

# Guideline of the BIMP-EAGA-the Republic of Korea (ROK) Cooperation Fund (BKCF) Projects (2023)

## 1 INTRODUCTION

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The Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA)- Republic of Korea (ROK) Cooperation Fund (BKCF) was established in 2021 by the ROK. It aims to contribute to promoting inclusive and balanced growth in the Southeast Asia region and ASEAN Connectivity by strengthening the partnership between the BIMP-EAGA and the ROK.

It also aims to support the BIMP-EAGA's Vision 2025 (BEV 2025) of a "Resilient, Inclusive, Sustainable and Economically competitive (R.I.S.E) BIMP-EAGA to narrow development gap" which was adopted in 2017. As of 2023, four strategic thrusts listed in the BEV 2025 namely Connectivity, Environment, Tourism, and Agriculture and Fisheries (comprising Food Basket pillar) are selected as the priority areas of BKCF fund project.

The Fund will provide grants for individual member country or subregional programs and projects to address strategic country needs and priorities of BIMP-EAGA.

The Global Green Growth Institute (GGGI) has been designated as a depositary of the BKCF and will manage the BKCF.

## 2 THE BKCF'S PRIORITY SECTORS AND AREAS

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Among the list of sectors from the Vision 2025, prioritization was given to the following sectors through consultations between BIMP-EAGA and the ROK. The sectors may be updated at a later point, if required, through an agreement between BIMP-EAGA and the ROK:

- **Environment:** It will include projects with high potential for environmental and climate mitigation and adaptation impacts that promote inclusive green growth in areas including - but not limited to : water management, waste management and sanitation, renewable energy, energy efficiency, green buildings, green finance including green bonds, inclusive green entrepreneurship, nature-based solutions including REDD++ and climate smart agriculture and bioeconomy.
- **Tourism:** It will include projects relating to eco-friendly and sustainable tourism development as well as tourism-related planning and infrastructure, with a particular support to tourist-dependent communities that have suffered due to Covid-19 pandemic crisis.
- **Connectivity:** It will include - but not be limited to - low carbon transport, ICT

and digital transformation, trade and investment facilitation and the enhancement of the region's climate change knowledge economy.

- **Agriculture and Fisheries**: It will include projects relating to long-term food security of the subregion, development of high quality agro-fisheries products and sustainable livelihood for farmers and fisherfolk.
- Other areas determined by BIMP-EAGA and the ROK.

All projects in all sectors that are identified in the cooperation between BIMP -EAGA and ROK must explicitly include targets and outcomes/outputs for gender and social inclusion where applicable and relevant.

### 3 ELIGIBILITY OF PROPONENT FOR PROJECT APPLICATION

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- Government agencies, public sector institutes, academic and research institutes, NGOs, private sector entities or any other autonomous institutes from member countries of BIMP-EAGA and the ROK are eligible to submit funding requests.
- Individual are not eligible to apply for the fund.
- GGGI can participate as a delivery partner to support the implementation of requested components of the approved project with an endorsement of the BIMP-EAGA country or countries where the proposed project will be implemented.

In order to be eligible for grant, the proponent shall not:

- be included in the Consolidated United Nations Security Council Sanctions List and/or debarred by Multilateral Development Banks; and
- have been declared ineligible by GGGI or ROK to participate in a call for proposal or included in an ineligibility list of GGGI or ROK.

### 4 GRANT AWARD PERIOD

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The BKCF welcomes proposals for one year or two years. This is a performance-based funding. The second-year amount for awarded two-year projects will be approved based on the satisfactory performance of the first year.

### 5 GRANT AWARD RANGE

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BKCF accepts proposals for a one year grant for a minimum of USD 50,000 and a maximum of USD 300,000.

The total amount for a two-year grant proposal will be between USD 100,000 and USD 300,000. In the case of multiple countries or BIMP EAGA regional projects, maximum of USD 200,000 per country could be allowed.

## 6 APPLICATION PROCESS

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In collaboration with BIMP-EAGA countries and the ROK, GGGI will provide clear guidance for the application process, selection and the award of grants in a transparent manner. The following are the steps of the application process:

### 6.1 SUBMISSION OF PROPOSAL

The proponent shall submit the proposal and required documents to [bkcf@gggi.org](mailto:bkcf@gggi.org) with the subject of **[Submission] Project Title**. The submission process shall take no longer than 40 business days.

### 6.2 GGGI REVIEW AND SHORTLISTING

The GGGI Review Committee will review and conduct a screening of proposals for shortlisting. The review process will be divided into two steps. First, GGGI will conduct documentation review. After the initial screening, GGGI will contact selected proponents individually and conduct interview, with BIMP-EAGA National Secretariat members participating as observers.

During the screening process, GGGI will also conduct a due diligence review of the proponents to ascertain the proponent's financial, operational, organizational capacity, integrity, and safeguards as required by GGGI's policies.

The shortlisted projects will be submitted for approval to a Steering Committee to be chaired by the Director-General and will be comprised of the senior management team of GGGI. The GGGI review process shall take no longer than 40 business days.

Proponents can be requested to revise the proposal at the review stage. If the proponent does not submit the revised proposal within 10 business days after the receipt of the revision request, GGGI will consider that the proposal has been withdrawn.

During the period of communication with GGGI, the proponent can request extension for an additional 10 business days (maximum). If the proposal is rejected or regarded to be withdrawn at this stage, the proponent will be notified by GGGI.

### 6.3 REVIEW OF BIMP-EAGA NATIONAL SECRETARIAT AND THE ROK

GGGI will prepare the project shortlist and a consolidated project proposal report including an overview of the project purpose, cooperation sector/area, expected outcomes and outputs, project budget estimate and send them to BIMP-EAGA

national secretariat and the ROK to evaluate the shortlist. The BIMP-EAGA national secretariat and the ROK review will take a maximum of 30 business days.

## **6.4 APPROVAL OF THE BIMP-EAGA AND THE ROK**

When the proposed project shortlisting is approved by BIMP-EAGA countries and the ROK during the Senior Officer Meeting, ROK will send an official letter to GGGI with the list of approved projects. GGGI will officially inform and arrange bilateral meetings with selected proponents to brief them on the project preparatory work and contract signing. The process is expected to be completed within 30 business days (maximum).

## **7 OWNERSHIP OF BKCF PROJECT OUTPUTS**

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All the outputs and deliverables generated from BKCF programs/projects will belong to BIMP-EAGA and ROK. The use of project deliverables and generated outputs must be approved by BIMP-EAGA and ROK with advice from GGGI.

## **8 PROJECT INCEPTION AND IMPLEMENTATION**

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The proponent is prohibited from implementing the project until GGGI issues the official final approval. GGGI has the right to reject project funding if project implementation is not undertaken in accordance with the agreed outcomes of the approved project.

When the contract between GGGI and the proponent is signed, the proponent must submit a Detailed Project Work Plan to GGGI. Detailed Project Work Plan will include an activity based calendar and a brief narrative to describe the approach for each output.

After the Detailed Project Work Plan is submitted to GGGI, GGGI will review the Detailed Project Work Plan and make comments, if any, within 10 business days for the revision of the Detailed Project Work Plan.

The proponent needs to submit the revised Detailed Project Work Plan, and the first invoice in accordance with approved budget within 7 business days from the receipt of GGGI comments.

Upon the receipt and approval of revised Detailed Project Work Plan and signed Invoice from the proponent, GGGI will disburse the approved budget in accordance with the budget disbursement plan in the contract. All disbursement to proponents will be made with prior written approval from ROK.

The maximum of the initial disbursement shall not exceed 20 percent of the approved budget for single and multi-year projects.

The proponents should have the tripartite meeting for inception with concerned government authorities and target local government authorities (municipal, provincial or state level) in close consultation with GGGI. GGGI may participate in the kick-off meeting in-person or virtually. The proponents should also have the tripartite meeting for wrap-up during the last quarter of project implementation with the same concerned authorities prior to the project completion.

## 9 MONITORING AND EVALUATION AND FUND DISBURSEMENT MECHANISM

### 9.1 REPORTING TO GGGI, ROK AND BIMP-EAGA

Proponents must submit the following documents in accordance with GGGI's guideline:

- Every 6 months after project launch, the project proponent will present a Project Progress Report including Financial Report with an updated Project Implementation Plan.
- For two-year projects, in addition to the 6 months project reports, the proponents submit an Annual Report to GGGI, ROK and BIMP-EAGA at the end of respective year. GGGI will provide a template to all project leads that follows the institute's reporting framework.
- Project implementers will submit all deliverables and reports to the project proponent, who in turn, will approve the reports and deliverables and submit to GGGI.
- At any given time between two reporting periods, GGGI, ROK and BIMP-EAGA may ask specific progress reporting as necessary.

#### Schedule for Project Reporting

	Single year project		Multi-year project	
<b>Project Start</b>	• Detailed Work Plan (7 days after contract signature)		• Detailed Work Plan (7 days after contract signature)	
<b>6 months</b>	• Progress Report • Updated Implementation Plan	• Financial Report	• Progress Report • Updated Implementation Plan	• Financial Report
<b>12 months</b>	• Annual Report • Project Completion Report	• Annual Financial Report	• Annual Report • Updated Implementation Plan	• Annual Financial Report
<b>18 months</b>	N/A		• Progress Report • Updated Implementation Plan	• Financial Report
<b>24 months</b>			• Annual Report • Project Completion Report	• Annual Financial Report

## 9.2 DISCLOSURE OF PROJECT DOCUMENTS

GGGI may disclose the project information to the public, upon the receipt of the agreement of project proponents.

## 9.3 SUBSEQUENT TRANCHE(S) OF FUND DISBURSEMENT

Following the initial fund disbursement, the proponents may apply for subsequent disbursement tranche(s) by submitting one copy of the relevant deliverable(s) set out under the Project Deliverables (Annex 1 of the project proposal template) and signed invoice to GGGI. Please see Annex 1 for deliverable schedule. GGGI will review the deliverable(s) and make comments, if any, within 10 business days for the revision of the deliverable(s).

Upon the review and approval of revised deliverable(s), GGGI will disburse the approved amount in accordance with the agreed disbursement schedule in the Project Deliverables with prior written approval from ROK.

# 10 PROJECT COMPLETION

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## 10.1 SUBMISSION OF PROJECT COMPLETION AND FINANCIAL REPORT

Proponents must submit Draft Project Completion Report with the Draft Financial Report to GGGI within 30 business days of the completion date of the project. After GGGI's review, the proponents must submit the Revised Project Completion Report reflecting GGGI's comments, if any.

If proponents have not submitted the Project Completion Report, payment of the last tranche of fund disbursement (15% of the approved budget) will be withheld and funding for the next project, if any, will also be withheld until the pending Project Completion Report is submitted and approved. The final Project Completion Report shall be reviewed by GGGI. After a review of the Project Completion Report, GGGI will circulate a final report along with the Project Completion Report, Financial Report and its evaluation to BIMP-EAGA national secretariat and ROK for review.

## 10.2 FINANCIAL REPORT

The Final Financial Report shall be submitted within 30 business days of the completion date of the project. This will be approved and signed by the implementing entity's senior financial officer. Disbursement of the final financial tranche shall take place within 20 business days of the receipt of the final completed financial report, incorporating GGGI comments, if any.

GGGI Finance Team will review the Financial Report. Any findings during the verification process should be followed up and settled (for instance, miscalculation of expenditures, deviation from the approved budget proposal, and others) by GGGI

Finance Team. If deviations from the approved budget are found during the verification process, the proponents will refund any amounts paid to them in respect to claims which were not accounted for under the approved budget.

GGGI informs the proponent of the amount of final disbursement or unspent balance and/or interest earned from the project fund to be refunded to GGGI.

Once all the follow-up actions have been taken and settled, GGGI will inform the ROK accordingly.

### **10.3 REFUND OF UNSPENT BALANCE AND ACCRUED INTEREST**

The unspent balance of project budget and any accrued interest earned from the project fund shall be returned to the BKCF account within 40 business days after the completion of the projects.

## **11 CONTACT**

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If proponents have any queries or require support from GGGI, the proponents can send an email to following address for consultation: [bkcf@gggi.org](mailto:bkcf@gggi.org)