

**Guidelines for the Utilisation of
the ASEAN Animal Health Trust Fund**

I. Purpose of the ASEAN Animal Health Trust Fund

1. The Fund shall be used for the purpose of financing ASEAN Animal Health Projects approved by the Senior Officials Meeting for ASEAN Ministers of Agriculture and Forestry (SOM-AMAF) through recommendation of the ASEAN Sectoral Working Group on Livestock (ASWGL). Its priority is to support the regional coordination for control and eradication of Foot and Mouth Disease (FMD), Highly Pathogenic Avian Influenza (HPAI), Classical Swine Fever (CSF) and other regionalised disease control and eradication programs for economically important animal diseases.

II. ASEAN Animal Health Approved Projects

1. ASEAN animal health approved projects are those which meet all of the following criteria:
 - a. the projects must support the implementation of a regionalised disease control and eradication programs for economically important animal diseases;
 - b. the projects could not qualify for funding under Dialogue Partner facilities or could only be partially supported by Dialogue Partner facilities.
2. A project is considered an ASEAN animal health project eligible for support under the Fund when:
 - a. it is participated by all Member Countries; or
 - b. if not all Member Countries participate, it should benefit the region as a whole, or has a regional impact on the majority of the Member Countries.

III. Procedures for Accessing the Fund

Project Proposal

1. Proposals for the Fund shall be submitted to the Project Appraisal Committee (PAC) through the ASEAN Secretariat.
2. The project proposal shall be presented in the standard format, accompanied by a project brief, prescribed by the ASEAN Cooperation Unit (ACU) of the ASEAN Secretariat.
3. The proposed project budget shall present the details of expenditures broken down into the following categories: (1) administrative costs (2) capital costs and (3) operating costs.

Project Review and Appraisal

4. The PAC through the ASEAN Secretariat shall review the project proposals and submit its recommendation to the ASWGL and SOM-AMAF. For the purpose of its evaluation, the PAC shall use the criteria approved by ASWGL and SOM-AMAF.
5. The project appraisal shall make a statement on the benefits of the project to the ASEAN region (both direct and indirect), and shall assess the financing options (to include the Fund as well as other sources) for the project.

SOM-AMAF Approval

6. The SOM-AMAF shall approve the project seeking access to the Fund, taking into account the recommendations of the PAC and ASWGL and the nature of activities eligible for support under the Fund.

Budget Review Committee Consideration

7. Once a project has been approved by the SOM-AMAF for support under the Fund, the Budget Review Committee (BRC) shall review the funding requirements of the project. For the purposes of the Fund, the budget approved by the SOM-AMAF for a project shall be regarded as an indicative budget. The BRC may streamline the budget or scale it down, provided that it cannot approve a funding commitment higher than the indicative budget approved by the SOM-AMAF.
8. The BRC shall establish its own rules of procedure to ensure expeditious action on funding requests put forward before it.

Issuance of Funding Commitment

9. The BRC's approval of funding commitment for a project shall be officially conveyed by a letter from the Chairman of the BRC to the proponent accompanied by the approved (signed) annualised budget, with copies to the ASEAN National Secretariats.
10. Upon receipt of the copy of the approved budget, the ASEAN National Secretariat of the country hosting the project shall take steps to obtain the names and validate the specimen signatures of the Regional Coordinator /Project Manager and/or his representatives who are to be held accountable for the amounts disbursed under the Fund. The names and specimen signatures shall be submitted to the ASEAN Secretariat.

IV. Eligible Expenditures

1. The Fund shall support projects with clearly defined set of objectives and outputs.
2. The items of expenditure in a project budget shall be classified into three (3) general categories as follows:
 - a. administrative costs: rent, utilities, office requirements, salaries of locally engaged personnel, insurance and taxes;
 - b. operational costs: project overhead costs, recruitment costs, salaries of professional staff engaged in the project, equipment and supplies; and
 - c. capital costs: land and building, and equipment costing more than US\$100,000.
3. The operational costs of the project shall be eligible expenditures under the Fund.
4. The capital and administrative costs shall be borne by the Host Government for the project.
5. Travelling, accommodation and other expenses of delegations attending regular meetings of duly established ASEAN bodies are not eligible expenditures under the Fund.
6. The BRC shall formulate guidelines on the expenditure classification to take into account the particular characteristics of a project, as may be necessary and appropriate.

V. Ownership of Property

1. The ownership of property acquired as a result of expenditures for financing capital costs shall be vested in the Host Government and/or the proponent of the project.
2. The ownership of property acquired as a result of expenditures for financing operational costs shall be vested in the ASEAN Secretariat, provided that in cases where such property is essential for the sustainability of benefits after project completion, the same can be donated to the project, through the Host Government, by the ASEAN Secretariat. The ASEAN Secretariat may redeploy property acquired under a project to other projects supported by the Fund under cost-effective arrangements, or it may sell such property when circumstances warrant. Any proceeds from the sale of property shall accrue to the Fund. The BRC shall formulate guidelines for the use, disposition and sale of property acquired under the Fund.
3. The Host Government and/or the ASEAN Secretariat may not exercise their right to dispose of any property the ownership of which has been vested to them under V.1 and V.2 until after the completion of the project.
4. The ownership of intellectual property acquired as a result of the project shall be vested in the ASEAN Member Countries. The disposition and use of intellectual property rights shall be governed by guidelines to be determined by the SOM-AMAF.