

July 25, 2000

REVISED MEMORANDUM OF UNDERSTANDING ON THE ESTABLISHMENT OF THE ASEAN FOUNDATION

The Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic, Malaysia, the Union of Myanmar, the Republic of Philippines, the Republic of Singapore, the Kingdom of Thailand, and the Socialist Republic of Viet Nam, Member States of the Association of Southeast Asian Nations (ASEAN);

Recalling the Bangkok Summit Declaration of 1995, which provides that ASEAN shall elevate Functional Cooperation to a higher plane to bring shared prosperity to all its members, and the agreement of the Heads of State/Government of ASEAN at the First Informal Summit Meeting in Jakarta on 30 November 1996 to develop ideas for the establishment of the ASEAN Foundation;

Recalling also the Framework for Elevating Functional Cooperation adopted by the 29th ASEAN Ministerial Meeting in Jakarta on 20 July 1996, which provides that the theme for Functional Cooperation shall be Shared Prosperity through Human Development, Technological Competitiveness and Social Cohesiveness;

Impelled by the need to preserve the sustainable future of ASEAN and by the desirability of the mutual benefits to be derived from the establishment of the ASEAN Foundation;

Have reached the following understanding:

ARTICLE I ESTABLISHMENT AND MEMBERSHIP

1. There shall be established the ASEAN FOUNDATION, hereinafter referred to as "the Foundation".
2. Member States of ASEAN shall be members of the Foundation.
3. The Host Country shall extend to the Foundation, the Execution Director and the Foundation, the Executive Director and the Staff who hold diplomatic status such privileges and immunities as may be necessary for the performance of their duties and functions in accordance with the laws and regulations prevailing in the Host Country.

ARTICLE IV OBJECTIVES

1. The Foundation shall promote greater awareness of ASEAN, and greater interaction among the peoples of ASEAN as well as their wider participation in ASEAN's activities inter alia through human resources development that will enable them to realize their full potential and

capacity to contribute to progress of ASEAN Member States as productive and responsible members of society.

2. The Foundation shall also endeavor to contribute to the evolution of a development cooperation strategy that promotes mutual assistance, equitable economic development, and the alleviation of poverty.

ARTICLE V ACTIVITIES

The Foundation, to achieve its objectives, shall undertake the following activities:

- a. organize and support activities to promote education, training (including in the areas of science and technology), health and cultural life;
- b. provide assistance to uplift the social condition of the peoples in the ASEAN Member States;
- c. provide fellowships to and support exchanges of ASEAN youths and students;
- d. promote collaborative work among academics, professionals and scientists;
- e. implement projects assigned by ASEAN Leaders or Ministers;
- f. collaborate with the relevant ASEAN bodies;
- g. organize its own projects; and
- h. actively raise funds for the Foundation's activities.

ARTICLE VI ASSISTANCE

Academic, cultural, economic, social and other relevant government institutions and bona fide non-governmental organizations of ASEAN member countries, shall be eligible for assistance from the Foundation in conformity with its stated objectives.

ARTICLE VII BUDGET AND FUNDING

1. For the purpose of fulfilling its objectives and activities, the Foundation shall have a Fund.
2. Under this Fund, there shall be kept three accounts called the Endowment Account, the Operational Account and the Projects Account.
3. The Fund of the Foundation shall come from the contributions, including that of ASEAN Member States, private corporations and other foundations or individuals.
4. Contributions made to the Foundation shall be paid into any of the Endowment Account, Operational Account or the Projects Account, as

specified by the donors. If unspecified by the donors, the contributions shall be paid into the Endowment Account.

5. The Endowment Account shall be invested to realise income for the Foundation. The Operational Account shall provide financing for day to day administrative costs of the Foundation. The Projects Account shall provide financing for approved projects.

The allocation of the annual income from the Endowment Account to the Endowment, Operational and Projects Accounts shall be decided by the Board of Trustees.

6. The Accounts of the Foundation shall be maintained according to generally accepted international accounting practice.

7. The Foundation shall have the capacity to accept gifts, donations and contributions from other ASEAN Member States, private corporations and/or individuals.

ARTICLE VIII ORGANIZATION

The organization of the Foundation shall consist of a Board of Trustees, Executive Director, a Council of Advisors and the Staff of the ASEAN Foundation Secretariat.

ARTICLE IX BOARD OF TRUSTEES

1. The Board of Trustees, hereinafter referred to as "the Board", shall consist of:

- a. a representative of each of the ASEAN Member States to be appointed by the respective governments;
- b. the Secretary-General of ASEAN as ex-officio member; and
- c. the Executive Director as ex-officio member.

2. Each member of the Board, except for the ex-officio members, shall be appointed for a term to be decided by the appointing government and shall be eligible for re-appointment

3. Officers of the Board shall be elected based on the following procedures:

- a. the Members of the Board, except for the ex-officio members, shall elect a Chairman from among themselves for a term of one year;
- b. the Members of the Board, except for the ex-officio members, shall elect two (2) Vice-Chairmen from among themselves each for a term of one year;
- c. the election of the Chairman and Vice-Chairmen shall be by rotation, in alphabetical order; and

d. the ex-officio members of the Board are not eligible to be elected as Chairman or Vice-Chairman.

4. The Board shall:

a. formulate the guidelines and procedures for the award of scholarships/fellowships and other activities of the Foundation;

b. have the overall responsibility for the Fund of the Foundation and shall be responsible for the formulation of policy for the procurement and the utilization of Fund for the Foundation;

c. approve projects seeking support from the Fund of the Foundation;

d. approve the annual operational budget for the Foundation;

e. perform such other functions as may be necessary to carry out the objectives of the Foundation; and

f. meet at least once a year.

5. In discharging its functions under this Article, the Board shall:

a. consult the Council of Advisors established by Article Xi of this Memorandum of Understanding; and

b. take into consideration any advice and recommendation rendered or made by the Council to it.

6. The Board shall report to the ASEAN Heads of Government through the ASEAN Ministerial Meeting and the ASEAN Standing Committee.

ARTICLE X EXECUTIVE DIRECTOR

1. The Executive Director shall be a national of an ASEAN Member State and shall be appointed by the Board through open recruitment for a non-renewable term of three years.

2. The Executive Director in discharging his/her functions to serve ASEAN Member States, shall represent the ASEAN Foundation, not his/her country or any other institution.

3. The Executive Director shall:

a. represent the Foundation in all administrative and operational matters, manage the activities of the Foundation and perform such other functions as may be assigned by the Board from time to time;

b. have authority to appoint such professional, secretarial and administrative staff as are necessary to achieve the Foundation's objectives; and