

MEMORANDUM OF UNDERSTANDING

between

THE KOREA FOREST SERVICE

and

**THE SECRETARIAT OF THE CONVENTION ON BIOLOGICAL
DIVERSITY**

on

**IMPLEMENTATION OF
THE FOREST ECOSYSTEM RESTORATION INITIATIVE**

THE CONTEXT

1. As a part of the Republic of Korea's commitment to supporting the outcomes of the twelfth meeting of the Conference of the Parties (COP) to the Convention on Biological Diversity, the Korea Forest Service has established the Forest Ecosystem Restoration Initiative to support developing countries in their efforts on forest ecosystem restoration. An information document (Annex 1) was presented to COP 12 for the information of Parties.
2. The Korea Forest Service (hereinafter referred to as "KFS") whose address is 189 Cheongsa-ro, Seo-gu, Daejeon, Republic of Korea 302-701 and the Secretariat of the Convention on Biological Diversity (hereinafter referred to as "SCBD") whose address is 413 Saint-Jacques Street, Suite 800, Montreal QC H2Y 1N9 (hereinafter referred to as "Parties") have mutually agreed to implement the "Forest Ecosystem Restoration Initiative (FERI)" (hereinafter referred to as the "Initiative") with SCBD as the implementing agency for the Initiative.
3. KFS undertakes, as provided in this MoU, to make financial contributions (hereinafter referred to as the "Contribution") for the purpose of implementing the Initiative.
4. In implementing the Initiative, the Parties hereby agreed as follows:

Article 1

Objective and areas of cooperation

5. The objective of the Initiative is to support ecosystem restoration activities under the Convention on Biological Diversity in line with decision XI/16 and in cooperation with the Forest Landscape Restoration Mechanism of the Food and Agriculture Organization of the United Nations, and other relevant initiatives, with the overall goal of contributing to the achievement of the Aichi Biodiversity Targets, in particular Targets 5, 14, and 15. In this perspective, the areas of cooperation under the Initiative are to assist countries:

- a. to assess the potential costs and benefits of restoration;
- b. to identify and assess areas with forest ecosystem degradation;
- c. to identify areas with high potential for forest ecosystem restoration (including using available tools, practices etc.);
- d. to implement appropriate restoration activities;
- e. to manage the complex dynamics inherent in forest ecosystem restoration

Article 2 Expected Outcomes

6. The expected outcomes of the Initiative are:
 - a. Capacity for undertaking restoration activities is raised for developing countries and countries with economies in transition that take part in the Initiative;
 - b. Implementation of restoration actions is enhanced;
 - c. Restoration actions are profiled and supported.

Article 3 Responsibilities of SCBD and KFS

7. SCBD will receive, administer, disburse and account for the Contribution to implement the Initiative in accordance with the Financial Rules and Regulations of the United Nations and the Convention on Biological Diversity.
8. The funds will be used exclusively for implementation of the Initiative in line with Annex 2 to this MoU.
9. SCBD will provide KFS with financial reports concerning the Contribution and its disbursement in SCBD's standard format. SCBD will provide a yearly financial and progress report to KFS within three months of year-end (i.e. by March 31 of the following year). A progress report will also be provided to KFS by 30 June 2015. These reports will include details of any portion of the Contribution retained to cover anticipated expenses. When all issues relating to such retention are finalized, SCBD will provide an updated final report including the final financial statement to KFS after completion of the Initiative.
10. The obligations of SCBD are contingent upon the receipt of necessary funds from KFS in accordance with this MoU.
11. Experts may be recruited by SCBD, if necessary, in accordance with the applicable United Nations Rules and Regulations. The experts will be directly responsible to SCBD for the conduct of their duties.
12. Experts from KFS to the SCBD could be considered to facilitate implementation of the FERI, subject to the mutual agreement of KFS and the SCBD.
13. Responsibility for the management and execution of the Initiative shall rest with SCBD, including collaborative arrangements with external experts/contractors to implement the activities of the Initiative. KFS shall not be responsible for these arrangements or for the ultimate execution of the Initiative.

Article 4
Payment of the Contribution

14. KFS will make a Contribution over six years of an approximate amount of 500 million Korean Won (KRW) or more per year, contingent on previous year's reports and a detailed plan for the coming year, to UNEP's bank account with UNEP Trust Fund Account as per account details below:

Account Name: UNEP Trust Fund Account
ABA No. 021000021
Account Number: 485-002809
Bank Name: J.P. Morgan Chase
International Agencies Banking Division
270 Park Avenue, 43rd Floor
New York, N.Y. 10017
USA

Swift ID: BIC-CHASUS33 or CHIPS participant No. 0002.

Reference: SCBD – Forest Ecosystem Restoration Initiative

15. The first transfer of funds for 2015 is 500 million KRW which will be deposited to SCBD within 30 days of the signing of this MOU. Thereafter, KFS transfers funds to SCBD within 30 days after the day of receiving the financial and progress report on implementation for each year in varied amounts depending on the activities to be undertaken that year, and in line with Annex 3 of this MoU. The Contribution will be paid in Korean Won and recorded based on the United States Dollar value at the market rates prevailing on the date of receipt in the UNEP Trust Fund Account listed above.
16. SCBD will inform KFS of the receipt of the Contribution on the day of receipt.
17. Any interest earned by the SCBD on the Contribution will form part of the Contribution.
18. This Contribution will include a charge of 13% for the SCBD's programme support and administrative services, which will be applied to all programme resources expended in the implementation of the Initiative.
19. All financial reports and statements will be expressed in United States dollars and there will be no reporting in other currencies. For the purpose of recording receipts and/or payments, all transactions will be converted into United States dollars.

Article 5
Audit

20. SCBD will keep accounts and records of expenses incurred in connection with the Initiative in accordance with its Financial Rules and Regulations. These accounts and records will be available to the UN Board of External Auditors to enable them to express an opinion on the financial statements of the SCBD as a whole.

Article 6
Points of Contact

21. All communications relating to this MoU will be in writing in English, citing the Initiative reference, to:

- KFS: Youngtae Choi, Director, Korea Forest Service
- SCBD: Catalina Santamaria, Forest Biodiversity Officer, or other Officer that may be designated by the Executive Secretary

22. Each party will inform the other promptly in writing of any change of the point of contact, including the name and designation of the new person.

Article 7 Settlement of Disputes

23. Any dispute, controversy or claim arising out of, or relating to, this MoU, of the breach, termination or invalidity thereof will be settled amicably by negotiation between the Parties. In the event that such negotiation is unsuccessful, either Party may submit the dispute to arbitration. The arbitration will be carried out in accordance with UNCITRAL Arbitration Rules.

Article 8 Termination

24. Either Party may terminate the present MoU giving the other not less than six months written notice of its intention to terminate the MoU, subject to the continuance in force of paragraph 25 below for the purposes stated therein, provided that this MoU will continue to apply in respect of any defined activity which has, prior to the date on which such notice is given, been agreed between the Parties and has already commenced.

25. On operational completion of the Initiative or termination of this MoU the Contribution will remain with SCBD until all expenditures associated with the implementation of the Initiative have been satisfied. Upon submission of a final financial statement in accordance with Article 3, any balance of the Contribution will be returned to KFS or disposed of as requested by KFS.

Article 9 Privileges and Immunities

26. Nothing in or relating to this agreement shall be deemed to waiver, express or implied, of any of the privileges and immunities of the United Nations, the Convention or the SCBD.

Article 10 Annexes

27. The following Annexes constitute an integral part of this MoU:

- UNEP/CBD/COP/12/INF/19 Forest Ecosystem Restoration Initiative (Annex 1)
- FERI Strategy and Action Plan (Annex 2)
- FERI Budget (Annex 3)

Article 11 Entry into Force

28. This MoU shall enter into force on the date of the last signature by the representatives of the Parties and will remain in force until the Parties have discharged their obligations herein.

**Article 12
Amendment**

29. No modification of, or changes to, this MoU or waiver of any provision will be valid unless made in writing and approved by the duly authorized representatives of the Parties.

**Article 13
Entire Agreement**

30. This MoU constitutes the entire arrangement between the Parties with respect to the Contribution.

**Article 14
Intellectual Property**

31. All intellectual property and other proprietary rights including, but not limited to, patents, copyrights, and trademarks, resulting from the Initiative will belong to both Parties. Either Party will have the right to use, publish, or reproduce any item or part thereof resulting from the Initiative for institutional purposes.

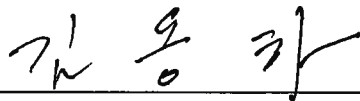
**Article 15
Promotion of Understanding for the Forest Ecosystem Restoration Initiative**

32. SCBD will acknowledge the Forest Ecosystem Restoration Initiative in all publications and presentations related to the Initiative.


33. Done on the date of signature, in two originals in the English language, all texts being equally authentic.

Signed for and on behalf of
the Korea Forest Service

Signed for and on behalf of the Secretariat
of the Convention on Biological Diversity



**Mr. Yong Ha Kim
Deputy Minister
Korea Forest Service**



**Mr. Braulio Ferreira De Souza Dias
Executive Secretary
Secretariat of the Convention on Biological
Diversity**