

APFNet Progress and Financial Report 2015

This report highlights the achievements of APFNet in 2015 against the annual work plan which the Council recommended and the Board approved. It covers the last year of the first APFNet Strategic Plan (2011-2015). Generally, APFNet has

- (1) improved its institutional governance to obtain more regional input in terms of its development;
- (2) refined policies and procedures to regulate its operations; and
- (3) strengthened the planning and monitoring of activities and projects to deliver higher quality outputs/outcomes that result in wider impacts and positive change.

I. APFNet Strategic Plan (2016-2020)

Following the recommendation of Council and decisions of the Board, APFNet Secretariat developed its second Strategic Plan which carves out APFNet's niche and identifies its priorities for contributing to forestry development in the region. While maintaining APFNet's vision, mission, objectives and structure of the first Strategic Plan, the current draft focuses on rehabilitating degraded forests and on improving livelihoods/alleviating poverty through sustainable forest management (SFM). In line with its mandate, the 4 pillars on which APFNet is founded will be retained: capacity building, information sharing, regional policy dialogues and demonstration projects. In addition, the objectives, priorities and implementation tools will be linked more closely, clearer indicators will be established and the monitoring of performance will be enhanced.

II. Institutional Development

The establishment and inaugural meeting of APFNet's Board of Directors in Beijing (China) on 8 April and the establishment of APFNet's Council and inaugural meeting in Nay Pyi Taw (Myanmar) on 27-28 April are milestones in the organization's institutional development. With the Board acting as the decision-making body and the Council functioning as the advisory body, a formal governance structure is now in place, thus confirming APFNet's status as an international entity.

The Board consists of 14 directors who elected Mr. ZHAO Shucong as its first Chair. It adopted Rules of Procedure and reviewed the following documents: (1) Framework for the APFNet Strategic Plan (2016-2020); (2) Procedures for the Development of APFNet Membership; (3) Framework Document of Staff Regulations; and (4) Framework Document of Financial Regulations. It also authorized the Secretariat to develop detailed plans and procedures.

The Council consists of representatives from 31 APFNet members who elected a Chair from Thailand and Vice-Chair from Papua New Guinea. It adopted Rules of Procedure and recommended that revision be made to the following documents:

(1) Procedures for the Development of APFNet Membership; (2) Terms of Reference for the Project Appraisal Panel; and (3) Draft Framework for the APFNet Strategic Plan (2016-2020). Subsequent email correspondence led to the adoption of the Procedures for the Development of APFNet Membership.

APFNet initiated a process to expand regional representation on its Secretariat by first hiring professional foresters as interns for project management, upon the recommendations of Cambodia and Laos. Australia also expressed willingness to second staff.

III. Partnerships

The goal of developing and maintaining partnerships with other international/regional organizations is to achieve mutual benefits through close collaboration, building on respective comparative advantages to avoid duplication.

APFNet renewed its Memorandum of Understanding (MoU) with RECOFTC to continue their collaboration on community-based forestry management in the region. Its MoU with FAO allows APFNet to offer ongoing support for FAO's short policy course in the region and facilitates its involvement in the Asia Pacific Forestry Week as one of five key players, the most recent one having taken place in the Philippines. The benefits of APFNet's association with ITTO include the sharing of expertise and resource persons for training and support to a project which APFNet is funding on community-based sustainable forest management in the Sungai Medihit Watershed, Sarawak (Malaysia). In this instance, ITTO is the Supervisory Agency. The All-China Women's Federation (ACWF) is a new partner - a development which underscores the important role that women play in forest resource management in the region.

IV. Support to Regional Policy Dialogues

APFNet works with international mechanisms/regional organizations to bring policy makers and practitioners together to discuss common issues and identify solutions. It has also established new mechanisms/networks that facilitate policy dialogues and collaboration - ones that reflect the unique features and diverse conditions found in the Asia-Pacific region.

1. Support for the Third APEC Meeting of Ministers Responsible for Forestry, 27-29 October, Port Moresby, PNG

The APEC Meeting of Ministers Responsible for Forestry is the only senior level gathering that promotes forest policy dialogue and cooperation in the region. APFNet continued to provide technical and financial support, including to develop the agenda and program, draft an outcome statement, recommend resource persons and advise on logistics and social events.

More than 200 delegates from 18 APEC economies attended the third meeting, including ministers and high level officials. They adopted the Eda Statement ("Our Statement" in the local language) which recognizes the importance of forests to the livelihoods of forest-dependent people and the role of forests in climate change mitigation and adaptation. The document calls for strengthening cooperation among APEC economies to tackle key issues such as policy development, illegal logging and trade, and cross-sectoral coordination. It also encourages APEC economies to share information and best practices through APFNet to support sustainable forest management in the region.

2. Assessment of Progress towards the APEC 2020 Forest Cover Goal

With support from FAO and APEC member economies, assessment of the progress toward reaching the goal of 20 million hectares of forest cover by 2020 was successfully concluded. The report shows that forest area is increasing and the quality of forest management is improving in most APEC economies. From 2007 to 2015, it grew by 15.4 million hectares to reach 2.19 billion hectares, achieving an estimated 77% of the goal. Also over the same period, most economies have increased their forest stock per hectare and total forest stock. Given these findings, APEC economies should be reasonably confident that they will reach the APEC 2020 objective for forest cover.

The report was acknowledged in the concluding statement of the 2015 APEC meeting of senior officials and outcomes were included in the Joint Ministerial Statement. Leaders welcomed the results of the assessment in their 23rd declaration entitled Building Inclusive Economies, Building a Better World: A Vision for an Asia-Pacific Community.

3. Strategic Framework for Forestry Cooperation in Greater Central Asia

Building on the first workshop in 2014 to promote sustainable forest management in the Great Central Asia region, APFNet co-organized a second workshop to discuss strategic collaboration, from 15 to 17 July, in Ulaanbaatar (Mongolia). Participants exchanged information on the current status, trends and constraints for forest management and on best practices to prevent forest fires, combat desertification, develop a sand industry and improve rural livelihoods. They also approved a plan to convene meetings of ministers responsible for forestry in the region, hold workshops on strategic cooperation, initiate demonstration projects and implement capacity building programs. Kazakhstan proposed to host the first ministerial meeting, while Kyrgyz offered to host the third workshop on strategic cooperation.

As a concrete follow-up to the session in Ulaanbaatar, APFNet organized a regional workshop which took place 22-29 September, in Inner Mongolia (China). Forestry department officials met to discuss ways to combat desertification and improve livelihoods. Classroom lectures and field tours were both highly appreciated. In addition, the event helped APFNet to better understand issues that the region faces

and will use this information for planning future activities and projects.

V. Projects and programs

Special attention was paid to project planning and monitoring, technical inputs were enhanced, and the period for project development was lengthened, especially for trans-boundary and long-term projects, to allow them to identify clear objectives, develop detailed and realistic annual work plans, and identify measurable indicators for monitoring progress. APFNet also enhanced its guidance to projects on planning and reporting and it increased the frequency of communication and on-site visits to monitor the status of projects, how partners were helped to enhance their communication skills, how their capacity to plan and implement projects improved and how well they were able to report on deliverables when the project ended.

In 2015, APFNet provided USD4 million to 8 projects which addressed issues related to integrated watershed management, rehabilitation of degraded forests, multipurpose forestry, monitoring of forest cover change and the development of national SFM plans. Please see annex2 for details.

VI. Capacity Building

1. Thematic Training Workshops

Two thematic training workshops were convened in 2015: Enhancing Forest Governance for Asia and the Pacific in the Context of Timber Legality Verification (2-13 July in Yunnan, China.) and Biodiversity Conservation Challenges in the Asia-Pacific: the Trans-Boundary and Livelihood Dimensions (1-13 November in Chiang Mai, Thailand). This second event was hosted by the Royal Forest Department of Thailand, in response to suggestions to hold some training sessions outside China. APFNet sponsored about 30 regional forestry officials and practitioners who shared their experiences on the topics. They identified the importance of implementing transparent mechanisms to monitor trade in legal timber and timber products in the region and indicated that the workshop provided a significant platform for sharing knowledge in this regard. Outcomes of the workshop on biodiversity conservation across boundaries, as it affects rural livelihoods, will pave the way for enhancing collaboration in the Asia-Pacific region.

APFNet's Training Centre in Kunming (China) organized both workshops, with support from APFNet and Southwest Forestry University. In 2015, the Centre was provided facilities, staff was put in place, and a 5-year plan for APFNet training (2016-2020) was developed to better meet regional needs for capacity building.

2. APFNet Scholarship Program

Twelve scholarships were awarded to applicants from Cambodia, Lao PDR, Mongolia, Myanmar, Nepal and Sri Lanka, 8 of whom studied at Beijing Forestry University and

4 at Nanjing Forestry University. Five students who enrolled in 2013 completed their master's degrees in Beijing and graduated in July 2015.

The Secretariat conducts regular evaluations, the results of which indicate that students were generally satisfied with the course design, supervisors and on-campus management. However, it was suggested that course materials could be updated and more field study could be offered.

3. Human Resources Development

A regional seminar on the development of human resources in the forestry sector was held 25-31 October, in China. Some 14 participants from 12 developing economies explored the best means to enhance cooperation through regional networks. Discussions focused on the national forestry training systems in each economy and on ways to strengthen them across the region. Obstacles that the Asia-Pacific must deal with include weak capacity to offer high quality training programs, sound career development, effective succession management, and meaningful competency standards. Other problems include the fact that decision-makers treat the forestry sector as a low priority, forest issues are complex and much needed financial support is not forthcoming. However, some economies are able to overcome such challenges.

VII. Information sharing and communications

1. APFNet Communications Guide

Developed for Secretariat staff, project executing agencies and partners, this document provides guidance, templates and tools to develop communication strategies and work plans for APFNet activities. A training course was delivered to staff in October and another one was given to executing agencies in November.

2. Outreach events

World Forestry Congress, 7-11 September 2015, Durban (South Africa): APFNet hosted 3 side events and staffed a booth in the exhibition hall. This presence helped to raise APFNet's profile and visibility amongst international policy makers, foresters, researchers and other important stakeholders.

Asia-Pacific Forestry Week, 22-26 February 2016, Clark Freeport Zone, Philippines: More than 200 people attended this gathering which comprised 16 events and 100+ presentations. As requested by FAO-RAP, APFNet and AFOCO co-organized Our Green Future: Green Investment and Growing Our Natural Assets - a session which examined issues related to green investment and sustainable forest management in the Asia-Pacific Region.

3. Publications

A report was written on forest transition in the Asia-Pacific region; flyers and brochures featuring technologies were produced by the project Adapting Asia-Pacific

Forests to Climate Change; and the APFNet annual report was published, along with various newsletters.

VIII. Administration and operation

The Secretariat made internal adjustments to the division of work to improve its capacity to serve APFNet's Board and Council, improve the exchange of knowledge and information, and strengthen collaboration with APFNet members on project implementation.

In accordance with Council suggestions and Board decisions, the Secretariat drafted guidelines to standardize its operations with regard to staff, administration, finances, and the criteria for selecting an Executive Director. This document will be presented to the Board of Directors for approval.

Staff training and development remain a priority. Academic lectures and study tours were regularly organized to keep abreast of the current state of forestry in the region. Training was also held to improve communication and coordination. The system to assess staff performance was revamped to include a review of their accomplishments against annual work plans and the introduction of intranet has, to a large degree, streamlined internal procedures and supported decision-making.

IX. Finance

Revenues in 2015 totalled CNY 28,656,206.03 or approximately USD4.41million (1USD=6.4936CNY at the exchange rate issued by The People's Bank of China on 31 December 2015). Expenditures in 2015 were CNY 28,918,053.61 or approximately USD4.45 million. A statement of APFNet's financial position, a statement by item and supplementary schedule of APFNet expenses are provided below.

Statements of Financial Position as of 31 December 2015 and 2014
(Reporting currency: USD)

| ASSETS | 2015 | 2014 |
|-----------------------------------|---------------------|---------------------|
| CURRENT ASSETS | | |
| Cash and cash equivalents | 2,666,909.97 | 2,700,392.64 |
| NON-CURRENT ASSETS | | |
| Fixed assets (net) | 44,684.48 | 28,535.97 |
| TOTAL ASSETS | 2,711,594.45 | 2,728,928.61 |
| LIABILITIES AND NET ASSETS | | |
| Taxes payable | 50,146.64 | 27,156.85 |
| TOTAL LIABILITIES | 50,146.64 | 27,156.85 |
| NET ASSETS | | |
| Unrestricted net assets | 2,661,447.81 | 2,701,771.76 |
| Restricted net assets | | |

| | | |
|----------------------------------|--------------|--------------|
| TOTAL NET ASSETS | 2,661,447.81 | 2,701,771.76 |
| TOTAL LIABILITIES AND NET ASSETS | 2,711,594.45 | 2,728,928.61 |

Financial Statement by Item as of 31 December 2015 and 2014

(Reporting currency: USD)

| ITEM | 2015 | | | 2014 |
|---|---------------------|------------|---------------------|---------------------|
| | Non-restricted | Restricted | Total | Total |
| A. REVENUES | | | | |
| Grant revenues | 562,189.47 | | 562,189.47 | 117,574.72 |
| Complementary programs | 3,842,631.16 | | 3,842,631.16 | 4,164,255.57 |
| Investments | | | | |
| Other revenues | 8,171.56 | | 8,171.56 | 7,769.31 |
| TOTAL REVENUE | 4,412,992.18 | | 4,412,992.18 | 4,289,599.59 |
| B. EXPENDITURES | | | | |
| 1. Program related expenditures | 3,366,904.37 | | 3,366,904.37 | 2,306,419.37 |
| Personnel costs | | | | 195,110.58 |
| Program activities | 3,357,127.04 | | 3,357,127.04 | 2,106,896.12 |
| Depreciation of fixed assets | 9,777.33 | | 9,777.33 | 4,412.67 |
| Taxes | | | | |
| 2. Management expenses | 1,090,985.54 | | 1,090,985.54 | 843,589.47 |
| Personnel costs | 300,527.97 | | 300,527.97 | 62,505.61 |
| Daily expenses | 790,457.57 | | 790,457.57 | 781,083.86 |
| Depreciation of fixed assets | | | | |
| Taxes | | | | |
| 3. Fund raising costs | -4,573.78 | | -4,573.78 | |
| 4. Other costs | | | | |
| TOTAL EXPENDITURES | 4,453,316.13 | | 4,453,316.13 | 3,150,008.84 |
| C. Restricted net assets into non-restricted net assets | | | | |
| D. Changes in net assets (a reduction in the amount of net assets is shown as "-") | -40,323.95 | | -40,323.95 | 1,139,590.76 |

Supplementary Schedule of APFNet Expenses
(Reporting currency: USD)

| Item | Expense |
|---|--------------|
| Personnel costs | 306,429.16 |
| Office rent | 454,817.05 |
| Property management fee | 70,186.47 |
| Postage | 5,784.26 |
| General office expenses | 26,885.38 |
| Media and Publications | 139,039.63 |
| Rental of vehicles and maintenance | 39,617.16 |
| Travel abroad | 352,630.41 |
| Meetings | 105,990.10 |
| Staff training | 94,399.85 |
| Hospitality | 20,624.41 |
| Domestic travel | 85,290.69 |
| Taxis | 8,368.69 |
| Subcontracts | 19,690.69 |
| Consultant remunerations | 345,351.90 |
| Scholarship program | 292,287.00 |
| Workshop in Greater Central Asia | 28,913.65 |
| KTC Training courses | 318,000.35 |
| Training for project manager on communication | 14,474.51 |
| Establishing the Self-Sustaining Model for Community Forest Harvesting in PNG | 9,331.13 |
| Construction of Multifunction Forest Demonstration Sites-Phase I, China | 122,452.72 |
| Sustainable Forest Management in Northern Provinces of Lao PDR | 934,334.88 |
| Adaptation of Asia-Pacific Forests to Climate Change, UBC | 21,519.19 |
| Support to Develop New Forest Sector Policy and Strategy through Consultation with Civil Society Organizations and Local Communities in Nepal | 9,600.68 |
| Multi-function Forest Restoration and Management of Degraded Forest Areas in Cambodia | 66,712.03 |
| Innovative Sustainable Forest Management Education in the Asia-Pacific Region | 124,179.40 |
| Construction of Multifunction Forest Demonstration Sites-Phase II, China | 431,201.17 |
| Depreciation of fixed assets | 9,777.33 |
| Gain/loss of currency exchange | -4,573.78 |
| Total | 4,453,316.13 |

Note: The table below show funds that were paid, in USD, from the SFA account for pilot projects and are not included above. The total amount is equivalent to CNY8,181,523.65.

| Item | Expense |
|---|---------------------|
| Sustainable Forest Management in Northern Provinces of Lao PDR | 419,624.90 |
| Adaptation of Asia-Pacific Forests to Climate Change, UBC | 112,083.17 |
| Rehabilitation and Management of Degraded Forests in Beijing's Miyun Reservoir Watershed | 162,349.70 |
| Landscape Approach to Sustainable Management of Forests in Prek Thnot Watersheds | 223,966.57 |
| Innovative Sustainable Forest Management Education in the Asia-Pacific Region | 86,709.42 |
| Sustainable Forest Rehabilitation and Management for the Conservation of Trans-boundary Ecological Security in Montane Mainland Southeast Asia – Pilot Demonstration Project of Lao PDR, Myanmar and China/Yunnan | 106,840.16 |
| Community-based Sustainable Forest Management of Sungai Medihit Watershed Sarawak, Malaysia | 124,531.95 |
| Other costs related to projects | 23,830.63 |
| Total | 1,259,936.50 |

| 2015 APFNet performance sheet | | | | |
|-------------------------------|--|---|-----------|--|
| | Activities in the 2015 work plan | Expected outputs/results | Status | Actual outputs |
| I | Institutional Development | | | |
| 1.1 | Board of Directors | | | |
| 1.1.1 | Appointment of directors | List of directors | completed | 14 directors appointed |
| 1.1.2 | Document preparation | 1) 2014 work report and 2015 work plan; 2) Draft framework of the strategic plan 2016-2020; 3) Procedures for the Development of APFNet Membership; 4) Framework Document of Staff Regulations; 5) Framework Document of Financial Regulations. | completed | Draft documents completed by March and distributed for review |
| 1.1.3 | First Meeting | Board to be established | completed | |
| 1.2 | Council | | | |
| 1.2.1 | Appointment of Council representatives and contact persons | List of Council members | completed | |
| 1.2.2 | Document preparation | 1) Rules of Procedure of the Council; 2) Terms of Reference of the Project Appraisal Panel; 3) Decisions of the Board at its first meeting | completed | Draft documents completed by March and distributed for review |
| 1.2.3 | First Meeting | 1) Council to be established 2) Recommendations given to APFNet | completed | |
| II. | Membership | Interim procedures for the development of APFNet membership to be revised and applied | completed | 1) Procedures reviewed at the first Council meeting and later adopted 2) Application for membership from Kyrgyzstan and Uzbekistan considered |

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|------|---|---|-----------|---|
| III. | Partnerships | <p>1) Current partnerships to be reviewed, opportunities for collaboration to be identified and partners with shared interests to be sought</p> <p>2) Consultations to take place with partners whose MoUs will expire within the year about possible renewal and extension</p> | completed | <p>1) A draft plan for APFNet membership developed</p> <p>2) MoUs renewed with RECOFTC, signed with FAO and ACWF</p> <p>3) Renewal of MoU with ITTO discussed</p> <p>4) First APFNet annual reception held to present 2015 achievements</p> |
| IV. | Regional Policy Dialogues | | | |
| 4.1 | Third Meeting of APEC Ministers Responsible for Forestry | <p>1) Third meeting organized</p> <p>2) Statement of forestry ministers to be issued</p> | completed | <p>1) Meeting sponsored and co-organized by APFNet and successfully convened</p> <p>2) The Ada Statement adopted</p> |
| V. | Platforms for information exchange | | | |
| 5.1 | Study tours to Central Asia | A report on potential opportunities for collaboration within the forestry sector to be drafted | on-going | Study tour not conducted due to unforeseen circumstances but research done in conjunction with events organized by APFNet |
| 5.2 | 2nd regional workshop on strategic forestry cooperation in Greater Central Asia | <p>1) Technical group to be established, mechanism for ministerial meetings to be set up, and organization of future regional workshops to be strengthened;</p> <p>2) Opportunities for cooperation to be identified for development of concrete proposals</p> | completed | 1) Action plan adopted to guide the planning and organization of future ministerial meetings and workshops |
| VI. | Projects and programs | | | |

| | | | | |
|-----|--|---|-----------|--|
| 6.1 | Refinement of APFNet projects selected in 2015 | <ol style="list-style-type: none"> 1. Project proposals to be revised based on comments and suggestions of APFNet and Project Appraisal Panel 2. Revised proposals to be reviewed, pre-study visits to be arranged, as needed, and assistance to be given to finalize project proposals | completed | <p>The following proposals reviewed:</p> <ol style="list-style-type: none"> 1) Adaptation of Asia-Pacific Forestry to Climate Change-Phase II 2) Development and Application of Standing-Tree Carbon Equations to Improve the Accuracy of Forest-Cover Carbon Stock Estimates in Thailand 3) Rehabilitation and Management of Degraded Forests in Miyun Reservoir Watershed, Beijing 4) Sustainable Forest Management and Overall Monitoring for Multiple Functions of Forests in Wangyedian Forest Farm, Chifeng, Inner Mongolia of China |
| 6.2 | Sydney Goal assessment | <ol style="list-style-type: none"> 1) Concept paper and report outline to be distributed to all APEC economies 2) Cooperation with FAO/RAP to be continued, statistical data on forest area to be sent to each APEC economy for the preparation of their reports 3) Reports to be submitted by the end of May and integrated into one, with assistance from experts 4) Integrated report to be forwarded to each economy for verification and final versions to be submitted to the APEC Secretariat in October | completed | <ol style="list-style-type: none"> 1) Report presented at third ministerial meeting, acknowledged in concluding remarks at the 2015 meeting of senior APEC officials, included in the Joint Ministerial Statement, and welcomed by APEC leaders in their declaration |

| | | | | |
|------|--|--|-------------------|---|
| 6.3 | Strategic Plan (2016-2020) | <ol style="list-style-type: none"> 1. Framework of the APFNet Strategic Plan (2016-2020) to be drafted for the Board review, and a draft strategy developed based on recommendations and suggestions received 2. Meeting to be organized to review and improve the draft strategic plan 3. Second draft to be sent to Council for comments and recommendations 4. Draft to be finalized and submitted to the Board for approval 5. The APFNet Strategic Plan (2016-2020) to be released by end 2015 or early 2016 | Largely completed | Council and Board expected to review and hopefully adopt the document |
| VII. | Capacity Building | | | |
| 7.1 | Dialogue on human resource development in the forestry sector in the Asia-Pacific region | Case studies on human resource development in the forest sector to be conducted, experiences for strengthening the institutional capacity of forestry agencies to be summarized | completed | <ol style="list-style-type: none"> 1) Regional workshop held to brainstorm ideas for case studies. 2) Report drafted to suggest structure and means to initiate the studies |
| 7.2 | Forestry College Deans Meeting Mechanism in the Asia Pacific Region | <ol style="list-style-type: none"> 1) Side event to be organized at the 14th World Forestry Congress on the development of an online forestry course; 2) Discussions of the Steering Committee to be held on institutional arrangements and next steps for the mechanism | completed | |
| 7.3 | Fourth meeting of forestry college deans in the Asia-Pacific Region | <ol style="list-style-type: none"> 1) Fourth meeting to be convened, six forestry online courses to be developed and launched; 2) Summary report of the meeting to be drafted | on-going | Meeting postponed to February 2016 during the Asia-Pacific Forestry Week in the Philippines |
| 7.4 | Thematic training workshops | <ol style="list-style-type: none"> a) Two workshops to be convened b) One report from each workshop to be drafted | completed | |

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|------|--|---|------------------|---|
| 7.5 | APFNet Scholarship Program | 1) Support to be given to 15-20 students from developing economies in the region to study for a Master's degree 2) More opportunities to be provided by APFNet and the two host universities for students to undertake field studies and gain practical experience | completed | 1) 12 awardees enrolled, 5 students graduated 2) Study tour organized by APFNet for students from 2 host universities. |
| VIII | Information sharing | | | |
| 8.1 | Support to ongoing projects and other activities, including outreach | Presence to be arranged at the 14th World Forestry Congress in Durban (South Africa) to raise APFNet's profile and visibility amongst international policy makers, foresters, researchers and other important stakeholders | completed | 3 side events carried out and exhibition booth mounted |
| 8.2 | Technical publications | Technical reports to be published to facilitate transfer to knowledge and dissemination of outputs from projects and activities | completed | 1) Report issued on forest transition in Asia-Pacific Region; 2) Flyers and brochures produced which featured technologies developed in the Adapting Asia-Pacific Forests to Climate Change project; 3) Various newsletters written |
| 8.3 | APFNet 2015 annual report | APFNet activities and achievements to be presented | almost completed | Report to be finalized by April 2016 |

APFNet Annual Work Plan and Budget 2016

This document presents APFNet's work plan and budget for 2016.

I. Institutional development

1. According to their respective mandates, the Board of Directors and Council will continue to provide direction and advice on APFNet's development by considering and approving its work plans and other initiatives that may be proposed at the second meeting of the Board and Council in May. Specifically, it is hoped that:

- a) the APFNet Strategic Plan (2016-2020) will be adopted to direct and monitor activities over the next 5 years;
- b) the APFNet Operations Manual that regulates the staffing, administration and financial management of the Secretariat will be adopted; and
- c) a new Project Appraisal Panel for 2016-2018 will be established, with regional representation, to provide high quality technical advice to APFNet on project concept notes and full submissions.

The Secretariat continues to facilitate the preparation of Board and Council meetings and, as expected, will take the lead in implementing approved procedures.

2. Communication with the Board and Council

Communication with the Board and Council will be more frequent between meetings to better inform them of APFNet operations.

3. Secretariat

In efforts to create a diverse and multi-cultural environment, 1 intern from each of Lao and Cambodia will work with the Secretariat for a year. The Secretariat will also explore the possibility of staff secondments and/or exchanges with Australia and other partners.

4. Other institutional matters

In accordance with relevant rules of procedures, the Secretariat will continue to support regular institutional work, including extending the term of Directors and preparing for the third meetings of the Board and Council.

II. Partnerships

1. Memoranda of Understanding (MoU)

As planned, a MoU between APFNet and ITTO will be renewed to continue joint efforts to achieve SFM in tropical areas through projects and other activities. The signing of a MoU with IUFRO will offer mutual support to the work of the 2 organizations and, given that the IUFRO Regional Congress for Asia and Oceania will be held in October in China, opportunities for close cooperation will be explored, including joint training for APFNet scholarship students.

2. Annual plans will be developed and more frequent communication will be made with partners to identify the scope for closer collaboration on activities of mutual interest.

3. APFNet reception

At the end of the year, the Secretariat will host a major social event for representatives from APFNet member economies and partners residing in China to present its 2016

achievements and an outlook for 2017.

III. Regional policy dialogues

1. Meetings of APEC ministers responsible for forestry

Meetings of APEC ministers responsible for forestry are the highest level of policy dialogue in the region and serve as a primary forum to transform political will into action. APFNet actively participated in previous meetings through joint organization, development of themes, and the production of outcome documents. The Secretariat will work with member economies to identify a host for the 4th ministerial session and will seek ways to secure long-term support for this forum.

2. Ministerial dialogues on forests in Greater Central Asia

During a workshop in Mongolia in July 2015 to discuss strategic collaboration on forestry issues in Greater Central Asia, a plan was made to convene regular meetings of ministers responsible for forestry in the region. APFNet will financially support and coordinate this first meeting which Kazakhstan will host on 30-31 May 2016. Discussions will focus on strengthening bilateral and multilateral cooperation in forestry and on mainstreaming the sector in socio-economic development plans. A ministerial statement is expected to be adopted to outline concrete steps to achieve goals.

3. The Asia-Pacific Forestry Strategic Planning Network (originally proposed as the Forestry Strategic Planning Mechanism in 2013) focuses on strengthening the development and implementation of forestry strategies and master plans in APFNet member economies. The network will be redeveloped, following consultations with the APFNet Council, to identify objectives and formulate an operations strategy.

IV. Demonstration projects

1. Project planning and design

Focusing on its priorities for 2016-2020, while responding to the needs of member economies, APFNet will continue to support regional consultation and research to foster project planning. The new Project Appraisal Panel, soon-to-be established, will lead efforts to screen projects and provide greater technical inputs to project design by, for example, participating in feasibility studies to ensure promising concept notes are developed into pragmatic proposals that deliver solid results. The Secretariat will organize 2 meetings of the Panel and, as necessary, arrange study tours to assess the feasibility of proposals and facilitate the development of those deemed worthy.

Timeframe:

- (1) February: call for project concept notes
- (2) February-April: submission of project concept notes
- (3) May: establishment of the Project Appraisal Panel for 2016-2018
- (4) End of June: screening of concept notes
- (5) July-October: development of proposals
- (6) End of October: review of proposals and recommendations for support

2. Project management, monitoring and evaluation

The Secretariat will continue to guide the development of project work plans to ensure they are consistent with the approved submissions and are implementable. Through meetings and on-site visits, it will also provide training and support to enhance project capacity to plan, implement and report on activities. In addition, the

Secretariat will develop a robust monitoring and evaluation system to increase the effectiveness and efficiency of project management and its potential impacts. Missions to complete a final evaluation of 4 projects will be organized.

A summary of best SFM practices and successful models for restoring degraded forests, based on the outputs and achievements of APFNet's demonstration projects, will be shared.

V. Capacity building

1. APFNet Scholarship Program

APFNet will fund about 20 more students from the region to attend Beijing Forestry University and Nanjing Forestry University in either of the four disciplines offered: Forest Economics and Management; Forestry; Forestry Engineering; and Environmental Engineering. Some 16 students will complete studies and defend dissertations for their Masters' degree.

Building on the results of APFNet's annual review in 2015, guidance will be given to the host universities to improve the current program by (1) diversifying teaching approaches through more group work, field visits and interaction with forest practitioners and (2) extending assessment of the program to include its impact on the graduate's career development.

APFNet will continue to allow campus students to access its training bases and demonstration sites so they may gain field experience on forest management.

2. Thematic training workshops

Under APFNet's training plan for 2016-2020, greater effort will be made to combine theory and practice, improve the selection of appropriate resource persons and participants, and develop training materials in series and lecture formats. The APFNet Kunming Training Center will lead program development and applicant selection for workshops to be held in China (July) and in Sri Lanka (November).

3. Capacity building

APFNet, in collaboration with partners in Inner Mongolia (China), will organize a workshop entitled "*Combating Desertification and Sustainable Management of Drylands Ecosystem towards Livelihoods Improvement*" which will take place in September. In addition, it will plan a study tour to China for directors working in Greater Central Asia to learn about successful practices related to sustainable forest management, forest tenure reform, community-based forest enterprises, trans-boundary biodiversity conservation, forest fire prevention, and pest control in arid and semi-arid areas. Also, a comprehensive needs assessment will be launched to identify key stakeholders, issues of concern, appropriate channels to follow, and other elements which will help to develop a strategy to build capacity in the region.

4. The Asia-Pacific Forestry Education Coordination Mechanism

Formerly known as the Forestry College Deans Meeting Mechanism, this re-named entity will continue to engage forestry educators and institutions to improve the quality of education and strengthen capacity in the region. As chair of the mechanism and host of its executive office since 2016, the University of British Columbia will undertake the following activities, with the support of APFNet:

- (1) Prepare an annual report on current trends and emerging challenges in forestry education;
- (2) Certify previously developed online courses;
- (3) Facilitate mutual recognition of courses in regional institutions;
- (4) Develop of new project proposals;
- (5) Establish a regional forestry expert database;
- (6) Organize youth programs; and
- (7) Expand and promote its institutional capacity, including by recruiting new members and raising funds.

5. Development of human resources

Proposed in 2014, this program focuses on raising the capacity and knowledge of agencies and personnel responsible for providing foresters with the skills they need to perform their duties. APFNet, in collaboration with partners, will suggest changes to the program's objectives, strategies and work plans. Activities foreseen include:

- (1) Consulting with the APFNet Council for feedback and direction;
- (2) Conducting a needs assessment;
- (3) Organizing consultation workshops; and
- (4) Developing networks and working with experts and partners.

VI. Information sharing

The Secretariat will continue to update APFNet's website, release regular newsletters and publish materials to share notable project outcomes. It will also make efforts to strengthen the communications component in new project proposals and work with executing agencies to integrate this aspect into current projects. Additional opportunities will be sought with external publishing houses and other international organizations to produce joint publications.

In 2016, the Secretariat plans to organize additional outreach activities to raise its profile and promote major projects. In this regard, it will set up exhibitions at international conferences such as the first meeting of ministers responsible for forestry in Greater Central Asia in Kazakhstan (May), IUCN World Conservation Congress (September), IUFRO Regional Congress for Asia and Oceania (October) and the United Nations Conference of the Parties to the Framework Convention on Climate Change (November).

VII. Human resources and administration

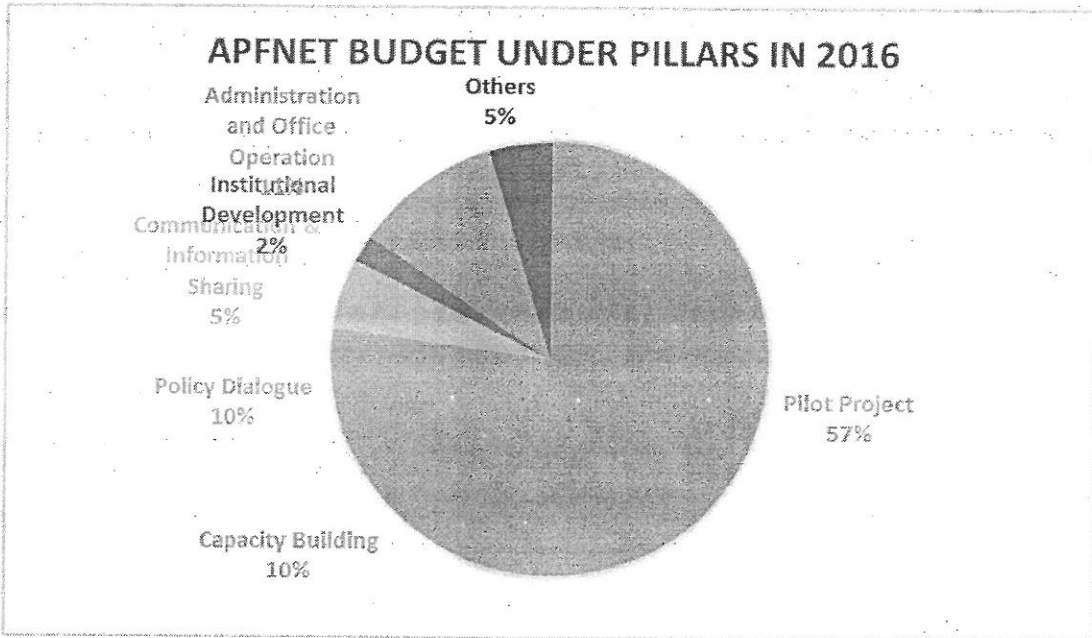
The following tasks will be undertaken in 2016 with regard to the development of human resources and the administration of operational matters:

1. Review the organizational structure of the Secretariat and the job descriptions of all staff to ensure an optimal division of portfolios and workload;
2. Renew contracts of staff and experts;
3. Facilitate procedures for international interns to work in the Secretariat;
4. Monitor and assess implementation of the APFNet Operations Manual and relevant policies to improve staff efficiency and cost-effectiveness of operations;
5. Continue to provide regular training to general staff on forestry and management;

- 6. Identify additional opportunities for staff exchanges and/or rotations;
- 7. Encourage a learning and knowledge-sharing environment.

VIII. Budget and resources

In 2016, about CNY63.05million, or USD9.71 million, (1USD=6.4936CNY) will be available to support the activities of APFNet. The budgets by category and by activity are detailed in the tables below.



APFNet Budget under Pillars in 2016

| Category | USD1000 | Percentage of the Total |
|--------------------------------------|-------------|-------------------------|
| Pilot Projects | 5529 | 57% |
| Capacity Building | 1020 | 11% |
| Policy Dialogues | 947 | 10% |
| Communication & Information Sharing | 503 | 5% |
| Institutional Development | 200 | 2% |
| Administration and Office Operations | 1066 | 11% |
| Other | 444 | 5% |
| Total | 9710 | 100% |

APFNet Budget by Activity

| Management Program | USD 1000 | Responsible Division | Category |
|--|-----------------|----------------------|-------------------|
| Two scholarships | 326 | Project Management | capacity building |
| Workshops in Greater Central Asia | 86 | Project Management | capacity building |
| Training needs assessment of GCA | 31 | Project Management | capacity building |
| Study tour for GCA officials | 32 | Project Management | capacity building |
| 1st meeting of forestry ministers in GCA | 219 | Program Planning | policy dialogue |
| Demonstration on Integrated Planning and Management of Forest Ecosystem in Greater Mekong Sub-region | 262 | Program Planning | pilot project |
| Demonstration on Integrated Planning and Management of Forest Resources in GCA | 276 | Program Planning | pilot project |
| Construction of a mini botanic park within the National Garden Park of Mongolia | 587 | Program Planning | pilot project |
| Two workshops in the Asia-Pacific Region | 234 | Admin & HR | capacity building |
| Capacity building for APFNet Staff | 65 | Admin & HR | capacity building |
| Office rental | 456 | Admin & HR | office admin |
| Information sharing | 62 | Admin & HR | comm/info sharing |
| Website maintenance and technical support | 151 | Admin & HR | comm/info sharing |
| Dialogue on HR Development | 80 | Comm & Info | policy dialogue |
| Media and information sharing | 35 | Comm & Info | comm/info sharing |
| Subtotal | 2901 | | |
| Pilot projects | USD 1000 | | |
| Remuneration for assessment of proposals | 180 | Program Planning | pilot project |
| Meetings of Project Appraisal Panel | 25 | Program Planning | pilot project |
| Travel for project monitoring and evaluation | 82 | Project Management | pilot project |
| Sustainable Forest Rehabilitation and Management for the Conservation of Trans-boundary Ecological Security in Montane Mainland Southeast Asia- Pilot Demonstration Project of Lao PDR, Myanmar and China/Yunnan | 48 | Project Management | pilot project |
| Urban Forestry Demonstration Site of Bang Kachao (Thailand) for Biodiversity Conservation and Natural Learning Center | 9 | Project Management | pilot project |
| Innovative Sustainable Forest Management Education in the Asia-Pacific Region | 105 | Project Management | pilot project |
| Sustainable Forest Management in Northern Provinces of Lao PDR | 736 | Project Management | pilot project |

| | | | |
|--|-------------|---------------------------|---------------------|
| Community-based Sustainable Forest Management of Sungai Medihit Watershed Sarawak, Malaysia | 271 | Project Management | pilot project |
| Landscape Approach to Sustainable Management of Forests in Prek Thnot Watersheds | 160 | Project Management | pilot project |
| Rehabilitation and Management of Degraded Forests in Beijing's Miyun Reservoir Watershed | 169 | Project Management | pilot project |
| Community-based Sustainable Forest Management and Empowerment of Women | 129 | Project Management | pilot project |
| Participatory Monitoring of Forest Cover Change in Mongolia | 8 | Project Management | pilot project |
| Development and Application of Standing Tree Carbon Equations in Thailand | 95 | Project Management | pilot project |
| Forest Cover and Carbon Mapping in the Greater Mekong Subregion and Malaysia | 77 | Project Management | pilot project |
| Multifunction Forest Demonstration Sites-Phase II | 433 | Project Management | pilot project |
| Sustainable Forest Management for Non-Wood Forest Products within Bhutan's Community Forests | 91 | Project Management | pilot project |
| Subtotal | 2618 | | |
| Donation from China Government in 2016 | USD 1000 | | |
| Meetings of Board of Directors & Council | 150 | Institutional Development | institutional dev't |
| Participation of Directors & Council members in APFNet institutional development and program cooperation | 50 | Institutional Development | institutional dev't |
| Travel for international and regional meetings | 80 | Institutional Development | policy dialogue |
| Follow-up activities of the meetings of APEC ministers responsible for forestry | 60 | Institutional Development | policy dialogue |
| Personnel costs of the Secretariat | 350 | Admin & HR | office admin |
| Office and general administration | 260 | Admin & HR | office admin |
| Dialogue on Forestry Strategic Planning in the Asia-Pacific Region | 80 | Comm & Info | policy dialogue |
| Office operation of Asia-Pacific Forestry Education Coordination Mechanism | 175 | Comm & Info | capacity building |
| Meeting of Asia-Pacific Forestry Education Coordination Mechanism | 70 | Comm & Info | capacity building |
| APFW | 85 | Comm & Info | policy dialogue |
| Publication and dissemination | 240 | Comm & Info | comm/info sharing |
| Subtotal | 1600 | | |
| Balance at the end of 2015 | USD 1000 | | |

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|---|-------------|---------------------------|-------------------|
| Meeting of APEC ministers responsible for forestry in PNG | 343 | Institutional Development | policy dialogue |
| Urban Forestry Demonstration Site of Bang Kachao (Thailand) for Biodiversity Conservation and Natural Learning Center | 65 | Project Management | pilot project |
| Community-based Sustainable Forest Management and Empowerment of Women | 60 | Project Management | pilot project |
| Capacity Building Towards Effective Implementation of Sustainable Forest Management in Fiji, Tonga and Niue | 180 | Project Management | pilot project |
| Adaptation of Asia-Pacific Forestry to Climate Change – Phase II | 163 | Project Management | pilot project |
| Participatory Monitoring of Forest Cover Change in Mongolia | 65 | Project Management | pilot project |
| Forest Cover and Carbon Mapping in the Greater Mekong Subregion and Malaysia | 100 | Project Management | pilot project |
| Capacity Building for Forest Restoration & Sustainable Forest Management in Vietnam | 38 | Project Management | pilot project |
| Research on Timber Utilization in Greater Mekong Sub-region | 8 | Program Planning | pilot project |
| Construction of a mini botanic park within the National Garden Park of Mongolia | 924 | Program Planning | pilot project |
| Forest plantations and rehabilitation for carbon storage, supported by PICC Foundation | 123 | APFNet Fund Office | pilot project |
| Small Community-Based Forest Enterprises in the Greater Mekong Sub-region | 62 | APFNet Fund Office | pilot project |
| Fund raising | 15 | APFNet Fund Office | comm/info sharing |
| TBD | 444 | Finance | other |
| Subtotal | 2590 | | |
| Total | 9710 | | |