

Suggested revisions of the Operational Framework of APFNet

Rationale

The Operational Framework [APFNet/OF/2012/04, referred to as OF] was finalized in 2012 and as of May 2013 was ratified by 24 APFNet Members. As is clearly stated in the OF, “The Document is intended to guide APFNet’s future operation and will be revised to reflect future developments, as necessary and appropriate”. In 2013, the process of improving APFNet’s governance structure started, and great progress has been achieved in its process of internationalization after the recent establishment of APFNet’s Board of Directors and the Council to be in place soon. It is therefore necessary to reflect those new developments.

Meanwhile, under the current OF, APFNet is subject to several restrictions due to relevant Chinese regulations. APFNet is registered under Chinese law as a social organization (civil society organization), which does not grant APFNet with preferential treatments and in an extent has limited its operation and program implementation as an international organization such as:

- It is extremely time consuming to transfer a project installment over US\$ 50,000 to a project executing agency outside of China;
- The payment to international consultants is subject to tax reduction as remuneration for personal services according to Chinese law, much higher than the individual income tax;
- It is difficult for a social organization to recruit long-term international staff due to relevant domestic regulations in China.

The recently concluded First Meeting of APFNet’s Board of Directors noted that “APFNet should continue its process of internationalization, working steadily toward becoming an international organization”.

Suggested revisions

Considering this new situation, the Secretariat would like to suggest the following revisions to the current OF:

1. In Article 1.1, take out “is non-legally binding and does not give rise to any right or obligation under international law”. The sentence will read as follows:

This Operational Framework is based on the Framework Document which was adopted and released when the Asia-Pacific Network for Sustainable Forest Management and Rehabilitation (hereinafter referred to as “APFNet”) was launched in September 2008.

2. In Article 2.2, take out “under Chinese law”. The sentence will read as follows:

APFNet is registered as an entity with the legal personality needed to fulfill its functions.

3. In Article 2.5, take out “under Chinese domestic law”. The sentence will read as follows:

In furtherance of its objectives, APFNet holds the following powers:

4. In Article 5.2, change the latter part of the sentence to “according to the standard practice of an international organization”. The sentence will read as follows:

The Board of Directors should decide the start date of APFNet’s fiscal year and conduct financial matters according to the standard practice of an international organization.

Those suggested revisions will neither change the nature of APFNet, nor the nature of APFNet Membership. The governance structure will also remain the same as that in the current OF.