Programme Management Manual
“ASEAN Heritage Parks Small Grants Programme”
Myanmar
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<td>ACB</td>
<td>ASEAN Centre for Biodiversity</td>
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<tr>
<td>ACTA</td>
<td>Assistant Chief Technical Adviser</td>
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<td>AHP</td>
<td>ASEAN Heritage Park</td>
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<tr>
<td>AMP</td>
<td>Annual Management Plan</td>
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<td>AMS</td>
<td>ASEAN Member States</td>
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<td>APS</td>
<td>Annual Program Statement</td>
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<td>ASEAN</td>
<td>Association of Southeast Asian Nations</td>
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<td>BBP</td>
<td>Biodiversity Based Products</td>
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<td>CBD</td>
<td>Convention on Biological Diversity</td>
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<td>CBO</td>
<td>Community-Based Organization</td>
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<td>Critical Ecosystem Partnership Fund</td>
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<td>Call for Proposals</td>
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<td>Co-management</td>
<td>Collaborative Management</td>
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<td>CTA/ACTA</td>
<td>Chief Technical Advisers</td>
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<td>Financial Cooperation</td>
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<td>FFI</td>
<td>Fauna and Flora International</td>
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<td>FS</td>
<td>Feasibility Study</td>
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<td>GPS</td>
<td>Global Positioning System</td>
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<td>IA</td>
<td>Implementing Agencies</td>
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<td>ISB</td>
<td>Institutional Strengthening of Biodiversity Sector in ASEAN Project</td>
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<td>LogFrame</td>
<td>Logical Framework</td>
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<td>MoECAF</td>
<td>Ministry of Environmental Conservation and Forestry</td>
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<td>MoU</td>
<td>Memorandum of Understanding</td>
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<td>MP</td>
<td>Management Plan</td>
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<td>NSC</td>
<td>National Steering Committee</td>
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<td>NTFP</td>
<td>Non-timber Forest Product</td>
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<td>Nature and Wildlife Conservation Division</td>
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<td>National Working Team</td>
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<td>PA</td>
<td>Protected Area</td>
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<td>PEA</td>
<td>Programme Executing Agency</td>
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<td>PMM</td>
<td>Programme Management Manual</td>
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<td>PoO</td>
<td>Plan of Operations</td>
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<td>REM</td>
<td>Review and Evaluation Meeting</td>
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<td>RPCU</td>
<td>Regional Programme Coordination Unit</td>
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<td>SE</td>
<td>South East</td>
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<td>SGP</td>
<td>Small Grants Programme</td>
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<td>SOP</td>
<td>Standard Operating Procedures</td>
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<td>TC</td>
<td>Technical Cooperation</td>
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<td>Wildlife Conservation Society</td>
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Project Summary Sheet

Overall Goal of SGP

Strengthening of biodiversity protection and management of natural resources in line with the basic needs of the local population in the ASEAN region by strengthening the ACB in its role to promote biodiversity protection.

Components

1. Small Grants Programming: Financing the development and implementation of small grants for biodiversity protection with the participation of the local population in and around AHPs in the jointly selected ASEAN member states;

2. Regional Coordination and Management: Financing dissemination/PR material workshops, training and exposure as well as management of the Programme to be facilitated by the ACB;

3. Consultant: Financing capacity development measures for implementation partners at regional, national and local level as well as support in the management of the Programme.

Module objective (impact level):

a) to improve biodiversity protection in line with the interests of the local population directly dependent on selected AHPs and adjacent areas;

b) to improve the livelihood of local communities directly dependent on selected AHPs or adjacent areas;

c) to strengthen the role of ACB in promoting biodiversity protection among the ASEAN member

Module objective (outcome level):

to implement successful interventions covering both biodiversity and livelihood aspects in selected AHPs and adjacent areas

Outputs

A range of adequate financial and technical solutions and interventions for different local partners and project types is developed and implemented in selected AHPs and adjacent areas

ACB is regularly feeding the results of the experiences drawn from the implementation of the SGP, into AWGNBC and AHP meetings

(Key) activities in the module

1. Financing the development and implementation of projects for biodiversity protection with the participation of the local population in and around AHPs in Indonesia and Myanmar.

2. Financing capacity development measures for implementation partners at national and local level.

3. Financing dissemination/PR material, workshops, training and exposures to be facilitated by the ACB.

Project Area MMR

AHPs that meet the stressors (eligibility criteria) of (ANNEX 07 - GRANT MAKING)

Summary of SGP

The SGP will support the management of ASEAN Heritage Parks that meet specific selection and eligibility criteria. From AHPs nominated in Myanmar four currently meet these criteria and it is anticipated that the SGP will provide support to these sites over a 5-year programme period. To access funds from the SGP, eligible applicants in cooperation with AHP management must submit proposals. Activities included in these proposals must address the priority issues defined in Management
Plans (MPs) and budgets. However, during the first year of operation, grant proposals will be accepted from eligible applicants providing that there is a clear agreement to prepare a Protected Area Management Plan. The SGP provides grant and technical support to prepare these MPs.

The PA Management Plans will be applied in the SGP context to ensure grant funds are focused only on (a) the eligible sites supporting biodiversity conservation in Myanmar; (b) priority conservation activities in eligible sites; and (c) livelihood support. Grant selection will be on a competitive basis—only those representing good value for money in terms of conservation impact will be selected and past performance of applicants and park management in grant management will also be an important consideration. All grant proposals, grant packages, and budgets will be reviewed by country-based National Working Group, to ensure that funds are used for eligible sites and activities consistent with national and objectives of the SGP.

This draft Programme Implementation Manual guides the operations of the SGP and describes the procedures for grant proposal review, approval, disbursement of funds, and reporting.
**Executive Summary**

The ASEAN Centre for Biodiversity (ACB) and the German Development Bank (KfW) have agreed to implement a Small Grants Programme (SGP), with the initial phase of the Programme focusing on Myanmar and Indonesia. The current document, Programme Management Manual (PMM), is stipulated to be established at the Inception Phase. It should be noted, however, that as the SGP progresses, experiences from the processes, interactions and actual realities in the course of SGP implementation may warrant a need to review and revise the PMM. It is in the interest of the success of the programme to consider the PMM as a 'living' document, in which it may continuously evolve into an improved version, taking into consideration the lessons from the three tiers in the course of SGP implementation.

The SGP overall goal is to contribute to biodiversity protection and management of natural resources in the ASEAN region. The SGP objectives are the following: (1) to improve biodiversity protection in line with the interest of local population directly dependent on selected AHPs and adjacent areas; (2) to improve the livelihood of local communities directly dependent on selected AHPs or adjacent areas; and (3) to strengthen the role of ACB in promoting biodiversity protection among the AMS. In Myanmar, the SGP will be implemented in four selected AHPs.

The SGP aims to support a co-management approach for government-managed protected area landscapes and adjacent areas through multi-level co-management to link the protected area officials with the local stakeholders. This approach highlights seven thematic fields of protected area management: General Park Management; Wildlife research and monitoring; Law enforcement; Habitat and species management; Community outreach and conservation awareness; Community development; Ecotourism. Expression of this link will be a jointly developed 5-Year AHP Management Plan, which is stipulated as a condition for AHP nominations. The Management Plan will direct small grants investments towards priorities for conservation and livelihood investments in the seven thematic fields. In Myanmar, need-based models for successful conservation interventions, building local knowledge and skills, and multi-stakeholder processes and partnerships are under development and implementation. There are two main phases for the SGP: (a) Planning Phase, which covers sensitization and capacity building for participatory PA management planning; and (b) Investment Phase, which covers Call for thematic proposals within the geographic foci and based on priorities set in the PA Management plans, development works with complementary technical capacity development support.

The Small Grants Programming will be implemented and organized in a three-tier delivery structure. Tier 3 is the Regional Coordination and Management, which is under the responsibility of ACB. Overall supervision of the programme is the responsibility of ACB, in conjunction with its Governing Board and ASOEN. Final approval and awarding of the grants are at Tier 3 level. Tier 2 is the National Project Coordination and Selection of Small Grants. For Myanmar, National Project Coordination is through the National Working Team (NWT) and the National Steering Committee (NSC). The NWT supports the NSC in meeting the overall objectives of the SGP in Myanmar, through the provision of written and justified recommendations of grant proposals to be financed under the SGP in Myanmar. The NSC provides strategic guidance for the SGP in Myanmar, ensures that the overall programme objective is met, and provides final endorsement of the full project proposals for ACB awarding. Tier 1 is the AHP site-based planning and implementation. The proponents will be communities in and around AHPs, park managers and their staff as well as smaller civil society organizations. They identify the needs at the point of intervention and develop their initial conservation ideas and project design.

To be eligible for grants, the AHPs should be able to meet the following criteria: (a) The AHP must support terrestrial, freshwater or marine biodiversity of high conservation importance; (b) The AHPs must be registered and recognized as National Park, Nature Conservation Area, or Species / Habitat Conservation
Area; and (c) The AHPs must be under appropriate management, meaning that the AHPs are managed by a MOECAF appointed full-time on-site warden and team of rangers; this also means the presence of an approved management plan and allocation of government budgets for the AHPs. Eligible proponents may be any of the following: Communities in AHPs and adjacent areas (“buffer zones”), Community-Based Organizations and national NGOs supporting biodiversity conservation and community development related to AHPs and adjacent areas and international NGOs working in the field of biodiversity conservation and livelihood development which are officially registered or have signed a Memorandum of Understanding (MoU) with the respective governmental authorities for the implementation of proposed activities in the relevant areas.

Grant types may range from: (i) Micro-Grants (up to six months and EUR 20,000), (ii) Small Grants (6 to 12 months/EUR 20,000 – 80,000 EUR), and (iii) Medium grants (up to 18 months/EUR 80,000–EUR 150,000). The Grantees are to provide project co-financing in the form of cash or kind, where in-kind contribution in the form of voluntary work may constitute up to 50 percent of the co-financing required for the project; own contribution within the remaining scope is submitted in the form of cash.

Eligible Activities and Investments include inter alia activities for conservation management, small equipment and investments for park and wildlife management, planning exercises and processes for stakeholder participation, livelihood alternatives and improvements as well as small, localized studies, awareness campaigns and conservation training. It is a priority of the SGP to promote and support local stakeholder engagement in AHP management, e.g., through piloting co-management agreements and participatory planning of AHP management.

ACB maintains that specifically allocable costs of an applicant organization’s project should be requested and justified in the proposal as direct costs. Under the SGP, indirect cost rates for grants and contracts are limited, with up to 6.75 percent of the approved sum may be used to cover project overhead costs (operating costs directly linked to the project).

The small grants programming follows formats and standards found in the annexes in the current document. The following steps, which may be altered on a case-by-case basis to improve the efficiency and effectiveness of processing and application and/or implementing an activity, are to be followed: (1) Notification of the Programme; (2) Application Preparation - this will include the Technical Proposal, Activity Cost Milestone Plan; (3) Technical review and Cost analysis; (4) Review and evaluation by the National Working Team and the ACB Regional Programme Coordination Unit; (5) Prepare Grant Documents, Determination of Award; (6) Awarding of the Grant by the ACB Executive Director; (7) Authorization to Proceed; (8) Grantee Monitoring; (9) Disbursement and Progress reporting; and (10) Completion.

The Grant becomes effective on the date the Agreement is signed by both Grantee and Authority. The ACB Executive Director, as representative of the Grant Authority, awards the grant in writing. The grant funding period, henceforth Project Implementation, proceeds with the date indicated in the proposal as start date, until the end of project implementation indicated as number of months that the project will be implemented. The transfer and receipt of the first tranche of Grant Funds does not indicate the start of project implementation. ACB will make available the grant funds in a timely manner, in accordance with the Disbursement Procedure and under the terms and conditions of the grant agreement. The Grantee is obligated to implement the approved project in compliance with the time frame and financial conditions stipulated in the grant contract. The grantee is further obligated to acknowledge ACB-SGP’s support of the project (1) on all premises where events take place as part of the project, (2) in all communication materials distributed as part of the project and (3) on all websites connected with the project, including the grantee’s websites.
The section on Financial Management provides assistance and guidance to the users and stakeholders on the relevant disbursement procedures, accounting policies and reporting requirements. The Service Provider for grant-making must have appropriate accounting and internal control systems in place that reliably record and report the financial transactions of the project; and provide sufficient financial information for managing and monitoring project activities. Disbursement will be observed in three tranches: first tranche of 50% within 10 working days upon signing of Contract by the Parties; second tranche of 40% upon submission of withdrawal application with evidence that 75% of the first tranche has been incurred; and the third and final tranche of 10%, upon submission of the service provider/grantee and acceptance of ACB of the final technical and financial report / completion report. Funds may only be used for verifiable, reasonable and customary local costs (eligible costs). All costs claimed must be realized and paid by the service provider during the contracted implementation period and recorded in the project journal.

Procurement of goods and services shall be carried out in accordance with the ACB and KfW standards, and the KfW Guidelines for the Procurement of Goods, Works and Associated Services in Financial Cooperation with Partner Countries and KfW Guidelines for the Assignment of Consultants in Financial Cooperation with Partner Countries (collectively hereafter, “KfW Guidelines”). The intended procurement method shall always be indicated in the annual work programme. Generally, procurement takes place at the lowest level possible. Where appropriate, and as required by the KfW Guidelines support to tendering processes for investment services or contractors will be provided by the Consultant.

The period of reporting depends on the duration of the grants. For grants that will be implemented for less than six (6) months, financial and technical reports shall be submitted monthly. Grants that are six (6) or more in duration shall require quarterly technical reports and semi-annual financial reports. The reporting intervals start from acknowledgement of receipt of grant effectiveness. The first report is due after a month (for less than six (6) months grants) and 3 months (for six (6) or more months grants) from receipt of the first tranche of grant payments. The financial and technical reports must be received by ACB not later than 30 calendar days after the end of period under review.

All narrative and financial reports must be separately signed by the grantee’s statutory representative. The Park Wardens shall countersign each progress and the Final Report to confirm the correct and effective use of funds provided under the SGP.
1. Background

1.1. Issues at stake

Despite occupying only three per cent of the world’s total land area, The ASEAN region is rich in biological diversity with approximately 20 per cent of all known species. Myanmar ranks second in biodiversity within the ASEAN Region. The services provided by regional ecosystems encompass (i) the preservation of global environmental processes, (ii) an important contribution to the economic development and in particular to the export economy of the region, and (iii) the income and food security for the rural poor.

This terrestrial and marine biodiversity in South East Asia is under threat: Rapidly expanding populations paired with unprecedented economic growth on the one hand and persisting (especially rural) poverty on the other continue to pressure landscapes and natural habitats. Today, Philippines, Thailand, Viet Nam, Indonesia and Malaysia rank amongst the world’s top 20 countries with the highest numbers of threatened species of all taxa.

1.2. ASEAN and the ASEAN Heritage Parks (AHPs)

The AMS have declared certain national parks and reserves as ASEAN Heritage Parks (AHPs) based on their uniqueness, diversity and outstanding values, in order for their importance as conservation areas to be appreciated regionally and internationally.

AHPs are defined within the ASEAN context as “Protected areas of high conservation importance, preserving in total a complete spectrum of representative ecosystems of the ASEAN region”. There is now a total of 40 AHPs in the system; the AHP network is motivated by recognition of the high biodiversity values of SE Asia and the need to address common threats. Major Categories of AHPs include natural parks, natural reserves, cultural sites, prehistoric sites and Peace Parks.

Nevertheless, AHPs and the contained biodiversity, with little exception, are not immune. They encounter the common problems of any protected area, e.g. rapid population expansion, fast economic growth and persistent poverty weak laws and enforcement, land use intensification and urbanisation, land tenure and resource use rights conflicts with local communities and loss of habitat. As any other PA and often than not, AHPs remain alien to populations living in adjacent areas and are regarded as imminent threat to livelihoods.

1.3. AHPs in Myanmar

Myanmar has seven AHPs, with Nat Ma Taung as the latest entry. They cover a relatively representative selection of the country’s ecosystems from Himalayan mountain forests (Hkakaborazi), dry forests (Alaungdaw Kathapa), wetlands (Inle Lake and Indawgyi), to lowland deciduous forests, mangroves and marine ecosystems (Meinmahla Kyun, Lampi).

All seven AHPs are key biodiversity areas, three of them amongst the 40 top-priority sites for action. The Critical Ecosystem Partnership Fund (CEPF) analysis also identified eight priority corridors, and four of the AHPs fall within these corridors. One of the AHPs (Inle Lake) is a Global 200 Ecoregion and is on the 'tentative' list for World Heritage Site status.

1.4. ASEAN Centre for Biodiversity (ACB)

In order to emphasise the regional importance of biodiversity across boundaries and to bolster national protection strategies, the ASEAN Member States (AMS) have founded the ASEAN Centre for Biodiversity (ACB), a regional institution tasked with working on regional strategies towards the implementation of the Convention on Biological Diversity (CBD).

The AHP Programme is one of the flagship programmes of ASEAN designed to promote the AHPs by developing or enhancing the capacity of AHP managers and developing resource materials. As secretariat
of the AHP Programme, the ACB regularly organizes AHP conferences to strengthen coordination and collaboration among AHPs and with partner organizations working on protected area management.

The ACB Organizational Strategic Framework 2010-2020 provides the Centre’s core strategic goals and objectives:

1. Facilitate coordination – Serve as an effective coordinative body to facilitate discussion and resolution of cross-country biodiversity conservation issues;
2. Enhance information sharing and access – Provide a framework and mechanism for sharing information, experiences, best practices and lessons learned for the efficient access of AMS;
3. Conduct monitoring and assessment – Implement a proactive approach in monitoring and assessing biodiversity conservation status as a strategic approach towards identifying critical issues and future trends;
4. Enhance capacity building – Deliver / facilitate conduct of capacity-building services and technology transfer through engaging relevant and appropriate expertise;
5. Develop mechanism for reaching common understanding of issues – Enhance common understanding of biodiversity conservation issues and strengthen ASEAN regional positions in negotiation and in compliance with relevant multilateral environmental agreements;
6. Promote public awareness – Promote regional public awareness to develop champions and enhance support at different stakeholder levels on biodiversity concerns; and
7. Implement resource mobilization measures – Undertake innovative resource generation and mobilization measures to pursue impact activities that will enhance biodiversity conservation in the region.

1.5. FC and TC Cooperation

Germany cooperates regionally with ASEAN in the field of biodiversity conservation and sustainable management of natural resources through Technical Cooperation (GIZ) and Financial Cooperation (KfW) under a regional Programme. The objective is “The protection of biological diversity and the sustainable management of natural ecosystems in the ASEAN region contribute to the improvement of livelihoods of the local population”. Part of the regional support is the cooperation with the ASEAN Centre for Biodiversity (ACB). The cooperation takes the form of a programme, which aims to “Strengthening of biodiversity protection and management of natural resources in line with the basic needs of the local population in the ASEAN region by strengthening the ACB in its role to promote biodiversity protection” (Programme Goal).

The Programme comprises three components, one FC and two TC:

- **Module B1 (FC) is the** Small Grants Programme by the ACB (SGP) under the objective “Strengthening of biodiversity protection & management of natural resources in line with the basic needs of the local population in the ASEAN region by strengthening the ACB in its role to promote biodiversity protection.”

- **Module B2 (TC) is the** Biodiversity-based products as an economic source for the improvement of livelihoods and biodiversity protection (BBP) under the objective “The AMS are supported by the ACB in the promotion of BBPs for the improvement of livelihoods and biodiversity protection, according to their needs”
• **Module B3 (TC PN: 2014.2288.0):** is the Institutional Strengthening of the Biodiversity Sector in ASEAN (ISB)\(^2\) under the objective “The ASEAN Centre for Biodiversity (ACB) successfully assumes its regional mandate on the implementation of the CBD”.

The Biodiversity and Climate Change Project (BCCP, PN: 2008.2089.4) preceded the ISB, which started in April 2015. As part of its activities, BCCP has financed limited pilot projects in AHPs of selected AMS, which used limited funds for grants in selected AHPS. The FC, i.e. the SGP, builds on this experience; lessons learned are available and incorporated into the final implementation design.

In a recent meeting\(^3\), ACB, the ASEAN Secretariat, and representatives of AMS were introduced to the programme and its contents. ACB, as recipient of TC and FC support shall always ensure that there is no overlapping of activities and no double financing of any measures or cost items.

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\(^2\) ISB, successor to the Biodiversity and Climate Change Project, aimed to enhance the capacities of ASEAN Member States to address the challenges of climate change through enhanced biodiversity conservation

\(^3\) 05 – 07 April 2015 in Jakarta
2. The Programme management Manual

The ACB and the German Development Bank (KfW) have in formally agreed to implement a Small Grant Programme (SGP4) in November 2011. The Minutes of Meeting, which concluded the Appraisal Mission, were signed by ACB and KfW representatives in June 2012. Both documents ruling the SGP, Financing Agreement and Separate Agreement, were signed by ACB and KfW in August 2013.

The Separate Agreement stipulates under Section 4.2 that a Project Management Manual (PMM) is to be established.

2.1. Basic Principles

A Programme Management Manual (PMM)5 is usually required to be prepared and adopted by the project Executing Agency (EA) for guidance of managers, staff, and applicants responsible for creation of proposals and the implementation of the Project. In a grants project such as the SGP, the PMM describes the common principles, procedures, and organizational responsibilities that apply across all the Implementing Agencies (IAs) and IA (country) specific implementation guidelines.

The PMM is therefore to serve as a guide for all stakeholders involved in the SGP including, but not limited to (i) ACB, (ii) NSC Myanmar, (iii) NWT Myanmar, (iv) NWCD and Park Wardens, (v) NGOs, (vi) Service providers in the context of the SGP, and (vii) CBOs.

2.2. References

The PMM is prepared based on the following documents (listed in the order of precedence):

a) ACB Organizational Strategic Framework 2010-2020  
b) ACB Establishment Agreement  
c) Financing Agreement for the SGP;  
d) Separate Agreement for the SGP;  
e) KfW Technical Notes FI050 and FI051;  
f) Memorandum of Understanding between Myanmar’s MOECAF and ACB dated October 2014;  
g) ASEAN Heritage Park Action Plan; and  

2.3. Validity and Scope of the PMM

The Manual is prepared for the Small Grants Programme to assist the stakeholders involved in Grant development and implementation and hence covers principally Component 1 (Small Grants Programming) of the support provided to ACB.

This version of the PMM addresses the specific conditions of Myanmar and is valid for the SGP in Myanmar only.

The PMM provides guidance and information on the SGP and its processes (calls, development, selection, implementation, closure of projects) and procedures (finances, reporting, M&E) for application to Myanmar. The Manual is based on internationally acknowledged procedures and standards, established ACB and country-specific requirements for planning and disbursement of a grants-programme. It is applicable to all activities that are financed in full or in part from funds of German FC.

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4 Please note: the terms “SGP” and “Programme” cover the overall support provided to ACB and are used interchangeable throughout the PMM. Country specific interventions are referred to as “project” or “grant”  
5 The document uses the terms “PMM” and “Manual” interchangeable.
Information provided in the Manual establishes the minimum requirements for application and award of Grants and contracts under the SGP.

The PMM is a “living” document without an expiry date. This means it is flexible and can be amended as the programme progresses, subject to the agreement of the parties involved. The Manual will be available to all stakeholders at Tier 1 and Tier 2, while Tier 3 stakeholders will have access to the PMM for Grant Application and Implementation relevant parts.

2.4. Structure of the Manual

The ACB Small Grants Programme builds upon steps typical for most grant programmes:

- Programme Design
- Definition of programme goal
- “Grant making”
- Definition of selection criteria for grants and proponents that support this goal;
- Call for proposals;
- Grant selection and grant sanctioning
- Grant implementation & “handholding”
- Independent monitoring and evaluation
- Documentation and dissemination of lessons regionally

This Programme Management Manual follows in its structure these steps, supplemented by information necessary to appreciate the SGP and its salient features. The ANNEXES to the Manual are numbered in accordance to its main Chapters, i.e. the respective details and forms can be found there

2.5. Access and Use

The Manual describes the framework under which participating AHPs and NGOs can receive grants for conservation and livelihood interventions. It provides guiding questions to lead programme implementation process like:

- who is eligible for funding;
- for what purposes funds may be used;
- how and by whom applications for support are prepared, submitted and approved;
- how technical assistance services, training, goods and works are procured and delivered;
- how funds are disbursed, managed and accounted for; and
- What are the reporting, monitoring and evaluation requirements and whose responsibilities?

In terms of using this manual it is useful to note that while Chapter 7 is specifically dedicated to Grant development (Grant Programming), the information provided in the rest of the document is also crucial for the preparation of a good application. The whole manual, and not only Chapter 7, provides relevant information on project implementation. Applicants should therefore read the entire manual carefully. The manual provides operational: if applicants do not follow these recommendations, they need to provide clearly justified reasons in the application form.

The Manual is part of the SGP application pack, which also includes the following documents:

- the terms of reference of the call
- the application form
- the co-financing statement template

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6 Details on Tiers in Chapter 5 (Organisation)
7 The above documents will available from the programme’s website, which is under preparation by ACB.
3. The Small Grants Programme (SGP) for ASEAN Heritage Parks

The ACB has received assistance of German Financial Cooperation to support, through a Small Grants Programme (SGP), the AHPs’ efforts to protect the biological diversity and improve livelihoods in and around (adjacent areas) their core zone. Further, the SGP at all times works to build capacity of local partners and to support the collaboration of all governmental, non-governmental, academic and private sector organizations related to the programme.

Based on Feasibility Studies (FS) of 2011 and 2012, Indonesia, Viet Nam, Lao PDR and Myanmar are regarded the initial countries to pilot the SGP. KfW and ACB decided to focus the SGP’s initial phase on selected AHPs in the two countries of Myanmar and Indonesia. It is understood that this does not preclude other countries identified in the FS, to be considered for possible further phases.

3.1. Programme Objectives and SGP Approach

The overall objective of this programme is to contribute to biodiversity protection and management of natural resources in the ASEAN region. The SGP aims (Programme goals):

a) to improve biodiversity protection in line with the interest of local population directly dependent on selected AHPs and adjacent areas.

b) to improve the livelihood of local communities directly dependent on selected AHPs or adjacent areas;

c) to strengthen the role of ACB in promoting biodiversity protection among the ASEAN member states.

The SGP addresses therefore the inherent, central conflict between in-situ biodiversity conservation sites (the parks) and the utilisation of natural resources by the population living either on or adjacent the sites.

3.2. Components

Monies or funds made available to ACB in the framework of German FC and provided through German Development Bank (KfW) shall be used by the Programme to finance three main components and their related:

- **Small Grants Programming:** Financing the development and implementation of small grants for biodiversity protection with the participation of the local population in and around selected AHPs in the selected AMS;

- **Regional Coordination and Management:** Financing dissemination/PR material workshops, training and exposure as well as management of the Programme to be facilitated by the ACB;

- **Consultant:** Financing capacity development measures for implementation partners at regional, national and local level as well as support in the management of the Programme.

3.3. Rationale

During the last four decades, there has been a rapid development of protected area management approaches, resulting in two alternative approaches. The “fortress conservation” approach, focuses investments on protection measures and largely excludes the economic and development aspirations of the local people. These enforcement-heavy investments are relatively costly, requiring fairly intensive, long-term funding commitments – and often accompanied with little to no social benefits.

The alternative approach takes account of the needs of communities and stakeholders within the broader social-ecological landscape, through buffer zone identification and management, integrated conservation and development and collaborative management; all focus on local communities while aiming to preserve biodiversity within reserves.
Collaborative management, or co-management, has been promoted as a means to bridge the gap between the protected area and local stakeholders. It is been defined in different ways, for the SGP’s purpose it is understood ‘the sharing of power and responsibility between the government and local resource users’.

The SGP aims to support a co-management approach for government-managed protected area landscapes and adjacent areas through multi-level co-management as a means to link the protected area officials with the local stakeholders. This approach highlights seven thematic fields of protected area management, introduces the concept of establishing protected area working groups and proposes a bridging supervisory body be established linking the core zone and the buffer zone agendas, comprising key landscape stakeholders. Expression of this link will be a jointly developed 5-Year AHP Management Plan, which are stipulated as a condition for AHP nominations. The Management Plan will direct SG investments towards priorities for conservation and livelihood investments in seven thematic areas.

Through MoECAF / NWCD’s cooperation with national and international NGOs and the ACB/GIZ pilot-programme, these elements have been tested in AHPs. NWCD wishes to upscale the approach within the SGP.

3.4. Issues in Myanmar

All four AHPs under Management of MOECAF’s NWCD, have started to develop five-year management plans. However, these plans focus management interventions only on the core-zones of the PAs, which is NWCD’s sphere of influence. As a consequence of the strong biodiversity protection focus, local stakeholders’ interest and involvement in the five-year management planning process is severely constrained. Thus, the content, ownership and the management planning process rests almost entirely with the staff of the AHPs themselves.

In order to address and improve biodiversity protection in line with the interests of the local population directly dependent on selected AHPs and adjacent areas (Objective), interventions outside the core zone are necessary. MOECAF and NWCD share this point of view and regard the establishment of suitable management plans to identify and implement successful interventions covering both biodiversity and livelihood aspects in selected AHPs and adjacent areas.

However, the building of working relationships and work programmes involving local stakeholders (communities and other concerned government agencies) takes time and cannot be mobilized immediately to develop visioning for landscape protected area management interventions for five years. The Inception Meeting confirmed the necessity to develop five-year Management Plans for the four AHPs and their adjacent areas in the SGP. The plans are regarded of crucial importance for the development of a coherent site-specific framework for project interventions and thus of site-specific thematic calls for proposals in support of implementation. In their absence, the necessary consensus for the conservation and livelihood priorities would remain rather general and hence a meaningful call for proposals would be partially constrained.

The MoECAF confirmed to dedicate of the first round of proposals to (i) management planning and (ii) mainstream management interventions (in the core-zone). First trials and pilots for livelihood developments shall be called for after six months, based on interim reports.

The implementation of planning activities shall involve consortia of national and international NGOs.
3.5. Scope and Priorities of the Programme

3.5.1. Scale and Scope in Myanmar

The SGP funds small grants in supports conservation and livelihood activities in and around ASEAN Heritage Parks (AHPs) under the auspices of the ASEAN Centre for biodiversity. Programme design and focus are innovative and experimental to ACB itself and most implementation partners, especially with its emphasis on collaborative biodiversity management approaches. Programme funds are rather limited.

Aspects to be addressed are to the management of biodiversity to common threats such as

- notoriously under-resourced parks and lack of financial sustainability;
- resource-dependent communities and the challenges of creating sustainable, livelihoods which can respect protected areas and their use limitations;
- difficulties with addressing illegal activities of parks exploitation such as wildlife trade and illegal logging and the underlying interests and net-works.

ACB is a regional organization; the SGP will facilitate the mainstreaming of successes and common policy approaches and mechanisms to address these threats. As will be outlined below, the programme will provide mechanisms for sharing its learnings with all member countries.

The objective of this programme is to develop successful small grant models and adequate funding mechanisms which improve biodiversity conservation and the livelihoods of people in and around four selected ASEAN Heritage Parks in Myanmar.

Grants from the SGP can therefore be used to support a wide range of conservation and livelihood-related activities, including engaging with local communities, developing co-management agreements, environmental education and awareness, habitat and species management, strengthening the implementation of laws and regulations for PA management, capacity-building and management planning.

Underlying the program is the need to develop, inform, strengthen and foster the enabling environment through experience gained in implementation of pilot activities in Myanmar are either replicable in other areas of the country and/or could influence the discussion within the ASEAN Context.

3.5.2. Priorities

In order to meet the objectives, the small grant approach needs to cater for the identified needs of (i) park managers and (ii) communities through flexible funding mechanisms with smaller investive volumes. Catering for needs of communities implies to shifting the focus from the respective AHP’s core zone to the population in areas adjacent to the park. This is done to improve livelihoods of these population segments dependent on natural resources, which in turn is a means to reducing pressure on the parks.

In Myanmar, and elsewhere, such need-based models for successful conservation interventions, building local knowledge and skills, and multi-stakeholder processes and partnerships are under development and implementation. Hence, the planning needs to go outside the boundaries of the parks and approach population utilizing natural resources to offer tangible benefits which will reduce pressure on the AHPs. Under such involvement, beneficiaries gain from planning and implementing small grants projects by better protecting biodiversity and natural resources on which their livelihoods often depend and which these livelihoods, ironically, often deteriorate or destroy.

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9 The AHPs of Alaungdaw Kathapa National Park, Indawgyi Lake Wildlife Sanctuary, Meinmahla Kyun Wildlife Sanctuary, Mainmahla, and Nat Ma Taung National Park
Seven **main thematic areas** were discussed and agreed in Myanmar with NWCD and Park Wardens, under which to conduct both core management activities and livelihood intervention structure the small grants. These are:

(i) General park management  
(ii) Wildlife research and monitoring  
(iii) Law enforcement  
(iv) Habitat and species management  
(v) Community outreach and conservation awareness  
(vi) Community development  
(vii) Ecotourism

Against the SGP objectives, programmes of work under the SGP shall be divided into the above seven main themes or priorities. Grants shall be developed based on priorities identified in the respective 5-Year Management Plans.

SGP funds can only be used to support priority conservation and livelihood interventions in (i) AHPs, (ii) their surrounding / adjacent areas, and (iii) within the above thematic areas. Therefore, the SGP will have to reject proposals not meeting these principal criteria.

Additional eligibility criteria for sites and activities have been designed for use as screening tools to help ensure that funds are used only for these purposes, and the 5-Year Management Plans and respective Annual Working Plans will rank conservation and livelihood activities in order of priority to ensure SGP grant support is used to support priority needs.
4. Project design

4.1. Intervention Logic (LogFrame)

The issues pertaining in the AHPs and identified in feasibility study and appraisal report as still valid, i.e. the general thrust and concept of the programme responsive to these issues identified. The Intervention Logic, as presented in the LogFrame (ANNEX 04 PROJECT DESIGN) remains and valid unchanged.

4.2. Threat Mitigation for AHPs in Myanmar

The SGP aims to support such interventions, which will mitigate identified threats:

- At Alaungdaw Kathapa National Park, interventions shall aim to reduce small scale farming, illegal selective logging, hunting of wildlife and unsustainable collection of NTFPs and fuel-wood. It may also resolve solutions for mining issues.
- At Indawgyi Lake Wildlife Sanctuary, the interventions shall assist reducing overfishing, pollution, watershed degradation and local mining. It might also support more sustainable recreational use of the site.
- At Meinmaha Kyun Wildlife Sanctuary the interventions shall reduce illegal fishing and mangrove cutting inside the reserve, as well as threats to the endangered reptiles found within the site.
- At Nat Ma Taung National Park: the interventions shall reduce traditional agriculture (shifting agriculture), uncontrolled grazing, unsustainable NTFP collection, illegal selective logging, and wildlife hunting.

4.3. Baselines

The four AHP sites in Myanmar encompass different ecosystems (forest, freshwater and coastal ecosystems) with different levels of community livelihood dependence on the natural resources, access and management regimes. The principal stakeholders therefore reached agreement that site-specific planning and implementation ought to be in the centre of all considerations, if the SGP wants to meet its objectives.

Depending on the management capacity found on a specific site, data availability and the ability to collect data sets varies. While some sites, with a history of interventions, have quite advanced management systems in place, (e.g. Indawgyi Lake), others have limited management capacity (e.g. Nat Ma Taung). These factors influence the establishment of relevant baseline information and thus indicators.

The stakeholders, particularly the Park Wardens, emphasized the need for an improved detailed outline of the socio-economic environment, i.e. understanding of villager livelihoods and current use of natural resources not only within the protected area, but also in the adjacent areas as well as the role of local communities in making the protected area protected. Particularly socio-economic or livelihood development in combination with incentive systems in the AHP adjacent areas is seen as a key to success.

The establishment of the Baselines is part of the site-specific planning process and hence part of the first contract and will take place within the framework of impact indicators developed by ACB. In the course of the PA Management Planning Process, key biodiversity assessments will be initiated under baseline surveys. Similarly, baseline socio-economic data will be collected and collated as part of the initial planning phase. All data sets shall be organised in data-bases and inform the objective structure per AHP and therefore structure the five-year management planning.
4.4. Objectives for Myanmar and anticipated changes from small grants interventions

Specific Objective 1: Sustainable livelihoods
Priority villages and priority households should benefit directly from the small grants programme, with improvements to their livelihoods:

1. Community natural resource mapping exercises undertaken (indicator 12)
2. Food shortage months should decline (indicator 7)
3. Food shortage incidences should decrease (indicator 8)
4. Adoption of cross slope barriers should be implemented (indicator 9)
5. Use of fodder stalls for animals should be improved (indicator 10)
6. Adoption raised vegetable beds in back yard (indicator 14)
7. Time spent trying to meet daily needs improved (indicator 15)
8. Availability of secure water supplies improved (indicator 16)
9. Access to rice mills and corn huskers improved (indicator 17)
10. School attendance improved (indicator 18)

Specific Objective 2: Biodiversity Conservation

1. Patrolling effort should increase and threats to the four ASEAN Heritage Parks should be reduced.
2. Patrolling effort should increase (indicator 4)
3. No of arrests might increase (indicator 5)
4. Trends in vegetation cover may improve (indicator 1)
5. Populations of key species may increase (indicator 2)
6. Counts of key species should increase (indicator 3)

Specific Objective 3: Co-management strengthened
Political and social support should be increased for the integrity of the ASEAN Heritage Parks and their values by Township officials, government agencies and local stakeholders.

1. Support from agricultural extension staff should increase (indicator 11)
2. Wardens access to community development support increased (indicator 13)
3. Township Environmental Conservation Committee with agenda on AHPs initiated (indicator 19)
4. Establishment of Township Community Development working groups and community-based organizations promoted (indicator 20)
5. Conservation agreements signed (indicator 21)
6. Changes in zoning recognized (indicator 22)
7. Participatory management plans evaluated (indicator 23)
8. Attitudes and behaviour of villagers may improve (indicator 6)

4.5. Key Element Planning

4.5.1. Multi-stakeholder Involvement
The implementation concept for the grant project includes appropriate management and maintenance concepts for long-term sustainability of the interventions, creation of ownership, definition of beneficiaries’ contributions, and identification of (other) external funding sources. All proposed grants should be well integrated into existing (park or community) planning processes.

10 The numbered indicators make reference to the Indicators for Impact Assessment in ANNEX 04
The Planning is eligible for small grant funding under this programme and may be used as entry point to kick-start work with communities and Township protected Area Management Committee on collaborative conservation and livelihood interventions. The SGP pursues multi-stakeholder process at the planning stage.

Grant implementation (as well as maintenance and management in case of investments) are the responsibility of the grant proponents. Their main responsibilities are: a) identifying of needs and designing of need-based conservation interventions (PLUP, “bottom-up”); b) drafting of project design (incl.: detailed interventions, costs & benefits, stakeholders, accessible funding from all sources; c) submitting of grant proposal to grant making team for revisions and approval; d) implementing sanctioned grant.

Since the grant proponents and their partners may lack the sufficient expertise on participatory planning processes and the technically correct biodiversity conservation activities, external support for planning and implementation will support the proponents in grant development as well as the implementation.

4.6. Target Groups, Stakeholders, and beneficiaries

The intervention’s target group is the population of Myanmar which depends on the ecosystem services and goods for their livelihoods and lives in to participating AHPs adjacent areas.

4.6.1. Primary Beneficiaries

The primary beneficiaries will be the resident households as well as farmers and fisher folks in the environmentally fragile areas requiring project intervention. These would necessarily be poorer farmers (but not exclusively) with strong vested interests (short-medium term income generation opportunity and longer-term natural resource sustainability) in the project interventions offered. Women and the poorer segments of society should be actively encouraged to participate in project planning and implementation.

4.6.2. Secondary Target Group

The secondary target group would include the NGOs, AHP management staff and local government agricultural technicians. Field staff engaged in community-based resource management shall be capacitated to provide the required extension support. In addition, village leaders, key farmers and genuine NGOs are seen as target group for capacity building.

Other core partners / beneficiaries that will be institutionally strengthened within the scope of the SGP are professionals and executives of the environment, forestry, water, energy and other relevant sector authorities in the ASEAN member states, the nature conservation administrations, the management of ASEAN Heritage Parks (AHPs) as well as universities and NGOs.

The principle stakeholders with a potential interest in the SGP’s monitoring system include:

(a) Direct beneficiaries of small grant projects (esp. villagers);
(b) Local (Township*) Protected Area Management Co-ordination Group;
(c) Local (Township*) Community Development Coordination Group;
(d) AHP warden / AHP warden’s office;
(e) General Administrative Department* / line departments at the township level*;
(f) AHP authority at the national level (NWCD*);
(g) ACB / KfW.

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11 principle stakeholders Myanmar
4.7. Phasing and Time Schedule

The implementation of the SGP in Myanmar will be phased according to the sequential logic of the Collaborative PA Management Approach as introduced in the “Concept Note”. Therefore, the financial support Grants and services of the SGP provided through ACB need to be delivered in close alignment to existing and emerging management plans for each AHPS. After the initial phase of supporting sensitization, planning and organisational capacities building of communities and local structures in the AHPs and the adjacent areas, KfW starts its investments proceedings and its engagement supporting implementation.

Planning Phase:  Sensitization and Capacity Building for Participatory Protected Area Management Planning; Responsibilities:

Investment Phase:  Call for thematic proposals within the geographic foci and based on priorities set in the PA Management Plans, development works with complementary technical capacity development support;

Figure 1. SGP Myanmar - Phasing of management planning and subsequent activities under the Small Grants Programme in Myanmar

<table>
<thead>
<tr>
<th>Call 1: Plan &amp; Baseline</th>
<th>Call 2</th>
<th>Management Plan available: 5 years horizon,</th>
</tr>
</thead>
<tbody>
<tr>
<td>5-Year Management Plan</td>
<td>5-Year Management Plan</td>
<td></td>
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<tr>
<td>Annual Op. Plans of the AHPs (standard)</td>
<td></td>
<td></td>
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<tr>
<td>Conservation Interventions: longer experiences, currently ongoing, will continue in Call 1</td>
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<tr>
<td>40%</td>
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<tr>
<td>Livelihood Interventions: newer, only in two parks introduced</td>
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<td>60%</td>
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<td>necessary for confidence building, piloting, planning</td>
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</table>
5. Organisation, Management, Responsibilities, and Functions

5.1. Tier 3: Regional Programme Coordination—ACB

The SG Programming (Component I) will be implemented and organized in a three-tier delivery structure. Figure 2 provides the general structure and Figure 3 summarizes country-specific details.

5.1.1. Principle

The ASEAN Centre for Biodiversity (ACB) is the designated Programme Executing Agency (PEA) and as such responsible for the overall execution of the Programme. ACB cooperates closely with the Governments of the ASEAN Member States in general and the Government of Myanmar in particular in this first phase of the Programme. Through this cooperation ACB has determined those aspects of the Programme essential for its operation in Myanmar.

The current ACB Governing Board will provide regional programme oversight, policy alignment and policy mainstreaming.

The small grants programme will be embedded into ACB’s existing activities and engagements to both provide and receive input. The programme is based on a decentralised scheme that will be coordinated by the Member Countries, which will also support the programme through their technical, administrative and financial capabilities.
The SGP will be executed as an open programme; the programme follows an open approach and will invite eligible grantees such as international and local NGOs, community organizations and park administrations to submit grant proposals within the framework of the seven thematic areas.

5.1.2. Responsibilities

ACB – in conjunction with its Governing Boards and ASOEN – shall be responsible for the overall supervision of the programme.

The ACB Executive Director, upon the recommendation of the Regional Programme Coordination Unit, shall sign the grant contracts with the Grantees (international or national NGOs).

The Regional Programme Coordination Unit (RPCU) and the Technical Working Group, established within the ACB (see ANNEX 05 ORGANIZATION AND MANAGEMENT for details), shall review and recommend / endorse country packages with assistance of the SGP Consultant.

The ACB shall submit Summary Evaluation Reports of eligible grant proposal from 80,000 EUR onwards to KfW Project Management Sector Team for technical no-objection.

The Regional Programme Coordination Unit at ACB shall advise KfW of all specific changes – if any – to the processes and procedures, when awarding individual grant holders/ grantees.

Over all financial coordination, as well as administrative and technical supervision of the programme shall be undertaken by the appointed ACB SGP Manager and the technical assistance team with the support of the SGP Consultant Team (GITEC-Consult).

5.2. KfW

KfW – as the financial cooperation agent on behalf of German Cooperation – shall provide for the clearance / no-objection (against written request accompanied by its supporting documents) for eligible procurement.

The Small Grants Project distinguishes eligible procurement in two different categories, namely (i) Consulting Services, Works, Goods, Plant and Non-Consulting Services and (ii) Small Grants Programming. Such differentiation is necessary to clearly segregate the responsibilities within KfW and ease communication between Bank and ACB (Project Executing Agency). While (i) addresses procurement according to KfW’s definitions and operational procedures through contracts awarded based on international or national competitive bidding, (ii) stands for technical planning, financing as well as provision of grants for SGP interventions at country / site level and follows operational procedures and formats laid out in the applicable PMM (endorsed by KfW). SG Programming therefore deals with predominantly technical and implementation issues and employs often fixed unit-costs.

Based on this understanding, no-objection by KfW can be granted by either KfW Procurement Team or the KfW Project Management Sector Team.

Specifically, the KfW Procurement Team shall provide no-objection on the following:

- Procurement of Consulting Services, Works, Goods, Plant and Non-Consulting Services above EUR 100,000;
- Standard tender document and contract templates; and
- Project Management Manuals (PMM)

The KfW Project Management Sector Team shall provide no-objection on the following:

- Small Grants Packages for the first call for proposals; and

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12 The wording “recommend / endorse” is used to emphasize any government’s prerogative to approve activities on its territory. ACB will review proposed grants first and the appointed National Steering Committee will approve packages after.
All grants awards upwards € 100,000 shall need no-objection by KfW. 
Please see Annex 11 for details on, which no-objection need to be respectively provided by KfW.

5.3. Tier 2 – Myanmar: National Project Coordination and Selection of Small Grants

5.3.1. National Steering Committee

The National Steering Committee (NSC) is part of Tier 2 (Country delivery system) of the general management set-up. The NSC has a key role in the SGP and the grant-making process in Myanmar. The NSC’s principal function is to provide strategic guidance for the SGP in Myanmar, and thus ensures meeting the overall programme objectives. The NSC is eligible to receiving in its operations support from SGP Consultant Team recruited by ACB.

The principal members of the PSC are appointed representatives of the GoMMR and the ASEAN Centre for Biodiversity (ACB). These are the voting members. Non-voting or ex-officio members are (i) members of the NPCU (ii) the ACB Project Manager, and (iii) CTA and ACTA.

The core-expertise comes from MOECAF’s relevant departments. Pursuant to the MoU between the ACB and the Forest Department of MOECAF, MOECAF has established the NSC through Notification 99/2014 and appointed 7 members. (ANNEX 05 provides the NSC’s ToR, it’s members and their respective home departments).

The Team Leader of the NWT, the appointed project manager of the ASEAN Centre for Biodiversity, and the Chief Technical Advisers (CTA/ACTA), as ex officio and non-voting members of the NSC, constitute the Secretariat; the NWCD will support the Secretary of the PSC (Director of the Policy and Planning Division, Planning and Statistics Department).

The responsibilities of the NSC shall be as follows:

1. Participation in the development, adoption, periodic revision and implementation of the SGP in Myanmar;
2. Final review and endorsement of the Full Project Proposals, submitted to the SGP by NGOs/CBOs and pre-screened by the National Working Team and ACB, in accordance with established criteria and procedures;
3. Recommendation of Full Project Proposals for Regional Coordinating Unit (ACB) approval and grant awarding.
4. Monitoring and evaluating of results and overall projects’ success.
5. Support the programme in linking its lessons learned and experiences to policy development and to improving development approaches and procedures at local and country levels.

Other Functions:

1. The NSC ensures the compliance of the SGP with the PMM.
2. NSC members are encouraged to disseminate information on the SGP through their own networks and in general enhance visibility of the programme.
3. The NSC promotes coordination, communication and synergies among donors, NGOs, Government and other stakeholders involved in conservation of AHPs.
Figure 3. Myanmar – National Steering Committee Proposal Review Process

ACB Executive Director sends report & recomm.

Accepted Grant Applications

NSC Secretariat prepares meeting

Distribution of (translated) documents to NSC Members in

NSC review of rankings and relevance (summary report)

Approved?

Yes

NSC formally decides to approve applications

NSC Secretariat drafts official communications to ACB

NSC Chair returns endorsed Grants to ACB for final approval

No

Reject application, inform applicant and ACB for reasons

Does the application respond to call, selection criteria, prescribed content?
5.3.2. National Working Team

The SGP National Working Team (NWT) has a key role in the SGP grant-making process in Myanmar. The NWT is part of the Tier 2 (Country delivery system) of the general management set-up. As such, it will receive in its operations support from consultants recruited by ACB.

The NWT supports the National Steering Committee (NSC) to meet the overall objectives of the SGP in Myanmar. The support is rendered through the provision of written and justified recommendations of grant proposals to be financed under the SGP in Myanmar.

The NWT has the following principal functions:

1. To act as gatekeeper for the SGP selection process
2. To call for proposals
3. To formally, technically and financially screen and evaluate received proposals
4. To recommend grant proposals to ACB for review and the National Steering Committee (NSC) for approval
5. To support the Programme in raising co-financing either on project by project basis or for the country programme as a whole
6. To adapt the ACB AHP policies and criteria to country circumstances
7. To promote coordination, communication and synergies among donors, NGOs, Government and other stakeholders involved in conservation of AHPs

In discharging the above, the NWT is bound to the SGP Programme Management Manual (PMM), which prescribes all relevant processes and criteria to comply with. Its composition should be large enough to ensure effective representation from key stakeholders, and small enough to ensure constructive dialogue and decision-making. To complete the composition of the NWT, and in efforts to ensure gender balance and the participation of local individuals, the NWT will have between 7 and 10 members.

The Project Monitoring Team, established under the Forest Department, shall compose the National Working Teams core. There are seven members identified in the Project Monitoring Team. Additional external experts from academia and other organizations shall be invited for consultation if necessary and useful.

The NWT shall have permanent and non-permanent members.

1. Permanent members are those with defined functions and roles specifically in the process of accepting and selecting grant proposals. The permanent members shall be composed of the following:
   a) The core expertise coming from relevant departments of the MOECAF, which is the Project Monitoring Team (see ANNEX 05 for details) under the Forest Department;
   b) The National Project Coordinating Unit (NPCU), whose composition resides within the NWCD;
   c) The Chief Technical Adviser (CTA) and the Assistant Chief Technical Adviser (ACTA), both part of the GITEC Technical Assistance Team at ACB, who, together with the NPCU, shall be performing secretariat functions

2. Non-permanent members are those who will be invited for consultation as regards the technical/substantial content of the grant proposals and will be invited to join during deliberation and selection of proposals that will be forwarded to the National Steering Committee. The NWT Chair, in consultation with ACB and the CTA, shall identify and send invitations to these non-permanent members.
Figure 4. Myanmar – National Working Team Proposal Review Process

NWT Proposal Review Process

Applicants prepare / submit proposals

Proposals

Compliance Review by NWT Secretariat

Compliant?

No 1

Completion / Revision of proposal

No 2

Reject proposal, inform applicant for reasons

Yes

Distribution of accepted proposals to NWT members

Review and marking of proposals by NWT

Accepted?

No

Reject proposal, inform applicant for reasons

Yes

Conditional

Ranking of proposals by NWT

NWT Secretariat drafts report and recommendation

NWT Chair submits report & recommendation to ACB

Conditions: the NWT sees potential, requires further elaboration,
The NWT shall assume responsibility for:

- Compliance of the SGP with the PMM
- Launching call for concept notes
- Launching call for proposals
- Promote local communities’ participation & coordination in sustainable development of AHPs, by ensuring that the conservation community in AHPs is represented in the selection procedure;
- Liaising with and guidance for proponents (NGOs) in project design
- Review of grant proposals according to meeting completeness standards and formal requirements
- Review and rank the proposals received for selected AHP, based on evaluation criteria and procedures
- Preparation of funding decision
- Monitor the progress of the grant-approved projects in each AHP, and advise on the resolution of any issues that may arise during implementation
- Propose amendments of the project proposals based on the NWT assessment to proponents when and where necessary
- Communicate the results of the assessment (grant suggestion) to the ACB for review
- Communicate forward the grant suggestions, as recommended / endorsed reviewed by the ACB, to the National Steering Committee for final approval
- Establishing and maintaining the “reserve-list” of fundable projects

5.4. Tier 1 - AHP site-based planning and implementation

The SGP promotes co-management to bridge the gap between the protected area and local stakeholders. Co-management is understood as a continuous problem-solving process, rather than a fixed state, involving deliberation, negotiation and joint learning within problem-solving networks. This presumption implies that co-management research should focus on how different management tasks are organized and distributed concentrating on the function, rather than the structure, of the system. Such an approach has the effect of highlighting that power sharing is the result, and not the starting point, of the process.

At the heart of a small grant programme are individual grants, which will be planned and delivered by the grant proponents ("bottom-up"). The proponents will be communities in and around AHPs, park managers and their staff as well as smaller civil society organizations. They identify the needs at the point of intervention and develop their initial conservation ideas and project design. In a participatory and inclusive planning and design process (which will be funded by the project) the grant design will be refined and agreed.

Local NGOs, CBOs, local communities in AHPs and adjacent areas and AHP Park Managers shall partner for the planning process, followed by designing and implementing Small Grants. This process shall be supported by a “Service provider for Grant Making” (formerly “Lead NGO”, i.e. a qualified international or national NGOs) (see below Service Provider for Grant making).

To this end, the SGP finances the establishment of five-year management plans for Alaungdaw Kathapa National Park, Indawgyi Wildlife Sanctuary, Meinmahla Kyun Wildlife Sanctuary and Nat Ma Taung National Park with full participation and ownership by key stakeholders and subsequently support the implementation.

Ownership and the management planning process is therefore critical to the successful adoption and implementation of management plans in Myanmar. Process owners are:
(i) The Township Environmental Conservation Committee;
(ii) The Park Warden and AHP Senior Management Team;
(iii) The Protected Area Working Groups and CBOs;14
(iv) The priority villages.

The Park Warden and senior AHP staff are to constitute the Core Management Planning Team for developing the ASEAN Heritage Park management plan. The Township Environmental Conservation Committee (a district-level multi-stakeholder body which already exists in Indawgyi) is recognized as potentially significant landscape protected area management advisory body. Stakeholders recommended utilising and up-scaling the approach within the SGP.

The management planning results in final draft management plan, which requires review and approval by the relevant authorities. Stakeholders agreed upon and recommend the following three steps:

(i) Review and approval by the Nature and Wildlife Conservation Division;
(ii) Review and approval by the Director of the Forest Department; and
(iii) Approval by the Cabinet.

Based on the PA Management Plan, the standard annual operational planning for AHPs will lead to packaged grants for conservation and livelihood. All proposed grants for an AHP (as geographic area) therefore are well integrated and supporting the obtainment of specific AHP objectives.

The implementation concept for grants project includes appropriate management and maintenance concepts for long-term sustainability of the interventions, creation of ownership, definition of beneficiaries’ contributions, and identification of (other) external funding sources. The grant proponents, who participated already in the planning process, will also implement the activities and investments in a collaborative way with other stakeholders (communities; park managers; civil society groups) that are relevant for a specific grant project.

5.5. Service Provider for Grant Making

The level of engagement and support required at the site level depends on the capacity of the proponents funded to apply for and implement grants. In the case of Myanmar, CBOs, local communities and smaller NGOs are often not in the position to access funding opportunities or implement technical demanding tasks.

Out of this analysis, generic requirements for site-level technical assistance to planning and implementation to apply at all AHPs in Myanmar include: organise and run the multi-stakeholder planning workshops at the beginning of the grants process at each site; proposal development workshops; mentoring the proposal development process; support proposal submission and revision when comments are received; and advise on contracting and risk assessment.

Once project implementation has started, the site TA’s main role will be in technical implementation support, identifying and delivering training needs and other capacity/mentoring support. The site TA will support financial and technical reporting by grantees as necessary.

Planning, grant design and implementation shall be facilitated by suitable NGOs, which have been either pre-selected or identified using a pre-qualification and competitive bidding process. In coordination with NWCD, Fauna and Flora International (FFI) have been identified and selected as competent planning and implementation partners to provide on-site support to the grant proponents for the Indawgyi Lake

14 Note: Regarding protected area working groups in Myanmar, this can only be confined to a Law Enforcement Working Group; CBOs fill the niche for community development, community outreach and ecotourism.
Wildlife Sanctuary. They will provide support to grant design and writing and provide directly the actual technical support for grant implementation.

It will be their responsibility to submit feasible packages of small grant projects to ACB. Nevertheless, the service provider in a particular area/site should integrate expertise from line departments, communities and, where available, research organizations. The service provider will be responsible that fundable grant projects be designed satisfying well defined selection criteria (see Section 6.7 below). It is not intended to pre-allocate funds to parks or organizations, or specific interventions.

The projects fundable by the SGP shall be developed through established structures and persons responsible for the administration of the respective PAs, and in coordination with communities and local associations. These structures will be based in Myanmar on the cooperation between the “service providers for grant making (NGOs)”, NGOs, CBOs, local counterparts or beneficiaries.

The Service Provider will work together with AHP Park Wardens and communities to bundle grant proposals into (locally) consistent grant packages. Service providers for Grant Making in Myanmar shall be funded from programme funds at 15% of the overall amount of grants they are managing.
Figure 5. Accessing Small Grants

**PROCESS: Accessing SG Programme**

1. **NWT (MMR) and Service Provider**
   - Call for Concept papers
   - Review and call for proposals
   - Review by NWT and NWT Secretariat (Service Provider)

2. **AHP Management (MMR: Warden) CBGs NGOs**
   - Enlist support from service provider for grant making
   - Respond to call for concept papers
   - Respond to call and submit eligible proposals
   - Review by ACB / RPCU

3. **AHP eligible?**
   - **Yes**
     - SV Magm. Plan?
       - **No**
         - Support by service provider for grant making (In MMR: FH for ILWS)
       - **Yes**
         - Core-zone only?
           - **Yes**
             - Prepare Management & Financing Plan (eligible SG investment)
             - Identify and prioritize sites, threats and interventions
             - Prepare annual operational plans and budgets
           - **No**
             - ACB / AHP standards
             - Baseline
               - Soc. Ec assessment
               - Social Screening
               - Biodiv. Assessment
               - Community NRM / LU mapping
               - Threat analysis
               - Draft Zoning Plan
               - Zoning
               - Definition of priority villages
               - Community Engagement
               - Stakeholder consultation
             - Intervention Logic
               - Logframe
               - Indicators
               - Conservation activities
               - LH activities
               - Costing / Finance Plan
               - Government Budget p.a.

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6. Small Grants Programming

6.1. Proposal Format

For SGP proposal submissions, proponents shall use only the forms for technical and financials sections provided in ANNEX 07 SMALL GRANTS PROGRAMMING. The NWT shall not accept proposals in other formats.

6.2. Language of Proposals

The language of submitted proposals is English.

6.3. Small Grants Programming - Procedures

The ACB Small Grants are implemented in accordance with the following ten steps. However, the ASEAN Centre of Biodiversity (ACB) may alter the steps and sequence on a case-by-case basis to improve the efficiency and effectiveness of processing an application and/or implementing an activity.

Step 1. Notification of Programme – The first phase in a grant making cycle is the preparation and issuance of an Annual Program Statement (APS) or a Call for Proposals (CfP). The APS or RFA serve as the medium for which the public can be made aware of a competitive grants program. However, the ACB may, under certain circumstances, directly solicit potential partners who clearly will assist ACB in achieving its objectives, e.g. the Service Providers. This direct solicitation has to comply with the KfW Guidelines and requires the consent of KfW.

The ACB will prepare a Grant Fund Statement (GFS) that serves to explain the project, goals and objectives, and our grants under contract so that all applicants are receiving consistent information and can make an informed decision prior to preparing an application. The GFS will include language to the effect that ACB reserves the right to fund any or none of the applications submitted.

All grant applications will be evaluated as described in Steps 3 & 4.

Step 2. Application Preparation – All potential Grantees must prepare the Small Grant Application (Attachment A) to the best of its abilities. An Activity-Cost-Milestone Plan is an integral part of each application. The plan presents all work to be done on a summary task basis; specifies personnel, materials, and other support; presents clearly defined and quantified achievements or Milestones and products that vouch for achievement. The complete Application package consists of:

a) Answers to all questions found on application form;
b) completed ACM Plan;
c) justification for all costs on the ACM Plan;
d) description of Cost Sharing and how it will be valued; and
e) The application is then submitted to the Secretariat of the National Working Team (NWT) in accordance with the requirements for submission (as per PMM).

Step 3. Technical Review & Cost Analysis – As applications are received by the NWT Secretariat at MERN, the NWT Secretary (Assistant Chief Technical Advisor) will

a) Conduct the initial review in accordance to the PMM
b) enter accepted applications into an Excel-based database (MASTER LIST\textsuperscript{15});
c) assign a minimum of two NWT members staff to review the application; and distribute
accepted proposals to the reviewers, and
d) notify the reviewers of their deadline (5 – 10 business days).

The reviewers will document their evaluations in writing utilizing the Evaluation System for
Grant Proposals (ANNEX 06) – one per reviewer per applicant. The reviewers are tasked with
evaluating the application for technical merit and must also analyse costs for realism and
eligibility.

Reviewers will typically be the NWT Technical Specialist(s) and ACB Technical Assistance team
but may include external Technical Specialists and an ACB Finance Specialist as well. If there is
need for clarification or refinement of an application, the NWT Secretary will instruct the
Grantee accordingly. Once the reviewers are done evaluating the application, they will turn-in
the completed Review and Evaluation Forms, Notes, and Application to the NWT Secretary for
safekeeping. The NWT Secretary will enter the scores in the MASTER LIST.

Step 4. Review and Evaluation – National Working team (NWT). Once all items from Steps 3 and 4 are
completed, a Review and Evaluation Meeting (REM) will be scheduled and the NWT Secretariat
will invite the members. Other NWT members may include external Technical Specialist(s)\textsuperscript{16} and
a Finance Specialist. There should be a minimum of three voting members plus the ACB NWT
Secretary present at each REM.

At the onset of the REM, the NWT Secretary presents the MASTER LIST, and Technical Specialists
review the technical aspects of the project and discuss the pros and cons of awarding the grant.
All REM members are free to ask questions about the rankings and once all voting members are
satisfied, the applications shown on the MASTER LIST are approved or rejected (one-by-one) – 
this is done directly on the Application which also includes a space for REM members’ names,
signatures, approvals, non-approvals, etc. Note that the REM should establish a typical minimum
score that must be received by the Applicant in order to pass.

If an application is rejected\textsuperscript{17} at the REM, the National Working Team Secretariat will notify the
Grantee in writing within 30 days of the determination.

Once an Application has been passed by the REM, the NWT Secretary assembles the final grant
agreement and all related attachments as further described in Step 5 below.

Step 5. Prepare Grant Documents, Determination of Award – Once the REM agrees on an application
for funding, and prior to entering into a grant agreement,
a) NWT Secretary sends the entire grant package as received to ACB RPMU and Technical
Working Group for review and endorsement. The submission includes: 1) grant body, 2)
Grantee’s application and (3) final Activity-Cost-Milestone Plan,
b) ACB RPMU and Technical Working Group review the submitted grant packages
independently, but against comments and recommendations made by REM/NWT. In case,
proposals are accepted, yet require clarifications and / or modifications, the Grant

\textsuperscript{15} The MASTER LIST database should include, at a minimum, the following information: name of applicant, location of project
activities, brief description of project activities, original budget request, final negotiated budget, % of cost share, project start
and end dates, type of Grant, evaluator name, evaluator score, average score, etc..

\textsuperscript{16} The Technical Specialist assigned to evaluate an Application cannot vote on the Application during REM.

\textsuperscript{17} Applicants may be rejected during the REM for any number of reasons which will be explained in writing and signed off by the
REM. Reasons could include: SPAS results in finding the Grantee to be “high risk”, environmental screening results in halting the
project, budget cannot be negotiated in a reasonable manner, etc.
Authority will “negotiate” such changes with the proponents. For proposals clearing the required threshold of currently 60% but scoring above 55%, the Grant Authority will request clarifications and/or modifications of proposals in writing to proponent with the NWT in c/c. Further, the Grant Authority will set a suitable deadline for the improvement.

c) Once ACB RPMU and Technical Working Group have reviewed and endorsed the grant, they will return endorsed proposals to NWT Secretariat
d) ACB will submit all grants upwards € 100,000 to Kfw for no-objection
e) NWT Secretariat will submit endorsed proposals to the National Steering Committee for final review and approval. Once the NSC has reached a written decision, the RPMU / ACB will be notified accordingly. At this point the NSC Secretariat will send the entire grant package with its supplements to the ACB Executive Director for grant award.
f) In case, negotiations with Grantees on budgets are required, the ACB Executive Director will appoint a person to lead the negotiation.

**Step 6.** The ACB Executive Director, as representative of the Grant Authority, awards the grant in writing (ANNEX 07) with Items 1 to 3 described in this Step attached. Additional items, e.g. 4) final negotiated budget(s), 5) special provisions, and 6) any other attachments) can be added if need be. Note also that the effectiveness of a grant can only be on or after ACB’s signature has been obtained (see Section 6.5).

**Step 7. Authorization to Proceed** – Once the Grantee has the signed grant agreement in-hand, this constitutes authorization to undertake all work activities covered by the grant and to incur costs in accordance with the Activities-Cost-Milestone Plan.

**Step 8. Grantee Monitoring** – The monitoring mechanism, detailed in Section 18, shall be followed for the monitoring of project grants and grantees/proponents. The Technical Specialists as well as the NWT Secretary and FS will monitor the implementation of grant activities on a regular basis; visits may include review and examination of technical, administrative, financial, desk audits, and all other aspects of the grant. Indicators to be used for monitoring and evaluation will be discussed with the grantees. The NWT Secretary will support the Grantee by addressing questions and helping to resolve issues. The NWT Secretary will keep ACB management fully apprised of implementation progress and any issues.

**Step 9. Disbursement and Progress Reporting** – Disbursement and Reporting follows the procedures introduced in Chapter 10 and Chapter 11 of the PMM. All requests for payments will be made for actual costs incurred, when accompanied by supporting documentation for costs such as copies of receipts, timesheets, etc.

All requests for payments must correspond to the Activity-Cost-Milestone specified in the Grant Agreement and endorsed by the Park Warden in writing. The NWT Secretary reviews the payment request and forwards it to the ACB RPCU and Working Group for review of the Milestones and acceptance of the delivery. The ACB Finance Specialist works the reconciliation against accounting records and approves the payment. ACB reserves the right to independently verify the Milestone. In some cases, it may do so by means of verification by a third party of its choice.

In support of a payment request, the Grantee is required to provide an assessment of work progress; constraints identified and/or problems encountered; and to state actions that have been or will be taken to remove the constraints or correct the problems in a timely and adequate

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18 To be developed during the next mission of the M&E Specialist (planned for February 2016)
manner. Progress, constraints/problems, and corrective actions must be presented with reference to specific work tasks.

To the extent practicable, all Grantee payments will be made by bank transfers check in order to reduce risk associated with hand carrying large amounts of cash to the field.

Grantees implementing SGP projects are required to submit quarterly (technical and financial) and final reports according the Chapter 13 of the PMM.

**Step 10.** The Grant Authority pursues a full disclosure policy concerning grants recipients and awards. The ACB-SGP web-site will be the freely accessible repository for information such as allotments, disbursements, reports and beyond.

**Step 11. Completion** – Grants will be closed out in accordance with PMM. When requesting the final tranche, SPG Grantees will be required to submit:

(i) a Final Report (Grant Completion Report) using the Format in ANNEX 13 REPORTING, and

(ii) a Completion Certificate (ANNEX 07) issued by the Park Warden and endorsed by the ACTA, which certifies completion of all activities.

### 6.4. Evaluation Criteria

The Grant Proposals for the ACB AHP Small Grants Programme submitted by proponents are evaluated through the **Evaluation System for Grant Proposals** (see ANNEX 06).
## Table 1. SGP Evaluation Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>MAXIMUM Points</th>
<th>Percentage</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Quality of Technical Proposal / Technical approach (70%)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>1.1 Strategic fit</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Response to Call for Proposals / theme areas</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Contribution toward SGP success indicators (pilot phase and Call for Proposals)</td>
<td>8</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Clearly established relationship with PA Management Plan</td>
<td>8</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Probable impact on livelihoods and biodiversity conservation in the targeted areas</td>
<td>3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Sustainability of project results sustainable</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Sustainability of stakeholder engagement after the project (i.e., exit strategy)</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>1.2 Content</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Clearly defined problem statement</td>
<td>6</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Goals, Objectives and Activities clearly outlined</td>
<td>6</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Inherence of proposed organizational set-up / projected objectives and goals of project / objectives of the project</td>
<td>6</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Proposed strategies and methodologies related to: (a) Organizational and capacity building of the project / community; (b) Monitoring system and (c) Ensuring sustainability of action and stakeholder engagement after the project clearly defined</td>
<td>50</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Potential risks and limitations identified</td>
<td>6</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Logical framework Matrix clearly presented</td>
<td>6</td>
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<td>0</td>
</tr>
<tr>
<td><strong>1.3 Organizational capabilities and relevant experience</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>* Past performance in similar projects / experience in geographic region</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Experience in the geographic region</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Relevance of staff skills to the proposed project</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Number and competence of relevant management and technical staff</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Presence of personnel and logical support in the project site</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Presence of sound financial management system</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>1.4 Gender/Sex/Disadvantaged Persons (youth, ethical and other minority groups) considerations</strong></td>
<td>20</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Focus on women and disadvantaged persons issues</td>
<td>2.5</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Impact on women and disadvantaged personnel participation</td>
<td>2.5</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>2. Quality of financial proposal / cost effectiveness (30%)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>* The proposed budget is reasonable – what does it mean</td>
<td>10</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* The proposed budget is in line with the prescribed dollar rate</td>
<td>20</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Ratio of staff costs to activity costs is reasonable</td>
<td>10</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Cost-sharing/Counterpart funding, in cash or in-kind, above the minimum standard (as % of overall cost)</td>
<td>15</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Cost-sharing/Counterpart funding includes leveraging other funds or submitted funding proposals that could complement project activities</td>
<td>20</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* Organizational overheads not more than 5% of the total project cost</td>
<td>10</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>* The proposal minimizes Grant administrative costs by leveraging funds from other sources for managing the project in order to maximize the funds available for field-based project activities</td>
<td>15</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

| Points Awarded for Technical proposal | 100 | 0.00% | 0     |
| Points Awarded for Financial proposal | 100 | 0.00% | 0     |
| Weighted Score for Technical proposal (70%) | 0.00 |
| Weighted Score for Financial proposal (30%) | 0.00 |
| Total Score | 0.00 |

[a = higher the level; higher the score  b = lower the level; higher the score]

<table>
<thead>
<tr>
<th>Scale and Evaluation</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>65% and above: Pass</td>
<td></td>
</tr>
<tr>
<td>55% to 64%: Fair</td>
<td></td>
</tr>
<tr>
<td>54% and below: Fail</td>
<td></td>
</tr>
</tbody>
</table>
6.5. Grant Award and Effectiveness

Grants will be awarded by ACB as the Grant Authority through the communication with the grantee in both, paper and electronic form. To this end, ACB will issue a Grant Agreement (see Template in ANNEX 07). The Grant becomes effective on the date the Agreement is signed by both Grantee and Authority. The ACB Executive Director, as representative of the Grant Authority, awards the grant in writing. Additional items such as a) final negotiated budget(s), b) special provisions, and c) any other attachments can be added if need be.

The grant funding period, henceforth Project Implementation, proceeds with the date indicated in the proposal as start date, until the end of project implementation indicated as number of months that the project will be implemented. The transfer and receipt of the first tranche of Grant Funds (see Chapter 10 Financial Management for process) does not indicate the start of project implementation.

6.6. Grant Closure

At Grant completion, all grantees will be required to submit a Final Grant Completion Report (see ANNEX 13 for template). ACB AHP small grants will be closed upon verification that all deliverables have been completed, all progress, financial, and audit reports have been reviewed and approved and that the total grant amount has been reconciled.

Reconciliation includes verification that all advances have been accounted for, the final payment has been issued, and any unspent funds have been returned and credited back to the portfolio for future grants.

After the grant is closed, ACB (the Grant Authority) will officially notify the grantee in a Certificate of Acceptance (see ANNEX 6) that the grant is complete, final technical and financial reports and all deliverables are accepted. If applicable, the final payment or refund request will be processed at this time. Any unused funds received by the grantees should be refunded to the nominated ACB Account and subtracted from the reported eligible expenditures. These funds are then available for other grants.
7. Grant Making Process

7.1. Eligible Sites

Eligible sites proposed for support are the AHPs (a) Meinmahla Kyun Wildlife Sanctuary, (b) Alaungdaw Kathapa Wildlife Sanctuary, (c) Nat Ma Taung National Park, and (d) Indawgyi Lake Wildlife Sanctuary. Criteria, which lead to their selection, are listed in ANNEX 06. Further, areas adjacent to the parks are considered being eligible. The identification of exact priority locations is subject to the Management Planning Process.

AHPs can receive support from SGP if they meet the criteria A, B, and C (Table 2). An explanation of why these criteria have been used is found in ANNEX 07. Before applying for support to the SGP, proponents must ensure that the proposed intervention is to take place within the AHPs or its adjacent areas.

Table 2. Criteria for eligible SGP sites

<table>
<thead>
<tr>
<th>Criterion</th>
<th>Qualifiers</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. The AHP must support terrestrial, freshwater or marine biodiversity of high conservation importance</td>
<td>Only AHPs that support primarily biodiversity of ‘high conservation importance’ can be considered.</td>
</tr>
<tr>
<td>B. The AHPs must be registered and recognised as National Park, Nature Conservation Area, or Species/Habitat Conservation Area</td>
<td>1. Management categories follow MOECAF’s decision 2. Adjacent and/or buffer zone areas are eligible for support, if improvements of livelihoods will reduce the pressure on the PA. The PA Management Planning Process will identify zones and priority areas to be incorporated. 3. Participating AHPs and their adjacent areas are only eligible for prolonged SG support, if ACB has received an approved 5Y Management Plan, which addresses conservation and livelihood issues of the local population living within the AHPs and its adjacent areas. 4. Sites of cultural, historical and environmental value alone do not fulfil the criterion; the principal management objective needs to contribute to biodiversity or landscape conservation and livelihood development.</td>
</tr>
<tr>
<td>C. The AHPs must be under ‘appropriate management’</td>
<td>1. Appropriate management’ means that the AHPs are managed by a MOECAF appointed full-time, onsite warden and a team of rangers (management staff comprising minimum of 3 – community development, habitat and species conservation, law enforcement). 2. Appropriate management further means the presence of an approved management plan, and allocation of government budgets for the AHPs.</td>
</tr>
</tbody>
</table>

7.2. Ineligible sites

Criteria that will render AHPs ‘ineligible’ are:

- AHPs which have major infrastructure or other development (planned, under implementation or completed), and where this development is inconsistent with the conservation and livelihood objectives of the SGP or the AHP concerned.
- AHPs that have a substantive level of international support for conservation management at the time of call for proposals may be ineligible. The National Working Team will review the situation as per AHP always prior to a launching call for proposals. Hence, AHPs with a currently high level of conservation and livelihood support may have access to the SGP after such support diminishes or terminates.
7.3. Proponent Eligibility

The Small Grants Programme follows an open approach and will invite eligible grantees such as international and local NGOs, community organizations and park administrations to propose Small Grants and/or Small Grants packages for selected AHPs.

Eligible proponents are as follows:

- Communities in AHPs and adjacent areas/buffer zones (in the form of group with recommendation/endorsement from respective Park Warden/Authority);
- Following organizations supporting biodiversity conservation and community development related to AHPs and adjacent areas:
  - NGOs registered at national/local level,
  - CBOs registered at national/local level, and
  - CBOs non-registered one, but with the recommendation/endorsement of Park Warden/Authority; and
- INGOs working in the field of biodiversity conservation and livelihood development which are officially registered or have signed MoU with respective government authorities for the implementation or proposed activities in the relevant areas.

Grant applicants, especially national and international NGOs must demonstrate sufficient capacities (technical and personnel) for, and experience with, the proposed activities to be funded under the SGP, and sufficient capacities for administration of and accountability for grant funds. Grant applicants have to ensure that there is appropriate contribution to the grant package (e.g. 20% in cash and/or kind).

It would not be acceptable to try circumventing the AHP authorities in the planning or implementation process. Projects are only eligible for funding if:
- Related to or based on AHP Management Plans, objectives and priorities therein.
- Developed in cooperation with and explicitly approved by the AHP-Warden. Proponents need to consider that Park Wardens should take ownership of the activities in the long-term, which in turn will enhance policy formation by the conservation agency at the national level.

7.4. Grant Types, maximum and minimum grant amount per project and management costs

The duration of projects is categorised in (i) Micro-Grants (up to six months and 5,000 EUR), (ii) Small Grants (06 to 12 months / 20,000 – 80,000 EUR), and (iii) Medium grants (up to 18 months / 80,000 – 150,000 EUR). At this stage it is assumed that Micro-grants are likely up taken for community based and stakeholder processes and specific (targeted) conservation interventions, Small Grants for capacity building, livelihood and conservation management, campaigns, and Medium Grants for interventions identified under the AHP Management Plan.

In exceptional, justified cases, the expenditure eligibility period for a granted project may be extended upon consent of ACB and approval of the ICTA or KfW. ACB and NWT will conduct a case-by-case review based on the Grantee’s written and fact-supported justification.

7.5. Eligible expenditure

Expenditure is considered eligible according to general rules, in line with Section 10.5 of the Programme Management Manual (PMM). Cost of new or second-hand equipment is eligible under the project.

As stated in Section 10.5, salaries of government staff are a non-eligible expenditure. Cost incurred for mobilising e.g. ranger for patrolling may be permitted if clearly justified (particularly sustainability issues) and offering the best value available. In have to be addressed.
Detailed conditions for the settlement of direct costs shall be specified by ACB as the Grant Authority in the project contract/agreement.

7.6. Co-financing and Contribution in-kind

The Project Grantee provides project co-financing in the form of cash or kind. In case of projects implemented by NGOs, in-kind contribution in the form of voluntary work may constitute up to 50% of the co-financing required for the project. Own contribution within the remaining scope is submitted in the form of cash.

Where in-kind contribution is provided to the project in the form of unpaid voluntary work, the value of that work is calculated by the applicant considering:

(a) Related to or based on AHP Management Plans, objectives and priorities therein.
(b) the standard hourly and daily rate for a given type of work provided

It is unlikely that communities will be able to provide co-financing in cash. If a community or community-based organisation is the final recipient of a Grant or sub-Grant (through a service provider or lead-NGO), the cash-contribution is waived in favour of in-kind contribution.

7.7. Intervention Priorities

SGP funds can only be used to support priority conservation and livelihood interventions activities. Priorities will be defined in the PA Management Plans and their subsequent Annual Management Plans (AMPs). SGP funds cannot be used (i) to substitute for funds committed from GoMMR or other sources and (ii) for large scale infrastructure and other items as identified in the Black List.

As set out earlier, against the SGP objectives, programmes of work under the SGP shall be divided into eight main themes or priorities:

- General park management (co-management). This includes the establishment of multi-stakeholder groups to provide advice on management, participatory management planning, zoning and the preparation of annual reports.
- Wildlife research and monitoring: This includes all research on significant fauna and flora groups deemed important to the management of the AHP. It is recommended to include villagers in the research, if they are not deemed a subsequent threat to the researched species. This research and monitoring includes participatory research on rare species e.g. crocodiles or gibbons, research on fisheries, and research on pollution. This includes necessary equipment (e.g. binoculars, field guides) and training required for this component.
- Law enforcement: This includes all enforcement activities, including (i) road checkpoints and ranger stations; regular patrolling, community patrols; mobile units, monthly law enforcement meetings, databases and transboundary meetings. This includes necessary equipment (e.g. GPS, digital cameras, camping gear etc.) and training required for this component.
- Habitat and species management: This includes management of forest fires, including village meetings, prescribed burning and fire-fighting activities, reforestation interventions and the removal of invasive species. It also includes special protection measures for the management of species. This includes necessary equipment (e.g. fire-fighting equipment, nursery materials etc.) and training required for this component.
- Community outreach and conservation awareness: This includes the well-prepared village meetings, meetings with problem households, activities with students, training of law enforcement agencies, study tours, as well as newsletters, local radio, journalist visits, and
websites. This includes necessary equipment (e.g. overhead projectors, printing materials, student booklets etc.) and training required for this component.

- **Community development**: This includes the recruitment of community development extension officers, Township Community Development Committee Meetings, necessary equipment (e.g. GPS, tape measures etc.), and training required for this component. This further includes village meetings, village land use planning exercises, village 3D models, the development of village regulations and the development and implementation of village development plans.

- **Ecotourism**: This includes the promotion of local villagers as tourism guides, the production of materials about the biodiversity of the protected areas and promoting cultural excursions to local villages to observe their livelihoods.

- **Sector Policy Development**: A mechanism supporting small grants addressing sector policy development will be included into the PMM as an additional thematic area.

Eligible Activities and Investments include inter alia activities for conservation management, small equipment and investments for park and wildlife management, planning exercises and processes for stakeholder participation, livelihood alternatives and improvements as well as small, localized studies, awareness campaigns and conservation training.

It is a priority of the SGP to promote and support local stakeholder engagement in AHP management, e.g., through piloting co-management agreements and participatory planning of AHP management. Hence support for rural/community development is eligible for VCF support. Surveys of biodiversity can only be funded if this activity is a high priority in the Operational Management Plan and only if the surveys are designed as a basis improving the management of the AHP and its adjacent areas.

The SP shall be the one who will target priority areas, package and handle grants. The ACB, the NSC and the NWT have the responsibility to ensuring funds are targeted effectively to address top conservation and livelihood priorities identified in the PA Management Plan. Examples of activities that can be supported by SGP are listed in ANNEX 7. Preference will be given to activities that meet the criteria introduced under Section 7.8 below.

### 7.8. Selection Criteria for interventions or investments

As a general rule, preference will be given to projects that are the closest fit to the SGP strategy and demonstrate a leading role for local civil society organizations. Each applicant may submit only one application for funding.

Priority will be given to grant projects which:

- Demonstrate a direct and clear relationship between the grant project and the overall programme goal.
- Contribute to conservation whilst addressing social issues (poverty, livelihood vulnerability) amongst resource users;
- Establish a clear, logical relationship between the problem statement, the objective of the project, and the activities proposed.
- Clearly state programme objectives, deliverables, biodiversity conservation, and livelihood interventions (and investments)
- Are planned and implemented jointly between 2 or more groups of stakeholders;
- Use collaborative management/participatory approaches in innovative ways to address conservation problems;
● Demonstrate a clear implementation and technical monitoring concept ("hand-holding") with adequate technical specifications and clearly defined roles and responsibilities of all stakeholders;
● Clearly mitigate main threats to the habitats and biodiversity of the protected area;
● Demonstrate direct impacts on AHP biodiversity and long term ecological sustainability;
● Targets villages which are located in areas of high biodiversity or with good accessibility to the protected area. These may include (i) villages situated inside a protected area, (ii) villages with overlapping land and natural resource rights with the protected area; (iii) villages with lands abutting protected areas. Villages with no land abutting the protected areas are lower priority.
● Demonstrate best practice in the implementation of activities and model approaches which have potential to be scaled up;
● Demonstrate a clear strategy for the sustainability of funded items, such as maintenance and management concept; financial and social sustainability;
● Establish appropriate costs for grant activities

7.9. Eligible types of interventions or investments

ACB-SGP funds the improvement of AHP-related conservation and livelihood issues. The proposed interventions need to be within the framework of the following themes (Table 3) and must confirm the ‘SGP overall objectives’ (see Section 1.1.2) described in this document. Approximately 60% of the Small Grant funds will be used for livelihood improvement, 40% for biodiversity conservation.

In line with these main thematic priorities, the following table introduces examples for eligible activities and investments.

Table 3. Examples of specific activities and investments

<table>
<thead>
<tr>
<th>Area of management for grant items</th>
<th>Suggested AHP counterparts</th>
<th>Examples of specific activities and investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>General park management</td>
<td>Senior AHP staff</td>
<td>Establishment of multi-stakeholder groups to provide advice on management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Facilitation of processes/capacities for encouraging stakeholder participation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Travel for meetings and information exchanges</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Participatory management planning</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Zoning</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PES (including REDD)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Study tours (in-country)</td>
</tr>
<tr>
<td>Wildlife research and monitoring</td>
<td>Wildlife research staff</td>
<td>Wildlife monitoring equipment (e.g. camera traps, binoculars)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Participatory research (natural resource use groups)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Data management information systems</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Survey training</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Plots for wildlife survey and monitoring</td>
</tr>
<tr>
<td>Law enforcement</td>
<td>Law enforcement section</td>
<td>Enforcement activities, e.g. road checkpoints and ranger stations; law enforcement meetings, databases and transboundary meetings</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Necessary equipment (e.g. GPS, digital cameras, camping gear etc.)</td>
</tr>
</tbody>
</table>

19 Please note that in sites with low AHP staffing levels, some sections may be less clearly defined
<table>
<thead>
<tr>
<th>Component</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular patrolling, community patrols; mobile units, Patrolling in protected areas Patrolling in buffer zones Boundary monitoring Informants networks Travel for meetings and information exchanges Training required for this component, e.g. Law enforcement training</td>
<td></td>
</tr>
<tr>
<td>Habitat and species management</td>
<td>Habitat and species management staff Special protection measures for the management of species Necessary equipment (e.g. fire-fighting equipment, nursery materials etc.) Training required for this component. Reforestation (native trees) (e.g. reforestation interventions and the removal of invasive species) Forest fire management (e.g. village meetings, prescribed burning and fire-fighting activities Wetland restoration Ecosystem restoration Restoration of endemic species</td>
</tr>
<tr>
<td>Community outreach and conservation awareness</td>
<td>Community-based organization on Community outreach Training of law enforcement agencies Necessary equipment (e.g. overhead projectors, printing materials, student booklets etc.) Training required for this component Community conservation meetings Student and teacher conservation activities Problem households engagement Enforcement agency awareness raising Media (local radio, videos, multimedia, exhibitions)</td>
</tr>
<tr>
<td>Community development</td>
<td>Community-based organizations on community development Village Natural Resource and land-use planning Farming activities Small-scale animal husbandry; fish farms Agroforestry, nurseries Woodlots Fruit trees, timber trees, NTFPs, Small economic activities; women empowerment Water harvesting Participatory boundary demarcation Travel for meetings and information exchanges Community capacity building and training School activities for students</td>
</tr>
<tr>
<td>Ecotourism</td>
<td>Community-based organization on ecotourism Community-based ecotourism Village guides Establishment of Entrance fee sharing mechanisms Materials about biodiversity of the protected areas and promoting Development of cultural ecotourism packages</td>
</tr>
<tr>
<td>Sector Policy Development</td>
<td>FD and NWCD and its sections</td>
</tr>
</tbody>
</table>
The above constitute general categories. For more detailed “White-List” and “Black List”, please see ANNEX 07.

The SGP will provide up to 80 percent of eligible cost in the approved budget—that is, 20 percent are required cost sharing. SGP will co-finance interventions that have funding from other sources.

**Non-allowable items**

SGP funds may not be used for the following categories of expenditure:

- Large park infrastructure (roads, large buildings)
- Introduction of non-native species into protected areas,
- Displacement or re-settlement of people and communities,
- Alcohol, tobacco and any illegal substances, weapons and ammunition,
- Salaries and other staff costs for staff of the implementing agency
- Salaries and other staff costs of government officials
- Travel cost which is unrelated to or directly part of a project
- Conference travel that are not directly related to the project
- Regular staff salaries and recurrent staff (payroll) costs.
8. Obligations (Grant Implementation)

8.1. ACB

ACB will make available the grant funds in a timely manner, in accordance with the Disbursement Procedure (Chapter 10) and under the terms and conditions of the grant agreement. No further disbursement or replenishment of funds will be made by ACB unless proper accounting of funds earlier issued is provided by the Grantee and supported by satisfactory performance of field activities. Upon request signed by the Grantee, the Fund may make payments to a third party for works carried out or services or goods delivered, for the undertaking of the Project (according to Procurement Chapter 11).

8.2. The Grantee

8.2.1. General Condition for Implementation

The grantee is obligated to implement the approved project in compliance with the time frame and financial conditions stipulated in the grant contract. The project shall be financed by the SGP according to the regulations introduced in Chapter 10 (Financial Management) and specified in ANNEX 10 FINANCIAL MANAGEMENT.

8.2.2. Branding

The grantee is obligated to acknowledge the ACB-SGP’s support of the project (1) on all premises where events take place as part of the project, (2) in all communication materials distributed as part of the project and (3) on all websites connected with the project, including the grantee’s websites. News and features about the project may be published in the ASEAN Biodiversity Magazine and the ASEAN Biodiversity Updates electronic newsletter. All acknowledgements must carry the visible logo of the ACB-SGP, including the project seal provided by the German Embassy, and, if on-line, must be directly linked to www.aseanbiodiversity.org/sgp. Acknowledgements in event venues must be present for the duration of the events; acknowledgements on-line must remain active for the whole contractual period of the grant project, at minimum.

AHP Site-Based projects shall bear sign boards, with the ACB-SGP logo and the Project seal from the German Embassy that will contain at least the following message:

“A development project of the ASEAN Centre for Biodiversity, co-financed by the Federal Republic of Germany through KfW.”

The Grantee must consult the Authority regarding the content of any promotion or publicity regarding the Project particularly if it proposes to use any of the Authority’s branding or logos in accordance with the PMM. Where the Authority directs that its funding must not be acknowledged, the Grantee shall comply with this instruction. Publicity for the project shall follow the ACB Writing and Branding Guidelines to ensure consistency in corporate look.

The grantee is obligated to issue a press release for every public event that takes place as part of the grant project. Each press release must contain acknowledgement of the ACB-SGP’s support of the project. The project shall allocate funds, under Regional Coordination and Exchange, for research and writing about success stories in the field for publication in the ASEAN Biodiversity Magazine.

8.2.3. Notification of Changes in Contractual Conditions

The grantee shall immediately notify the ACB of any changes in contractual conditions (e.g. changes of the budget, project partners, contractual period or project name) in a letter signed by the grantee’s statutory representative accompanied with a copy of relevant documents declaring the changes. The
Executive Director decides on such changes, if necessary. All changes are possible only within the contractual period.

### 8.2.4. Monitoring

The ACB reserves the right to carry out monitoring visits of projects and, if necessary, to request additional documentation regarding each project. The grantee is obligated to facilitate visits from the staff of the ACB or from personnel authorized to do so by the ACB and to provide any materials related to the project upon request. As indicated in Section 7.3, Step 8 - Grantee Monitoring, monitoring mechanism shall follow details in Chapter 12\(^\text{20}\) (to be further developed), and indicators to be used for monitoring and evaluation will be discussed with the grantees.

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\(^{20}\) to develop a separate chapter/section on Monitoring and Evaluation
9. Cost Policy for Project Grants and Contracts for Applicant Organizations

9.1. Principle

ACB’s position is that, whenever possible, specifically allocable costs of an applicant organization’s project should be requested and justified in the proposal as direct costs. ACB as a regional entity is not committed to matching the indirect cost rates of e.g. the U.S. government or other entities.

However, ACB’s policy is consistent with both, many private foundations and certain government entities that have a flat or maximum rate that caps the amount an applicant institution can charge.

9.2. Direct Cost Policy

The purpose of SGP funding is to improve conservation and livelihoods, i.e. is field-oriented.

9.2.1. Allowable direct costs

All eligible costs associated with the proposal may be included in the budget submitted to ACB. The following policies and practices apply to the direct costs that the ACB SGP funds. ACB, the NWT, and the NSC will conduct a line-item review of all budgets of awarded grants according to these policies and practices and issues a budget comments for response document as part of the grant signing process. Satisfactory responses, which may include a revision of the budget, are a requirement for grant signing.

Supporting documentation for costs included in the budget is not required at the application stage, but ACB reserves the right to request supporting documentation for any and all costs presented in the budget.

Table 4. Direct Cost Examples

<table>
<thead>
<tr>
<th>Both grants and contracts if DIRECTLY ATTRIBUTABLE TO THE PROJECT</th>
<th>GRANTS ONLY IF DIRECTLY ATTRIBUTABLE TO THE PROJECT &amp; NEWLY ACQUIRED SPECIFICALLY FOR THE PROJECT</th>
</tr>
</thead>
<tbody>
<tr>
<td>🔄 Salaries of employees:</td>
<td>➢ Equipment purchases</td>
</tr>
<tr>
<td>✓ Can include Project Management</td>
<td>[Note that all existing equipment would represent indirect costs.]</td>
</tr>
<tr>
<td>✓ Can include directly attributable administrative support, legal or accounting functions, with distinct and measured effort on the project.</td>
<td>➢ Newly-acquired facilities such as:</td>
</tr>
<tr>
<td>➢ Fringe benefits of employees</td>
<td>✓ A new field clinic</td>
</tr>
<tr>
<td>➢ Travel for employees</td>
<td>✓ New testing laboratories</td>
</tr>
<tr>
<td>➢ Consultants</td>
<td>✓ New project implementation unit office</td>
</tr>
<tr>
<td>➢ Supplies</td>
<td>➢ Utilities for newly acquired facilities</td>
</tr>
<tr>
<td>➢ Sub-grants (defined as work sourced from the primary grantee to another organization, where funding is provided up front)</td>
<td>➢ Newly acquired Information Technology equipment and support for the project</td>
</tr>
<tr>
<td>➢ Sub-contracts (defined as work sourced from the primary grantee to another organization, where funding is provided in arrears)</td>
<td></td>
</tr>
</tbody>
</table>

9.3. Indirect Cost Policy

9.3.1. Definition

The ACB SGP defines indirect cost as:

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21 This section is based on the Indirect Cost Policy by the Bill & Melinda Gates Foundation

22 Indirect costs are sometimes referred to as “overhead costs” and more recently as “facilities and administrative costs.” For purposes of this document, indirect costs and overhead costs may be used interchangeably.
● Overhead expenses or ongoing operational costs incurred by the applicant organization on behalf of the organization’s activities and projects, but that are not easily identified with any specific project.
● Administrative or other expenses which are not directly allocable to a particular activity or project.
● Expenses related to general operations of an organization that are shared among projects and/or functions.
● Basic examples include executive oversight, existing facilities costs, accounting, grants management, legal expenses, utilities, and technology support.

While the definition of indirect costs is subject to some interpretation, ACB has in Table 5 below listed certain indirect costs (this is not an exhaustive list).

### Table 5. Examples of Indirect Cost

| ➢ Existing facilities costs (e.g. rent, maintenance, etc.) such as: |
| - University headquarters |
| - Country/regional offices |
| ➢ Utilities for existing facilities |
| ➢ Existing Information technology equipment and support (e.g. centralized IT systems, networks, etc.) |
| ➢ Existing shared equipment |
| ➢ Existing equipment maintenance |
| ➢ Depreciation on equipment |
| ➢ Insurance |
| ➢ Communications expenses (e.g. phones, etc.) |
| ➢ Administrative office supplies |
| ➢ General administrative support: |
| - Executive management (CEO, COO, CFO, etc.) |
| - Executive administrators |
| - General ledger and grants accounting |
| - General financial management staff |
| - Internal audit function |
| - Institutional legal support |
| - Research management personnel |
| - Information technology support staff |
| - Facilities support personnel |
| - Scientific support functions |
| - Environmental health/safety personnel |
| - Human resources |
| - Library & information support |
| - Shared procurement resources |
| - General logistics support |
| - Material management (e.g. tracking procurement, inventory management, shipping) |
| - Other shared resources not directly attributable to the project |

### 9.4. Maximum Indirect Cost Rates

Under the SGP, indirect cost rates for grants and contracts are limited. Up to 6.75%\(^{23}\) of the approved sum may be used to cover project overhead costs (operating costs directly linked to the project). ACB reserves the right to increase the allowable amount for overhead costs.

\(^{23}\) According to WCS and KfW negotiated rate
10. Financial Management

10.1. Introduction

The purpose of this chapter is to provide assistance and guidance to the users and stakeholders on the relevant disbursement procedures, accounting policies and reporting requirements. The Service Provider for grant-making herein referred to as Service Provider must have appropriate accounting and internal control systems in place that:

- Reliably record and report the financial transactions of the project; and
- Provide sufficient financial information for managing and monitoring project activities.

The Service Provider shall:

- Implement the project in conformity with sound financial management practices;
- Keep books and records clearly identifying all costs of the services and supplies for the project;
- Observe national standards for correct bookkeeping.

10.2. Transfer of Funds

The procedure to transfer funds to Myanmar shall be consistent with this currently in use in Myanmar. The SGP will undertake direct payments to SPs, if these have the required legal status (see Eligibility).

For disbursements these conditions apply:

1. ACB and the recipient of the grant (grantee) have signed the grant-agreement
2. Payments will be in tranches as specified in Section 10.3 below.
3. The proceeds of the grant shall be applied for the financing of project expenditures in accordance with the grant-agreement and for measures approved by ACB in writing as per Grant Agreement.
4. If there is no evidence proving the use of the financial contribution for the purpose stipulated or does not fulfil any other obligations under the agreement, the Service Provider shall repay the fund plus interest earned.

10.3. Disbursement Procedure

The Activity-Cost-Milestone Plan (budget calculation) is an integral part of each approved grant. This plan presents all work to be done on a summary task basis; specifies personnel, materials, and other support; presents clearly defined and quantified achievements or milestones and products that vouch for achievement. The ACMP provides the basis for disbursements of grants.

The grants shall be disbursed in stages or tranches:

1. For Grants with duration of less than 6 Months, 90% of the agreed amount shall be advanced. The retained amount is payable after the delivery and acceptance of the completion report and final financial report.
2. For Grants with a duration of 6 Months or more, the following schedule applies:

<table>
<thead>
<tr>
<th>Table 6. Disbursement Schedule for Grants with a duration of 6 Months or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Tranche</td>
</tr>
<tr>
<td>Second Tranche</td>
</tr>
<tr>
<td>Third Tranche</td>
</tr>
</tbody>
</table>

The first tranche is disbursed to the service provider within 10 working days after the delivery of the signed contract to ACB.
Subsequent tranches are disbursed upon the delivery and approval of complete and duly prepared interim/final reports (See 10.3). After expenses of 75% of the first tranche have been incurred, the Service Providers’ shall submit a withdrawal application signed, endorsed and certified correct by the authorized representative.

The Service Providers shall submit the following documents in English, documents in any other language must be accompanied by a translation into English:

- Request for replenishment which should bear the project reference number, numbered consecutively and signed by authorized representatives of the Service Providers. (ANNEX 10)
- Statement of Expenditures (ANNEX 10)
- Detailed breakdown of Expenditures (ANNEX 10)

The final tranche of usually amounting to about 10% of the grant’s total sum is payable after the delivery and approval of the completion report.

10.4. Accounting

10.4.1. Principle

1. The Service Provider shall keep a separate project journal and observe the national standards for correct bookkeeping. All project-related receipts and expenditures shall be recorded in chronological order and in accordance with the measures agreed-upon.
2. The original vouchers for each payment and entry operation shall be kept in chronological order and numbered consecutively with the respective entry.
3. Project journal and original vouchers must be kept until at least five years after completion of project and will be accessible at all times for inspection by ACB or third parties authorized by ACB or will send them on request to ACB or third parties authorized by ACB.

10.4.2. Records

Service Provider and individual grantees will maintain the following records:

- **Cash Books**: All payments in cash and transaction to other accounts will be recorded and maintained by the Service Provider in a Cash Book for each operational account. The cash book records every payment and receipt and includes detailed information such as cheque and voucher numbers. Conversions from EUR to MMK will be recorded in the cash books.
- **The Journal**: The journal will be used by the accountant for making any corrections that may be required or for bringing into the accounting system any items not dealt with in the cash books, such as provisions and accruals at the end of an accounting period. The ACB Accountant will authorize these.
Figure 6. SGP Myanmar – Disbursement Process

PROCESS: Disbursement

Service Provider MMR

Submit withdrawal application

Request for replenishment
Summary of expenditure
Detailed breakdown of expenditure

ACB

Receives and confirms receipt of document

Verification of documents

Complete and valid?

Yes

Fund transfer

Filing

Filing

Revision and submission

Receives e-mail advice to rectify

No

Documents must be received within 30 calendar days

Verification of reports within 3 working days

ACB to notify the service provider within 3-5 days after verification of reports and fund transfer

After expenses of 75% of the first tranche have been incurred; or after the delivery and approval of the final report for the third tranche.
10.4.3. Supporting Documents

Annex 6 of the Separate Agreement (Disbursement Procedure) provides that ‘all original evidence of expenditures corresponding to the invoices is to be kept until at least five years after completion of the financed measures and will have to be accessible at all times for inspection by KfW or third parties so instructed by KfW (e.g. auditors)’. As such, the Grantees shall be requested to follow the same. It is recognized, however, that the Grantees are also to comply with their own audit system, and thus requires the original evidences of expenditures to remain in the country. In view of this, certified true copies of the documents may replace the originals, provided that the Terms of Reference of the auditors contracted by the Grantees shall clearly state this condition.

Invoices must be stamped with “Paid” and copies of which must be certified true copy by concerned authorities. The original / certified copy of all supporting documents such as official receipts, invoices, contracts/service agreements, acknowledgement receipts and other related documentation must be submitted to ACB as an attachment to the project financial report.

If supporting documents are written in the language other than English, English translation on the documents (i.e. items for goods purchased, services rendered, dates, name of vendor and recipient) must be provided. The original / certified copy of documents (i.e. invoice, boarding pass, airport tax) should be glued or stapled on a blank paper (size A4).

Supporting documents should be put together according to their sub-item by individual bunch/lot. For example: supporting documents for activities should be bundled together, and so on.

A guide on the different expenditures and the required supporting documents for each expense are provided in ANNEX 10. All accounting procedures should be fully automated and computerized.

10.5. Eligible Expenses

The fund may only be used for verifiable, reasonable and customary local costs (eligible costs). All costs claimed must be realized and paid by the service provider during the contracted implementation period and recorded in the project journal.

All costs incurred for the bank processing of the financial contribution shall be considered as expense.

Taxes and other government charges incurred in connection with the implementation of the project, in addition to import duties, shall not be financed from the fund.

Up to 6.75% of the approved sum may be used to cover project overhead costs (operating cost directly linked to the project). ACB reserves the right to increase the allowable amount for overhead costs.

10.6. Ineligible Expenses

Activities and investments related to large scale infrastructure (e.g. roads, large buildings), introduction of non-native species into protected areas, weapons and ammunitions, displacement or re-settlement of people and communities, travel costs that are not directly part of a project, conference travel, regular staff salaries and recurrent costs shall not be financed from the fund.

Other ineligible expenses are:

1. Contingency or miscellaneous costs
2. Management fee
3. Salaries of organic full-time or part-time staff, unless they are dedicating a certain percentage of their work hours to the project
4. Attendance to conferences, training and workshops that do not directly contribute to the attainment of project objectives
5. Travel costs (lodging, per diem, transportation) of government staff
6. Capital expenditures, e.g. land, buildings, major equipment and vehicles, unless they are essential to the project (to be cleared by ACB ED)
7. Actions that engage in partisan politics or religious practices
8. Actions which discriminate against individuals or groups of people on grounds of gender, sexual orientation, religious beliefs or lack of them, or their ethnic origin
9. Items already financed in another framework
10. Currency exchange losses
11. Taxes, including VAT, unless the beneficiary (or the beneficiary’s partners) cannot reclaim them and the applicable regulations do not forbid coverage of taxes
12. Provision for debts and losses

10.7. Budget Realignment

Budget realignment may be allowed once within the project duration. The Grantee shall immediately notify the Authority of the budget realignment at mid-term of the project duration. The Grantee shall submit a justification to the proposed realignment, which should not be more than 20% of the total savings foreseen from the budget. The approved budget for each budget line is the maximum amount that can be spent even if savings in other lines have been obtained. Realignment may not be used to increasing budget lines for personnel costs.

10.8. Endorsement of Funds Used

Park Wardens shall endorse in writing for each Progress and the Final Report (Grant Completion Report) the effective use of funds, and sign-off prior to payment of next tranche. Without endorsements, payments will not be made.

If within a certain period (not more than three weeks) no endorsement has been provided, the Progress Report and Grant Completion Report shall be considered approved/accepted by the Park Warden. An official notification of such condition of approval will be communicated to the Service Provider, AHP Park Warden and the NWCD.

10.9. Unspent Funds

The Authority and the Grantee shall work together to ensure effective management of the grant funding provided under this Grant Agreement.

The grant funding must be spent in the agreed Grant Funding Period for which it was approved. Funds may only be carried over in exceptional circumstances with the prior written agreement between the Authority and the Grantee, or may be re-allocated to other ongoing projects within the same AHP.

To this end, the Grantee undertakes to (i) inform the Grant Authority on unspent funds at the earliest possible time and (ii) provide a detailed proposal for the utilisation of such monies.

Funds unspent at the end of the grant period without such undertaking on the Grantee’s side must be paid back to the ACB-SGP.

10.10. ACB Reservations

ACB will not be liable for delays caused by transferring banking institutions in the disbursement of funds. ACB reserves the right to reduce the volume of the disbursement.

10.11. Other Provisions

In the event that service providers fail to submit the required reports/supporting documents within the required time and the issues are not eliminated within 15 days after ACB has issued a reminder, ACB may suspend disbursements and repayments to service providers.
10.12. Auditing

An annual financial audit may be carried out by ACB, where the Grantee (Service Provider or Lead NGOs) shall source an external auditor, and the Authority shall provide the budget to finance such annual audit. It will be the responsibility of the Service Provider to conduct their own audits for small grants packages at the community level / site level. Audits should ideally be carried out within the first quarter of each financial year (January - March). ACB shall inform the service provider of the essential results of the report. The service provider shall implement the recommendations of ACB ensuing from the results of the audit report promptly and shall furnish proof of this to ACB on request.

The SGP-NWT Secretary will be responsible for engaging the auditors and supporting their work. Audited reports will be presented to the ACB, SGP NWT and NSC and to any other parties as needed (e.g. major donors, partners, interested Ministries).

The external auditors, as well as performing the normal statutory audits, will be expected to review the internal control systems established. Complete records of each grant should be maintained at SGP Secretariat to facilitate audits. The external auditors will audit a sample of grants each year and these audits will address both the investment and management of the grant fund, and the use and management of the income stream.
11. Procurement

Procurement of goods and services (works) shall be carried out in accordance with the ANNEX 11 PROCUREMENT of Project Management Manual (PMM) of the SG Programme (ACB/KFW standards) respectively the KfW Guidelines for the Procurement of Goods, Works and Associated Services in Financial Cooperation with Partner Countries and KfW Guidelines for the Assignment of Consultants in Financial Cooperation with Partner Countries\(^\text{24}\) (collectively hereafter, “the Guidelines”). If there is a conflict between the two documents, the KfW Guidelines shall prevail.

\(^{24}\) Starting January 2019, the newest version of KfW Procurement Guidelines shall be used.
12. Monitoring and Evaluation

This Section will be worked on during the next mission of the M&E Specialist
13. Reporting

13.1. Frequency

The period of reporting depends on the duration of the grants. For grants that will be implemented for less than six (6) months, financial and technical reports shall be submitted monthly. Grants that are six (6) or more in duration shall require quarterly technical reports and semi-annually financial reports. The reporting intervals start from acknowledgement of receipt of grant effectiveness. The first report is due after a month (for less than six (6) months grants) and 3 months (for six (6) or more months grants) from receipt of the first tranche of grant payments (see Section 10.3 above). The financial and technical reports, must be received by ACB not later than 30 calendar days after the end of period under review.

Financial and technical reporting is synchronised.

Within each Progress and the Final Report a narrative and a financial report is to be prepared by the grantee. All narrative and financial reports must be separately signed by the grantee’s statutory representative. The Park Wardens shall countersign each progress and the Final Report to confirm the correct and effective use of funds provided under the SGP.

Forms and formats for the preparation of Progress and Final Reports (Grant Completion Report), all additional instructions, as well as relevant forms are available in ANNEX 13 and on the SGP’s website.

13.2. Financial Reporting

1. The standard form of the financial report comprise the following
   - Statement of Expenditures (ANNEX 10)
   - Detailed breakdown of expenditures (ANNEX 10)
   - Receipts to support expenses
   - Special Bank Account Statements
   - Grant Activity Status Sheets

2. Financial reports shall be:
   - Prepared and certified correct by the concerned finance and administration official
   - Countersigned by the authorized party or representative of the service provider.
   - Submitted in English. Documents in any other language must be accompanied by a translation into English.
   - Prepared in Euro. Expenses paid in local currency will be translated using the prevailing exchange rate at the time of converting the euro amount to local currency. Average Exchange rates as provided on http://ec.europa.eu/budget/contracts_grants/info_contracts/inforeuro/inforeuro_en.cfm shall be used as only accepted reference.

13.3. Other Financial Reporting Requirements

The SGP NWT-Secretariat in Myanmar will prepare (a) Annual Fund Reports for the public, describing SGP activities, budgets, expenditure, balances and audit results; and (b) grant summary evaluation sheets for the ACB, outlining the status of financing, summary of grant activity progress and areas of concern.

In addition, ACB and the NWT Secretariat will maintain a file on each grant-funded activity. Originals shall be kept at ACB. This will include the application, the funding citation (i.e. funding allocation), other relevant financial information (e.g. record of disbursements, receipts, etc.), and, as a minimum, a final report.

13.4. Progress and Final Reports (Grant Completion Report)

The Formats and Templates in ANNEX 13 are to be used.
Figure 7. SGP Myanmar – Financial Reporting

PROCESS: Financial Reporting

Grantees IND submit financial reports to Service Provider

Service Provider IND aggregates and submits Interim Financial Report

Summary of expenditure
Bank Statements
Detailed breakdown of expenditure and supporting documents

Receives and confirms receipt of document

Revision and submission

Receives e-mail advice with details to comply with

Verification of documents

complete and valid?

Yes

No

Receives e-mail advice of acceptance

Notifies Service Provider of Receipt and Accuracy of Reports

Filing

Notifies Grantees of Acceptance

ACB

every three months

Documents must be received within 30 calendar days after end of quarter

Verification of reports within 10 calendar days

Service Provider to rectify deficiencies / issues within 7 calendar days after notice from ACB

ACB to notify the service provider within 3 days after verification of reports
14. Disputes and Penalties

14.1. Dispute Resolution

All disputes that may occur during the implementation of SG projects should be submitted to consultation between the ACB’s Executive Director, the Chairman of the NWT, and the grantee.

14.2. Penalties

Failure to fulfil the conditions stipulated in the PMM Chapter 9 may result in financial penalty in the amount of 20% of the approved budget or in termination of the grant. The decision shall be made by the Executive Director.

Failure to fulfil the conditions stipulated for in Chapter 10 Financial Management may result in financial penalty in the amount of 20% of the approved budget or in termination of the grant. The decision shall be made by the Executive Director.

Grant recipients who misuse funds will be debarred (‘blacklisted’) from further support from the SGP.