FOREST CARBON PARTNERSHIP FACILITY CAPACITY BUILDING ON REDD+ FOR FOREST-DEPENDENT INDIGENOUS PEOPLES IN EAST ASIA AND THE PACIFIC AND SOUTH ASIA REGIONS PROJECT (P153585, FCPF Grant No. TF0A3570)

OPERATIONAL MANUAL

October 1, 2016
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# TABLE OF CONTENTS

**Acronyms** ......................................................... 4  
**Background** ....................................................... 5  
**I. Project Description** ........................................... 6  
  A. Project objective and results .................................. 6  
  B. Countries of implementation ................................... 7  
  C. Project components ........................................... 7  
  D. Schedule of implementation ................................... 9  
  E. Detailed budget ............................................... 10  
**II. Implementation Arrangements** ............................... 12  
  A. Guiding principles ........................................... 12  
  B. Governance structure ........................................ 13  
    1. The World Bank Facility Management Team of the FCPF .... 13  
    2. The Regional Steering Committee ............................ 14  
    3. Tebtebba ................................................... 15  
    4. The sub-recipients ....................................... 19  
**III. Selection of Capacity Building Activities and Eligible Organizations** ............... 20  
  A. Eligibility Criteria .......................................... 20  
    1. Component 1 eligible FCPF countries ....................... 20  
    2. Sub-recipient organizations ................................ 20  
    3. Eligible Activities ....................................... 21  
**IV. Implementation Plan** ......................................... 22  
  A. Implementation arrangements .................................. 22  
  B. Workplan ................................................... 25  
  C. Sub-grant selection procedure ................................ 27  
  D. Schedule of procurement actions .............................. 29  
  E. Schedule of disbursements for each project component ...... 31  
**V. Fiduciary Aspects** ............................................. 32  
  A. Tebtebba’s management of funds ............................. 32  
    a. Withdrawal of grant proceeds ............................... 33  
    b. Financial management structure and corresponding duties and responsibilities .......................... 34  
    c. Program accounting ....................................... 35  
    d. Chart of accounts ......................................... 35  
    e. System of approval and authorized signatories ............ 36  
    f. Disbursement, liquidation and monitoring of sub-grants .... 36  
    g. Policies and procedures on purchasing items that are not subject to Bank procurement rules, per diem, travel .......................... 37  
    h. Disbursement procedures ................................... 38  
    i. Financial reports .......................................... 39  
    j. Audit arrangements ....................................... 39  
  B. Management of funds by the sub-recipient .................... 40  
**VI. Complaints Processing and Resolution** ............................. 41  
**VII. Safeguards** ................................................ 41  
**VIII. Monitoring and Evaluation** .................................. 42  

- **TABLE OF CONTENTS**
ACRONYMS

AUP – Agreed Upon Procedures
CBP – Capacity Building Program
CSOs – Civil Society Organizations
DGM – Dedicated Grant Mechanism
EAP – East Asia and Pacific
FCPF - Forest Carbon Partnership Facility
FIP – Forest Investment Program
FMT – Facility Management Team
HRC – UN Human Rights Council
IPs – Indigenous Peoples
IPOs – Indigenous Peoples’ Organizations
IPSSDD – Indigenous Peoples’ Sustainable, Self-Determined Development
LCs – Local Communities
M&E – Monitoring and Evaluation
PC – Participants Committee
PDO – Project Development Objective
PMT – Project Management Team
REDD+ - reducing emissions from deforestation and forest degradation, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries
RSC – Regional Steering Committee
SAR – South Asia Region
SOE – Statement of Expenditures
SRA – Sub-Recipient Agreement
TTL – Task Team Leader
UNCBD – United Nations Convention on Biological Diversity
UNFCCC COP18 – Eighteenth Conference of Parties to the United Nations Framework Convention on Climate Change
UNPFII – United Nations Permanent Forum on Indigenous Issues
WB – World Bank
Background

There is a lot of pressure being put in the forest like agriculture, extraction of mineral resources and deforestation, among others. All of these result to a lot of gas emissions. So there is really a need to look into all these pressures and see how to reduce or cut back on the emissions. Together, this is called reducing emissions from deforestation and forest degradation, and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries or REDD+.

Among the social and environmental safeguards that were agreed under REDD+ is the right of indigenous peoples (IPs) to participate fully and meaningfully in REDD+ related processes and to ensure that the collective rights of IPs as it relates to their lands and territories are safeguarded during REDD+ design and implementation. To facilitate this, IPs requested an allocation for capacity building activities specifically for IPs under the Forest Carbon Partnership Facility (FCPF). This was discussed in regional and global dialogues between the IPs and FCPF. As a result, the establishment of a capacity building program for Indigenous peoples was agreed in Doha, Qatar after the UNFCCC COP18 in 2012. This was then approved by the FCPF Participants Committee as the Capacity Building Program on REDD+ for forest dependent indigenous peoples and other forest dwellers and southern civil society organizations.

The FCPF is a global partnership of governments, Donors, private sector, civil society, and indigenous peoples focused on REDD+. The objectives of the FCPF are to a) assist countries in their REDD+ efforts by providing them with financial and technical assistance in building their capacity to benefit from possible future systems of positive incentives for REDD+; b) pilot a performance-based payment system for REDD+ activities, with a view to ensuring equitable benefit sharing and promoting future large-scale positive incentives for REDD+; c) to test ways to sustain or enhance livelihoods of local communities and to conserve biodiversity; and d) to disseminate lessons learned.

There are two funds within the FCPF namely Readiness Fund and Carbon Fund. Under the readiness fund, grant resources are allocated to implement capacity building, institutional strengthening, and analytical works to help enhance readiness to tap into any future system of positive incentives for REDD+. Concrete activities implemented under readiness include the development of reference scenarios,\(^1\) the adoption of a REDD+ strategy, the design of monitoring systems for reporting and verification, the establishment of REDD+ national management arrangements, and the identification of social and environmental impacts associated with REDD+. Concerted efforts have been made in those countries in the readiness phase to develop national levels that are socially inclusive of REDD+ strategies. The role of stakeholders, including the civil society actors and forest-dependent communities’ engagement, becomes crucial in ensuring REDD+ benefits to these stakeholders and managing social and environmental risks and impacts. The WB houses the FCPF Facility Management Team (FMT) which is responsible for the operation of the facility.

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\(^1\) "Reference scenario" refers to a scenario that reasonably represents the volume of emissions from an emissions reduction program, expressed in tons of carbon dioxide equivalent per year, relative to which emission reductions are measured, reported, and verified.
The Participants Committee (PC) of the FCPF is the main decision-making body. It is composed of an equal number of REDD+ countries and donors, and observers representing indigenous peoples, civil society organizations (CSOs), international organizations, and the private sector. The FCPF recognizes the importance for developing countries to design and develop series of sustainable development programs in a climate-friendly way.

The Capacity Building Program (CBP) of the Readiness Fund has two components, one for forest-dependent indigenous peoples and another for Southern CSOs and LC. The objective of the CBP is to provide forest-dependent indigenous peoples, and Southern CSOs and local communities with information, knowledge, and awareness on REDD+ to enhance their understanding on REDD+, and to enable them to engage more meaningfully in the implementation of REDD+ readiness activities. The aim is to support activities that empower and enable these stakeholder groups, to enhance and influence REDD+ development outcomes, and also to strengthen mechanisms for inclusion, accountability, and participation.

Phase 1 of the CBP was implemented through the WB’s corporate procurement system where implementing organizations were selected and contracted as consultants to carry out specific capacity building activities. Internal discussions decided to implement new activities of the CBP through the WB’s “Procedures for Small Recipient-Executed Trust Fund Grants”. Following this, recipients were selected. Following this, IPOs and CSOs applied as regional intermediaries and the Bank selected six organizations (with 1 IPO and 1 CSO in each of the 3 regions) as the recipients of the fund in accordance with the fiduciary standards of the Bank.

For the East Asia-Pacific and South Asia region, Tebtebba Foundation (Indigenous Peoples’ International Centre for Policy Research and Education) was chosen to be the Recipient. The beneficiaries of the project will be forest-dependent IPs and their representative organizations and institutions in the ten FCPF eligible countries in Asia and the Pacific, namely Bhutan, Cambodia, Fiji, Indonesia, Nepal, Pakistan, Papua New Guinea, Thailand, Vanuatu and Vietnam, which will be eligible to participate in regional learning and exchange activities (activities funded under Component 2). Of the ten countries, six (6) countries have been identified to be eligible to participate in national-level activities (under Component 1), namely Bhutan, Fiji, Pakistan, Papua New Guinea, Vanuatu and Vietnam.

I. PROJECT DESCRIPTION

A. Project Objective and Results

The project development objective (PDO) is to strengthen: (i) the knowledge of targeted forest-dependent indigenous peoples on REDD+ Readiness at the national level and (ii) knowledge exchange at the regional level.

Specifically, the project aims to achieve the following outcomes:

1. Capacity building activities on REDD+ undertaken by indigenous peoples’ organizations in FCPF countries in Asia-Pacific have resulted to strengthened communities and effective engagement with governments at local and national levels;
2. Knowledge products on indigenous peoples and REDD+ have been developed and knowledge-sharing activities on land tenure of indigenous peoples undertaken and shared with indigenous peoples’ organizations, governments and other stakeholders in Asia-Pacific;

3. Efficient project management by Tebtebba has led to successful implementation of the project.

4. The achievement of the PDO will be measured using the following indicators:

   - Share of target beneficiaries with knowledge score of 3 or more on REDD+ and related issues (Target: 80%)
   - National knowledge exchange products disseminated in appropriate languages (Target: 6)
   - Regional knowledge exchange products disseminated in appropriate languages and accessible formats (Target: 2)
   - Meetings held between IP representatives and national REDD+ decision making entities (Target: 12)
   - Direct project beneficiaries, of which female (Target: 400, 50%)

B. Countries of Implementation

This project with a total budget of US$490,750 shall be implemented in FCPF countries in EAP and SAR regions, which are Bhutan, Cambodia, Fiji, Indonesia, Nepal, Pakistan, Papua New Guinea, Thailand, Vanuatu and Vietnam. Of these countries, only six (6) are eligible for funding support under Component 1 (national level capacity building), namely: Bhutan, Fiji, Pakistan, Papua New Guinea, Vanuatu and Vietnam for the following reasons:

1. Their respective governments have signed Readiness Grant Agreements with the FCPF and started with the implementation of readiness (as confirmed by a Bank mission), thereby allowing the project to reinforce their REDD+ Readiness efforts;

2. They are not beneficiaries of the Global Dedicated Grant Mechanism (DGM) for Indigenous Peoples and Local Communities project of the FIP; and

3. They are not beneficiaries of FCPF Capacity Building Phase 1 funds.

C. Project Components

The project shall have three (3) components. In all components, the issues and concerns of indigenous women and youth must be addressed thus their participation in all activities must be ensured.

1. National Capacity Building and Awareness Raising (US$294,450)
This component will support capacity building and awareness raising activities of forest-dependent IP communities and of national or local organizations representing Forest-Dependent Indigenous Peoples, to enable them to engage government and other stakeholders involved in REDD+ processes.

Sub-component 1.1: Implementation of capacity building and awareness raising activities

Tebtebba will issue calls to a pre-identified list of IP organizations/ institutions in the six countries to submit sub-grant proposals for Component 1 and will provide general guidance in the conceptualization and design of capacity building programs.

Activities should be aimed at educating IP communities and at engaging government and other stakeholders involved in REDD+ processes. Tebtebba will supervise the implementation of activities (as sub-projects and/or through direct implementation through consultancies), in accordance with the processes and procedures as specified in this Operational Manual. The criteria for proponent organizations and eligible activities are elaborated in Section III.2 and Section III.3 respectively of this Operational Manual.

Sub-component 1.2: Support and empowerment of IP organizations and institutions

The project will finance activities that strengthen the capacities of select national IP organizations and institutions to participate in the implementation of REDD+ Readiness actions. The project will help enhance entities’ REDD+ capacities by facilitating liaison between them and the respective REDD+ focal points, FCPF IP observers and governmental committees for climate change at both local and national levels through joint workshops and meetings around key themes. This would entail joint meetings of national IP institutions and organizations and training of selected representatives as needed.

2. Regional Exchange and Sharing of Lessons Learned (US$139,725)

This component will finance activities that aim to document and publicize program activities with a view to highlighting good practices and lessons learned. Activities to be supported will include a dissemination and awareness workshop as well as the publication of written and audio-visual materials.

Sub-component 2.1 Regional learning and exchange

Regional Workshop: A regional workshop will be organized to orient participants on the project and the indigenous peoples sustainable self-determined development (IPSSDD) framework and approach of Tebtebba, share knowledge products on REDD+ for IP communities, including deliverables of the CBP Phase I, discuss relevance of indigenous knowledge and practices on REDD+ strategies. The workshop will include a side event on indigenous women and REDD+ that will discuss challenges and good practices related to IP women’s participation and representation in the REDD+ Readiness process. Workshop participants will include two (2) representatives each from sub-grant recipient organizations as well as IP representatives from the other 4 FCPF countries, the Asia-Pacific IP observer, REDD+ Focal Points of the Asia and Pacific FCPF countries.
and REDD+ related programs. The project will fund the participation of participating countries’ representatives while other participants will be invited but should cover their costs of participation.

Sub-component 2.2: Dissemination of knowledge products and lessons learned

Knowledge Products and Lessons Learned: The project will make use of Tebtebba’s knowledge-sharing platform such as websites, social media and email lists as described in 3.b of Section 2.B of this Operational Manual to disseminate new and existing REDD+ educational and knowledge products, and communication of lessons learned/good practices from Component 1 to the wider IP audience in FCPF countries (in Asia and the Pacific and elsewhere). New products are likely to include a regional research on land tenure and forest policy, and analytical work on benefit-sharing and grievance redress mechanism, as identified by stakeholders during preparatory consultations. This regional research will be undertaken by a consultant, to be chosen based on qualification, understanding and sensitivity to IPs concerns, issues and perspectives, in three (3) FCPF countries. The outputs will be published and shared in Tebtebba’s existing communication platforms.

3. Management, M&E and reporting (US$56,575)

External Audit (US$7,500)

As a Bank requirement, an independent external auditor will be contracted to give an opinion whether the financial statements give a true and fair view of the financial position at project completion, and an appraisal on the reliability and effectiveness of management and financial control systems and recommendations to improve these, if any.

Administration, M&E and Operational Cost (US$49,075)

This component will finance incremental costs of implementing the project, including but not limited to sub-grant proposal review, risk assessments, fund disbursements, procurement and financial management of the grant funds, monitoring and evaluation and reporting, operation of a grievance redress mechanism, any training for project staff and safeguard compliance.

D. Schedule of Implementation

The project is for a period of 24 months and implementation will start upon signing of the Grant Agreement (project effectiveness). The invitation for submission of sub-grant proposals, technical review, due diligence and approval of sub-grant proposals under Component 1 shall be completed by the 3rd month of project time frame. Sub-grant proposals should cover a period of not more than 15 months, meaning within this period all planned activities should have been implemented and all required reports submitted to Tebtebba by the 18th month of the project. This will facilitate the development of required completion reports from Tebtebba and submission by the end of the 24th month.
F. Detailed Budget

The project will be financed by a Small Recipient Executed Trust Fund grant from the FCPF through the World Bank with a total amount of US$490,750, to be implemented over 24 months. The following is the project’s detailed budget table:

<table>
<thead>
<tr>
<th>Component/Activity</th>
<th>Total Budget (US$)</th>
<th>Year 1</th>
<th>Year 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Component 1: National Capacity Building and Awareness Raising</strong></td>
<td>294,450</td>
<td>265,000</td>
<td>29,450</td>
</tr>
<tr>
<td>Sub-component 1.1: Implementation of capacity building and awareness raising activities</td>
<td>294,450.00</td>
<td>265,000*</td>
<td>29,450</td>
</tr>
<tr>
<td>Support to IP communities through 6 capacity building programs (sub-grant and/or consultancies)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-component 1.2: Support and empowerment of IP organizations and institutions</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Workshops and meetings between national and local IP organizations and institutions in each of the 6 countries</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Workshops and meetings between IP organizations and institutions and the respective REDD+ focal points, FCPF IP observers and governmental committees for climate change in each of the 6 countries.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Component 2: Regional Exchange and Sharing of Lessons Learned</strong></td>
<td>139,725</td>
<td>93,325</td>
<td>46,400</td>
</tr>
<tr>
<td>Sub-component 2.1: Regional learning and exchange</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Regional Workshop, including side event for indigenous women, and financial management orientation for sub-grant/consultancies recipients (38 pax including Tebtebba, documentors and interpreters**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Notes</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodations</td>
<td>11,493</td>
<td>0</td>
<td>11,493</td>
</tr>
<tr>
<td>Food/meals</td>
<td>5,572</td>
<td>0</td>
<td>5,572</td>
</tr>
<tr>
<td>Plane Fares (31 pax)</td>
<td>45,100</td>
<td>0</td>
<td>45,100</td>
</tr>
<tr>
<td>Travel incidentals (31 pax)</td>
<td>9,300</td>
<td>0</td>
<td>9,300</td>
</tr>
<tr>
<td>Travel of Tebtebba &amp; documentors</td>
<td>600</td>
<td>0</td>
<td>600</td>
</tr>
<tr>
<td>Honorarium of documentors &amp; interpreters</td>
<td>2,835</td>
<td>0</td>
<td>2,835</td>
</tr>
<tr>
<td>Training materials, equipment, communications, etc</td>
<td>1,100</td>
<td>0</td>
<td>1,100</td>
</tr>
</tbody>
</table>

### Sub-component 2.2: Dissemination of knowledge products and lessons learned

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Notes</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preparation and dissemination of new knowledge products (e.g., Regional Research on State of Land Tenure and Forest Policy) and dissemination of existing knowledge products through existing platforms</td>
<td>63,725</td>
<td>17,325</td>
<td>46,400</td>
</tr>
<tr>
<td>Research Coordinator</td>
<td>9,500</td>
<td>3,325</td>
<td>6,175</td>
</tr>
<tr>
<td>Researchers (3 countries)</td>
<td>30,000</td>
<td>10,500</td>
<td>19,500</td>
</tr>
<tr>
<td>Field expenses of researchers</td>
<td>10,500</td>
<td>3,500</td>
<td>7,000</td>
</tr>
<tr>
<td>Editor</td>
<td>6,500</td>
<td>0</td>
<td>6,500</td>
</tr>
<tr>
<td>Printing, lay-outing, proof reading, printing supervision</td>
<td>7,225</td>
<td>0</td>
<td>7,225</td>
</tr>
</tbody>
</table>

**Component 3: Grant Administration and Project Management**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Notes</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Component 3: Grant Administration and Project Management</strong></td>
<td>56,575</td>
<td>25,035</td>
<td>31,540</td>
</tr>
<tr>
<td>a. Administration, M&amp;E and Operational Cost</td>
<td>49,075</td>
<td>25,035</td>
<td>24,040</td>
</tr>
<tr>
<td>--------------------------------------------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>Project Team Leader</td>
<td>22,160</td>
<td>11,080</td>
<td>11,080</td>
</tr>
<tr>
<td>Finance Staff (financial management and disbursement)</td>
<td>9,330</td>
<td>4,665</td>
<td>4,665</td>
</tr>
<tr>
<td>Communication and Supplies</td>
<td>1,585</td>
<td>790</td>
<td>795</td>
</tr>
<tr>
<td>Equipment (2 laptops and an external storage disk)</td>
<td>2,500</td>
<td>2,500</td>
<td>0</td>
</tr>
<tr>
<td>Monitoring and Evaluation and safeguard compliance assurance</td>
<td>13,500</td>
<td>6,000</td>
<td>7,500</td>
</tr>
</tbody>
</table>

| b. Audit | 7,500 | 0      | 7,500  |
| Audit Fee | 7,500 | 0      | 7,500  |

**TOTAL BUDGET** | **490,750** | **383,360** | **107,390** |

**NOTES:**
1. A 10% deviation from the approved Main Budget Lines is allowed but must be reported, beyond 10% requires the approval of the Bank
2. *based on first 2 tranches of 45% each, 10% balance upon completion and submission of required reports; six (6) sub-recipients/consultants with a budget ranging between US$45,000 to 50,000
3. Foreign exchange rate used: 1US$ = PhP46.00
4. ** All the expenditure under this item will be for actual, and supported with a voucher.

### II. IMPLEMENTATION ARRANGEMENTS

#### A. Guiding Principles

The principles guiding the FCPF-Capacity Building Program are as follows:

- **Transparency and consistency.** The project will adhere to the highest standards of transparency at all levels. As such, Tebtebba may opt to create a website or make a page under its existing website that contains all information about the project. Tebtebba shall also keep a copy of all communications with the WB and proceedings of workshops or meetings for future references.

- **Results framework.** The implementation of the project should ensure that its objective, to strengthen: (i) the knowledge of targeted forest-dependent indigenous peoples of REDD+ Readiness at the national level; and (ii) knowledge exchange at the regional level, is met. The results of the project will be monitored and evaluated to ensure that the intended beneficiaries of the project are benefitting. The agreed results framework for
the project will be used to track project progress toward achieving its development objective.

- **Local ownership and unity.** Tebtebba will be responsible for the overall implementation, coordination and oversight of the project activities. Under component 1 of the project, forest-dependent indigenous people’s organizations/institutions may be eligible for the implementation of capacity building activities in their respective FCPF countries (Bhutan, Fiji, Pakistan, Papua New Guinea, Vanuatu and Vietnam). The eligible organizations/institutions will be selected based on criteria and procedures reflected in this operational manual. The members of the Regional Steering Committee (see below) shall all come from the region to reflect regional ownership and unity.

- **Maximize participation at the country and grassroots level.** The implementation of the project shall ensure the active engagement and participation of relevant stakeholders, including forest-dependent indigenous peoples. Special consideration should be given to IPs youth and women and the sub-grant/consultancies’ recipients should prioritize their participation.

**B. Governance Structure**

**1. The World Bank Facility Management Team of the FCPF**

The World Bank as the Trustee of the FCPF Readiness Fund will be represented by the Task Team Leader (TTL) and his/her team who will directly assist Tebtebba in achieving project objectives on an ongoing basis, and ensuring that grant proceeds are used solely for the purposes under which these were granted. The support to be provided by the WB revolves around two main dimensions:

- **Supervisory and operational advice** by which the Bank brings added value to Tebtebba, providing supervision and advice to improve results at the project level, including, supporting the preparation of project documents (i.e., operational manual, workplan of activities, etc.).

- **Compliance oversight** by which the Bank oversees and provides advice as necessary to Tebtebba, to implement the project with due diligence to achieve its development objectives in conformity with the project’s grant agreement (this includes compliance with project and fiduciary tasks such as procurement, financial management, disbursement and safeguard compliance).

In addition, the World Bank will support Tebtebba, by coordinating internally with the respective country management unit, to obtain the consent of the government to have activities implemented within its borders. This is a requirement of the Bank, in cases such as this one, where the Bank provides grants directly to entities other than the member government (e.g., to a nongovernmental organization). Letters of consent will be sought from countries’ ministries of finance before activities are approved by the Bank for implementation in-country in order to ensure alignment with countries’ wider engagement with the World Bank on climate change, REDD+ and forestry.
The Bank and Tebtebba will work together to ensure that mechanisms established to ensure transparent and inclusive participation of stakeholders in the region are in place and acceptable to the Bank and project stakeholders (including in relation to the Regional Steering Committee).

The Facility Management Team (FMT) of the FCPF, housed at the World Bank, acts as the Secretariat of the FCPF, as such it is responsible for the overall management of the Capacity Building Program (at a global level). In addition, the FMT is responsible for approving the allocation of funds and to report to the FCPF Participants Committee (PC) on the implementation of the Program.

2. The Regional Steering Committee

A Regional Steering Committee (RSC) will be set up to act as an external advisory body and ensure transparency. The RSC will be composed of indigenous peoples’ representatives from the FCPF countries in the region. An organization represented in the RSC is disqualified from submitting a sub-project proposal. There will be two representatives from each sub-regions: South Asia, South East Asia and Pacific. A regional indigenous peoples’ network, in this case the Asia Indigenous Peoples Pact (AIPP), will be represented and will serve as the convener.

The members of the RSC shall be:
- An indigenous person;
- Familiar with indigenous peoples’ rights and REDD+ issues;
- Familiar with capacity building needs of IPs in the countries;
- Able to understand and communicate in English; and
- Committed to provide time.

The members of the RSC have been self-selected from the FCPF countries and their services will be voluntary. In case a member quits her/his membership before the closing of the project, the organization which she/he represents nominates a replacement. The most cost efficient mode of communication is through emails and skype calls and the convener shall maximize opportunities where the members are present to convene meetings as necessary.

The following are the self-selected members of the RSC for this project:
- Vietnam: Loung Thi Troung, Center for Sustainable Development in Mountainous Areas (CSDM);
- Nepal: Tunga Rai, Nepal Federation of Indigenous Nationalities (NEFIN);
- Indonesia: Mina Susana Setra, Aliansi Masyarakat Adat Nusantara (AMAN);
- Cambodia: Vaing Samrith, Cambodia Indigenous Youth Association (CIYA);
- Fiji: Nunia Thomas, Nature Fiji Mareqeti-Viti;
- Vanuatu: Charlie Timpoloe Harrison, Vanuatu Association of NGOs; and
- Asia Indigenous Peoples’ Pact (AIPP): Joan Carling/LakpaNuri Sherpa;

The roles and responsibilities of the RSC are as follows:
- Serves as advisory committee to Tebtebba;
• Recommends eligible indigenous peoples’ organizations to be invited to submit sub-grant proposals;
• Undertakes the first review of proposals and submits the ranking to Tebtebba;
• Respects the due diligence results;
• Assists in monitoring sub-project management, including reporting as necessary;
• Discusses and agrees on the national and regional needs and priorities;
• Agrees on the timeline for national and regional activities in coordination with Tebtebba;
• Provides technical assistance as needed in the national and regional activities;
• Monitors the national REDD+ processes and Cancun safeguards implementation;
• Optimizes other regional meetings, as venue to convene the RSC for its meetings;
• Organizes regular communication among constituency to share country updates and maintain regular communication. This can be done through Skype call, list serve and other means;
• Acts as conduit to facilitate exchange of the information between the indigenous communities and the government; and
• Be a member of the Grievance Committee as needed.

There is no budget for the RSC, thus RSC meetings will maximize regional activities to meet and make use of regular communications like emails, skype, etc to update each other on matters mentioned in the bullets above.

3. Tebtebba

The recipient of this project is Tebtebba Foundation (Indigenous Peoples’ International Centre for Policy Research and Education). As the recipient, Tebtebba shall:

• Sign a Grant Agreement with the World Bank that spells out the Grant related responsibilities of the Bank and Tebtebba in executing the grant and relevant procedures, policies, etc. The Grant Agreement includes, among other things, provisions on: (i) the objectives of the project; (ii) activities eligible for funding; (iii) Tebtebba’s obligations in respect of procurement, contract administration, financial management and auditing, safeguards compliance, and progress reporting procedures; and (iv) disclosure of information.
• Be responsible for the overall implementation, coordination, grievance management, M&E and reporting of project activities, in accordance to the Grant Agreement. Tebtebba will make use of its existing grievance mechanism in handling complaints in relation to the project.

In terms of the implementation of the capacity building and activities at the national level under Component 1 (sub-grant program), Tebtebba will:
• Prepare a simple project proposal format with clear guidelines and invite organizations recommended by the RSC to submit sub-grant proposals (see Annex 1 and Annex 2 for the invitation and proposal format, respectively);
• Receive and forward the proposals to the RSC for prioritization;
• Conduct technical review of proposals prioritized by the RSC and a due diligence;
• Approve a final list of eligible proposals and inform the RSC;
• Send the approved proposals to the World Bank for no objection (the Bank will facilitate no-objection letters from the relevant country’s ministry of finance);
• Following World Bank no objection, notify concerned IPOs;
• Prepare and sign sub-grant agreements (see Annex 3 for a template)/consultancy contracts with recipients;
• Transfer funds to recipients based on agreed procedures;
• Provide general guidance to sub-recipients in the implementation of their capacity building programs;
• Monitor sub-projects/consultancies and identify gaps/challenges in sub-projects implementation and in reaching objectives and share to RSC for joint intervention as necessary;
• Assist sub-recipients in enhancing their capacity related to the implementation of their sub-projects. When funding is available and sufficient, invite participants from sub-recipients to capacity building activities initiated by Tebtebba (in addition to the regional financial management orientation under Component 2);
• Evaluate sub-projects/consultancies 6 months before sub-project termination;
• Provide venues of sharing good practices in the operationalization of the “Holistic Framework and Strategy for Indigenous Peoples Sustainable, Self-Determined Development” by organizing learning exchange visits of indigenous peoples, documentation of stories from the communities, participation in conferences, etc;
• Provide to the World Bank and RSC members narrative progress reports and status of funds every six (6) months; annual, completion and audited financial reports to RSC members and the World Bank; (semi-annual reports are due not later than one month after the end of the reporting period; completion and audited financial reports are due not later than 6 months after the end of the reported/audited period).

a. The Project Management Team (PMT)

A PMT, composed of three (3) members, will be organized and housed in Tebtebba. This shall be composed of a team leader, a finance staff and a procurement staff who are all Tebtebba staff and will be detailed to the project. The finance staff member will be in charge of disbursements and financial management of the grant proceeds as per the procedures spelled out in this Operational Manual, project paper and grant agreement. The team leader and the finance staff, who will devote 100% of their time to the project, will also be responsible for M&E and safeguard compliance assurance. The procurement staff will contribute to project implementation as needed and his/her time covered by Tebtebba.

Generally, the PMT shall coordinate the day-to-day implementation of the project, carry out fiduciary tasks and conduct project M&E and reporting. The PMT shall coordinate with the World Bank through the World Bank Task Team Leader. Supervision of the work of the PMT is vested on the Management Committee (ManCom) of Tebtebba which is headed by the Executive Director. The ManCom will approve the successful sub-recipients and financial and narrative reports, ensure the implementation of policies and agreed upon procedures and conduct update
meetings. It coordinates with the different programs within Tebtebba, e.g., the climate change mitigation program, gender, for additional guidance in the implementation of the project.

Specifically, the PMT has an important fiduciary role in the implementation of the project. The PMT shall help ensure that Agreed Upon Procedures (AUP) spelled out in the Grant Agreement are followed and being implemented.

Specific fiduciary tasks are:

**In general for the project:**

a. Receive and evaluate deliverables of consultancies and sub-grant recipients as appropriate;
b. Conduct procurement activities in accordance with the project procurement plan, procedures spelled out in the Grant Agreement and detailed in the Operational Manual;
c. The finance staff shall ensure that complete project files including those from the sub-recipients are maintained;
d. Ensure that an external audit report is submitted timely to the World Bank;
e. Submit periodic Statement of Expenditures (SOEs) every semester to the World Bank in a timely and quality manner;
f. Will make sure full compliance for financial management and disbursement as laid out in the Grant Agreement, Disbursement letter and Operational Manual; and
g. Manage a grievance redress mechanism that is responsive to complaints submitted to Tebtebba
h. Ensure safeguards compliance in line with World Bank safeguards policies.

**Specifically for sub-grants/consultancies under Component 1:**

a. Receive and evaluate sub-grant SOEs and supporting documents from sub-grantees;
b. Analyze expenses as expressed in the SOEs, identify which are eligible expenses and if expenses are those that are agreed upon in the approved budget;
c. Communicate with sub-recipients and clarify expenses which are deemed ineligible until the final status of these expenses are clarified;
d. Co-relate the periodic SOE with the narrative report;
e. Authorize fund disbursement and document eligible expenses that were submitted by the sub-recipients;
f. Draft official communication to sub-recipients for the ManCom, recommending on the status of the SOE whether it will be approved or further action will have to be done, pointing issues for resolution/clarification by the sub-recipients in the course of the implementation of the sub-project;
g. Communicate/follow up regularly with sub-recipients: regarding the completion of their periodic SOE, submission of an Audit report, coordinate community visits, submission of reports, stories and write-ups of sub-project implementation experiences, etc;
h. Ensure that sub-grants/consultancies’ activities are in compliance with World Bank environmental and social safeguard policies;
i. The PMT Team Leader will coordinate with the Administration and Finance Department of Tebtebba in writing for the release of funds to sub-recipients.

j. The PMT finance staff of the project will do monthly monitoring of Budget VS Expenses, showing the balances in each Budget Line of the whole project and the sub-projects/consultancies respectively. This will be the basis of recommendations by the PMT Team Leader to the Management Committee for any action that it has to undertake whenever there is an unusual spending pattern that is observed as shown in the monitoring of expenses.

k. Facilitate/make available project documents in key language for better awareness of procedures, policies and guidance for satisfactory implementation of sub grants.

Below is the Organigram of the Project.

\[ PROJECT\ ORGANIGRAM \]

\[ Organigram \]

\[ Communication \]

Tebtebba has a system of knowledge management in place that will be used for the project. It has the following knowledge-sharing platforms:

- Websites, social media and email lists. Relevant information such as news/feature articles
and reports; activities such as workshop, training, conferences; and publications and other products are posted in our website www.tebtebba.org and www.indigenousclimate.org. Listserves and the social media (https://twitter.com/tebtebba, http://www.facebook.com/pages/Tebtebba/111444172293338, and Instagram) are utilized for information management and information dissemination. Sub-recipient's/recipient's of consultancies’ websites, if available, will also be maximized for uploading information materials on the project.

- Feature and news articles are written to highlight project implementation. These articles are published in the Tebtebba Indigenous Information Service, posted online, distributed to various media outlets (online and traditional), published in Tebtebba and partners’ publications.

- Organizing side events, exhibit booths and press conferences during key global processes: UNPFII, UNCBD, UNFCCC, HRC can be maximised to share project implementation, lessons learned and good practices.

4. The Sub-Recipients

The sub-recipient are the indigenous peoples’ organizations selected to implement approved sub-grant proposals under Component 1. Sub-recipients will be selected based on the criteria and the foregoing selection process. There is also a possibility that some sub-recipients will be contracted directly as consultants by Tebtebba (not as sub-grant recipients) in case the need arises, for example, if a sub-recipient has strong technical expertise and experience but it does not have sufficient capacity or manpower to manage a sub-grant. The modality of engagement with sub-recipients (through sub-grants or through consultancies) will be agreed on with Tebtebba’s Management Committee, the RSC and the World Bank. The duties and responsibilities of the sub-recipients, when sub-grants are concerned, are as follows:

- Open a bank account that is specific for the sub-project;
- Hire the appropriate personnel who will be involved in the implementation of the sub-project (finance staff must be a finance graduate with minimum three (3) years experience);
- Implement the sub-grant proposal in accordance with the approved proposal and the procedures spelled out in the sub-recipient agreement/contracts (see template in Annex 3);
- Exercise the same care in the administration of the sub-grant as it exercises in the administration of its own funds, having due regard to economy and efficiency and the need to uphold the highest standards of integrity in the administration of public funds, including the prevention of fraud and corruption like giving gifts in return of favors;
- Provide adequate insurance for assets of the sub-project;
- Monitor and evaluate activities’ progress;
- Cooperate with the WB, Tebtebba and upon request by Tebtebba, the RSC and provide full access to visit the headquarters of the sub-recipient and the sub-project implementation area and to undertake sub-project monitoring and evaluation; and
• Submit to Tebtebba the needed progress reports, both narrative and financial, as well as the final narrative and SOEs.
• Submit audit reports.

III. SELECTION OF CAPACITY BUILDING ACTIVITIES AND ELIGIBLE ORGANIZATIONS

A. Eligibility Criteria

1. Component 1 eligible countries

The project shall be implemented in ten FCPF countries in EAP and SAR regions which are Bhutan, Cambodia, Fiji, Indonesia, Nepal, Pakistan, Papua New Guinea, Thailand, Vanuatu and Vietnam. Of these countries, those eligible for funding support under Component 1 are Bhutan, Fiji, Pakistan, Papua New Guinea, Vanuatu and Vietnam for the following reasons:

1. Their respective governments have signed Readiness Grant Agreements with the FCPF, and started with the implementation of readiness (as confirmed by a Bank mission), thereby allowing the project to reinforce their REDD+ Readiness efforts;

2. They are not beneficiaries of the Global Dedicated Grant Mechanism (DGM) for Indigenous Peoples and Local Communities project of the FIP; and

3. They are not beneficiaries of FCPF Capacity Building Phase 1 funds.

2. Sub-Recipient Organizations

In endorsing a priority list of sub-grant recipients, the RSC will consider the following eligibility criteria:

• The sub-grant recipients should be indigenous peoples’ organizations working directly with indigenous peoples who have direct work on REDD+ and REDD+-related strategies from FCPF countries eligible for funding support as stated above;

• Must have implemented projects for at least three (3) years

• Can provide proof of legal registration at the country level, and a copy of its finance policy;

• Extent of representation of forest-dependent IPs within a given eligible FCPF country and experience in direct work with IP communities;

• Track record of work on REDD+ and related strategies, and/or issues related to forestry;

• Demonstrated technical, financial management (including an organizational bank account), procurement, M&E and reporting and safeguards compliance capacities that would allow timely implementation and reporting and safeguards compliance capacities that would allow timely implementation and reporting;

• Ability to communicate with Tebtebba, network with national and regional partners, and communicate with targeted communities in relevant languages;

• Grievance redress mechanism in place and demonstrated capacity to address grievances; and

• Capacity to engage with governments.

• Sub-grant recipients should not be an organization represented in the Regional Steering Committee
The AIPP which is the Convenor of the RSC will record the minutes of their discussion on the sub-grant proposals received including the list of prioritized sub-projects and provide a copy to Tebtebba.

3. Eligible Activities
Tebtebba shall accept sub-grant proposals under component 1 (covering both 3.1. and 3.2 below) taking into account the following:

3.1. Capacity Building and Awareness Raising programs under sub-component 1.1:

1. Activities are implemented in eligible FCPF Country Participant for the benefit of forest-dependent IPs.
2. Activities are designed by networks or organizations of forest-dependent IPs or are explicitly endorsed by the proposing networks/organizations.
3. The focus of capacity building activities is aligned with the PDO, i.e., strengthening the knowledge of targeted IPs of REDD+ Readiness at the national level and strengthen knowledge exchange at the regional level. A description of the methodology for the planned activities is included in the proposal.
4. Activities reinforce national REDD+ Readiness efforts;
5. Activities are aligned with a recipient country’s agreed engagement strategies, as part of the FCPF requirement of stakeholder engagement and participation of IPs and CSOs in REDD+ at national levels.
6. Activities include national capacity building workshops in line with related initiatives on REDD+.
7. Activities may include capacity building to improve existing indigenous peoples’ traditional livelihoods.
8. The proposal ensures active and proportionate participation of women and youth (including scheduling of meetings that take account of restrictions on women’s time and travel for cultural and workload reasons), and includes activities that build their capacity and awareness in appropriate methods.
9. Proposals show how the support will be leveraged to attract additional financial support (cash and/or in-kind).

3.2. Empowerment of IP Organizations and Institutions
a. Activities that will strengthen dialogue among local and national IP organizations and institutions within a given eligible FCPF country to enhance their collaboration and refine their position and messages on key REDD+ themes; and
b. Activities which will facilitate dialogue between IP organizations and institutions with the respective REDD+ focal point, FCPF IP observers, and local and national government offices engaged in REDD+.
IV. IMPLEMENTATION PLAN

A. Implementation Arrangements

For activities under component 1 of the project (capacity building activities at the country level), REDD+ indigenous peoples organizations are eligible for financing (through direct implementation (for consultants) and/or sub-grants). The determination on what the implementation modality would be determined on a case by case basis depending on the following criteria:

- Institutional capacity of the organizations
- Transaction costs vis-à-vis available resources and efficient use of grant funds
- Nature of the activities and expected outcomes and outputs
- Unique qualifications of the organization to assist in the preparation, management, and implementation of activities, essentially because of their involvement and knowledge of local issues, community needs, and/or participatory approaches.

The preferred implementation modality for Component 1 is through sub-recipient indigenous peoples’ organizations. However, in the event that the RSC cannot identify and recommend qualified indigenous peoples’ organizations in any of the 6 eligible FCPF countries, implementation will be undertaken by Consultants. This situation will be captured in the list of indigenous organizations that will be submitted by the RSC to Tebtebba as basis for sending out invitations for submission of sub-grant applications.

The two models are presented below:
Eligibility Criteria, acceptable to the Bank: (a) for the organizations; and (b) for the type of activities.

Validation Mechanisms, ensure appropriate participation and consultation, and to establish regional priorities, including technical committees, regional networks, and validation regional workshops.

Activities and sub-recipients are selected and the Sub-grant agreement (cleared by the Bank) is signed.

World Bank → Recipient Organization → Sub-recipient organizations

Grant Agreement

Sub-Grant Agreement (including same obligations as in the Grant Agreement)

Recipients are responsible for assessing the Capacity of the Sub-recipient organizations to implement the subproject.
Eligibility Criteria, acceptable to the Bank: (a) for the organizations; and (b) for the type of activities.

Validation Mechanisms, ensure appropriate participation and consultation, and to establish regional priorities, including, technical committees, regional networks, and validation regional workshops.

Consultants are selected using the Bank’s Procurement Guidelines, based on TORs prepared by the Recipient and acceptable to the Bank.

World Bank → Recipient Organization → Consultants

Grant Agreement
Include provisions related to procurement

Consultant Service
Contract (using the templates provided by Procurement)

Obligations for the Recipient and consultant are outline in the consultants service contract.
The project shall have the following workplan:

### Workplan

#### Component 1: National Capacity Building and Awareness Raising

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Preparation and dissemination of new knowledge

Lessons Learned

Component 2: Regional Exchange and Sharing

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Preparation and submission of required reports

Monitoring sub-project implementation (sub-1, sub-2)

Release sub-grant funds based on agreements

Signs sub-grant agreements with IPOs

If WB issues no objection, notifies IPOs

If IPOs, sends proposals to WB for no objection

Approves final list of eligible proposals and informs

Receives sub-grant proposals for prioritization

Receives sub-grant proposals and forwards to RSC

Receives IPOs endorsed by RSC; sends invitations

Awareness raising

Receives IPOs endorsed by RSC; sends invitations

Receives IPOs for submission of sub-grant proposals to endorsed

Receives IPOs endorsed by RSC; sends invitations

Receives sub-grant proposals

Receives sub-grant proposals for prioritization

Receives sub-grant proposals and forwards to RSC

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Receives sub-grant proposals

Receives sub-grant proposals for prioritization

Receives sub-grant agreements with IPOs

Releases sub-grant funds based on agreements

Monitors sub-grant projects' implementation (sub-1, sub-2) including sub-grant funds status and submission of required reports

Prepares and disseminates new knowledge products (Regional research on state of land tenure) among stakeholders.
The invitation for submission of sub-recipient proposals, technical review, due diligence, approval of proposals and signing of sub-recipient agreements shall be completed on the 3rd month of the project. Implementation of approved proposals shall be for a period of 15 months.

The sub-recipients shall prepare and submit their completion reports within the 18th month of the project and Tebtebba shall develop and submit required terminal reports preferably by the end of the 24th month but not later than 6 months after project completion. An audited financial report will be submitted by Tebtebba within 6 months following project completion.

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In relation to Component 2, a Regional Workshop shall be conducted to orient participants on the project and the IPSSDD framework and approaches of Tebtebba, share knowledge products on REDD+ for IP communities and the relevance of indigenous knowledge and practices on REDD+ strategies. Preparation and dissemination of new knowledge products (e.g., state of forest and land tenure of indigenous people in III FCPF countries) and dissemination of existing knowledge products through existing platforms will be undertaken.

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The PMT invites IPOs from eligible FCPF countries recommended by the RSC to submit proposals. The RSC recommends Indigenous Peoples' Organizations (IPOs) from eligible FCPF countries. Tebtebba receives proposals and forwards these to the RSC for review and ranking based on the Eligibility Criteria. The RSC forwards their recommendations to Tebtebba. Tebtebba, the ManCom of Tebtebba, approves a final list of eligible recipients. The PMT conducts a Technical Review of the approved proposals and forwards these to the World Bank for no objection. Following World Bank no objection, the PMT notifies IPOs of the agreed regional priorities. Tebtebba (Executive Director or her Deputy) signs Agreements with recipients. Countries from eligible FCPF Indigenous Peoples' Communities recommend IPOs to the RSC. The RSC sets up a sub-recipient selection procedure.
Tebtebba has prepared a simple format with clear guidelines for proposal writing, which will be translated into national/local languages if needed (see Annex 2).

- The Regional Steering Committee (RSC) will recommend indigenous peoples’ organizations (IPOs) from each of the component 1 eligible FCPF countries who will be invited to submit sub-project proposals. All the recommendations of the RSC should be on consensus basis. RSC members shall have Skype calls if needed to discuss their recommendations; the minutes of the RSC virtual meeting/discussion should contain the decisions reached by the RSC and a copy of which should be provided to Tebtebba as basis for sending out the invitation for submission of sub-project proposals;
- The invitation for country IPOs for the submission of sub-project proposals will undertake targeted approach meaning only IPOs from eligible FCPF countries recommended by the RSC will be invited; the PMT will keep a list of IPOs to which invitations to submit sub-grant proposals were sent and keep track of the progress;
- All the submitted sub-grant proposals for Component 1 activities shall be filed by the PMT and copies forwarded through emails to the RSC for review and ranking based on the eligibility criteria (for activities and for organizations) as agreed in the regional workshop;
- The RSC also will seek an allocation balance between the six countries, and ensure the inclusive participation of communities, women and youth to the extent possible; all decisions reached by the RSC should be contained in the minutes of the RSC meeting/discussion;
- The RSC communicates the prioritized sub-project proposals to the PMT through email;
- The PMT will conduct a technical review on sub-project proposals prioritized by the RSC and a due diligence of the proposing IPOs; the decision will be based on relevance, feasibility & sustainability, gender mainstreaming and indigenous peoples’ sustainable self-determined development, institutional capacity and credibility; results will form part of the project file;
- The Management Committee of Tebtebba will approve a final list of eligible proposals and inform the RSC; the decision will be found in the Minutes of ManCom meeting, a copy will form part of the project file;
- The PMT will seek World Bank no objection to the list of approved proposals; as part of its review and approval process, the World Bank will seek/facilitate respective countries’ ministry of finance’s no-objection to the signing of sub-grants with the chosen entities.
- The executive director or the deputy executive director finalizes and signs a Sub-Recipient Agreement with the selected indigenous organizations.
D. Schedule of procurement actions

Under the FCPF Project, Tebtebba Foundation will procure the following:

1. The services of Researchers to do the Regional Research and an Editor to edit the manuscript and have it ready for publication; and an External Auditor.
2. Purchase of 2 units of laptop computers and 1 External Storage Disk
3. Hotel for the Inception Workshop
4. Printing Press for the publication, and potentially services for videographer/media platform

In contracting the services of Researchers, Editor, and External Auditor, which are considered Consulting Services, Tebtebba Foundation will follow the selection procedures in accordance with the Bank’s Consultant Guidelines set forth in the “Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits & Grants” by World Bank Borrowers dated January 2011 and revised in July 2014. Individual Consultants will be selected on the basis of their qualifications for the assignment by comparison of CVs of at least three candidates from those expressing interest or those that are approached directly by Tebtebba, in accordance with Section V of the Consultant Guidelines. In exceptional cases, Individual Consultants may also be selected on a sole-source basis but with due justification. The Researchers and Editor should possess the following criteria:

1. Preferably an indigenous person;
2. Have general knowledge of development work and is familiar with climate change issues; and
3. Is able to submit a budget, showing how it is able to maximize the use of a shoe-string budget.

The PMT will recommend 3 persons to the Management Committee for final selection. A Terms of Reference, clearly showing the time frame, deliverables and contract amount of the services, will then be agreed upon.

In contracting the services of an External Auditor:

1. Preferably coming from the 5 internationally-known auditing firms with Philippine local partners;
2. The independent auditor should be of reputation and good standing;
3. Should have previous work with a non-government organization;
4. The Terms of Reference will be jointly approved by Tebtebba Foundation and the World Bank; and
5. Selection will be done through Fixed-Budget Selection method in accordance with the procedures outlined in the Bank’s applicable Consultant Guidelines.

In determining the venue for the regional workshop, which from a procurement perspective will be considered Training, procurement can follow Tebtebba’s normal procedures, and not the Bank’s Procurement Guidelines. In this regard, the PMT will conduct a canvass from among 3-star hotels who can provide modest accommodation, good food and fine service.
The PMT will then recommend 3 hotels to the Management Committee of Tebtebba for decision making. All workshop related costs such as food, accommodation, per diems, training materials, secretariat, transportation and travel related expenses of staff and participants are considered Training. All Training and related activities shall be carried out on the basis of plans and budgets submitted annually by Tebtebba for the prior written approval of the Bank. The annual training plans and budgets shall identify the general framework of the training and shall include among other things; (i) training activity envisaged; (ii) objectives and justifications for the training; (iii) names of trainees and criteria for their selection; (iv) criteria for selection of training institutions or venues of training; (v) the anticipated outcome and impact of the training; (vi) the duration of the training; and (vii) the estimated costs of the training.

Operating costs shall include expenditures for staff time, maintaining office equipment, office supplies, consumables, communications, per diems, travel costs and accommodation for staff when travelling for the purpose of the project during the implementation of the project. The operating costs will be incurred in accordance with Tebtebba’s administrative procedures, acceptable to the Bank.

In the purchase of 2 sets of laptop computers and External Storage Disk, as well as printing services and possible services for videographer/media platform, which are jointly considered Goods/Non-Consulting Services, Tebtebba will follow the Shopping procedures in accordance with the “Guidelines: Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants” by World Bank Borrowers dated January 2011 and revised in July 2014, with the main consideration in awarding the contract being cost in as much as all those invited to submit quotations have passed the indicated/required specifications. Quotations from at least three (3) suppliers (in the case of the laptop computers and external storage disk) and/or three (3) service providers (in the case of videographer/media platform) will be requested. Tebtebba will also bear in mind the following criteria: economy, serviceability and quality. For the printing of the publication, similar procedure of requesting at least three quotations will be followed, and the PMT will recommend the awardee to the Management Committee for final decision making. A team from the Tebtebba will visit the recommended printing press. The criteria of selection will be the least submitted quote that meets all the requirements of quality of press work, ability to deliver on time and economy.

The equipment purchased will remain the property of Tebtebba Foundation at the end of the project.

In purchasing office supplies that are needed for the project, this will be considered as sundries and will not need elaborate canvassing and announcements (shopping methodology will be used).

The procurement of goods and consulting services, if any, to be done by sub-recipients will be in accordance with the similar provisions in the Procurement section of the Grant Agreement.

A Procurement Plan is attached as Annex 6 of this Operational Manual.
E. Schedule of disbursements for each project component

1. Tebtebba Foundation shall disburse funds to sub-recipients based on the approved budget which is stipulated in the Sub-Recipient Agreement (SRA) /consulting contracts between Tebtebba Foundation and the sub-recipients.

2. The funds will be disbursed to the sub-recipients in 3 instalments: 45% upon the signing of the Sub-Recipient Agreement; 45% when 90% of the first instalment of funds have been consumed and deliverables provided; and 10% after the submission of a completion narrative report and audit report of the totality of the budget.

3. The first instalment of funds will be disbursed when:
   a. The sub-recipient has already opened an account that is specific to the sub-project.
   b. The sub-recipient has satisfactorily completed the due diligence process and has already signed the Sub-Recipient Agreement
   c. Submission of a Disbursement Request to Tebtebba Foundation and a Certification by the bank that it has opened an account with two signatories and can withdraw only from the account with the signatures of the 2 signatories.

4. The second instalment of funds will be disbursed when:
   a. The sub-recipient has shown evidence that 90% of the first instalment have been disbursed and spent in accordance to the agreed upon approved budget and budget line.
   b. The sub-recipient has submitted a Statement of Expenses showing how the 90% of the first instalment of funds were spent.
   c. When there are no questions by Tebtebba Foundation on the Statement of Expenses submitted by the sub-recipient, the sub-recipient shall then be notified of its approval. The sub-recipient will then submit a Disbursement Request for the release of the 2\textsuperscript{nd} instalment of funds.

5. The disbursement of the remaining 10% of the funds.
   a. The 10% is a retention fund which will be disbursed only after the final Narrative Report and Financial Audit Report is accepted by Tebtebba
   b. Tebtebba Foundation will review the Narrative and Audit report and after having been satisfied, will release the 10% retention fund.
   c. Satisfactory finance report would mean that:
      c.1. The funds were spent wisely and in accordance to the agreed upon budget and budget line;
      c.2. Expenses are all eligible and are backed up by supporting documents and receipts;
      c.3. Finance report should be in English, receipts/supporting documents should be translated into English if they are written in a local language that cannot be understood by Tebtebba staff; and
      c.4. In compliance with Tebtebba and sub-recipient’s fiduciary Policies and procedures.
V. FIDUCIARY ASPECTS

<table>
<thead>
<tr>
<th>Expense category</th>
<th>Amount (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-Grants</td>
<td>294,450</td>
</tr>
<tr>
<td>Consulting services, Goods and Non-Consulting Services</td>
<td>147,225</td>
</tr>
<tr>
<td>Administration, M&amp;E and Operational Cost</td>
<td>49,075</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>490,750</strong></td>
</tr>
</tbody>
</table>

Note: In the Grant Agreement, Goods, Non-Consulting Services, Consulting Services, Incremental Operating Costs, and Training are bundled together under Category 2. Sub-Grants are Category 1 as shown here. Control of the expenditure will be through the periodic SOE where the eligible expenditure of each component will be provided in the SOE.

A. Tebtebba’s Management of Funds

The FCPF-CBP Grant will be released based on the six month forecast of eligible expenditures. The project’s Annual Work and Financial Plan will determine the funding needs (both in terms of amount and timing) of the project.

Tebtebba will open and maintain a Designated US$ Account to properly monitor the flow of funds. The account will be opened in Banco de Oro Universal Bank which has several branches in Baguio City, Philippines, under the account Tebtebba Foundation – FCPF Project. The grant funds will be disbursed/deposited by the WB to this Designated Account after the submission of Withdrawal Applications in Client Connection duly signed by the authorized signatories designated by Tebtebba.

For payments in local currency, funds will be transferred from the Designated US$ Account to a segregated corporate local currency checking account opened in the same commercial bank. All expenses in local currency will be paid from this local currency account. Petty expenses will be sourced from Tebtebba’s Petty Cash Fund and reimbursed from this account.

Any exchange loss arising from US$ currency to local currency conversion will be the cost of the Grant Recipient and likewise the Sub-recipient/sub-grantee; any gain thereof will be reported and used as operating cost. A ledger of actual exchange rates will be maintained and the monthly average exchange rate is computed and used in the conversion of local currency expenses into US$.

Interest income accruing to both bank accounts discussed above will be reported and used as operating cost under a separate line of expenditure. Regular monthly bank reconciliation will be prepared for both accounts. Monthly fund balance will include Cash in Bank-Peso, Cash in Bank-US$, and Cash Advances/undocumented Sub-Recipients.
Tebtebba will apply any one of the disbursement methods: (a) reimbursement, (b) advance, and (c) direct payment for the funds flow from the World Bank to implement agreed project activities.

**(a) Reimbursement:** The Bank may reimburse Tebtebba for expenditures eligible for financing pursuant to the Grant Agreement (“eligible expenditures”) that Tebtebba has pre-financed from its own resources.

**(b) Advance:** The Bank may advance grant proceeds to the designated US$ account to finance eligible expenditures as they are incurred and for which supporting documents will be provided at a later date.

**(c) Direct Payment:** The Bank may make payments, at Tebtebba’s request, directly to a third party (e.g., supplier, contractor, consultant) for eligible expenditures.

**a. Withdrawal of Grant Proceeds**
Withdrawal from the grant will be based on six months forecast of eligible expenditures out of the annual plan approved by the World Bank. On Grant Agreement effectiveness, Tebtebba will be trained to use the Client Connection for grant withdrawal. The WB country disbursement officer will be contacted by Tebtebba which will be facilitated by the WB TTL for the training.

**Authorized Signatures.** Before grant proceeds are withdrawn, the authorized representative of Tebtebba (as designated in the Grant Agreement) must furnish to the Bank in Tebtebba’s letterhead (a) the name(s) of the official(s) authorized to sign applications for withdrawal, and (b) the authenticated specimen signature(s) of the official(s). Tebtebba will indicate clearly if more than one signature is required on Applications and must notify the Bank in writing formally of any changes in the signatory already in WB record for the grant.

**Advance method.** An advance would be made to the US$ Designated Account, which will be used exclusively for eligible expenditures. Funds deposited into the Designated Account would follow World Bank’s disbursement policies and procedures, as described in the Disbursement Letter (DL) and World Bank Disbursement Guidelines. The ceiling of the Designated US$ Account, supporting documents and Statement of Expenditures thresholds will be reflected in the DL.

**Under the reimbursement method,** project expenditures will be reimbursed through the replenishment of the Designated Account according to WB standard disbursement procedures. Eligible expenses of not more than 20% of the total grant amount may be spent prior to the signing of the Grant Agreement. To claim such reimbursement the Grant agreement will have to state the retroactive clause in the agreement signed and can be claimed by the Recipient under this method. During implementation, if Tebtebba uses own funds for eligible expenditures, the same reimbursement method can be used to claim grant funds. Upon approval of the reimbursement request by the TTL and Financial Management Specialist (FMS), the amount requested will be disbursed/deposited directly to an account.
other than the Designated US$ Account specified by Tebtebba. The WB will not reimburse the requested amount if:
- There are errors in completing the forms;
- Disbursements do not correspond to expenditure categories, established in legal documents;
- Tebtebba has not provided a different bank account other than the designated US Dollar account opened for receiving advances from the grant.

b. Financial Management Structure and Corresponding Duties and Responsibilities
There is a Finance and Administration Department of Tebtebba headed by a Manager who oversees the operation of the department. As the name implies, there are two (2) sections: Finance and Administration. The Finance section is headed by a Finance Officer and under him/her are bookkeepers handling one or more donor fund accounts. The Administration section is currently headed directly by the department’s Manager and is composed by a records clerk, cashier, purchasing staff and utilities.

The Manager of the Finance and Administration will confirm the validity of a request for disbursement and availability of funds per approved budget. He/she will also counter check the accurateness of the SOEs, Budget Control and audit report. The Finance Officer will review the SOEs and the Budget Control in coordination with the PMT Leader.

The PMT Finance Staff will be responsible to the Finance Officer as well as the PMT leader. He/she will see to it that all project financial transactions are properly documented and recorded and all disbursements duly approved.

He/she will receive SOEs and accompanying expenditure supporting documents from sub-recipients, evaluate these vis-à-vis the sub-grant approved budget and correlate expenses with the narrative report, and provide feedback to the PMT leader and the Finance Officer. He/she will prepare a monthly Budget Control of the project showing balances of each budget item.

In addition, he/she will draft the SOEs for review by the PMT leader and the Finance Officer. The PMT Finance Staff will maintain project files in a manner that allows easy retrieval.

The Cashier of Tebtebba will be in charge of releasing payments and stamping “PAID” the Cash/Check vouchers and supporting documents. The other Administration staff will assist in acquiring consumable goods and in the preparation of project activities.

The Sub-Recipient organization will designate a Finance Staff who will work directly with the PMT Finance Staff. This sub-recipient organization staff will be responsible of preparing and submitting required finance reports and supporting documents to Tebtebba. He/she should keep finance related files related to the sub-project.
c. Program Accounting
Tebtebba makes use of the QuickBooks accounting software in recording its financial transactions. The program is capable of generating the books of original entry (general journal) and the general ledger as well as the trial balance and financial reports. The system automatically closes all the nominal accounts at the end of the calendar year.

d. Chart of Accounts
Assets:
100 – Cash in Bank
100-1 Cash in Bank PhP
100-2 Cash in Bank US$

101 – Cash Advances
101-1 Cash Advances to Sub-Recipient 1
101-2 Cash Advances to Sub-Recipient 2
101-3 Cash Advances to Sub-Recipient 3
101-4 Cash Advances to Sub-Recipient 4
101-5 Cash Advances to Sub-Recipient 5
101-6 Cash Advances to Sub-Recipient 6
101-7 Cash Advances to Project Staff

Liabilities and Fund Balances
200 Liabilities
200-1 Accounts Payable to Suppliers
200-2 Other Payables

300 Fund Balances
300-1 Fund Balance FCPF-CBP

400 Revenues
400-1 Grants FCPF-CBP
400-2 Interest Income
400-3 Gain on Currency Exchange Rate
400-4 Other Donations

500 Expenses
501 Component 1: National Capacity Building & Awareness Raising
501-1 Indigenous Peoples’ Capacity Building (Sub-Component 1.1)
501-2 Empowerment of IP organizations & institutions (Sub-Component 1.2)
501-3 Operating Cost

502 Component 2: Regional Exchange & Sharing of Lessons Learned
502-1 Regional Learning & Exchange (Sub-Component 2.1)
502-2 Dissemination of Knowledge Products & Lessons Learned (Sub-Component 2.2)

503 Management, M&E and Reporting
503-1 Project Team Leader
503-2 Finance Staff
503-3 Communications & Supplies
503-4 Equipment
503-5 Monitoring & Evaluation & Safeguard Compliance
503-6 External Audit Fee

e. System of Approval and Authorized Signatories
The PMT Finance Staff initiates the routing of invoices/requests for disbursements and supporting documents by presenting these to the Finance and Administration Manager who will attest to the validity of such disbursement and availability of funds per approved budget. After which, a cash/check voucher (CV) is prepared by the Project Finance Staff and forwards the set of documents to the approving authority.

There are two authorized signatories (the Executive Director and the Deputy Executive Director) and any one of them can approve any disbursement. The same are the authorized bank signatories and both signatures are required to transact with the bank. The Manager of the Finance and Administration Department approves Cash Advances.

f. Disbursement, Liquidation and Monitoring of Sub-Grants
Transfer of funds to Sub-Recipients will be in three (3) instalments. The first 45% will be transferred by Tebtebba to a designated account to be opened by the sub-recipient; the second 45% upon submission and acceptance of an SOE showing that 90% of the first installment has been spent and a narrative progress report; and the final 10% upon submission and acceptance of a Narrative Completion Report and an audited Financial Report covering the totality of the approved budget.

The Sub-recipient will submit an SOE to be prepared in a format described in Schedule 4 of Annex 3 (Sub-Recipient Agreement) of this Operational Manual substantiated by duly accomplished and approved expenditure vouchers and supporting documents annotated in English. Sub-recipients whose books of accounts are audited annually should provide a copy of the audited reports including the auditor’s opinion letter and letter to management.

The SOE and audited financial report, expenditure vouchers and supporting documents will be verified by the PMT Finance Staff. Expenses with insufficient supporting documents will be referred back to the sub-recipient for qualification/justification or completion of missing supporting documents. Eligible expenses are entered by the PMT Finance Staff in the appropriate column of the sub-recipient’s Budget Control Sheet and generate the balances per approved budget line. Ineligible expenses per approved budget are disallowed.

Tebtebba will request the sub-recipient to have the sub-project’s books of accounts audited by an external auditor covering the totality of the sub-project budget upon project completion. The sub-recipient should also allow Tebtebba and upon request by Tebtebba, the RSC to review records/account and/or audit the sub-Project if and when requested by the WB.
Disbursement, liquidation and monitoring of sub-grants are detailed in the section Roles and Responsibilities of Tebtebba and Roles and Responsibilities of Sub-Recipient of Annex 3 of this Operational Manual.

g. Policies and Procedures on Purchasing Items that are not subject to Bank procurement rules, per diem, travel

It is the policy of Tebtebba to obtain the best value for money in the procurement of goods and services. Direct purchases from the petty cash fund is allowed but in no case should purchases be divided into small units. Procurement of goods or services amounting to PhP50,000 or US$1,000 and above requires quotations from at least three (3) providers who will be invited either through telephone, email or direct visit to the establishment.

Tebtebba reserves the right to award purchase orders, consultant agreements and supplier contracts on a single/sole source basis when the party involved has significant knowledge of Tebtebba’s programmes and a prior history of fulfilling similar contracts successfully, timely and at reasonable cost. In this case, a written justification is prepared and filed.

A 3-member procurement committee within the Finance and Administration Department, headed by the department’s manager who is also the approving authority for purchases, oversees the purchase of office supplies and other consumables.

The Project Management Team will invite at least 3 firms to submit quotations inclusive of function room, food and accommodation for FCPF-CBP activities. At least 3 members of Tebtebba’s Management Committee approves/decides which provider to award the service contract. Affordability and quality of food and other services will be considered. The package will not include dinner and will be disbursed as daily subsistence allowance. Actual travel incidentals supported by receipts will be covered.

As much as possible, the most economical local mode of transportation will be availed when travelling. For air travel, Tebtebba maintains a corporate account with a travel agent which takes care of air travel arrangements including travel insurance. Air travel should be through the shortest route and the most economical.

For activities organized by Tebtebba, invitations to participants are not transferable but the invitee can recommend an alternate. Air transportation will be arranged by Tebtebba’s travel agent but the participant can arrange his/her travel and advance his/her air fare.

Designated Tebtebba staff maintain the equipment; needed repairs are undertaken by authorized service providers.

In city transportation expenses is sourced from Tebtebba’s Petty Cash Fund. Expenses for domestic and international travels and project sponsored activities is drawn from Cash in Bank. Staff concerned accomplishes a Cash Advance Slip and presents it to the Manager of the Finance and Administration Department for validation, confirmation of the availability of funds per budget and approval. Request for Cash Advances should be submitted timely. At least 3 working days is needed if the request is United States currency.
These procurement actions will be post-reviewed by the World Bank on two occasions: i) when the auditor is conducting the independent review of the expenses; and ii) when the World Bank FM Specialist is reviewing the periodic SOE. During World Bank mission, the FM Specialist will also conduct post-review of a sample of the expenses, and the purpose of the expenses.

**h. Disbursement Procedures**

<table>
<thead>
<tr>
<th>Staff Involved</th>
<th>Tasks</th>
</tr>
</thead>
<tbody>
<tr>
<td>PMT Finance Staff</td>
<td>Receives Invoice/Request for Disbursement from Payee</td>
</tr>
<tr>
<td></td>
<td>Examines and verifies Invoice/Request for Disbursement including completeness of required supporting documents</td>
</tr>
<tr>
<td></td>
<td>If in order, forwards the Invoice/Request for Disbursement and supporting documents for confirmation of validity of request and availability of funds</td>
</tr>
<tr>
<td>Manager, Finance and Administration Department</td>
<td>Verifies if the request is valid and fund is available per approved budget</td>
</tr>
<tr>
<td></td>
<td>If so, confirms validity and availability of funds by affixing his/her signature and returns the batch of documents to the Project Finance Officer</td>
</tr>
<tr>
<td>PMT Finance Staff</td>
<td>Prepares Cash/Check Voucher (CV) and affixes his/her signature in the space “Prepared By”</td>
</tr>
<tr>
<td></td>
<td>Prepares the corresponding Check or 2 copies of Withdrawal Slips if disbursement is in United States currency</td>
</tr>
<tr>
<td></td>
<td>Forwards Check or Withdrawal Slips, CV, Invoice/Request for Disbursement and supporting documents to the Authorized Signatory</td>
</tr>
<tr>
<td>Executive Director/ Deputy Executive Director</td>
<td>Receives Check or Withdrawal Slips, CV, Invoice/Request for Disbursement and supporting documents</td>
</tr>
<tr>
<td></td>
<td>Examines and verifies if the Check or Withdrawal Slips amount tallies with the CV and Invoice/Request for Disbursement</td>
</tr>
<tr>
<td></td>
<td>If in order, approves the CV by affixing his/her signature in the space “Approved by” and signs the Check or Withdrawal Slips</td>
</tr>
<tr>
<td>Cashier</td>
<td>Receives the Check or Withdrawal Slips, CV, Invoice/Request for Disbursement and supporting documents</td>
</tr>
<tr>
<td></td>
<td>Forwards Withdrawal Slips to the Manager of Finance and Administration Department</td>
</tr>
<tr>
<td>Manager, Finance and Administration Department</td>
<td>Presents the Withdrawal Slips to the depository bank</td>
</tr>
<tr>
<td></td>
<td>Receives the Cash and the validated Withdrawal Slip duplicate</td>
</tr>
<tr>
<td></td>
<td>Forwards Cash in United States currency and the validated Withdrawal Slip duplicate to the Cashier</td>
</tr>
<tr>
<td><strong>Cashier</strong></td>
<td>Receives Cash in United States currency and the validated Withdrawal Slip duplicate</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>Attaches the validated Withdrawal Slip duplicate to the CV</td>
</tr>
<tr>
<td></td>
<td>Stamps the CV, Invoice/Request for Disbursement and supporting documents “PAID”</td>
</tr>
<tr>
<td></td>
<td>If payment is in Check, makes a photocopy of the Check and attaches it to the CV</td>
</tr>
<tr>
<td></td>
<td>Releases the Cash or Check to the Payee after the Payee acknowledges receipt by issuing a proof of payment and/or signing the space “Received By”</td>
</tr>
<tr>
<td></td>
<td>Forwards the CV, Invoice/Request for Disbursement and all accompanying supporting documents to the Project Finance Staff</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>PMT Finance Staff</strong></th>
<th>Receives the CV and all supporting documents</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Enters the CV in the QuickBooks</td>
</tr>
<tr>
<td></td>
<td>Files the CV and all supporting documents</td>
</tr>
<tr>
<td></td>
<td>At the end of the month, generates a Trial Balance</td>
</tr>
</tbody>
</table>

### i. Financial Reports
A reporting format will be agreed between Tebtebba and the Bank. At least 2 members of the PMT staff will be trained by the Bank on its Client Connection system: one as the signatory who clears/approves the report and another who will upload the report to the system. Only actual expenses of Tebtebba and sub-recipients are reported and uploaded.

SOEs will be prepared every six (6) months and submitted to the WB and RSC members. This report is due within one month after the end of the reporting period. An audited financial report covering the totality of the grant will be submitted not later than 6 months after project completion.

Monthly bank reconciliation and corresponding adjusting entries will be prepared to even out differences in bank and book balances.

### j. Audit Arrangements
An independent external auditor’s Terms of Reference will be developed and should be concurred by the WB. The auditor will be selected from at least three (3) firms which have previous related work experience with non-government organizations. The number of staff to be sent by the auditing firm is its discretion but should be able to work within the available resources and deliver the reports not later than the agreed date. The audit should be carried out in accordance with internationally recognized auditing standards.

The audit report should include the audited financial statements, opinion whether the financial statements give a true and fair view of the financial position at project completion, and an appraisal on the reliability and effectiveness of management and financial control systems and recommendations to improve these, if any.
B. Management of funds by the Sub-Recipient.

1. Accounting System.
   a. In the case of sub-grants, the sub-recipient should have an accounting system in place that is in accordance to the norms and with an acceptable Standard Accounting system that would show proper recording and documentation, clear flow of funds and accountability and responsibility.
   b. The sub-recipient shall establish a Chart of Accounts and the necessary forms that would be specific and tailor fit to the sub-project.
   c. It should have established clear policies and guidelines on the flow of funds and limits in the approval of funds.

2. Procurement Policy.
   a. The sub-recipient, as a requirement for the approval of its sub-project, should have a Procurement Policy in place.
   b. The Procurement Policy should be able to show procedures on how services and goods are procured, taking into consideration the quality, economy and serviceability of the goods procured.

3. Monitoring and Audit.
   a. Audit of the sub-project funds by the sub-recipient shall be done following the sub-recipient organization’s fiscal year.
   b. There will be quarterly submission of Statement of Expenses and list of expenses by the sub-recipient to Tebtebba Foundation. This will be adopted as the monitoring system of expenses by Tebtebba since not all organizations are subjected to external audit.
   c. Together with the submission of Statement of Expenses, the sub-recipient shall submit all original receipts for verification and check-up by Tebtebba Foundation. All expenses deemed eligible shall be stamped paid. All expenses that are not deemed eligible are subjected for verification with the sub-recipient. If the expense is deemed not eligible as an expense, this will be deducted from the list of expenses and the Statement of Expenses.
   d. Audit shall be done by an external auditor which shall be mutually agreed upon by the sub-recipient and Tebtebba Foundation. The external auditor shall be selected through a selection process as defined in the Procurement Policy of the sub-recipient.

In cases where sub-recipients are contracted as consultants, the PMT will manage the disbursement of the funds and progress reports will be submitted by the consultant in an agreed frequency and alongside agreed deliverables. There will not be a requirement for an accounting and procurement system, external auditing and financial management reporting as the sub-recipient will not be required to manage a sub-grant but rather will operate as a consultant.
VI. COMPLAINTS PROCESSING AND RESOLUTION

Indigenous peoples and other interested stakeholders may raise some feedback or complaints on the sub-grant/consultancies’ award decisions, governance of the project and other issues specific to the project. Feedbacks or complaints must be sent to the PMT in writing duly signed by the complainant/s, including contact details through email, facsimile or courier. The option to issue grievances and related relevant addresses will be made available in a project’s sub-page at Tebtebba’s website. The PMT will be fully responsible for recording, referring and tracking the complaint. It should acknowledge receipt of complaint within 5 working days upon receipt.

The PMT undertakes an initial discussion with the complainant and propose a response within 15 working days upon receipt of the complaint. If the complainant agrees, the proposed action is implemented. In case the complainant does not agree on the proposed action of the PMT, the PMT will compose a Grievance Committee composed of two (2) representatives of the Management Committee of Tebtebba and two (2) members of the RSC. When applicable, one of the members of the RSC to sit in the Grievance Committee shall be from the same country where the feedback/complaint originated. Resolutions or outcomes of complaints received shall be properly documented. If the complaint is not resolved at the Grievance Committee level, the complainant is forwarded to the FMT for consultation on the continuation of the grievance.

VII. SAFEGUARDS

The project triggers the World Bank safeguard policy OP/BP 4.10 on Indigenous Peoples as the majority of direct beneficiaries are IPs as per the criteria of the Policy. Furthermore it is expected that the implementation of this project will result in significant positive benefits to Indigenous Peoples, as activities to be implemented include capacity building training and enhancing their knowledge base for their active participation in REDD+ processes within their respective countries. OP/BP 4.10 aims to ensure that the development process fully respects the dignity, human rights, economies, and cultures of IPs. The policy specifies that the World Bank provides financing only where free, prior, and informed consultation resulting in broad community support to the project by the affected IPs.

This Operational Manual includes detailed eligibility criteria and procedures for the selection of the capacity building activities to ensure consistency with the World Bank’s Safeguards Policies. The following described the procedures for consulting with concerned IP organizations and communities in the selection and implementation activities at the national level:

(i) Procedures for ensuring broad community support and implementation of sub-grant proposals submitted to Tebtebba: The sub-grant proponents should engage the direct beneficiaries in the preparation of the sub-grant proposals. This should be shown in an attendance sheet prepared and signed by those who participated indicating the name of the forest-dependent indigenous peoples they represent.
(ii) Procedures for ensuring the active participation of key stakeholders: Tebtebba expects that the RSC will recommend eligible sub-recipient organizations which have mass base, functioning networks and have the capacity to engage with government to be able to effectively implement their activities. This will be followed up by the PMT during due diligence.

(iii) Grievance redress mechanisms procedures as described above.

Since the project will not fund physical infrastructure or other activities that could have adverse social and environmental impacts, the Environmental Assessment OP/BP 4.01 is not triggered and the EA Category is C (Not Required). However, during project implementation, any social and environmental impacts will be managed by (i) ensuring that capacity building and awareness raising programs under Component 1 of the project are consistent with the World Bank’s safeguard policies and incorporate appropriate environmental and social objectives; (ii) ensuring that activities are widely consulted with the key stakeholders and have the broad support of their main beneficiaries; and (iii) promoting transparency and public information disclosure. After project effectiveness, the World Bank will provide Tebtebba with safeguard training to ensure it has sufficient knowledge to ensure safeguards compliance, including its responsibility to ensure that funded activities do not lead to downstream impacts, which could trigger any of the policies. Within the PMT, the Team Leader and the Finance Staff will be responsible to ensure project compliance with safeguards policies.

VIII. MONITORING AND EVALUATION

Tebtebba will monitor and evaluate the performance of the project as a whole and identify gaps/challenges based on the results framework of the project (see Project Paper). Results of the monitoring and evaluation shall be shared with the RSC. The RSC will assist in project monitoring as needed. Within the PMT, the Team Leader and Finance Staff will be responsible for project M&E and reporting.

The sub-recipient organizations shall submit, within fifteen (15) days after the end of each quarter of implementation, a summary of expenses and accompanying expenditure supporting documents annotated in English. Within thirty (30) days after utilizing 90% of the first instalment, the sub-recipient organization shall submit a narrative progress reports; and a narrative completion report and audit report upon completion of the sub-project. Tebtebba shall submit, within one month after the reported period, narrative and finance progress reports every six (6) months to the World Bank.

Sub-recipient organizations which are subjected to audit should submit audited finance reports. A one-time audit should be conducted by all sub-recipients upon sub-project completion. A terminal report for the entire project shall be submitted by Tebtebba to the World Bank preferably by the end of the 24th month and not later than 6 months after the completion of the project. Tebtebba’s reports will be based on reports from sub-recipients and from M&E activities that the PMT will conduct for the project as a whole, based on the results framework.
ANNEXES
1. Invitation to Submit Proposals for Capacity Building Sub-grants
2. Sub-grant Application Form
3. Template Sub-Recipient Agreement
4. Template Sub-Recipient Reporting Format
5. Terms of Reference of Project Staff
6. Procurement Plan