



MEMORANDUM OF UNDERSTANDING ON THE ESTABLISHMENT OF THE ASEAN FOUNDATION

The Governments of Brunei Darussalam, the Republic of Indonesia, the Lao People's Democratic Republic, Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand, and the Socialist Republic of Vietnam, 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 Government of ASEAN at the First Informal 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 ASEAN Foundation;

Hereby agree to establish the ASEAN Foundation, hereinafter referred to as "the Foundation" on the terms and conditions stated below;

1. Headquarters

The Foundation shall have its seat in Indonesia, hereinafter referred to as the "Host Country", and shall be based in Jakarta.

2. Objectives

- a) 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 as productive and responsible members of society; and

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

3. Activities

To achieve its objectives the Foundation shall undertake the following activities:

- a) organize and support activities to promote education, training (including science and technology), health and cultural life;
- b) provide assistance to uplift the social condition of the peoples in the ASEAN countries;
- c) provide fellowships to and support exchanges of ASEAN youth 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; and
- g) organize projects of its own.

4. Membership

- a) All ASEAN Member States shall be eligible for membership; and
- b) Academic, cultural and other relevant institutions and only bona fide non-governmental organizations recognized by Government shall be eligible for assistance from the Foundation.

5. Organization and Management

- a) The organization of the Foundation shall consist of a Board of Trustees, Executive Director, an Advisory Council and the Staff;
- b) The **Board of Trustees** hereinafter referred to as Board:
 - (i) the Board shall consist of a representative from each ASEAN Member Country. The Executive Director shall be an ex-officio member of the Board;

- (ii) the members of the Board shall elect a Chairman from among themselves for a non-renewable term of three years;
 - (iii) the Board shall formulate the guidelines and procedure for the award of scholarships/fellowships and for other activities of the Foundation;
 - (iv) the Board shall be responsible for the formulation of policy for the procurement and the utilization of funds for the Foundation;
 - (v) the Board shall establish the Foundation's priorities and approve its annual budget;
 - (vi) the Board shall meet at least once a year and its members shall serve for a non-renewable term of three years;
 - (vii) the Board shall report to the ASEAN Heads of Government through the ASEAN Ministerial Meeting; and
 - (viii) the Board shall perform such other functions as may be necessary to carry out the objectives of the Foundation.
- c) Executive Director:
- (i) the Executive Director shall be a citizen of an ASEAN Member Country and shall be appointed by the Board for a non-renewable term of three years;
 - (ii) the Executive Director shall be responsible to the Board;
 - (iii) the Executive Director shall 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; and
 - (iv) the Executive Director shall have authority to appoint such professional, secretarial and administrative staff as are necessary;
- d) Council of Advisors:
- (i) the Council of Advisors shall be composed of prominent individuals of high stature in the region; and

- (ii) the Council of Advisors shall be appointed by the Board and serve for a non-renewable term of three years;

e) **Staff:**

- (i) The staff shall be nationals of ASEAN Member States; and
- (ii) Subject to the other provisions of this Memorandum of Understanding the terms and conditions of employment of the members of the staff of the Foundation shall be set out in Staff Regulations issued by the Executive Director and approved by the Board.

6. Budget and Funding

- a) The Foundation shall have an Endowment Fund and an Operational Fund;
- b) The funds of the Foundation shall come from the contributions of the Member Countries, Dialogue Partners, private corporations and other foundations or individuals; and
- c) The accounts of the Foundation shall be maintained according to normal practice, and shall be audited by an external auditor appointed by the Board. The auditor shall submit the report of audit directly to the Board.

7. Legal Status and Privileges

The Foundation shall have legal status as a non-profit organization, and the Host Country shall extend to the Foundation, the Executive Director and the Staff such privileges as may be necessary for the performance of their duties and functions in accordance with the laws and regulations prevailing in the Host Country.

8. Amendment

Any Member Country may propose amendments to this Memorandum of Understanding. Such amendments, when approved by all members, shall come into force on such date as may be agreed upon.

9. Working Language

The working language of the Foundation shall be English.

10. Final Provisions

- a) This Memorandum of Understanding shall be deposited with the Secretary-General of ASEAN, who shall promptly furnish a certified copy thereof to each Member State;
- b) This Memorandum of Understanding shall enter into force on the date of the signing of this Memorandum of Understanding; and
- c) All differences in the interpretation of the provisions of this Memorandum of Understanding shall be settled through consultation among the Member Countries.

Done in Kuala Lumpur, Malaysia, this Fifteenth day of December, One Thousand Nine Hundred and Ninety Seven, in a single copy in the English language.