



**ASIA-PACIFIC FOREST CARBON PARTNERSHIP FACILITY (FCPF) CAPACITY
BUILDING PROJECT ON REDD+ (for Indigenous Peoples)
(P175928, FCPF Grant No.TF0B6543)**

PROJECT OPERATIONAL MANUAL

20 September 2021

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ACRONYMS

CBP – Capacity Building Program

CSOs – Civil Society Organizations

ESCP – Environmental and Social Commitment Plan

FCPF - Forest Carbon Partnership Facility

FMT – Facility Management Team

HRC – UN Human Rights Council

IFR – Interim Financial Report

IPs – Indigenous Peoples

IPOs – Indigenous Peoples’ Organizations

LMP – Labor Management Procedures

M&E – Monitoring and Evaluation

PC – Participants Committee

PDO – Project Development Objective

PMT – Project Management Team

POM – Project Operational Manual

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

SGA – Sub-Grant Agreement

SOE – Statement of Expenditures

TTL – Task Team Leader

UNCBD – United Nations Convention on Biological Diversity

UNPFII – United Nations Permanent Forum on Indigenous Issues

WB – World Bank

BACKGROUND

The Forest Carbon Partnership Facility (FCPF) was established in 2007. It is a global partnership of governments, donors, private sector, civil society, and indigenous peoples (IPs) focused on reducing emissions from deforestation and forest degradation, forest carbon stock conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (REDD+). It is managed by the World Bank (WB) with the following objectives: 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) test ways to sustain or enhance livelihoods of local communities and to conserve biodiversity; and d) disseminate lessons learned. The FCPF has two separate but complementary funding mechanisms: the Readiness Fund and the Carbon Fund.

Among the social and environmental safeguards that were agreed under REDD+ is the right of IPs to participate fully and meaningfully in REDD+ related processes and to ensure that the collective rights of IPs as they relate to their lands and territories are safeguarded during REDD+ design and implementation. To facilitate this, IPs requested the FCPF for an allocation for capacity building activities specifically for IPs. This request was discussed in regional and global dialogues between the IPs and FCPF. This was then approved by the FCPF Participants Committee (PC) as the Capacity Building Program (CBP) of the Readiness Fund on REDD+ for forest-dependent IPs, Southern Civil Society Organizations (CSOs) and other forest dwellers. The objective of the CBP is to provide beneficiaries with information, knowledge, and awareness on REDD+ to enhance their understanding on REDD+, and to enable them to engage more meaningfully in the design and implementation of REDD+ readiness activities and emission reduction programs. 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.

The CBP has two components, one for IPs and another for Southern CSOs and local communities – each implemented in sub-Saharan Africa, Latin America and the Caribbean, and Asia and the Pacific through projects. **Phase 1** was implemented from 2008-2015 supporting awareness-raising workshops, publication of training manuals and capacity building activities. Funding proposals were processed through the WB's general procurement system where Indigenous Peoples' Organizations (IPOs) and CSOs were selected and contracted as consultants to carry out specific capacity building activities. **Phase 2** was implemented in accordance to the WB's Procedure for Small Recipient-Executed Trust Fund (SRETF) grants with six regional grants provided to recipient organizations. For IPs in the East Asia-Pacific and South Asia regions, [Tebtebba](#) Foundation (Indigenous Peoples' International Centre for Policy Research and Education), a non-government organization with consultative status to the UN-ECOSOC based in the Philippines, was chosen to be the Recipient and implementer of the project. National-level activities (Component 1 of the project) were financed through sub-grants and consultancy.

Tebtebba will continue as the Recipient and implementer in the region for **Phase 3** and national-level activities (Component 1) will be supported through sub-grants.

I. PROJECT DESCRIPTION

A. Project Development Objectives (PDO)

The project development objective (PDO) is to strengthen the engagement of targeted forest-dependent beneficiaries in REDD+ processes and decision making at the country and regional levels.

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

- Increased participation of direct project beneficiaries in formulation and implementation of REDD+ strategies and actions (number, disaggregated by IPs/CSOs and gender)
- Increased participation of direct project beneficiaries in Emission Reduction Programs and Benefit Sharing Plans (number, disaggregated by IPs/CSOs and gender).
- Beneficiaries who feel project investments reflected their needs (percentage, disaggregated by IPs/CSOs/gender) (Core Sector Indicator, Participation and Civic Engagement)

B. Countries of Implementation

This project with a total budget of US\$ 460,000 shall benefit forest dependent IPs, ethnic minorities and their representative organizations and institutions in the 11 FCPF eligible countries in Asia and the Pacific, namely Kingdom of Bhutan, Kingdom of Cambodia, Republic of Fiji, Republic of Indonesia, Lao People's Democratic Republic, Nepal, Islamic Republic of Pakistan, Independent State of Papua New Guinea, Kingdom of Thailand, Republic of Vanuatu and the Socialist Republic of Vietnam, who will be eligible to participate in regional learning and exchange activities (activities funded under Component 2). Of the 11, three (3) countries have been identified to be eligible to participate in national-level activities (under Component 1), Fiji, Nepal and Vietnam because their respective governments have signed Emissions Reduction Program Documents (ERPDs).

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.

Component 1: National Capacity Building and Awareness Raising (US\$276,000).

This component will support REDD+ capacity building and awareness raising sub-projects for forest-dependent IPs, ethnic minorities, and their representative organizations and networks in 3 FCPF countries: Republic of Fiji, Nepal, and the Socialist Republic of Vietnam to enable them to engage their government and other stakeholders involved in REDD+ processes. Sub-projects will pilot key elements of REDD+, such as safeguards, grievance redress mechanisms, benefit sharing

arrangements, monitoring, and carbon accounting. In relation to COVID-19, the sub-projects will include a platform to address knowledge gaps among indigenous peoples and ethnic minorities on the impacts of the pandemic. Sub-projects will be financed through a sub-grant mechanism following a selection process detailed in this Project Operational Manual (POM).

Five (5) sub-projects will be funded with at least one (1) in each eligible country for an amount of US\$55,000 more or less per sub-grant to be implemented within 10 months.

Tebtebba will issue a call/invitation to IP organizations/institutions in the three (3) countries to submit sub-project proposals and will provide general guidance in the conceptualization and design of capacity building programs.

Activities should be aimed at educating IPs and at engaging government and other stakeholders involved in REDD+ processes. The sub-projects should be designed and implemented in close collaboration with beneficiaries and governments' REDD+/ Emission Reductions Program (ERP) and health education implementing units to ensure that funded activities support governments' efforts for awareness raising and participation of IPs as part of the safeguards implementation of ERPs as well the implementation of community-based livelihood activities.

All activities should be delivered in culturally appropriate, gender responsive forms and languages that the targeted IP beneficiaries easily understand. Tebtebba will supervise the implementation of sub-projects, in accordance with the processes and procedures as specified in this POM. The criteria for proponent organizations and eligible activities are elaborated in Section III.2 and Section III.3 respectively.

Component 2: Regional Exchange and Sharing of Lessons Learned (US\$128,800)

Component 2 will finance a launch workshop at the beginning of the project and once Sub-Grant Agreements have been signed, and a lessons-learned workshop after the closing of sub-projects. A research on IP women and benefit sharing will be undertaken in three (3) ERP countries by in country researchers to be hired by the project.

The launch workshop will introduce representatives of selected sub-grantee IPOs and CSOs to the project management teams in Tebtebba and ANSAB, respectively; provide training on sub-project fiduciary management; expose IPOs and CSOs to information sources which could be further utilized during outreach to communities; and allow selected entities to network as a basis for exchange during sub-projects' implementation. The lessons-learned workshop will help identify good practices and lessons learned from implementation and further strengthen the collaboration between the IPOs and the CSOs.

Both gatherings will enhance the regional dialogue on REDD+, and include relevant discussion topics such as the connection between the REDD+ agenda and disease mitigation, mechanisms for delivering fast and effective response to communities at the onset of a pandemic, the economics of REDD+, and good practices for negotiations and advocacy. The workshops will be carried out by Tebtebba and ANSAB jointly, as appropriate, and will be executed in tandem with

ongoing regional fora to the extent possible to ensure cost savings and to leverage on the good collaboration fostered between the two organizations during the previous FCPF CBP phase.

Remote discussions may be organized in case of continued social gathering restrictions. Synergies and linkages with other regional REDD+ actors such as private sector Corporate Social Responsibility entities, foundations, bilateral donors, as well as governments, and IP representatives of current and previous sub-projects and Phase 1, will be encouraged by inviting relevant representatives to participate in the regional lessons learned workshop.

The project will make use of Tebtebba's knowledge-sharing platform such as websites (more specifically the [project webpage](#)), social media and email lists as described in Section II.B.3 to disseminate new and existing REDD+ and COVID-19 educational and knowledge products, and communicate 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 materials from Component 1 and the launch and lessons learned workshops.

Component 3: Management, M&E and reporting (US\$55,200)

This component will finance the overhead costs of the Project Management Team (PMT) of Tebtebba, which will manage the project, including the sub-projects, the joint workshops and coordination meetings with the implementer of the CSO component in the region. The PMT will carry out sub-grant proposals review, planning (preparation of annual work plans and budgets), fund disbursements, procurement, financial management, environmental and social standard assurance, M&E, operation of the grievance mechanism and reporting for its activities. It will also finance a one-time audit.

The managements of Tebtebba and the CSO counterpart will meet on a semi-annual basis (physically or remotely, as allowed) to ensure coordination between the two organizations, evaluate progress, and resolve bottlenecks as needed.

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

D. Schedule of Implementation

The project is for a period of 16 months and implementation will start upon signing of the Grant Agreement (project effectiveness). The invitation/call for submission of sub-grant proposals, technical review, due diligence, approval of sub-grant proposals, and signing of sub-grant agreements under Component 1 shall be completed by the 4th month of project effectiveness. Sub-grant proposals should cover a period of not more than 10 months, meaning within this period all planned activities should have been implemented. Within 30 days after completion of the sub-project, a Completion Report should be submitted; and within 60 days an Assessment Report and an Audit Report, to Tebtebba by the sub-grantee. This will facilitate the development

of required completion reports from Tebtebba and submission within 6 months after project completion date.

E. Detailed Budget

The project will be financed by a Small Recipient Executed Trust Fund grant from the FCPF through the WB with a total amount of US\$460,000, to be implemented over 16 months. The following is the project's budget detailed in the Work and Financial Plan (Annex 1):

Component/Activity	Total Budget (US\$)	2021	2022
Component 1: National Capacity Building and Awareness Raising	276,000	125,850	150,150
Component 2: Regional Exchange and Sharing of Lessons Learned	128,800	39,429	89,371
<i>1. Project launch workshop (virtual to be co-organized with ANSAB for 3 days)</i>	11,700	11,700	
Accommodation Sub-grantees & RSC (10 participants in a place with good internet access)	4,000	4,000	
Transportation (16 pax)	800	800	
DSA/food (16 X US\$50 X 3 days)	2,400	2,400	
Hosting costs	3,000	3,000	
Documentation	1,500	1,500	
<i>2. Lessons learned workshop (to be co-organized with ANSAB for 3 days face to face with option for virtual as appropriate)</i>	40,490		40,490
Transportation/travel incidentals - Asia (18 X US\$ 700)	12,600		12,600
Transportation/travel incidentals – Pacific (4 X US\$2,450)	9,800		9,800
Food and accommodation (22 pax X 4 nights X US\$75)	6,600		6,600
DSA/dinner (22 pax X 4 nights X US\$50)	4,400		4,400
Documentation & report writing	3,000		3,000
Interpretation	3,000		3,000
Office supplies, materials & preparations	1,090		1,090
<i>c) Project Sub-page updating</i>	5,852	1,460	4,392
<i>d) Research on IP women & benefit sharing</i>	70,758	26,269	44,489
Researchers (3)	37,500	16,875	20,625
Research Coordinator	13,835	6,226	7,609
Editor	3,500		3,500
Printing	6,283		6,283
Dissemination	1,717		1,717
Gender coordinator's time	7,923	3,168	4,755
Component 3: Grant Administration and Project Management	55,200	19,197	36,003

<i>a. Administration, M&E and Operational Cost</i>	<i>51,200</i>	<i>19,197</i>	<i>32,003</i>
Equipment (Laptop, desktop & printer)	3,000	3,000	
Project Team Leader (full time)	22,518	7,506	15,012
Finance Staff (full time)	10,782	3,594	7,188
Admin & Finance Dept Manager (20%)	5,004	1,668	3,336
Procurement Staff (10%)	1,556	522	1,044
Communication and Supplies	2,282	722	1,560
Bank charges	1,785	850	935
Meetings (ANSAB, RSC & Team)	1,835	1,135	700
Monitoring and Evaluation, translation and safeguard compliance assurance	2,428	200	2,228
<i>b. Audit</i>	<i>4,000</i>		<i>4,000</i>
TOTAL BUDGET	460,000	184,476	275,524
NOTE: 1. Foreign exchange rate used for Philippine currency expenses: 1US\$ = PhP47.75			

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 will maintain the webpage created under its website that contains all information about Phase 2 of the project and update the same for this phase. Tebtebba shall continue to 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 the engagement of targeted forest-dependent beneficiaries in REDD+ processes and decision making at the country and regional levels, 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 peoples' organizations/institutions may be eligible for the implementation of capacity building activities in their respective FCPF countries (Fiji, Nepal and Vietnam). The eligible organizations/institutions will be selected based on criteria and procedures reflected in this POM. 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-grantees 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 objective 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 objective 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 WB 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 WB 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 WB, 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

The Regional Steering Committee (RSC) will be constituted to provide technical advice on the quality of proposed sub-projects, support Tebtebba's grievance redress mechanism, contribute technical support to participants in the regional workshops, and assist in monitoring sub-projects whenever possible. The RSC will be composed of technical specialists preferably indigenous peoples from Fiji, Nepal and Vietnam. They will be chosen on the basis of their familiarity and engagement with the ongoing FCPF program in their respective countries; furthermore, RSC members should have experience working with IP rights and REDD+ issues, have been attending UNFCCC meetings and by large are involved in regional and global knowledge learning /sharing and advocacy on REDD+. A regional indigenous peoples' network, in this case the Asia Indigenous Peoples Pact (AIPP), will continue to be represented as agreed in Bangkok in 2015 and will serve as the convener. The members will be selected within 60 days after project effectiveness.

The services of the members of the RSC will be voluntary and their functions will be limited to advisory, monitoring assistance and other assistance (e.g. technical) whenever they could. The most cost efficient mode of communication like through emails and online calls will be maximized and the convener shall maximize opportunities where the members are present to convene meetings as necessary.

3. Tebtebba

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

- Sign a Grant Agreement with the WB 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 objective 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 has developed a grievance mechanism for handling complaints in relation to the project.
- Sign a Sub-Grant Agreement with each sub-grantee that details the terms and conditions and parties' roles and responsibilities.

Knowledge Management. 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-grantees' 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 as venues to share lessons learned and good practices.

The Project Management Team (PMT). A PMT, composed of six (6) members who are more than 18 years old, will be organized in Tebtebba. This shall be composed of two full time staff (Project Management Team Leader-PMTL and Finance Staff) and four part time staff (Managers of the Administration and Finance Department, Publication, Information and Awareness Department, and the Indigenous Women's Program, and a Procurement Staff who are all Tebtebba regular staff and will be detailed to the project. The Finance Staff will be in charge of disbursements and financial management of the grant proceeds as per the procedures spelled out in this POM, project paper and grant agreement. The PMTL and the Finance Staff (TOR in Annex 2) will also be responsible for M&E and safeguard compliance assurance. The part time PMT members will contribute to project implementation as needed. The total costs of the full time staff and a certain percentage for part time staff will be covered by the project under Incremental Operating Costs of Category 2 of Eligible Expenditure table.

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 WB through the Task Team Leader (TTL). 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-grantees 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, women, for additional guidance in the implementation of the project.

In addition, the PMT will:

- Manage the project's grievance redress mechanism that is responsive to complaints submitted;
- Ensure implementation of labor and occupational health and safety standards and COVID-19 protocols/guidelines and social and environmental guidelines;
- Provide to the WB and RSC members narrative progress reports and status of funds every six (6) months; and annual, completion and audited financial reports (semi-annual reports are due not later than 60 days 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).

In terms of the implementation of the capacity building activities at the national level under Component 1 (sub-grant), the PMT will:

- Lead the selection process (see Section IV.C) from the preparation of a Call/Invitation for proposals and Sub-Grant Application Form until eligible sub-grantees are selected;
- Prepare sub-grant agreements for signing with sub-grantees;
- Transfer funds to sub-grantees based on agreed procedures;
- Provide general guidance to sub-grantees in the implementation of their capacity building programs;
- Monitor sub-projects and identify gaps/challenges in sub-projects implementation and in reaching objectives and share to RSC for joint intervention as necessary;
- Receive and evaluate deliverables of sub-grantees as appropriate;
- Evaluate sub-projects two (2) months before sub-project completion;
- Assist sub-grantees in enhancing their capacity related to the implementation of their sub-projects. When funding is available and sufficient, invite participants from sub-grantees to capacity building activities initiated by Tebtebba (in addition to the regional workshop under Component 2);
- Ensure that sub-grantees' activities are in compliance with WB environmental and social standards (safeguards);
- Facilitate/make available project documents in key languages for better awareness of procedures, policies and guidance for satisfactory implementation of sub grants; and
- Communicate/follow up regularly with sub-grantees: coordinate community visits, submission of reports, stories and write-ups of sub-project implementation experiences, etc;

Specifically, the PMT has an important fiduciary role in the implementation of the project. The PMT shall help ensure that agreed upon procedures spelled out in the Grant Agreement as well as in the Sub-Grant Agreements are followed and are being implemented.

In general for the project:

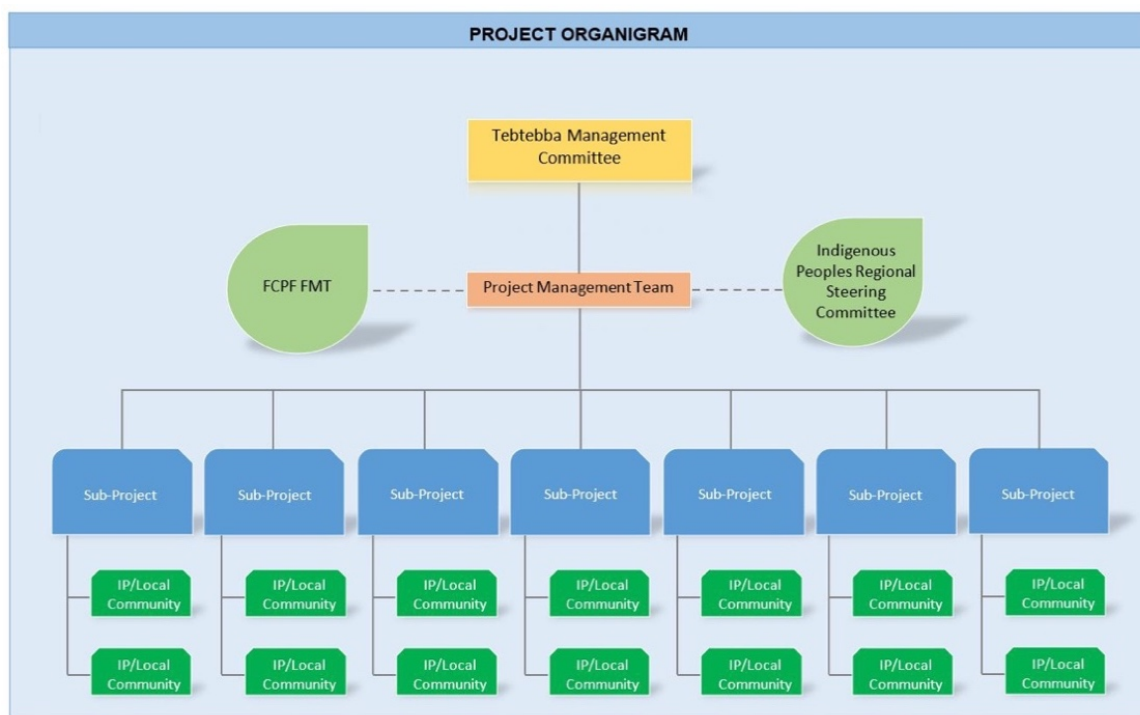
- a. Ensure full compliance to financial management and disbursement as laid out in the Grant Agreement, Disbursement letter and this POM;
- b. Conduct procurement activities in accordance with the project procurement plan, agreed procedures according to the World Bank's Procurement Regulations specified in the Grant Agreement and detailed in this Operational Manual;
- c. Submit periodic Interim Financial Reports (IFRs) every semester and a one-time external audit report to the WB in a timely and quality manner; and
- d. The finance staff shall ensure that complete project files including those from the sub-grantees are maintained.

Specifically for sub-grants under Component 1:

- a. The PMTL will coordinate in writing with the Administration and Finance Department of Tebtebba for the release of funds to sub-grantees;
- b. Evaluate sub-grant Statement of Expenditures (SOE) and supporting documents, identify eligible expenses as agreed in the approved budget;

- c. Communicate to sub-grantees, recommending on the status of the SOE whether it is accepted or further actions have to be done, pointing issues for resolution/clarification in the course of the implementation of the sub-project;
- d. Document eligible expenses and co-relate the SOE with the activity reports;
- e. Communicate/follow up regularly with sub-grantees regarding the completion of their periodic SOE, and submission of a one time Audit Report; and
- f. The Finance Staff will do monthly monitoring of Budget VS Expenses, showing the balances in each Budget Line of the whole project and the sub-projects. This will be the basis of recommendations by the PMTL to the ManCom 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.

Below is the Organigram of the Project.



4. The Sub-Grantees

The sub-grantees are the indigenous peoples' organizations (IPOs) or institutions selected to implement approved sub-grant proposals under Component 1. Sub-grantees will be selected based on the criteria and the foregoing selection process. The duties and responsibilities of the sub-grantees are as follows:

- After a sub-grant agreement is signed with Tebtebba, designate or hire a sub-project team leader and a finance staff, both aged 18 years and above, to lead in sub- project implementation including preparation of reports. They should be paid from the sub-grant

with the amount proportionate to the time spent on the sub-project and a copy of their service contracts/terms of references should be submitted to Tebtebba;

- Open a bank account that is specific for the sub-project;
- Implement the sub-project in accordance with the sub-grant agreement (Annex 5), including approved work plan and budget, and with due care to proportionate participation of men, women, youth and persons with disabilities, as appropriate; and compliance with relevant national labor and occupational and health and safety standards and other government requirements and the WB's environmental and social standards;
- Exercise the same care in the administration of sub-grant funds 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 funds, including the prevention of fraud and corruption like giving gifts in return of favors; and provide adequate insurance for sub-project assets;
- Cooperate with the WB, Tebtebba and upon request by Tebtebba, the RSC and provide full access to visit the headquarters of the sub-grantee and the sub-project implementation area and to undertake sub-project monitoring and evaluation;
- Apply indigenous grievance settlement systems and practices, as relevant, before sub-grantees grievance mechanism;
- Monitor and evaluate activities' progress; and
- Submit to Tebtebba required monthly reports, both activity and financial, as well as assessment, completion and audit reports. Activity reports should include participants lists, photos, videos while supporting documents, stamped 'paid', should accompany financial reports.

III. SELECTION OF CAPACITY BUILDING ACTIVITIES AND ELIGIBLE ORGANIZATIONS

A. Eligibility Criteria

Tebtebba shall accept sub-project proposals taking into account the achievement of the PDO, completeness of the application, submission of required Annexes and the following criteria:

1. Eligible countries for Component 1

The eligible FCPF countries in Asia-Pacific for funding support under Component 1 are Fiji, Nepal and Vietnam because their respective governments have signed Emissions Reduction Programs Documents (ERPDs). Sub-projects should be implemented in ERP areas.

2. Sub-Grantee Organizations

Proponent organizations should possess the following eligibility criteria:

- Legally registered Indigenous Peoples' Organizations (IPOs) or institutions operating in the country of registration with good representation of IPs and can provide proof of valid registration. **Women-led and women-focused IPOs are encouraged to apply.** Country offices/branches of international organizations need not apply.
- Must have implemented projects for at least three (3) years with experience in direct work with IPs and track record of work on REDD+ and related strategies, and/or issues related to forestry in the eligible FCPF countries stated above; experience in delivery of health related

trainings and information dissemination is an advantage;

- Has the capacity to engage with governments, ability to communicate with the Recipient (Tebtebba), network with national and regional partners, and communicate with targeted communities in relevant local languages;
- Capacity to address relevant national labor and occupational health and safety standards and other government requirements, discrimination based on gender and follow closely national and local guidelines on community outreach especially as it relates to COVID-19;
- Demonstrated technical, financial management, procurement ((finance and procurement policies/procedures to be submitted), M&E and reporting and safeguards compliance capacities that would allow timely implementation and reporting and safeguards compliance; and
- Has grievance redress mechanism in place and demonstrated capacity to address grievances.

3. Eligible Sub-Projects and Activities

- Sub-projects are to be implemented in eligible FCPF Country Participants for the benefit of forest-dependent IPs. These should aim at increasing the knowledge and strengthening capacity of IPs at engaging governments and other stakeholders to improve their participation in the formulation and implementation of their country's REDD+ strategies and actions including in the implementation of Emission Reductions Program (ERP) and benefit sharing programs. These should also provide a platform to address the knowledge gap of IPs on the COVID-19 pandemic. The activities should be delivered in culturally appropriate, gender responsive forms and in languages that beneficiaries easily understand.
- The sub-projects are designed by organizations of forest-dependent IPs or networks or are explicitly endorsed by the proposing networks/organizations. These should be designed in collaboration with the targeted IPs to ensure that activities address their specific needs, and mechanisms will be put in place that ensure active and proportionate participation/engagement of women, youth and persons with disabilities in the planning and execution of the sub-projects. Other non-government entities working in the proposed area/s of implementation should also be consulted to seek complementation.
- Provide spaces for indigenous women's participation by facilitating women-only fora in appropriate settings which recognize women's diversity and needs (including scheduling of meetings that take account of restrictions on women's time and travel for cultural and workload reasons), incorporating information of particular relevance to women, such as women's rights, laws and policies related to REDD+, and adjusting knowledge materials to existing literacy levels and spoken languages of women;
- Sub-projects are aligned with eligible country's agreed engagement strategies as part of the FCPF requirement of stakeholder engagement and participation of IPs in REDD+ at national level; and with their ERPs where IPs participation is part of the implementation safeguards as well as the implementation of community-based livelihood activities. Likewise, support for national pandemic prevention efforts should be aligned with COVID-19 response priorities of the country's appropriate government health agency.
- Should be designed and implemented in close collaboration with government's REDD+/ERP implementing units to ensure that funded activities support governments' efforts for awareness raising and participation of IPs; and with governments' designated COVID-19

response office/agency to complement their efforts. All activities should follow closely national and local guidelines for community outreach.

- Capacity building activities should pilot key elements of REDD+ such as safeguards, grievance redress mechanisms, benefit sharing arrangements, monitoring, and carbon accounting. The proposal should include information dissemination that support national pandemic prevention efforts and may include capacity building to improve existing indigenous peoples' traditional/alternative livelihoods. Information materials/activities on COVID-19 should consider the inclusion of studies undertaken on possible relationship of forest/mangrove destruction, the rise of infectious diseases and sustainable forest/mangrove management.
- There should be activities that will strengthen dialogue among IPs, local and national IPOs and institutions to enhance their collaboration and refine their position and messages on key REDD+ themes including ERP and benefit sharing and government's COVID-19 responses.
- Proposals should also include activities which will facilitate dialogue between IPs, IPOs and institutions with their respective REDD+/ERP implementing units, local and national government offices and other stakeholders engaged in REDD+ especially ERP and benefit sharing program implementation and COVID-19 response.
- A description of the methodology for the planned activities should be included in the proposal and the proposal should show how the support will be leveraged to attract additional support (cash and/or in-kind).

IV. IMPLEMENTATION PLAN

A. Implementation Arrangements

For activities under component 1 of the project (capacity building activities at the country level), IPOs or institutions are eligible for financing through **sub-grants** illustrated in the chart below.



B. Work Plan (September 2021 to December 2022)

The project shall have the following workplan:

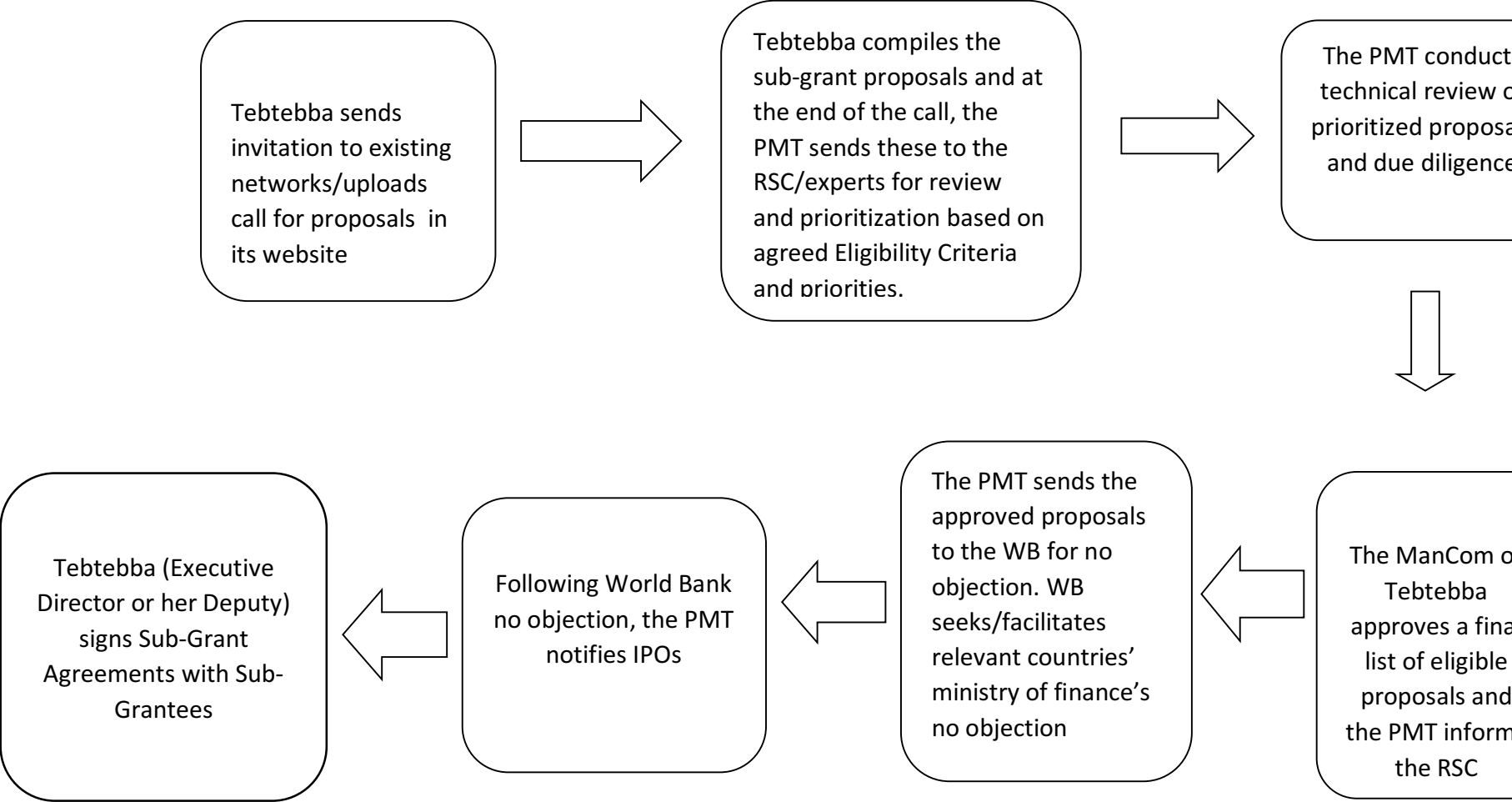
Activities	2021				2022											
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
<i>Component 1: National Capacity Building and Awareness Raising</i>																
Send/upload invitations/call for proposals	■															
Prioritization of proposals by RSC/experts		■														
Conduct due diligence		■														
Approve proposals, inform RSC, and send proposals to WB for no objection			■													
Sign sub-grant agreements with IPOs			■													
Release sub-grant funds based on agreements			■	■	■					■	■					■
<i>Component 2: Regional Exchange and Sharing Lessons Learned</i>																
Co-organize and hold project launch workshop			■	■	■											
Updating project webpage	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Undertake research on IP women and BS		■	■	■	■	■	■	■	■	■	■	■	■	■		
Co-organize Lessons Learned Regional Workshop														■	■	■
<i>Component 3. Management, M&E and Reporting</i>																
Monitoring and Evaluation				■	■	■	■	■	■	■	■	■	■	■	■	■
Grievance Mechanism Developed and Functional	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Coordination meetings	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Progress reports and IFR preparation & submission					■	■					■	■				
Completion report preparation															■	■
Hiring of external auditor/audit				■	■	■									■	■

The invitation/call for sub-grant proposals, technical review, due diligence, approval of proposals and signing of Sub-Grant Agreements shall be completed on the 4th month of the project. Implementation of approved sub-project proposals shall be for a period of 10 months including preparation and submission of assessment, completion, finance and audit reports. Fund releases as well as sub-project monitoring, to include sub-project visits (if social distancing restrictions are eased), shall be undertaken among select beneficiaries during this period.

In relation to Component 2, a launch workshop shall be conducted to introduce the selected IPOs and CSOs to the PMTs in Tebtebba and ANSAB, respectively; orient participants on the project; provide training on sub-project fiduciary management; expose IPOs and CSOs to information sources; and allow selected entities to network as a basis for exchange during sub-projects' implementation. The lessons-learned workshop will help identify good practices and lessons learned from implementation and further strengthen the collaboration between the IPOs and the CSOs. Both gatherings will enhance the regional dialogue on REDD+, and include relevant discussion topics such as the connection between the REDD+ agenda and disease mitigation, mechanisms for delivering fast and effective response to communities at the onset of a pandemic, the economics of REDD+, and good practices for negotiations and advocacy. A research on IP women and benefit sharing will be conducted by in country consultants in three (3) ERP countries to be identified.

The sub-grantees shall prepare and submit to Tebtebba monthly activity reports and Statement of Expenditures not later than the 30th day of the following month; and a completion report and assessment report within 30 days and 60 days after completion date respectively. Tebtebba in turn shall develop and submit progress reports and IFRs within 60 days following the six months reporting period and a completion and one-time audit report not later than 6 months after project completion.

C. Sub-Project Selection Procedure



The PMT has prepared an invitation/call for applications (Annex 3), a simple Sub-Grant Application Form (Annex 4a) and Sub-Grant Work and Financial Plan (Annex 4b) with clear guidelines for the preparation of sub-project proposals (under Component 1) which will be translated to national/local languages if needed. The PMT will:

- Send the invitation and the forms to existing networks and national REDD+ focal points of countries eligible for Component 1 and upload the same in the project's webpage in Tebtebba's website;
- Receive and verify the completeness of all applications including required Annexes, make a list of applications indicating which are complete and return incomplete applications which the applicant may complete within the call for proposals period and resubmit. The PMT compiles complete sub-grant applications;
- At the end of the call for proposals, forwards the proposals to members of the RSC and/or experts to be chosen to review and rank proposals based on eligibility criteria (for activities and organizations) to ensure activities' technical soundness including fulfilment of applicable labor and occupational health and safety standards, and guidelines/protocols to minimize/avoid the spread of the COVID-19 virus;
- The reviewers will ensure the inclusive participation of IPs, women, youth and persons with disabilities to the extent possible; and communicate the prioritized sub- project proposals to the PMT through email;
- The PMT will conduct a technical review on prioritized proposals and a due diligence on the proposing IPOs; the decision will be based on relevance, feasibility, sustainability, gender mainstreaming, and institutional capacity and credibility;
- The ManCom of Tebtebba will approve a final list of eligible proposals;
- The PMT will seek WB no objection to the approved proposals, as part of its review and approval process;
- Following WB no objection, the PMT informs the national REDD+ focal points, the RSC and the successful applicants; and prepares draft Sub-Grant Agreements (SGA Template in Annex 5); and
- The Executive Director or the Deputy Director finalizes and signs a SGA with the selected IPOs.

D. Schedule of procurement actions

(a) Procurement by Tebtebba

Tebtebba will procure some goods, consulting and non-consulting services under the "The World Bank Procurement Regulations for IPF Borrowers: Guidelines in Investment Financing Goods, Works, Non-Consulting and Consulting Services dated July 2016, latest revised dated November 2020." as follows:

Goods – Laptop, desktop and printer (1 each) and printing of the research output
Consulting Services – research coordinator, 3 country researchers, editor and auditor. **The TOR of all consultants should be agreed with the World Bank.**

A Procurement Plan that details the procurement actions is included as Annex 6.

Goods and services related to the conduct of the launch and lessons learned workshops which from a procurement perspective will be considered trainings, procurement will follow Tebtebba's procedures. In this regard, the PMT will conduct a canvass from among 3-star hotels which can provide modest venue, 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.

Incremental Operating Costs means the reasonable costs incurred on account of the implementation of the Project (which expenditures would not have been incurred absent the Project) including local contractual support staff salaries, consumable materials and supplies (including office supplies), office equipment, communications, translation services, mass media and printing services, operation and maintenance, charges for opening and operation of bank accounts required for the project, postage and handling, travel, lodging and per diems for Project staff travelling for the purpose of the Project, and salaries of staff of the Recipient, but excluding benefits to Project staff. The operating costs will be incurred in accordance with Tebtebba's administrative procedures, acceptable to the Bank.

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.

(b) Procurement Methods and Procedures for Sub-Project

Procurement by sub-projects are likely to be for goods (including consumables), and non-consulting services (training related services). Procurement of goods would be done through the shopping method by comparing quotations from at least three (3) providers which are obtained through request of quotations in writing. The quotations should be reviewed by a three (3) member evaluation committee who should all sign a 'Disclosure of Interest Form' that is included in the Sub-Grant Agreement (SGA) and the contract is awarded to the lowest bidder.

The procurement of goods, non-consulting and consulting services could be undertaken using either competitive or sole/direct contract methods. In using the direct contracting method, the sub-grantee should justify in writing, to be approved by Tebtebba, that the provider is the most qualified with prior history of fulfilling similar contracts successfully, timely and at reasonable cost.

Only goods and services in the approved work and financial plan will be considered eligible expenses and the sub-grantee should ensure that such goods and services shall be used exclusively in carrying out the sub-project.

Photo/scanned copies of all procurement related documents should be submitted together with the monthly SOEs to Tebtebba and the original retained for a period specified in the SGA. The procurement review of the sub-project will be included in the external auditor’s scope of work.

E. Schedule of disbursements for Component 1

Tebtebba shall disburse funds to sub-grantees based on the approved budget in the Sub-Grant Agreement (SGA) to be signed between Tebtebba and the sub-grantees. The funds will be disbursed in 3 instalments as follows:

1. The first instalment of 45% of the agreed amount upon signing of the SGA and when the sub-grantee has:
 - a. Provided two (2) copies of the signed SGA;
 - b. Opened a bank account that is specific to the sub-project; and provided to Tebtebba the account details and a Certification by the depository bank that it has opened an account with three signatories and can withdraw only from the account with the signatures of 2 of the 3 authorized signatories; and
 - c. Submitted a signed Disbursement Request Form (Schedule 4 of the SGA) to Tebtebba.

2. The second instalment of another 45% will be disbursed when the sub-grantee has:
 - a. Submitted complete monthly Statements of Expenditures (SOE) showing how the 90% of the first instalment were spent in accordance to the approved budget together with supporting documents and accepted by Tebtebba; and
 - b. Submitted corresponding activity reports and a second Disbursement Request Form.

3. The 10% retention fund will be disbursed when the sub-grantee submits a Completion Report, an Assessment Report and an Audited Financial Report covering the totality of the sub-project and are accepted by Tebtebba.

V. FIDUCIARY ASPECTS

Expense category	Amount (US\$)
Category 1: Sub-Grants	276,000
Category 2: Consulting services, Goods and Non-Consulting Services, Training, Administration, M&E and Operational Cost	184,000
TOTAL	460,000

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 IFR where the eligible expenditure of each component will be provided.

A. Tebtebba's Management of Funds

The FCPF-CBP Grant will be released based on the six months 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 maintain a Designated US\$ Account (Tebtebba Foundation-FCPF Project) with a Banco de Oro Universal Bank branch in Baguio City, Philippines. The account will be used to properly monitor the flow of funds. The grant funds will be disbursed/deposited by the WB to this Designated Account (DA) 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 DA to a segregated corporate local currency checking account maintained in the same commercial bank. All expenses in local currency will be paid from this local currency account. The first in-first out (FIFO) method will be used in the conversion of local currency expenses into US\$. As such, there will be no exchange loss/gain arising from currency conversion to the Grant Recipient and likewise the sub-grantees. A ledger of actual exchange rates will be maintained.

Interest income accruing to both bank accounts 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 releases to sub-grantees.

Tebtebba will apply any one of the disbursement methods: (a) reimbursement, (b) advance, and (c) direct payment for the funds flow from the WB to implement agreed project activities.

(i) 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.

(ii) 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.

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

1. Withdrawal of Grant Proceeds

Withdrawal from the grant will be based on six months forecast of eligible expenditures out of the budget approved by the WB. On Grant Agreement effectiveness, Tebtebba should be updated on the use of Client Connection for grant withdrawal. The WB TTL is requested to facilitate the conduct of this update training with the WB country disbursement officer.

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\$ DA, which will be used exclusively for eligible expenditures. Funds deposited into the DA would follow WB's disbursement policies and procedures, as described in the Disbursement and Financial Information Letter (DFIL) and WB Disbursement Guidelines. The ceiling of the US\$ DA, supporting documents and Interim Financial Reports (IFRs) thresholds will be reflected in the DFIL.

Under the reimbursement method, project expenditures will be reimbursed through the replenishment of the DA 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 US\$ DA 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.

2. Financial Management Structure and Corresponding Duties and Responsibilities

There is an Administration and Finance 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 Administration and Finance Department confirms the validity of a request for disbursement and availability of funds per approved budget. He/she also counters check the accurateness of the IFRs, Budget Control and audit report. The Finance Officer reviews

and finalizes the IFRs and the Budget Control/Monitoring and furnishes a copy to the PMTL every 15th of the following month.

The PMT Finance Staff is responsible to the Finance Officer. He/she sees to it that all project financial transactions are properly documented, all disbursements duly approved, all documents stamped 'paid' and recorded. He/she prepares monthly trial balances and Bank Reconciliation and draft the IFRs for review by the Finance Officer.

He/she receives SOEs and accompanying expenditure supporting documents from sub-grantees, evaluates these vis-à-vis the sub-grant approved budget and correlates expenses with the activity reports, and provides feed back to the PMTL. He/she prepares a draft monthly Budget Control/monitoring of the project showing balances of each budget item.

The designated Cashier of Tebtebba will be in charge of releasing payments and the Project Finance Staff will maintain project files in a manner that allows easy retrieval. The Administration staff will assist in acquiring consumable goods and in the preparation of project activities.

The sub-grantee organizations will designate a Finance Staff who will work directly with the Finance Staff of the PMT. This sub-grantee organization staff will be responsible of preparing and submitting required finance reports and supporting documents (all stamped 'paid') to Tebtebba. He/she should keep finance related files related to the sub-project.

3. Project Accounting

Tebtebba uses the QuickBooks accounting software in recording its financial transactions. The software 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 nominal accounts are closed at the end of the calendar year.

The Chart of Accounts of the project consists of assets, liabilities, fund balance, revenues and expenses. The expenses of sub-grantees and unspent advances (Component 1) and expenses of Components 2 and 3 are properly identified.

4. System of Approval and Authorized Signatories

All documents related to disbursements should be submitted to the designated Administration Staff of Tebtebba and follows disbursement procedures (see 7 below). The Administration and Finance Department Manager will attest to the validity of such disbursements and availability of funds per approved budget.

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

5. Disbursement, Liquidation and Monitoring of Sub-Grants

Transfer of funds to sub-grantees will be in three (3) instalments (45%, 45% and 10%) as detailed in Section IV.E.

Within 30 days after the end of each month, the sub-grantee will submit monthly SOEs to be prepared in formats described in Schedules 3 and 4 of Annex 5 (Sub-Grant Agreement) substantiated by scanned/photocopies of duly accomplished and approved expenditure vouchers and supporting documents **annotated in English and stamped 'paid'**. Sub-grantees should submit audited finance reports covering the totality of the sub-project including the auditor's opinion letter and letter to management within 60 days upon sub-project completion. The sub-grantee 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.

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-grantee 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-grantee's Budget Control/Monitoring Sheet and generate the balances per approved budget line. Ineligible expenses per approved budget are disallowed.

Disbursement, liquidation and monitoring of sub-grants are detailed in the sections *Roles and Responsibilities of Tebtebba* (Section 5) and *Roles and Responsibilities of Sub-Grantee* (Section 6) in Annex 5 (Sub-Grant Agreement).

6. Policies and Procedures on Procurement of the expenditures under IOC.

It is the policy of Tebtebba to obtain the best value for money in the procurement of goods and services. Goods refer to consumables, services like trainers/facilitators/documentors and other trainings/conferences related services. Direct purchases from the petty cash fund is allowed but in no case should purchases be divided into small units. Procurement of goods, works or services under IOC amounting to PhP50,000 or around US\$1,000 and above undergoes Tebtebba's procurement process. The request for quotation (shopping) applies in the procurement of goods and trainings related costs (e.g. venue, accommodation, transportation) while sole/single source with justifications approved by the Executive Director is used for the procurement of the services of trainers/facilitators/documentors.

Shopping entails the comparison of quotations from at least three (3) providers which are obtained through request of quotations in writing. There are a few indigenous peoples or advocates who have indigenous perspective needed in Tebtebba's work hence sole/single source method is preferred in the selection of consultants and trainers/facilitators from among a pool of professionals who have also significant knowledge of Tebtebba's programmes and a prior history of fulfilling similar contracts successfully, timely and at reasonable cost.

A 3-member Procurement Committee undertakes procurement as appropriate with the Administration and Finance Department Manager and Procurement Staff as members in all cases joined by the: (i) Supply Officer for consumables; (ii) Information Technology Staff for equipment; and (iii) the concerned Program Manager for consultants, trainers/facilitators and other trainings related services.

At least 3 members of Tebtebba’s ManCom will act as the procurement evaluation committee which approves/decides which provider to award the service/purchase contracts. Affordability and quality of goods and services will be considered. 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 but the participant may arrange and advance his/her costs. Air travel should be through the shortest route and the most economical.

All procurement Evaluation Committee members should sign the ‘Disclosure of Interest Form’ (Annex 7) and the signed forms should be kept in file for record.

These procurement actions under IOC and under Procurement Plan will be post-reviewed on two occasions: i) when the auditor is conducting the independent review of the expenses; and ii) when the WB FM Specialist is reviewing the periodic IFR. During WB mission, the FM Specialist will also conduct post-review of a sample of the expenses, and the purpose of the expenses.

The Project will use the Systematic Tracking of Exchanges in Procurement (STEP) to plan, record and track procurement transactions under the Procurement Plan.

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

7. Disbursement Procedures

Staff Involved	Tasks
Designated Administration Staff	Receives documents supporting request for disbursement from staff/payee and verifies completeness If in order, forwards the documents to the Administration and Finance Department Manager; if incomplete returns to the staff/payee to complete and resubmit.
Administration and Finance Department Manager	Checks and indicates the amount for the Disbursement Request Form (DRF), retains the supporting documents for safe keeping and requests the preparation of a DRF
Designated Administration Staff	Prepares a DRF
Finance Officer	Checks the accuracy of the account titles used
PMT Leader	Counter checks the DRF based on approved budget
Administration and Finance Department Manager	Checks and approves the DRF and attaches supporting documents
Designated Finance staff	Encodes the DRF, prepares the Cash/Check Voucher (CV) and affixes signature in the space provided
Executive Director or Deputy Director	Approves the Cash/Check Voucher

Administration and Finance Department Manager	Receives CV and supporting documents and prepares payment (check for local currency or 2 copies of withdrawal slips for US\$)
Executive Director or Administration and Finance Department Manager and Deputy Director	Receives check or withdrawal slips and supporting documents; verifies amount with CV and supporting documents; if in order, affixes signature on the check or withdrawal slips.
Administration and Finance Department Manager	If payment is in US\$, presents withdrawal slips to the depository bank; receives cash and validated withdrawal slip duplicate (For transfer, a duly accomplished wire transfer form is presented to the bank together with the withdrawal slips; validated wire transfer form and validated withdrawal slip duplicate are received and attached to the CV)
Designated Administration Staff	Receives payment together with CV, DRF and supporting documents, photocopies check and attaches to CV and enters the name of payee and amount in a signature sheet; releases payment after the payee acknowledges payment
PMT Finance Staff	Stamps 'PAID' the CV and all supporting documents
Finance Officer	Receives and re-checks the completeness of the documents and endorses these to the concerned Bookkeeper
PMT Finance Staff	Receives CV and all supporting documents, updates his/her monitoring and files the documents. At the end of the month, prepares a Monthly Monitoring and generates a Trial Balance.

8. Financial Reports

A reporting format will be agreed between Tebtebba and the Bank. At least three (3) members of the PMT will be retrained by the Bank on its Client Connection system: the PMTL and the Administration and Finance Department Manager as the signatories who clears/approves the finance report and the Finance Staff who will upload the report to the system. Only actual expenses of Tebtebba and sub-grantees are reported and uploaded.

IFRs will be prepared every six (6) months and submitted to the WB and RSC members within 60 days after the end of the reporting period. Annual audited financial reports will be submitted not later than 6 months after the end of each calendar year.

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

9. Audit Arrangements

An independent external auditor's Terms of Reference including the procurement review of the sub-projects 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 annual audit reports should include the audited financial statements, opinion whether the financial statements give a true and fair view of the financial position, 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-grantee

1. Accounting System

- a. The sub-grantee should have a standard accounting system in place that is in accordance to the norms that would show proper recording and documentation, clear flow of funds and accountability and responsibility.
- b. The sub-grantee shall establish a Chart of Accounts and the necessary forms that would be specific 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-grantee, as a requirement for the approval of its sub-project, should agree to follow the Procurement Procedures (Section IV.D(b) above) in this POM.
- b. The Procurement Principles 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. There will be monthly submission of SOEs by the sub-grantees to Tebtebbba as a monitoring system of expenses. The sub-grantees shall submit scanned/photo copies of all receipts stamped paid for verification by Tebtebbba. All expenses that are not deemed eligible are subjected for verification with the sub-grantee. If the expense is deemed not eligible as sub-project expense, this will be deducted from the SOE.
- b. Audit of the books of accounts of the sub-grantees shall be done by external auditors covering the totality of the sub-project upon completion. The external auditor shall be selected through a selection process as defined in the Procurement Policy of the sub-grantee and the TOR mutually agreed by the sub-grantee and Tebtebbba.

VI. COMPLAINTS PROCESSING AND RESOLUTION

Indigenous peoples and other interested stakeholders may provide feedback or raise complaints on the sub-grants' award decisions, governance of the project, implementation and other issues specific to the project.

Before this grievance mechanism is availed by stakeholders, especially sub-project beneficiaries, indigenous peoples' resolution systems and practices should be applied first if a party or both to a complaint is or are indigenous peoples. The concerned sub-grantee should compose a grievance panel composed of its representative and IP leaders from the beneficiary community. For cases involving non-IPs, the sub-grantee should use its own mechanism. In either situation, minutes of the resolution process, whether successful or not, should be prepared and signed by the members of the panel and included in the sub-grantee's monthly report.

To use this grievance mechanism, feedbacks or complaints should generally be sent to the PMT in writing duly signed by the complainant/s and contact details indicated. However, a complaint may also be orally, via phone or in person, in which case the PMT will assist the complainant in documenting the complaint. The minutes of the resolution process that was unsatisfactory to either or both parties at the sub-grantee level should be attached to the complaint. The complaint including annexes should be sent through email (cbp-grievance@tebtebba.org) or courier addressed to Ms. Helen Valdez, PMTL-FCPF CB Project, Tebtebba No. 1 Roman Ayson Rd., Campo Filipino, Baguio City 2600, Philippines.

The PMT will be fully responsible for recording, referring and tracking the complaint. He/she should acknowledge receipt of complaint within 5 working days upon receipt. The PMT will undertake 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 Regional Steering Committee (RSC). Where 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.

If the complaint is not resolved at the Grievance Committee level, the complaint is forwarded to the FMT for consultation on the resolution of the grievance. Resolutions or outcomes of complaints received shall be properly documented.

This grievance mechanism will be uploaded in the [project webpage](#) in Tebtebba's website. Electronic copies will also be provided to sub-grantees and will be discussed during the project launch workshop. Sub-grantees should in turn inform the project beneficiaries and other relevant stakeholders during capacity building activities or as appropriate.

VII. ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT (SAFEGUARDS)

While the project will not fund physical infrastructure or other activities that could have adverse social and environmental impacts, an Environmental and Social Commitment Plan-ESCP (Annex 8) and Labor Management Procedures-LMP (Annex 9) have been prepared for this capacity building project. The ESCP describes the measures to be undertaken by the project to avoid, prevent, minimize or mitigate risks and negative impacts in accordance with the World Bank's Environmental and Social Framework (ESF) and its Environmental and Social Standards (ESS), particularly ESS 1, 2, 4, 6, 7, 8 and 10¹ proportionate to the scale of the project. The LMP describes prevailing national labor and occupational health and safety standards which the project should satisfy and includes a grievance mechanism for direct workers. All project related activities, particularly traveling and face-to-face meetings/events, will be designed considering relevant local public health restrictions in the context of the COVID-19 pandemic. During project implementation, any E&S risks will be managed by: (i) conducting screening to ensure that activities under Component 1 (e.g. capacity building and awareness raising programs) are consistent with the ESF and incorporate appropriate E&S objectives; (ii) ensuring that activities are widely consulted on with the key stakeholders and enjoy broad support of their main beneficiaries; and (iii) promoting transparency and public information disclosure. The regular monitoring report will include progress on the environmental, social, health and safety (ESHS) performance of the Project regarding compliance in accordance with the requirements of the Project's ESCP and LMP.²

ESS7 on Indigenous Peoples aims to ensure that the development process fully respects the dignity, human rights, economies, and cultures of IPs. The standard specifies that the WB provides financing only where affected IPs (whether positive or adverse) have been meaningfully consulted and support project activities. Free, prior, and informed consent (FPIC) is required in certain circumstances for projects with adverse impacts, but this is not the case for this project which provides support and benefits to IPs based on a demand driven and participatory process.

This POM includes detailed eligibility criteria and procedures for the selection of the capacity building activities to ensure consistency with the WB's ESSs. The following are the procedures for consulting with concerned IP organizations and communities in the selection and implementation of 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

¹ ESS1 Assessment and Management of Environmental and Social Risks and Impacts; ESS2: Labor and Working Conditions; ESS4: Community Health and Safety; ESS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources ESS7: Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities; ESS8: Cultural Heritage; and ESS10: Stakeholder Engagement and Information Disclosure. These can be found at <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework>.

² The ESCP, SEP (Annex 10) and LMP are available at Tebtebba's website.

the documentation of the discussion including 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: selected beneficiary organizations should have mass base, functioning networks and have the capacity to engage with government to be able to effectively implement their activities. Discussion with governments before the preparation of sub-grant application, minutes of discussions and attendance sheets should be attached as annex to the proposal. This will be followed up by the PMT during due diligence.
- (iii) Grievance redress mechanisms procedures as described above.

After project effectiveness, the WB will provide Tebtebba with training and guidance to ensure its understanding of the Bank's ESF and its responsibilities regarding compliance with relevant ESSs, including its responsibility to ensure that funded activities do not lead to downstream impacts. Within the PMT, the Team Leader and the Finance Staff will be responsible to ensure project compliance with the ESSs.

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-grantees shall submit to Tebtebba SOEs and accompanying expenditure supporting documents **annotated in English** and stamped 'PAID' and activity reports within thirty (30) days after the end of each month of implementation. Tebtebba shall submit, within sixty (60) days after the end of the reported period, narrative and finance progress reports every six (6) months to the WB.

Each sub-grantee shall submit to Tebtebba a narrative completion report within 30 days, and an assessment and audit report within 60 days upon completion of the sub-project. A completion report and an audit report shall be submitted by Tebtebba to the WB not later than 6 months after the completion of the project. Tebtebba's reports will be based on reports of sub-grantees and from M&E activities that the PMT will conduct for the project as a whole, based on the results framework.

ANNEXES

1. Work and Financial Plan
2. Terms of Reference of full time Project Staff
3. Invitation/call for sub-grant proposals
4. a) Sub-grant Application Form, and b) Sub-Grant Work and Financial Plan
5. Template of Sub-Grant Agreement
6. Procurement Plan
7. Disclosure of Interest Form
8. Environmental and Social Commitment Plan (ESCP)
9. Labor Management Procedures (LMP)
10. Stakeholder Engagement Plan (SEP)