AADCP II project preparation is based on a partnership approach. This means that all projects are jointly prepared by the AADCP II Program Planning and Monitoring Support Unit (PPMSU) and ASEAN through ASEC.

While formal AADCP II project preparation processes are relatively quick, the time required before a project is in implementation varies according to factors including readiness of project proposal, time needed for approval by the relevant Sectoral Body, Working Group and ASEC Senior Management, and time required for tendering and contracting. We can discuss this in more detail with you based on your specific circumstances.

PROJECT SELECTION

**Type of Projects:**

- Implementation of ASEAN Economic Community (AEC) Blueprint activities and relevant cross-sectoral initiatives (e.g. connectivity, IAI);
- Capacity building of ASEAN Secretariat; and
- Research and policy advice to complement or promote the above efforts.

**Eligibility Criteria:**

- For AEC activities: Addresses a priority element in the AEC Blueprint or strategic documents;
- For ASEC Strengthening activities: Addresses a clear internal policy or institutional strengthening need identified by ASEC Senior Management;
- Endorsed and approved by (as relevant) an ASEAN Sectoral Body, Working Group, ASEC Senior Management;
- Does not duplicate other ASEAN projects.

**Funding Priority:**

- Will have a significant overall impact on the achievement of AEC Blueprint goals (or the goals of comparable strategies, e.g. MPAC 2025 or IAI Work Plan) or in strengthening capacity of the ASEAN Secretariat;
- Builds upon previous or ongoing activities in ASEAN, and will lead to significant follow-on activities.
PROJECT PREPARATION PROCESS

STAGE 1
Project Concept Note Submission (not required in all cases*)
1. Project proponent submits a project concept note based on the eligibility and priority criteria and principles.
2. The AADCP II Program Management Team (PMT) with the assistance of PPMSU reviews project concept notes and decides on funding support based on eligibility, quality, principles and availability of funding.

* The concept note template is provided as a guide and does not have to be completed in order to progress to the next stage. If preferred, the project proponent can send an email or arrange a meeting with PPMSU to discuss the project idea. PPMSU will usually be able to give an indication very early on as to whether the project is likely to be supported by AADCP II. Project proponents will then be able to proceed directly to proposal writing if preferred.

STAGE 2
Project Proposal Preparation
1. PPMSU informs the project proponent of PMT's decision.
2. Project proponent develops the supported project concept into a full project proposal with the assistance of PPMSU.
3. Project proponent obtains approval of the relevant ASEAN Sectoral Body or Working Group**, then submits approved project proposal to AADCP II.
4. PMT reviews the completed project proposal.
5. Once endorsed by the PMT, ASEC submits the proposal to the AADCP II Joint Planning and Review Committee (JPRC) for approval.

** For projects aimed to strengthen ASEAN Secretariat or projects with no active ASEAN Sectoral Body or Working Group, approval can be provided by relevant ASEC Senior Management (Deputy Secretary General and above).

STAGE 3
Project Approval (approximately 2 weeks)
1. JPRC reviews the project proposal and decides whether the project is approved, requires amendment or is not suitable for support.
2. If the JPRC requests amendment of the project proposal, PPMSU will work with the project proponents. The revised proposal will then be re-submitted to JPRC for consideration.

STAGE 4
Tendering***
1. Following JPRC's approval, the PPMSU together with the project proponent develops the Terms of Reference (ToR). These are closely based on the project proposal. Once the ToR is finalised, PPMSU starts the tendering process.
2. Bids are screened and reviewed by a tender panel consisting of ASEC and PPMSU representatives to select the preferred contractor.
3. The Panel’s recommendation is sent through the PMT to the AADCP II Program Director and ASEC Senior Management.

*** Applicable to projects that are open to market and designated for competitive bidding.

STAGE 5
Negotiating and Contracting
1. Once approved by ASEC Senior management, ASEC prepares the draft contract.
2. PPMSU supports project proponent in undertaking negotiation with the preferred contractor or the implementing agency (if not tendered).
3. Once the contract is finalised and approved by the AADCP II Program Director and ASEC Senior Management, PPMSU will issue a “Notice to Commence Work” and the project is in implementation.