**AGREEMENT ON THE ESTABLISHMENT OF**

**ASIAN FOREST COOPERATION ORGANIZATION**

*(as of 23 April 2015)*

**Preamble**

The Parties to this Agreement;

RECALLING the forest-related decisions adopted at the United Nations Conference on Environment and Development in 1992 and, the World Summit on Sustainable Development in 2002, the Rio+20 United Nations Conference on Sustainable Development in 2012, as well as the provisions of the United Nations Convention to Combat Desertification in States Experiencing Serious Drought and/or Desertification/Land Degradation, the Ramsar Convention, the Convention on Biological Diversity and the United Nations Framework Convention on Climate Change;

FURTHER RECALLING the proposals for action of the Intergovernmental Panel on Forests and the Intergovernmental Forum on Forests and the resolutions and decisions of the United Nations Forum on Forests as well as the Non-legally Binding Instrument on All Types of Forests;

WELCOMING the Sustainable Development Goals, as guided by the United Nations Conference on Sustainable Development or Rio+20, to be integrated into United Nations post-2015 development agenda;

CONSIDERING the urgent need for closer cooperation on forests among the Parties in Asia to contribute to the expansion of forestlands, the advanced study of forests, forestry and forest rehabilitation and the strengthening of the capacities of states in coping with global climate change issues;

RECOGNIZING that all Parties play a significant role in restoring and rehabilitating degraded lands, promoting sustainable forest management and combating desertification/land degradation, and that progress in that respect depends on the effective implementation of national action programs;

ACKNOWLEDGING the great potential of the Green Growth initiatives, the past achievements and future potential of reforestation and forest rehabilitation, the progress made in the development of sustainable forest management practices and the improvement potential of forest governance in Asia;

RECALLING the proposal by the Republic of Korea to establish the Asian Forest Cooperation Organization at the ASEAN-ROK Commemorative Summit on 1-2 June 2009, held on Jeju Island, Republic of Korea;

ACKNOWLEDGING the achievements and outcomes of the dialogue for the establishment of the Asian Forest Cooperation Organization carried out under the Agreement between the Governments of the Member States of the Association of the Southeast Asian Nations and the Republic of Korea on Forest Cooperation (hereinafter referred to as the “AFoCo Agreement”), which entered into force on 5 August 2012;

RECALLING the decision of the Governing Council of the AFoCo Agreement to invite the ASEAN Member States, Bhutan, Kazakhstan, Mongolia, Timor-Leste, and the Republic of Korea to the dialogue for the establishment of the Asian Forest Cooperation Organization;

HAVE AGREED as follows:

**Article 1**

**Definition of Terms**

1. For the purposes of this Agreement;

a) “Agreement” means this Agreement on the Establishment of the Asian Forest Cooperation Organization;

b) “Organization” means the Asian Forest Cooperation Organization (AFoCO) established under this Agreement;

c) “Assembly” means the supreme decision-making organ of the Organization comprising representatives appointed by the Parties to this Agreement;

d) “Executive Director” means the chief administrative officer of the Organization who is appointed by the Assembly;

e) “Secretariat” means the body which shall provide administrative support to the Organization as well as to carry out the activities guided by the Assembly;

f) “Signatory Country” means a country, whereas “Signatory Countries” mean the countries, which has/have signed, and yet to deposit the instrument of ratification, acceptance, or approval;

g) “Party” means a country, whereas “Parties” mean countries which has/have signed and deposited the instrument of ratification, acceptance, or approval, or a country/countries acceded to this Agreement;

h) “Observer” means a country or an organization, whereas “Observers” mean countries or organizations, which has/have been granted the Observer status by the Assembly;

i) “Representative” means a senior forestry official nominated by a Party to the Agreement to represent the Party in the Assembly of the Organization;

j) “Host Country” means the country where the headquarters of the Organization is located; and

k) “Operational Expenditure” means costs for functioning of the Assembly, Secretariat and subsidiary bodies of the Organization.

**Article 2**

**Establishment**

1. The Organization is hereby established as an intergovernmental organization in accordance with the provisions of this Agreement.

2. The Headquarters of the Organization, including the Secretariat, is located in the Republic of Korea. A separate “Headquarters Agreement” shall be signed between the Government of the Republic of Korea and the Organization.

**Article 3**

**Objectives**

1. The Organization shall be established to strengthen regional forest cooperation by transforming proven technology and policies into concrete actions in the context of sustainable forest management as well as addressing the impact of climate change from forestry sector.

2. The Organization shall promote and undertake the following action-oriented forest cooperation programs in Asia on:

a) sustainable forest management, biodiversity conservation and maintenance and enhancement of ecosystem services, reforestation and forest rehabilitation;

b) climate change mitigation and adaptation activities and supporting the initiatives under “Reducing Emissions from Deforestation and forest Degradation, and the role of forest conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries” or REDD+;

c) reduction of deforestation, forest degradation, desertification and land degradation, and mitigating the impacts of forest-related disasters;

d) capacity building of stakeholders through research and development, sharing of experiences and the transfer of technology, including education and exchange programs; and

e) partnerships between the Parties and with other entities to carry out cooperative activities by building upon the current initiatives of other forest-related international agreements and organizations.

**Article 4**

**Legal Capacity**

1. The Organization shall have legal personality and shall have the capacity:

a) to enter into agreements and contracts;

b) to acquire and dispose of movable and immovable property; and

c) to institute, and defend in, legal proceedings.

**Article 5**

**Membership**

1. The Signatory Countries which have signed and completed their respective domestic procedure shall be Parties to the Agreement.

2. The formal admission of a country as a Party shall be subject to approval by the Assembly and the deposit of an Instrument of Accession to the Agreement.

3. The admission of any country as a Party to the Agreement shall be subject to its geographic location in Asia.

**Article 6**

**Observers**

1. Observer status may be granted by the Assembly to:

a) Signatory Countries which have not deposited instruments of ratification, acceptance or approval;

b) Other Asian countries which have submitted an application to be an Observer; and

c) International and non-governmental organizations active in the field of forestry.

2. Any other matter related to the participation of Observers may be decided upon by the Assembly in accordance with the internal regulations of the Organizations.

**Article 7**

**Organs**

1. The principal organs of the Organization shall be an Assembly and a Secretariat.

2. Subsidiary bodies may be established upon approval by the Assembly in accordance with Article 8 of this Agreement.

**Article 8**

**The Assembly**

1. The Assembly shall comprise the Representatives of all Parties.

2. Each Party shall appoint one (1) Representative to the Assembly. The Assembly shall elect its President and Vice-President for each session for one year term.

3. The Assembly shall meet annually and in such special sessions as circumstances may require. A special session shall be convened by the President at the request of a simple majority of the Parties.

4. The Assembly shall, at its first meeting, adopt the internal regulations of the Organization. The internal regulations may, at any other point in time, be amended by the Assembly.

5. The Assembly shall, at its first meeting, elect and appoint the Executive Director of the Secretariat.

6. The Assembly shall:

a) adopt and, when necessary, amend the internal regulations of the Organization;

b) appoint the Executive Director of the Secretariat;

c) approve the establishment of subsidiary bodies as are necessary for the achievement of the objectives of the Organization;

d) approve the program and budget for the activities of the Organization;

e) review reports submitted by the Executive Director and the subsidiary bodies of the Organization and provide guidance to them;

f) promote and strengthen relationships with other relevant organizations while avoiding duplication of efforts;

g) exercise such other functions as are necessary for the achievement of the objectives of the Organization;

h) make an arrangement to approve the application of the observers status; and

i) consider, deliberate and adopt the amendment to the Agreement proposed by any Party/Parties in accordance with Article 20.

7. The Assembly shall decide amendment to the Agreement and approval of new Parties by consensus.

8. The Assembly shall make every effort to reach decisions by consensus. If a decision cannot be reached by consensus for matters other than mentioned in paragraph 7, a flexible formula shall be determined by the Assembly to reach a decision.

**Article 9**

**The Secretariat**

1. Upon entry into force of the Agreement, a Secretariat shall be formed and headed by an Executive Director. The Executive Director shall hold office for a term of two (2) years, renewable for not more than one (1) term.

2. Subject to internal regulations adopted by the Assembly, the Executive Director shall appoint the staff members of the Secretariat. Non-staff personnel shall also be appointed by the Executive Director, on specific terms and be assigned such duties as are necessary towards achieving the objectives of the Organization.

3. Subject to guidance by the Assembly, the Executive Director shall enter into such administrative and contractual arrangements in the name of the Organization as are necessary for implementation of the activities of the Organization.

4. The Secretariat shall:

a) prepare and propose, as necessary, the internal regulations of the Secretariat for consideration of the Assembly;

b) make arrangements for sessions of the Assembly and other subsidiary bodies of the Organization and provide the necessary services;

c) manage the budget and implement the programs approved by the Assembly;

d) report to the Assembly, on regular basis, on the budget and progress of the implementation of the program;

e) coordinate its activities with other relevant bodies and entities;

f) make appropriate arrangements for forest-related cooperation and enter into agreements or contracts with relevant national, regional or international organizations, non-governmental organizations, foundations and associations, both public and private, in line with the programs, projects, and work plans approved by the Assembly;

g) facilitate preparation, evaluation and recommendation of proposals for consideration by the Assembly; and

h) perform other secretariat functions as may be decided by the Assembly.

5. The Republic of Korea, as the Host Country, shall provide secretariat support and the necessary assistance for the period between the dates of the entry into force of this Agreement and the establishment of the Secretariat to ensure the smooth and effective inauguration of the Organization, in accordance with its domestic laws and regulations and within its budgetary capacities.

**Article 10**

**Official Language**

The official language of the Organization shall be English.

**Article 11**

**Organization Symbol**

The Organization shall have a flag and an Emblem to be decided by the Assembly.

**Article 12**

**Budget and Finance**

1. The funds necessary to achieve the objectives of the Organization shall consist of mandatory and voluntary contributions.

2. Mandatory contributions shall be provided in the form of in-kind contributions and/or cash. The Republic of Korea shall contribute eighty (80) percent, whereas other Parties shall contribute one (1) percent each of the annual operational expenditures or a fixed amount of no less than thirty thousand (30,000) US dollars. The remaining contributions shall be provided by other sources. The amount of mandatory contributions by each Party may be subject to periodic review by the Assembly.

3. In-kind refers to non-monetary contribution, the value of which can be attributed to the costs of attending official meetings or events, hosting officials meetings or events and other activities as may be determined and approved by the Assembly.

4. Parties may make additional voluntary contributions to the Organization.

5. The Assembly shall adopt the financial rules and regulations, including rules governing mandatory contributions of the Parties, which shall specify the conditions for the management of the funds.

6. The funds shall be subject to an independent external audit on an annual basis. The audited financial statements shall be made available to Parties as soon as possible after the end of each financial year.

**Article 13**

**Privileges and Immunities of the Organization**

1. The Organization shall enjoy such privileges and immunities for the proper functioning of the Organization, as agreed in Headquarters Agreement between the Organization and the Host Country.

2. The Organization may conclude agreement/agreements with concerned Parties other than the Host Country in order to secure appropriate privileges and immunities in the territories of the Parties.

**Article 14**

**Protection of Intellectual Property Rights**

1. The intellectual property rights in respect of any research and technological development, or products or services development:

a) carried out jointly by the Parties, or research results obtained through the joint activity effort of the Parties, shall be jointly owned by such Parties in accordance with terms mutually agreed upon on the case by case basis; and

b) implemented solely and separately by a Party, or the research results obtained through the sole and separate effort of an individual Party, shall be owned by the Party concerned.

2. The use of the name, logo and/or official emblem of the Organization on any publication, document and/or paper not related to Organization is prohibited without the prior approval of the Assembly.

**Article 15**

**Settlement of Disputes**

Any difference or dispute concerning the interpretation, implementation and/or application of this Agreement shall be settled amicably through mutual consultation and/or negotiation between the Parties concerned through diplomatic channels.

**Article 16**

**Ratification, Acceptance and Approval**

This Agreement shall be subject to ratification, acceptance or approval by the Signatory Countries.

**Article 17**

**Accession**

This Agreement shall be open for accession by any other country, with reference to Paragraph 2 of Article 5, which has not signed the Agreement.

**Article 18**

**Depository**

Instruments of ratification, acceptance or approval of, or accession to this Agreement shall be deposited with Government of the Republic of Korea, which shall promptly furnish a certified copy thereof, to each Party to this Agreement. The function of Depository shall be delegated to the Executive Director of the Secretariat after the entry into force of this Agreement.

**Article 19**

**Entry into Force**

1. This Agreement shall enter into force on the thirtieth (30) day after the date of deposit of the fifth instrument of ratification, acceptance or approval including that of the ROK

2. For the country ratifying, accepting, approving or acceding to this Agreement after the date of its entry into force, the Agreement shall take effect for that country thirty (30) days after the deposit of its instrument.

**Article 20**

**Amendments**

1. Any Party may propose amendments to this Agreement by notifying the Secretariat in writing. Proposed amendments shall be communicated by the Secretariat to all Parties at least sixty (60) days prior to its deliberation by the Assembly. Amendments to the Agreement shall be adopted in accordance with Paragraph 8 of Article 8.

2. Amendments shall enter into force on the thirtieth (30) day after the deposit of the fifth instrument of ratification, acceptance or approval. For other Parties ratifying, accepting, or approving after its entry into force, the amendments shall enter into force on the thirtieth day after the deposit of the respective instrument.

**Article 21**

**Withdrawal**

1. Any Party may withdraw from this Agreement by giving a written notification to the Secretariat who shall immediately communicate the notification to all Parties. Such withdrawal shall take effect sixty (60) days after the date of the receipt of such notification by the Secretariat.

2. Notwithstanding the effective date of withdrawal, the withdrawing Party shall complete the payment of any previously assessed financial dues it owes to the Organization before the effect of withdrawal.

**Article 22**

**Termination**

1. This Agreement may be terminated through a unanimous decision by the Assembly.

2. Any decision taken under paragraph 1 shall take effect after twelve (12) months have expired, unless otherwise decided unanimously by the Assembly.

3. The termination of this Agreement shall not affect the implementation of any project or program undertaken under this Agreement and not fully executed at the time of termination of this Agreement, unless as otherwise agreed unanimously by the Assembly.

IN WITNESS WHEREOF, the undersigned, duly authorized thereto by their respective Governments, have signed this Agreement.

Done at [ ] on [ ] in the English language.

For the Government of the Kingdom of Bhutan

For the Government of Brunei Darussalam

For the Government of the Kingdom of Cambodia

For the Government of the Republic of Indonesia

For the Government of the Republic of Kazakhstan

For the Government of the Republic of Korea

For the Government of the People’s Democratic Republic of Lao

For the Government of Malaysia

For the Government of Mongolia

For the Government of the Republic of the Union of Myanmar

For the Government of the Republic of the Philippines

For the Government of the Republic of Singapore

For the Government of the Kingdom of Thailand

For the Government of the Democratic Republic of Timor-Leste

For the Government of the Socialist Republic of Viet Nam

**ANNEX-1: List of Participating Countries to the Dialogue for the Establishment of Asian Forest Cooperation Organization**

Kingdom of Bhutan

Brunei Darussalam

Kingdom of Cambodia

Republic of Indonesia

Republic of Kazakhstan

Republic of Korea

People’s Democratic Republic of Lao

Malaysia

Mongolia

Republic of the Union of Myanmar

Republic of the Philippines

Republic of Singapore

Kingdom of Thailand

Democratic Republic of Timor-Leste

Socialist Republic of Viet Nam