of Foreign Affairs of ROK. The AKPMT is responsible for planning, design, management, implementation and programming of AKCF funded programmes/projects.

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ABBREVIATIONS AND ACRONYMS

AEC	ASEAN Economic Community
AKCF	ASEAN-Republic of Korea Cooperation Fund
AKPMT	ASEAN-Republic of Korea Development Cooperation Programme Management Team
AMS	ASEAN Member States
APSC	ASEAN Political Security Community
ASCC	ASEAN Socio-Cultural Community
ASEAN	Association of Southeast Asian Nations
ASEC	ASEAN Secretariat
CLMV	Cambodia, Lao PDR, Myanmar and Viet Nam
CPR	Committee of Permanent Representatives
DO	Desk Officer
FBD	Finance and Budget Division
FOCF	ASEAN-Republic of Korea Future Oriented Cooperation Fund
GAAP	Generally Accepted Accounting Principles
IA	Implementing Agency
IAI	Initiative for ASEAN Integration
IFRS	International Financial Reporting Standards
IPSAS	International Public Sector Accounting Standards
MOFA	Ministry of Foreign Affairs
M&E	Monitoring and Evaluation
PCR	Project Completion Report
PoA	ASEAN-Republic of Korea Plan of Action

ROK	Republic of Korea
SCF	ASEAN-Republic of Korea Special Cooperation Fund
SOP PFDR	Standard Operating Procedure on Project Financial Disbursement and Reporting
The Framework	The New Framework for the ASEAN-Republic of Korea Cooperation Fund 2017-2020)
The Handbook	The Handbook on Proposal Development for ASEAN Cooperation Projects
ToR	Terms of Reference
UN DSA	United Nations Daily Subsitence Allowance
USD	United States Dollar

Introduction: How to use this Manual

Objectives

The purpose of the AKCF Manual is to provide general information on operational rules and practices that are applicable to programmes/projects funded by the ASEAN-ROK (Republic of Korea) Cooperation Fund (AKCF).

The main objective of the manual is as follows:

- Ensure better understanding on the collaboration between ASEAN and ROK through the implementation of AKCF programmes/projects
- Support potential proponents to prepare proposals and plan their activities properly
- Improve **Transparency & Accountability** by providing clear guidance on the utilization of the AKCF to various stakeholders on the AKCF. The manual supplements the *Handbook on Proposal Development for ASEAN Cooperation Projects*;
- Increase **Ownership** by ensuring proper interventions for each stage of the AKCF project management cycle

Target Audience

All actors involved in AKCF management. This manual serves as a reference for potential proponents and Implementing Agencies (IAs) of the AKCF projects. Some of the procedures shall be carried out by IAs and their project managers. Relevant Divisions in the ASEAN Secretariat (ASEC) will refer to the manual for their administration of AKCF programmes/projects.

Chapter 1: Overview of AKCF

1.   Background

Following the establishment of sectoral dialogue relations between ASEAN and the ROK in 1989, the ROK government launched the ASEAN-ROK Special Cooperation Fund (SCF) in 1990 with an aim to enhance people to people exchanges. In 1996, the ASEAN-ROK Future-Oriented Cooperation Fund (FOCF) was further launched in order to implement cooperation projects outlined in the ASEAN-ROK Plan of Action. The ROK government increased its annual contribution to SCF and FOCF several times as shown in the chart below. In 2015, SCF and FOCF were merged into the AKCF with an annual contribution of 7 million US dollars.
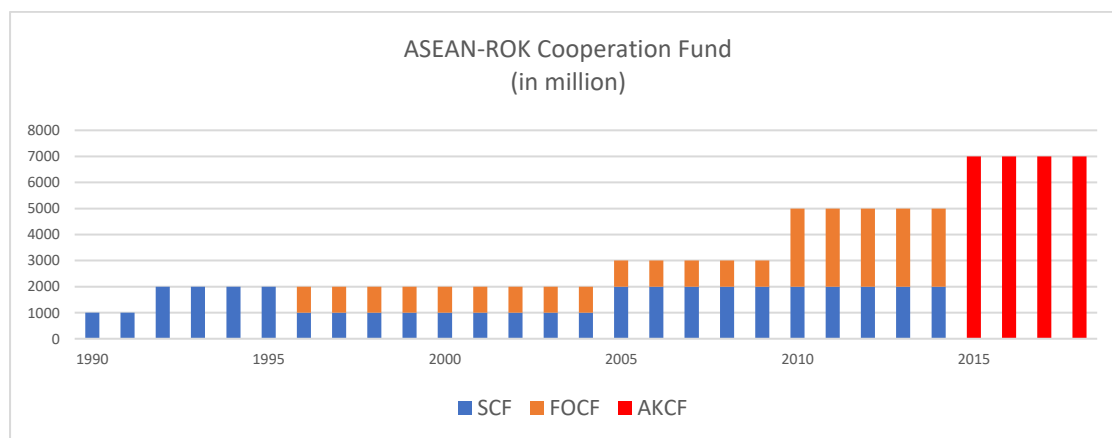
2.   Strategic Direction of the AKCF

The strategic direction of the AKCF is defined in **the Terms of Reference (ToR) of the AKCF** and **the New Framework for the ASEAN-ROK Cooperation Fund 2017-2020 (the Framework).**

According to the ToR adopted in 2015, the AKCF shall provide funding for the implementation of cooperation projects initiated by ASEAN Member States (AMS) and/or the ROK through the programme-based approach. The whole area of potential cooperation between ASEAN and the ROK is listed in the ASEAN-ROK Plan of Action, and the priority of the AKCF is elaborated in the ASEAN-ROK Cooperation Framework, which will be renewed every five years.

The New Framework for the ASEAN-ROK Cooperation Fund 2017-2020 is the first strategic document as the ASEAN-ROK Cooperation Framework. It was adopted by ASEAN and the ROK in February 2017 through intensive consultations among AMS, the ROK, and ASEC.

The overall goal of the Framework is to contribute to the realization of the ASEAN Vision 2025 in accordance with the selected priorities laid out in the ASEAN-ROK Plan of Action (2016-2020). Three sectors, including **Education, Environment, and Culture,** were selected as the priorities of the Framework. In addition, the AKCF shall support projects expected to create a conducive environment for the Framework.

GOAL

To contribute to the realization of
ASEAN Vision 2025

Sector	Education Tentative allocation: 2 million	Environment Tentative allocation: 2 million	Culture Tentative allocation: 2 million
Objectives	Strengthen the ASEAN Community Awareness / Reduce Development Gap at a Regional (ASEAN-wide) level	Enhance Ecosystem Management / Enhance Climate Change Cooperation	Promote Culture and Media Industry development in ASEAN
Targets	Promote ASEAN studies / Provide fellowships opportunities for Young scholars / Promote eco-friendly agriculture / institutionalize gender studies / promote technical and vocational education and training (TVET)	Strengthen regional cooperation on forest and biodiversity conservation / Promote ASEAN-wide renewable energy adaptation	Encourage technical cooperation among performance's directors, broadcasters, content producers, young players, coaches, etc.

OBJECTIVE

Interlink with AEC, APSC
to create a conducive environment
for the new AKCF framework

TARGET

Facilitate policy dialogue with ASEAN-related
agencies, Think-tanks, UN agencies, other international
organizations, and other dialogue partners /
Support for the development of Blueprint
2016-2025 of three pillars (APSC, AEC, ASCC)
implementation reviewing system

3.   AKCF Logo

The AKCF logo was created with a view to enhancing the visibility of the AKCF to the broader audience and beneficiaries. When proponents carry out AKCF projects, the logo should be presented in all project documents, project reports, publications, meeting materials and other kinds of promotional materials to indicate support from the AKCF. The AKCF logo can be downloaded from the AKCF website.

4. ASEAN-Republic of Korea Development Cooperation Programme Management Team (AKPMT)

The ASEAN-ROK Development Cooperation Programme Management Team (AKPMT) was established at the end of 2016. In close coordination with the ROK Mission to ASEAN and ASEC, the AKPMT manages AKCF projects during the whole project cycles, including formulation, implementation, and completion of programmes/projects.

The mandates of the AKPMT include but not limited to:

- Coordination with ASEC, Ministry of Foreign Affairs (MOFA) ROK, and proponents from ASEAN and ROK for the formulation, implementation, and completion of programmes/projects
- Monitoring and evaluation of approved programmes/projects;
- Implementation of outreach activities for promoting the AKCF to relevant stakeholders and the public

5. Ownership of AKCF Project Outputs

Every output (moveble or immovable) of AKCF programmes/projects are owned by ASEAN. The use of project deliverables and outputs should be consulted with ASEC and MOFA ROK through AKPMT.

Chapter 2: Project Formulation and Approval

1.   Eligibility for the AKCF

Eligibility of Proponents and Implementing Agencies (IA)

ASEAN	ASEC, ASEAN Intergovernmental Organization, Ministries, Government-affiliated Organizations, Non-profit Organizations and Universities whose proposals have been endorsed or jointly proposed by a relevant ministry
ROK	Ministries, Government-affiliated Organizations, Public Associations and Foundations, Non-profit Organizations and Universities whose proposals have been endorsed or jointly proposed by a relevant ministry
International Organizations	Subject to prior endorsement by the Ministry of Foreign Affairs of ROK and AMS

*Individuals or for-profit organizations are not eligible to be proponents or IAs of AKCF programmes/projects

Eligibility of Programmes/Projects for Application

Projects eligible for application should meet the following qualifications:

- The programmes/projects should enhance the cooperative relationship between ASEAN and the ROK;
- The programmes/projects should be in line with the action lines laid out in the blueprints of the ASEAN Political Security Community (APSC), the ASEAN Socio-Culture Community (ASCC), and the ASEAN Economic Community (AEC) so as to achieve the ASEAN Vision 2025;
- The programmes/projects should be in line with the ASEAN-ROK Cooperation Fund Framework (2017-2020);
- The programmes/projects should generally engage all ASEAN Member States (AMS) as well as the ROK. However, for the Initiative for ASEAN Integration (IAI) Work Plan III project, only Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) can be the beneficiaries of the AKCF funded projects. In terms of the IAI accredited Project, at least 2 countries from CLMV countries should be the main beneficiaries;
- Both ROK and ASEAN nationals/institutions should participate in the implementation of the programmes/projects; and
- The programmes/projects should not be a replication of existing or past ones
- Priority will be given to multi-year and multi-activity programmes/projects

2.   Proposal Formulation

Consultation with AKPMT

It is recommended for proponents to consult with the AKPMT prior to submitting a project proposal for **ASEC Project Appraisal and Approval Process** to ensure better coherence between the proposal and the strategic direction of the Framework. Prior consultation with the AKPMT does not indicate the approval of the proposal.
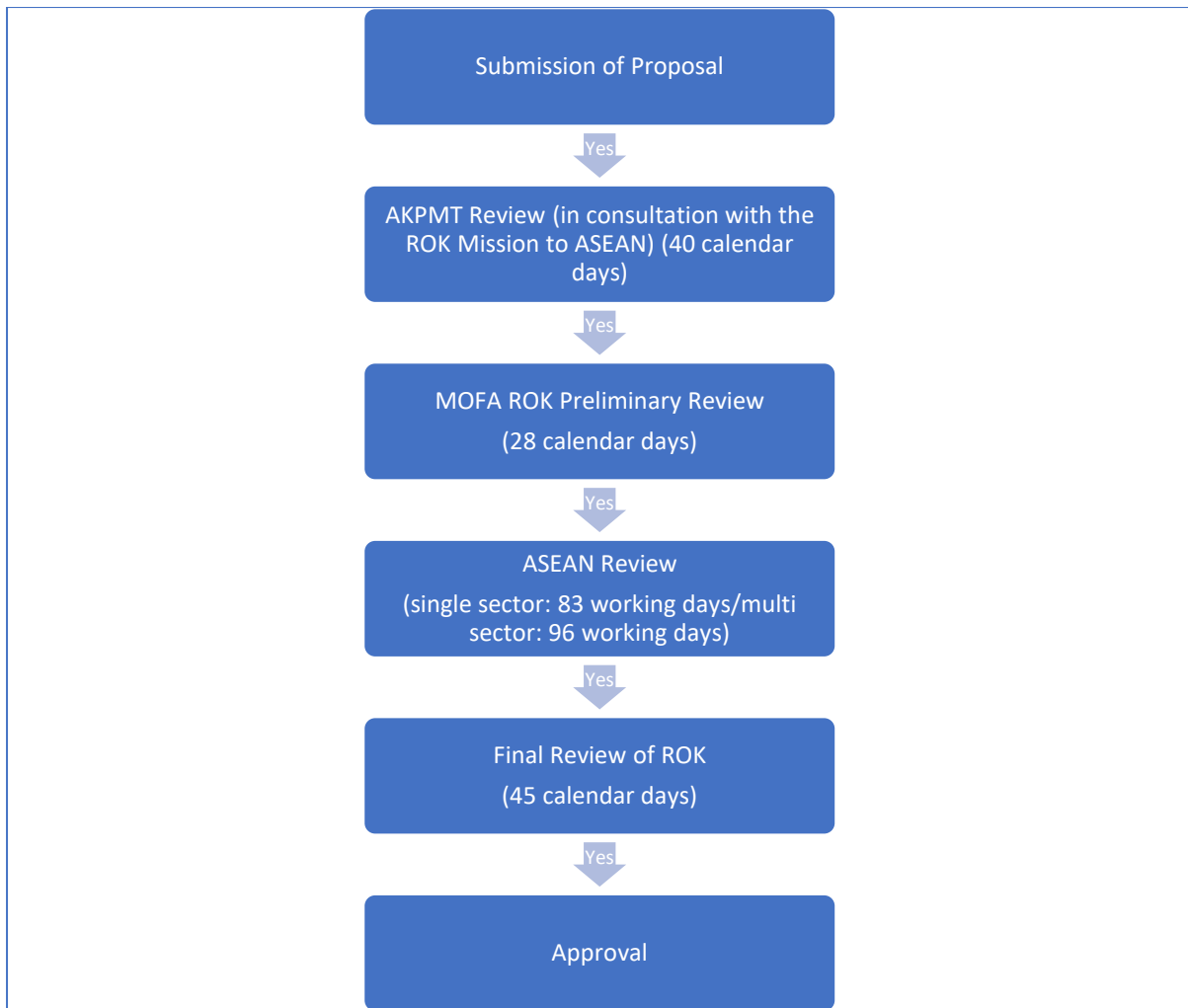
Proposal Preparation

The proponent should use the ASEAN Cooperation Project Proposal Template for proposal formulation and follow the guidelines provided in the Handbook on Proposal Development for ASEAN Cooperation Projects (the Handbook).

In addition to the contents elaborated in the Handbook, the proposal should be in line with the guidance below:

- Each budget item in the budget proposal (Annex 1 of the Project Template) should follow the AKCF Pro-forma Cost (Please refer to Chapter 4). Budget items that are not stated in the Pro-forma Cost should be consulted with MOFA ROK through the AKPMT.
- If proponents employ IAs, they are requested to include the TOR of IAs in the proposal, including detailed information on the IAs and the allocation of budget. The proponents should provide their selection criteria and the justification of selection in the proposal.
- Proposals of multi-year programmes/projects should include a paragraph on the submission of an Annual Financial Interim Report, Annual Interim Report and Project Completion Report. The annual reports shall be submitted within 30 calendar days of every end of ASEC fiscal year while a Project Completion Report (PCR) should be submitted within 60 calendar days after the project is implemented.
- In addition to the documents requested by the Handbook, proponents should prepare a Project Assignment List as provided in **Appendix 4** (page 32).
    - The Project Assignment List defines milestones for project implementation and budget disbursement.
    - Each milestone will be composed of relevant outputs and activities stipulated in the proposal and relevant deliverables to show the progress of the programmes/projects.
    - The first milestone should be "Project Initiation," and the deliverable should be "Project Initiation Brief"

3.   Project Review and Approval

Proponents can be requested to revise the proposal at every stage of the process. The duration for the revision is not counted. During the AKPMT and MOFA preliminary review, If the proponent does not submit the revised proposal within 14 calendar days after the request, it is considered the withdrawal of the proposal. Within the period, the proponent can request extension for the maximum of additional 14 calendar days.

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│                  ┌──────────────────────────────┐                 │
│                  │     Submission of Proposal     │                 │
│                  └──────────────────────────────┘                 │
│                              Yes ▼                                │
│                  ┌──────────────────────────────┐                 │
│                  │  AKPMT Review (in consultation │                 │
│                  │   with the ROK Mission to      │                 │
│                  │   ASEAN) (40 calendar days)    │                 │
│                  └──────────────────────────────┘                 │
│                              Yes ▼                                │
│                  ┌──────────────────────────────┐                 │
│                  │   MOFA ROK Preliminary Review  │                 │
│                  │       (28 calendar days)       │                 │
│                  └──────────────────────────────┘                 │
│                              Yes ▼                                │
│                  ┌──────────────────────────────┐                 │
│                  │         ASEAN Review           │                 │
│                  │  (single sector: 83 working    │                 │
│                  │  days/multi sector: 96 working │                 │
│                  │          days)                 │                 │
│                  └──────────────────────────────┘                 │
│                              Yes ▼                                │
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│                  │      Final Review of ROK       │                 │
│                  │       (45 calendar days)       │                 │
│                  └──────────────────────────────┘                 │
│                              Yes ▼                                │
│                  ┌──────────────────────────────┐                 │
│                  │           Approval             │                 │
│                  └──────────────────────────────┘                 │
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Project Review and Approval Process

Submission of Proposal

The proponent shall submit the proposal to submission_AKCF@asean.org with the subject of **[Submission]Project Title** for the preliminary consultation with the AKPMT in MS Word format.

AKPMT Review (in consultation with the ROK Mission to ASEAN)

The AKPMT reviews and conducts an initial screening of proposals in consultation with the ROK Mission to ASEAN. This process takes maximum of 40 calendar days. If the proposal is rejected or regarded as withdrawn at this stage, the proponent will receive a letter of regret from the AKPMT.

MOFA ROK Preliminary Review

After the review by AKPMT, MOFA ROK in Seoul reviews the proposal. This process takes maximum of 28 calendar days. AKPMT will inform the proponent and ASEC of the MOFA ROK's decision.

ASEAN Review

The proposal obtained preliminary endorsement from MOFA ROK in Seoul will be sent to ASEC for its own internal approval process. The process takes at least 83 working days for single sector projects, and 96 working days for cross-sector projects to obtain the approval from the Committee of Permanent Representatives (CPR). The process follows the SOP on ASEAN Project Appraisal and Approval Process.

Final Review of ROK and Approval

After the CPR approval, the ROK government will review the proposal for final approval through bi-monthly consultation meeting with relevant Ministries. The process takes maximum of 45 calendar days. If the proposal is rejected, the proponent will receive a letter of regret from MOFA ROK.

Chapter 3: Project Implementation and Reporting

1.   Project Initiation

The proponent should avoid starting project activities until the official final approval by MOFA ROK is issued. If not, MOFA ROK has the right to reject funding the initiative, if the project implementation is not in in accordance with the agreed outcomes of the project approval process.

As soon as MOFA ROK approves the programmes/projects, the proponents should submit a Project Initiation Brief to ASEC through the AKPMT. Please refer to the template for the Project Initiation Brief in **APPENDIX 6**.

After the Project Initiation Brief is submitted to ASEC through the AKPMT, the Desk Officer (DO) prepares Disbursement Letter to the fund recipient within 5 working days of approval. The fund recipient is requested to return Disbursement Letter with the counter-signature as well as the bank account information for the disbursement of the approved project to the DO.

Initial Fund Disbursement

Upon receiving signed Disbursement Letter from the proponents, ASEC disburses the approved budget in accordance with the budget disbursement rate written in **the Project Assignment List (APPENDIX 4).** The Project Assignment List is developed upon the agreement between the proponents and the AKPMT. The maximum of the initial disbursement rate shall be 90 percent for single year programmes/projects and 70 percent for multi-year programmes/projects as prescribed in Standard Operating Procedure on Project Financial Disbursement and Reporting (SOP PFDR).

2.   Project Implementation

Proponents should implement project activities in accordance with the Project Implementation Plan included in the Project Initiation Brief.

The proponents should notify the AKPMT prior to activity implementation at least 1 month in advance. Any revisions of project activities need to be consulted and receive an endorsement from MOFA ROK through the AKPMT.

3.   Monitoring and Evaluation & Fund Disbursement Mechanism

Reporting to AKPMT

Proponents should submit the following in accordance with AKPMT's guideline:

- Within 7 calendar days of implementation of every activity mentioned in the "Project Results" chapter of the ASEAN Cooperation Project Proposal: a brief activity report with photos
- Every 3 months after project initiation: updated Project Implementation Plan prepared for the Project Initiation Brief

Reporting to ASEC

- For multi-year programmes/projects, proponents submit Annual Interim Reports to ASEC as elaborated in the Handbook.

Disclosure of Project Documents

The AKPMT may disclose the project information to the public, upon the agreement of proponents. Proponent shall provide their consent to disclose by filling out template in APPENDIX 5 of the manual, along with the proposal submission.

Budget for M&E

Participation of the AKPMT and ASEC in the programmes/projects should be budgeted for the monitoring and evaluation of the programs/projects.

Subsequent Tranche(s) of Fund Disbursement

Following the Initial Fund Disbursement, the proponents may apply for subsequent tranche(s) of disbursement, by submitting 2 copies of the relevant deliverable(s) set out under the Project Assignment List (APPENDIX 4) and Interim Financial Reports with supporting documents at each milestone to ASEC and AKPMT. For the Interim Financial Report, the proponent shall use ASEC's Financial Report Template. ASEC and AKPMT shall review the Financial Report and disburse the approved amount in accordance with the agreed disbursement rate in the Project Assignment List.

4. **Project Completion**

Submission of Project Completion Report

Within 60 calendar days of the completion of the programmes/projects activities, proponents are requested to submit two copies of the PCR, comprising of narrative PCR and financial reports, to ASEC and AKPMT.

In case where proponents have not submitted the reports for project completion, funding for the next project will be withheld until the pending report is settled.

Financial Report Verification

For the final Financial Report, Finance and Budget Division (FBD) of ASEC and AKPMT shall review the Financial Report and communicate the result to the Desk Officer (DO).

Any findings during the verification process should be followed up and settled (i.e. miscalculation of expenditures, deviation from the approved budget proposal, etc.) by the

DO in consultation with FBD and AKPMT. If deviations from the approved budget are found during the verification process, the proponents shall refund any amounts paid to them in respect of claims which were not accounted for under the approved budget.

FBD informs the proponent/IA through DOs of ASEC, of the amount of final disbursement from ASEC or unspent balance and/or interest earned from the project fund to be refunded to ASEC.

Once all the follow-up actions have been taken and settled, FBD will inform DOs and the AKPMT.

Refund of Unspent Balance and Accrued Interest

The unspent balance of any project and activities under the funded project and any accrued interest earned from the project fund shall be returned to the AKCF account within 90 calendar days after the completion of the programmes/projects.

Narrative of Project Completion Report

The narrative report of the PCR shall be verified by the Programme Cooperation and Project Management Division (PCPMD) of the ASEAN Secretariat.

Chapter 4: AKCF Pro-forma Cost

1.   Personnel Cost

<u>**New full-time staff**</u>

In case of which the proponent/IA recruits new full-time staff engaging specifically for the AKCF funded project, they can budget direct personnel cost. For the newly recruited staff, the ToR should be included as annexes in the project proposal. Proponents can recruit maximum of 2 new full-time staff for the management of programmes/projects. In order to employ additional full-time staff or recruits staff with higher rates, proponents should consult with the AKPMT in advance.

- Senior Project Manager: USD 4,800
- Project Manager: USD 3,400
- Project Officer: USD 1,500
- Project Assistant: USD 1,000
- Project Secretariat: USD 750

*Salary of existing staff is considered as the operational cost.

2.   Activity Cost

<u>**Travel**</u>

Support for the most direct and economical economy-class round-trip:

- travels outside the region (ASEAN - ROK): USD 1,000
- travels within the region: USD 800
- domestic flights: USD 400

Support for the most direct and economical business-class round-trip as a special case for people who obtained prior approval (prior consultation with the AKPMT is required for the approval):

- travels outside the region (ASEAN to ROK or ROK to ASEAN): USD 3,000
- travels within the region: USD 2,000
- domestic flights: USD 1,000

* The travel costs above are ceilings. Actual expenditure by proponents can be less than the ceilings.

<u>**Accommodations**</u>

The cost of accommodation should not exceed 50% of the United Nations Daily Subsitence Allowance (UN DSA) rates adopted by ASEC every January of the year. If there is no

accommodation available under such an arrangement, the proponent should consult with the AKPMT.

Per-diem

Per-diem will be arranged based on the UN DSA rate. The DSA rate shall be reduced based on the information provided in the administrative arrangements and programme of activities of the event as follows:

- By 50 percent if accommodation is provided. This reduction shall apply irrespective of the type of accommodation provided free of charge;
- By 15 percent if one meal (lunch or dinner) is provided;
- By 30 percent if all meals (lunch and dinner) are provided;
- By 80 percent if accommodation and all meals are provided; and
- By 40 percent where no actual expenditure for accommodation incurred.

Event (Conference, Workshop, or Exhibition)

Official lunch/dinner (Welcome/ Farewell/ Opening Ceremony) - The proponent can only charge one official lunch/dinner per event	USD 50/person/activity
Meeting package (venue, 1 lunch, 2 coffee break)	USD 60/person/day
Secretariat Support and Supplies* * only applied for regional events	Maximum USD 2,500/event (telecommunications, ID card, banner, stationaries, rentals of electronic equipment.)
Translation cost for project materials/publications	USD 25/page (A4 with 250 words/page)
Simultaneous interpretation	Maximum USD 800/person/day
Non-simultaneous interpretation	USD 600/person/day
Publications	USD 30/piece
Shipping of the project deliverables	USD 15/deliverable
Field visit	USD 50/person (including entrance fee, refreshment, and transportation)

Airport transfer	USD 40 (Airport-Hotel-Airport)

Consultant

In case when the proponent employs consultants, the rates and employment period shall be discussed with the AKPMT. The ToRs should be included as annexes in the project proposal.

3.   Operational Cost

The total of operational cost shall not exceed 10% of the total budget before adding the Contingency Cost. If the proponent needs more than 10% for operational cost, the proponent shall consult with the AKPMT. The operational cost includes:

- Maintenance (utility bills, rental fee, etc.) cost
- Management Fees (transportation, telecommunication, meeting costs, event organizers, etc.)
- Other operational costs (cancellation fee, transfer fee, etc.)
- Salary of Existing Staff: In case when the proponent/IA utilizes existing staff for the AKCF project, up to 50% of the salary scale of new full-time staff in the Personnel Cost can be charged to the project budget.

4.   Contingency Cost

Contingency Cost can only be utilized for the expenditure occurred due to unexpected events, such as currency fluctuation, price increase but cannot cover personnel and administrative cost. The proponent has to obtain prior endorsement from the AKPMT for the utilization of the Contingency Cost.

Chapter 5: Q&A on AKCF Pro-forma Cost

General

a. What is AKCF Pro-forma Cost?

AKCF Pro-forma Cost is a set of references that is used as a standard to develop minimum amounts that can be adjusted within the range.

b. What is the budget proposal template (Annex 1 of ASEAN Cooperation Project Proposal Template)?

The budget proposal template is required for proponent/IA to use for the preparation of the indicative budget in project formulation. It is part of the ASEAN Cooperation Project Proposal Template.

Personnel Cost

a. What is the personnel cost?

Personnel cost refers to remuneration for project staff of AKCF projects who supports day-to-day operation/management/administration of the project. They could be newly-recruited staff. In a case where the proponent considers recruiting new staff as part of the project implementation, the recruitment plan and TOR should be included in the project proposal annexes. Salary of newly-recruited staff should be included in project activity, and that of existing staff is considered as the operational cost.

b. Who can be project staff of AKCF projects?

Project staff of AKCF projects must be ASEAN or ROK nationals.

c. What is the remuneration standard for the project staff?

For newly recruited staff, the salary scale follows the recommended salary stipulated in the Pro-forma cost.

Operational Cost

a. What is Operational Cost?

Operational Cost is the expenses related to maintenance and administration of programmes/projects. It can be utilized to cover existing staff salary, rental fee, maintenance fee, bank transfer fee, etc.

b. Can the proponent purchase any equipment or electronics such as a laptop or camera?

AKCF could not be budgeted for any procurement of office equipment. The proponent could only charge the AKCF for the rental cost of equipment or electronics which are considered crucial for project implementation.

Travel

a. AKCF Pro-forma Cost for airfare: is it entitlement or ceiling rate?

The cost listed in AKCF Pro-forma cost is the ceiling for the most direct economy class round-trip in the region. The actual cost of the airfare shall be provided in the Financial Reports.

b. What is the rate for a domestic flight?

USD 400 is the ceiling for an economy class round-trip for a domestic flight.

c. What is the rate for a one-way ticket?

The ceiling is USD 400.

d. If AMS prefers/requests to take land/sea transportation, can the ceiling for domestic flight be used?

Land/sea transportation will be estimated based on actual cost.

e. Can airport tax be included in the budget proposal and claimed as part of incurred expenses?

At the time of budget preparation, specific budget line for airport tax will not be included. In case there is an expense for airport tax, it can be charged to airfare budget line. The supporting document of airport tax, including receipt and/or air ticket showing airport tax is included, should be attached with the air ticket to the Financial Report.

f. Can participants charge transportation from their home to the airport in their home country?

No.

g. Can connecting domestic flight to/from the international airport in the respective countries be regarded as international flight if the route for the traveler outside the hosting country is most direct to the project venue?

Yes.

h. Can visa fee be reimbursed?

Visa fee could be reimbursed, and the proponent is requested to attach the necessary document (receipt, etc.) with the Financial Report. For those who need to travel to obtain a visa, the travel expenses/per-diem can be covered upon prior approval of the AKPMT.

i. Can cost for airport transfer of the traveler outside the hosting country be budgeted apart from the budget for per diem?

Yes. The proponent can arrange the airport transfer for the expert/participant with a maximum of USD 40 that covers from the airport to hotel and hotel to airport for one project activity.

j. If the venue and accommodation are different, can the cost of transportation be budgeted separately?

Yes. If the venue of meeting/event and accommodation are not the same, the proponent can budget the cost of transportation from the item for Programme/Activity Cost. However, the transportation cost will cover the route from the designated hotel/accommodation to the venue

and from the venue to the designated hotel/accommodation. Should the participants wish to stay outside of the designated accommodation, they may arrange and cover their own transport cost.

Per Diem

a. What is per diem?

Daily subsistence allowance provided for the traveler to cover the cost of hotel/ accommodation, meals, laundry, tips, phone calls, local transportation within the destination city and other associated expenses.

b. Who is entitled to receive per diem?

A person who travels outside his/her duty station and staying overnight to conduct activities or participate in the meeting/workshop/seminar related to the AKCF programmes/projects

c. How to calculate per diem?

AKCF Pro-forma cost uses UN DSA rates as of January in the year of project implementation to calculate per diem. Per diem will be calculated based on the number of days for project activities plus one traveling day. The per-diem arrangement should follow the following mechanism:

- Accommodation: 50%
- Lunch: 15%
- Dinner: 15%

If lunch and dinner are provided, participants will only receive 20% of the per diem. If only lunch is provided, the participant will receive 35% of the per diem. For travel day, participants are entitled to receive 50% of the per diem.

d. What are the conditions where a person is not entitled to receive Per Diem?

A person shall not be entitled to receive per diem if the activity is taking place in his/her duty station. The AKPMT and proponents shall ensure that per diem be given to eligible participants.

e. Can per diem be given to a person who will not stay in a hotel provided by the organizer?

The participant could book their own hotel but need to submit hotel receipt to receive 50% of the per diem. The per diem will be deducted by 40 percent where no actual expenditure for accommodation incurred.

f. Can we budget all necessary costs as separate items such as accommodation and meals instead of budgeting Per Diem?

Yes, as long as the total cost of the budget for these separate items does not exceed the UN DSA rate.

g. Can the consultants get per diem in addition to their consultant fee?

Yes.

h. Is a receipt (supporting document) necessary for per-diem payment?

Yes. Signature of recipients receiving per diem is necessary.

i. Can per diem be adjusted to a higher/lower rate if the venue of an event is changed from the originally approved one in the proposal?

Yes, as long as the proponent obtains prior approval from the AKPMT. The proponent is requested to attach the DSA rates of the year of implementation in the Financial Report.

j. Should per diem be adjusted to the actual UN DSA rate for the year of implementation and beyond when the rate has to be changed from that at the time of the budget proposal/approval?

Yes, the proponent is requested to explain the variance in the Financial Report submitted.

k. Is a prior approval needed if the proponent wants to add more activities or make any adjustment of the budget lines of the approved budget?

Yes, prior approval is needed if the proponent wants to revise activities.

Activity

a. When can proponents start project activities?

Proponents can start project activities after receiving endorsement from both ASEAN and MOFA ROK. The AKCF will not cover any expenditure that occurred prior to the date of the endorsement.

b. Can welcome/farewell dinner or opening ceremony be charged separately from the meeting package?

Yes. The AKCF can cover one official luncheon/dinner per each activity of the project. The cost for such occasion shall not exceed USD 50 per person for one official welcome/farewell dinner.

c. If an organizer cannot find a meeting venue for under USD 60 (meeting package), is it possible to use a venue for more than USD 60 as long as sufficient justification is provided (in advance)?

In principle, the organizer is expected to find a meeting venue within the specified rate. If not, please consult with the AKPMT.

d. What can be covered under Secretariat Support and Supplies?

Rental of equipment (Laptop, PC, projector, printer, sound system, etc), hiring temporary staff (helper), backdrop, banners, consumables such as stationeries, papers, name tags, certificates for participants, toners/ink cartridges and etc. The detail should be elaborated in the budget.

e. Is it allowed to purchase office equipment/furniture/fixtures?

No. The AKCF only covers the rental cost of equipment.

f. Is the rate for Secretariat Support and Secretariat Supplies for per seminar/ workshop?

The rates are per seminar/workshop regardless of the duration.

g. Can the total amount of a meeting package be fully utilized if the actual number of participants/experts is decreased from that of the approved budget proposal?

No. The amount of meeting package will follow the actual number of participants as long as it is not exceeding the total approved budget for meeting package.

h. What are unit costs applied to publication and the shipping of the project deliverables?

Please use the unit cost of USD 30 for publication and USD 15 for shipping of the deliverables.

Contingency cost

a. What type of cost can be charged to contingency cost?

The contingency cost can only be utilized for the expenditure occurred due to unexpected events, such as currency fluctuation, price increase but cannot cover personnel and administrative cost.

b. What is the procedure to use contingency cost?

Prior consultation with the AKPMT is required to use the contingency cost. The approval email or letter should be attached to the Financial Report. The justification for the use of contingency cost should be provided in the Financial Report.

c. If there is any remaining balance after the implementation of the programmes/projects, should it be returned?

Yes, the unspent amount from the approved budget should be returned.

Others

a. Can lump sum amount be used in the budget?

No. The AKCF requires that every budget item should be presented clearly by unit cost, unit name, and quantity.

b. Is it allowed to include budget item not listed in AKCF Pro-forma cost?

Yes, the AKPMT shall be consulted prior to including such budget items.

c. Is it allowed to purchase gift/souvenirs?

No. The AKCF does not cover the cost for gift/souvenirs.

d. Can the AKCF cover cost for hiring interpreters/translators?

Yes. If the hired interpreters/ translators are resided outside of the host city, he/she is entitled to domestic airfare and accommodation.

e. Can we use the surplus of one particular budget line to supplement other budget lines during the implementation?

No. If necessary, please consult with the AKPMT.

f. Can we make the budget with local currency?

No, it is mandatory to prepare the budget proposal in USD. However, budget using domestic currency can be included as attachment.

g. Can cancellation charges be covered by the AKCF?

Please note that proponent/IA shall take full responsibility for facility/service reservation, and they can do so at their own risk. The unutilized facilities/services that are chargeable shall be covered by proponent/IA, in principle. However, depending on the reason and subject to submission of supporting documents and their acceptance by ASEC/ROK, they may be covered by the AKCF.

Proponent/IA is requested to provide the Financial Report with the explanation of the cancellation as well as the proof documents so that ASEC can carry out the verification. If that is acceptable, the AKCF can cover the cancellation charges. Proponents/IAs are reminded that such an exceptional treatment applies only to special unforeseeable circumstances. Supporting documents can include a medical certificate in case sponsored participants cannot participate in an event due to his/her health condition.

h. Can personal property such as car be used to conduct project activities under AKCF budget?

No. The AKCF does not cover the cost when the personal property is used and will never accept liability for any kind of damages resulting from the use of personal property.

i. What is the name of the item to be used in the Financial Report when the proponent/IA bear the cost overspent from the approved budget?

The item of "contribution" is to be used in the Financial Report if the proponent cover the difference from their own source of fund.

j. What are the Accounting Standards to be complied with when preparing the Financial Report?

The Financial Report can use the following accounting standards: International Public Sector Accounting Standards (IPSAS), International Financial Reporting Standards (IFRS), or Generally Accepted Accounting Principles (GAAP).

ASEAN Cooperation Project Proposal

For assistance on how to complete this template, you can refer to the see the "Handbook on Proposal Development for ASEAN Cooperation Projects" which can be downloaded at

1.　PROJECT DETAILS

Proposal Identification Code:
(to be completed by the ASEAN Secretariat)

Project Title:
Provide a concise project title that captures the essence of the proposed project. Please consider to reflect the main purpose of the project in the title, and not just the project activity or event.

Brief Project Description – 300 words max:
Provide a brief description of the proposed project, its objective and key activities or outputs. It should be succinct but contains enough information to explain to approving bodies how the project will contribute to ASEAN's goals.

Recurring Project: Yes ☐　No ☐

If Yes, Previous Project Identification Code:
Indicate whether the proposed project is part of a series of projects (with similar objective(s), outputs, and activities)

Project Classification:
Indicate the Scope and Pillar

Scope:　　**Single Sector ☐**　　**Cross-Sector ☐**

Pillar:

(Main) Blueprint:	**Connectivity ☐**	**IAI ☐**
(Main) Characteristic:	**Linkage:**	
Action Line(s):	**Strategy:**	
Action(s):	**Key Action(s):**	

Information below to be completed by the ASEAN Secretariat:

Nature of Cooperation:　*Confidence Building ☐*
　　Harmonisation ☐
　　Special Assistance ☐
　　Joint Effort ☐
　　Regional Integration / Expansion ☐

Type of Intervention:　*Policy Initiative ☐*
　　Establishment of Institutional Mechanisms ☐
　　Human Capacity Building ☐

Project Duration:　< 6 months ☐　6-12 months ☐　　> 12 months ☐

Proposed Commencement Date: *dd.mm.yyyy*

Proposed Completion Date: *dd.mm.yyyy*

Project is considered to have "commenced" as of the date the Implementing Agency/Proponent is

Participating ASEAN Member States: All 0

If not all (or not all in the same way), please indicate reason:

ASEAN Cooperation Projects are expected to involve the participation of all Member States. If the project involves the participation of all Member States but in different ways (e.g., through different levels of assistance) or does NOT involve all Member States, please indicate the reason.

Sponsoring ASEAN Body
Sectoral Committee/Main Body:
     Meeting Number/Date: / *dd.mm.yyyy*
Working Group/Sub-Committee:
     Meeting Number/Date: / *dd.mm.yyyy*
The proponent may consult with ASEAN Secretariat to identify the most appropriate sponsoring ASEAN Body for the project.

Proponent's Name and Address:

Contact Person and Contact Details:

Implementing Agency's Name and Address (if different from above)**:**

Contact Person and Contact Details:

Date of Proposal Submission: *dd.mm.yyyy*

Proposed Funding Source(s):
The proponent may consult with ASEAN Secretariat to identify the most appropriate funding source for the project.

Proposed Project Budget (total in USD):

Information below to be completed by the PCPMD of the ASEAN Secretariat
Recommendation of the ASEAN Secretariat
Meeting No./Date   :   / *dd.mm.yyyy*
Action   :   ☐   Endorsed   ☐   Not Endorsed

Approval of Committee of Permanent Representatives to ASEAN (CPR)
Meeting No./Date   :   / *dd.mm.yyyy*
Action   :   ☐   Endorsed   ☐   Not Endorsed

2.   PROJECT JUSTIFICATION, REGIONALITY AND BENEFICIARIES – 600 words max
(For more details, see the "Handbook on Proposal Development for ASEAN Cooperation Projects")

   (a) Current Problem– *Describe briefly the issues or problems in the region or sector that the project seeks to address. Explain what is causing these issues or problems. Your write-up has to be clearly linked to the project objective.*

   (b) Regionality –*Show that the problem or issue affects more than one ASEAN Member*

State and requires regional action. This is needed for the project to be considered an ASEAN Cooperation Project.

(c) Project History – *List related projects/activities previously or currently implemented. Describe how this project complements them. For recurring project, please include outputs/ lesson learned from previous project*

(d) Beneficiaries – *Please state who will directly benefit from and the stakeholders that will be engaged in this project. The proponent could also identify who could benefit indirectly.*

3.	**PROJECT RESULTS**

Project Objective/ Outcome:

The intended physical, financial, institutional, social, environmental, or other development results to which a project is expected to contribute. If applicable, the project can have more than one objective.

Outputs	**Indicators (to measure the project's achievements)** *How will the project's achievement be measured? Please indicate feasible quantitative or qualitative factor.*	**Means of Verification** *How will information be collected to support these indicators?*
Output: *What results will the project lead to, for example any products and services, or changes that are relevant to the achievement of objective(s).*		
Main Activities: *List the actions or activities that your project will carry out to achieve the above results/outputs.*		
The project can have more than one result/output. Please add rows above as necessary.		

4.	**PROJECT MANAGEMENT ARRANGEMENTS – 600 words max**

(a) Management Arrangements – *Describe briefly the management structure of the project, including responsibilities, coordination mechanisms, and reporting line. It should clearly identify the responsible implementing agency to receive the fund, achievement of project results and submission of the completion report.*

(b) Human Resource Inputs – *Specify type and number of personnel who are involved in the project.*

If applicable, please include the Terms of Reference of each position in the annexes.

(c) Monitoring and Evaluation Arrangements – *Describe the plan for how the monitoring and reporting will be carried out. Please note that a **progress report** is required for project which spans between two financial year and or more than 1 year, Please note that **project evaluation** is required for projects with budget of more than USD 1 million or more than 1 year duration, Project evaluation should be budgeted for accordingly. For more details on progress reports and project evaluations, see the "Handbook on Proposal Development for ASEAN Cooperation Projects".*

5. PROJECT SUSTAINABILITY – 300 words max
State how the output(s) of the project will be sustained after the project is completed.

6. GENDER AND OTHER CROSS CUTTING ISSUES – 300 words max

(a) Gender - *Please indicate how gender-related issues aspects will be taken into account in the project implementation, such as how the project will ensure equal opportunity to participate in the project.*

(b) Other Cross Cutting Issues - *If applicable, state how other crosscutting issues have been adequately taken into account i.e. Environment, IT, Human Rights, etc.*

7. POTENTIAL RISKS
State the significant potential risks or threats within the proponent's control that would affect the success of the project, such as lack of capable human resources, security, political, etc.

Risk / threat	Mitigation strategy	

Annex 1 – Budget Proposal

Using the budget format provided by ASEC, provide the cost for each of the inputs under the sub-headings. Include a budget for project evaluation for projects with budget of more than USD 1 million or more than 1 year duration. For more details on project evaluations, see the "Handbook on Proposal Development for ASEAN Cooperation Projects".

Annex 2 – Indicative Work Plan

Using the work plan format provided by ASEC, develop a work plan with time frame for each main activity. The work plan should cover the whole period of the project.

Annex 3 – Notation on Additional Supporting Documents

List any relevant additional supporting documents submitted together with the project proposal (report, memorandum of understanding, etc.), which helps understanding the proposed project and its strategy.

APPENDIX 2: Budget Proposal

BUDGET PROPOSAL

Project Title :	
Implementing Agency :	
Duration/Period :	

Budget Line	Description	Unit Cost (USD)	Quantity 1	Unit 1	Quantity 2	Unit 2	Total Cost (USD)
I. PROGRAMME/ACTIVITY COST							
A. Airfare							
A.1	International Airfare - Participants	3,000.00	18	Person	1	time	54,000.00
							-
Total Budget for Airfare							54,000.00
B. Per diem							
B.1	Per diem	200.00	25	person	6	Day	30,000.00
Total Budget for Per diem							30,000.00
C. Meeting Package / Workshop / Seminar							
C.1	Meeting Packages, Lunch / Dinner / Meal / Receptions	35.00	30	person	12	Time	12,600.00
C.2	Secretaries supplies	25.00	30	person	1	Time	750.00
Total Budget for Meeting Package / Workshop / Seminar							13,350.00
D. Consultant/Expert							
D.1	International Consultant/Expert	571.00	1	person	4	Day	2,284.00
D.2	Regional Consultant/Expert	381.00	1	person	5	Day	1,905.00
Total Budget for Consultant / Expert							4,189.00
E. XXXX							
E.1	XXXX	45.00	50	XXX	1	time	2,250.00
E.2	XXXX	1,000.00	1	Lumpsum	1	time	1,000.00
Total Budget for XXXX							3,250.00
F. XXXX							
F.1	XXXX	1,000.00	1	Lumpsum	3	Year	3,000.00
Total Budget for XXXX							3,000.00
SUB TOTAL OF PROGRAMME COST (I)							**107,789.00**
II. OPERATIONAL COST							
G. Administrative							
G.1	Office Room Rental	500.00	1	Unit	12	Month	6,000.00
G.2	Office Supplies	100.00	1	Lumpsum	12	Month	1,200.00
Total Budget for Administrative							7,200.00
H. Personnel							
H.1	Salary Assistant Programme Manager	2,000.00	1	Person	12	Month	24,000.00
H.2	Project Administrative Assistant	700.00	3	Person	12	Month	25,200.00
Total Budget for Personnel							49,200.00
SUB TOTAL OF OPERATIONAL COST (II)							**56,400.00**
SUB TOTAL (I + II)							**164,189.00**
Contingency 10% (III)							**16,418.90**
TOTAL (I + II + III)							**180,607.90**

APPENDIX 3: Indicative Work Plan

INDICATIVE WORKPLAN
[project name]
[proponent]
[implementation period]

Objective/Output	Planned Activities	Time-frame																Budget (USD)
		Month 1				Month 2				Month 3				Month 4				
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	
Objective 1																		
Output 1																		
Output 2																		
Output 3																		
Output 4																		

APPENDIX 4: Project Assignment List

PROJECT ASSIGNMENT LIST*

Programme/Project title:
Proponent/Implementing Agency:

No.	Milestone	Outputs & Activities	Deliverables	Disbursement Rate (%)	Expected Submission Date
1.	Project Initiation		Project Initiation Brief		
…	Interim Report		Project interim report		
	Final Reporting		Project completion report	10%	

Date: Name/Title: (Signature)

1. *Milestones are specific points along a project timeline composed of several outputs, activities, and deliverables. In AKCF projects, disbursement will be made when proponents fulfill the conditions in each milestone.*
2. *Deliverable is a tangible or intangible good or service produced as a result of outputs/activities. A deliverable could be a report, a document, or any other building block of an overall project.*
3. *The first milestone should be "Project Initiation". Outputs & activities shall be empty, and deliverables shall be "Project Initiation Brief."*
4. *Expected submission date should be adjusted when the proponent sends the signed disbursement letter to ASEC considering the potential delay caused by the approval process.*
5. *The final milestone should be "Final Reporting," and the 10% of the budget will be disbursed based on the actual expenditure.*

APPENDIX 5: Information Disclosure Agreement

Programme/Project Title:

By obtaining consent, [*the proponent's name*] agrees to disclose information related to the programme/project as checked below.

Type of Documents	Agree (V)
Narrative of Project Proposal	
Indicative Budget of Project Proposal	
Work Plan of Project Proposal	
Narrative of Project Report (Interim, Completion)	
Financial Report (Interim, Completion)	
Project Implementation Plan	
Progress Report	
…	

Date: Name and Position: (Signature)

AKCF Project Initiation Brief

1. **Project Title:**

2. **Project Description**

Please describe your project briefly. The description will be used to promote your project to the public. The description should be less than 300 words.

3. **Introduction of Proponents/Implementing Agencies**

Please provide information on your organization in consideration of the relevance to the project maximum 2 pages. Every proponent or implementing agency should provide the information, which includes organization overview, the number of staff members, annual budget if available, priority areas, experience of working with ASEAN if any, and a link to your organization's website. In addition to the narrative, please provide a high-resolution image of your organization and logo. This information will be posted in the AKCF website for promotional purposes.

4. **Information on the programme/project management teams**

Please provide information on the programme/project management teams of the programme/project, including contact information, organigram, and TOR of each team member. TOR will not be disclosed to the public.

5. **Project Keyword**

Please provide a maximum of 5 keywords for your project. The keyword will be used as hashtags of project documents in AKCF's website and AKCF's SNS pages.

Annex 1. Project Assignment List

Using the Project Assignment List provided in the AKCF manual, please update your project assignment list in consideration of the date of approval of the project and your organization's situation

Annex 2. Project Implementation Plan

Using the template provided in the AKCF website (http://www.aseanrokfund.com), develop your project implementation plan (PIP). The PMP should match the project assignment table. Each activity under "the project results" chapter of the proposal should be elaborated into several stages, including the preparation process.