IMT-GT
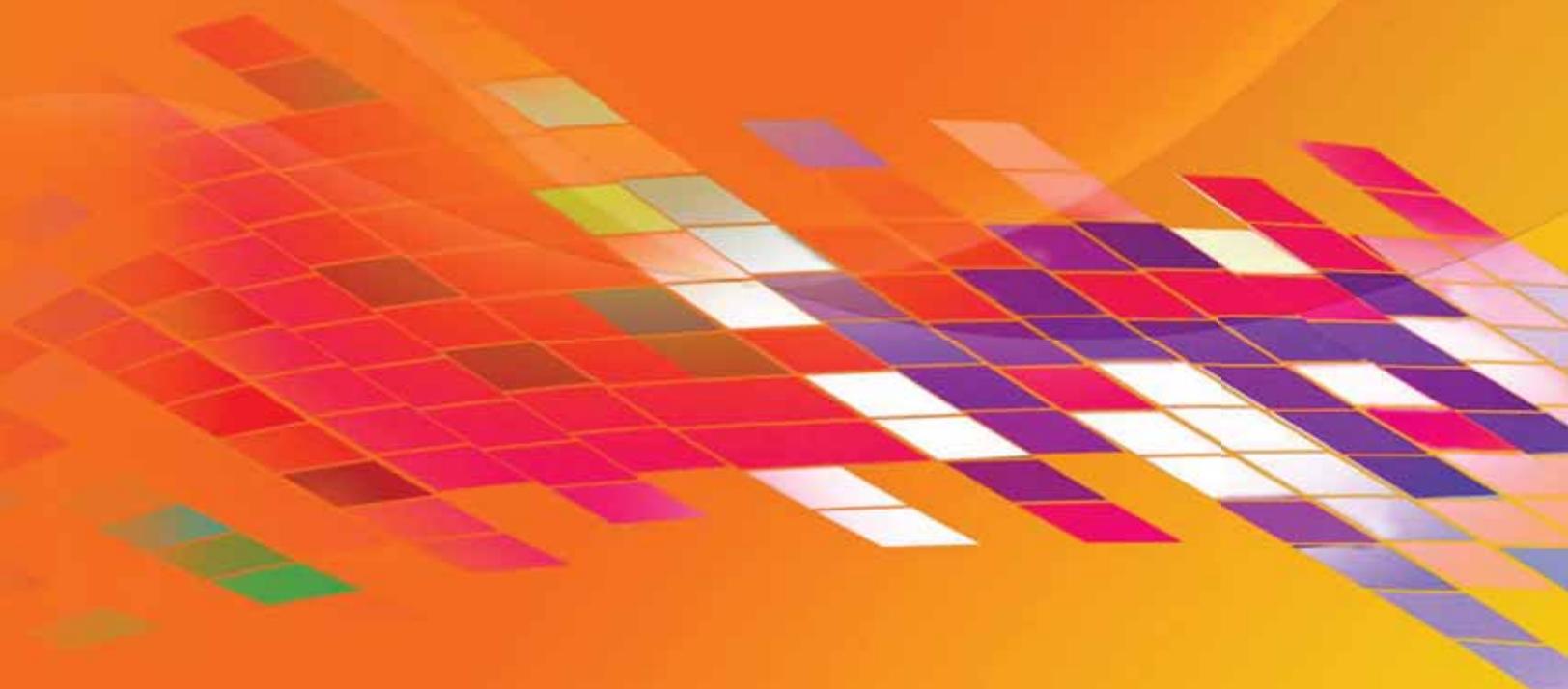
INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE

PROJECT MANUAL

INDONESIA-MALAYSIA-THAILAND GROWTH TRIANGLE

IMT-GT Project Manual

Contents

Tables and Figures

Abbreviations

ADB   –   Asian Development Bank
CIMT   –   Centre for IMT-GT Subregional Cooperation
CMGF   –   Chief Ministers and Governors' Forum
IMT-GT   –   Indonesia–Malaysia–Thailand Growth Triangle
MM   –   Ministerial Meeting
NS   –   National Secretariat
RBM   –   Results-Based Monitoring
SOM   –   Senior Officials Meeting

NOTE: "$" refers to US dollars.

Introduction

1.1   Background

The Indonesia–Malaysia–Thailand Growth Triangle (IMT-GT) Roadmap for Development 2007–2011 was adopted at its Second Summit in 2006, providing the direction for the subregion to pursue its development goal in the medium term. It sought to accelerate the transformation of the member states and provinces in these countries by exploiting their underlying complementarities and comparative advantages.

At midterm of the roadmap in 2009, a review showed that it had only achieved modest results because project implementation lagged behind.[1] Thus, a recommendation was for a more disciplined, well-informed process for identifying projects anchored on sector strategies, clear accountability for delivering results, monitoring based on results, and action-oriented implementation blueprint.

The final assessment of the roadmap in March 2012 led to the IMT-GT Implementation Blueprint 2012–2016, continuing the subprogram's strategic thrusts and sector strategies through an action-oriented agenda. The Implementation Blueprint (IB) aimed to put in place a framework for a more disciplined process of project planning, implementation, and monitoring. Only projects with well-defined concepts and implementation plans will be selected for inclusion in the blueprint. And by adopting a results-based framework, the Implementation Blueprint compels a higher quality project delivery and greater accountability by project implementers.

A project manual for IMT-GT is therefore necessary to translate the goal and objectives of the subregion into realistic, sound, and implementable projects. Following a results-based approach, this manual will help those concerned in project identification, conceptualization, formulation, selection, financing, implementation, and monitoring and evaluation. As an integral part of the process, the involvement of participants in each phase of the project cycle will also be spelled out.

1.2   Purpose of the Manual

This Project Manual serves as a guide for the design, selection, implementation, and monitoring and evaluation of IMT-GT projects. More specifically, it outlines the key steps and processes in developing a project toward translating the IMT-GT policy goals and agreements into concrete results— outputs, outcomes, and impacts—and tangible benefits.

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[1]   See Appendix 1 for an analysis of in-country institutional constraints and challenges facing the IMT-GT member countries in project planning and implementation in relation to their respective national annual budgeting and development planning processes.

The manual will also be important in specifying the responsibilities and accountabilities of all actors in the subregion, countries, and localities involved in the project cycle, from identification; to appraisal, selection, approval, prioritization, facilitation, and implementation; and finally to monitoring and evaluation.

1.3   Target Users

This Project Manual is directed to project proponents, sponsors, implementers, and all public and private stakeholders of IMT-GT. They include those responsible for the different structures that form IMT-GT, comprising chief ministers and governors, senior officials, working groups, national secretariats, Centre for IMT-GT Subregional Cooperation (CIMT), and Joint Business Council (JBC). The manual will also be useful to development partners and potential investors whose interests would relate to the design, financing, and implementation of IMT-GT projects.

1.4   Approaches and Principles

The Project Manual adopts the following approaches in the project cycle:

- • User-friendly and provides useful information and practical tips and templates; and
- • Tasks to be carried out spelled out at each stage of the cycle.

The manual is based on the following principles:

- • Simplified processes to encourage project submission by all stakeholders;
- • Standardized project cycle with uniform documentation requirements;
- • Defined responsibilities of the various IMT-GT institutional structures within the project cycle; and
- • CIMT as the focal and integral structure throughout the project formulation and monitoring and evaluation processes.

IMT-GT Project Cycle

<div style="text-align: right">**2**</div>

2.1   What Constitutes a Project?

The IMT-GT Implementation Blueprint 2012–2016, and subregional agreements entered into by IMT, provide the basis for initiatives and measures implemented through:

- **Collaborative/joint projects.** These are projects that require combined commitment and effort of more than one member countries (e.g., cross-border land transport connectivity projects, such as construction of a 'friendship bridge'); and

- **National projects.** These projects contribute to subregional development (e.g., expansion of a seaport in a member country, which will play a key part in facilitating intra–trade in IMT-GT).

To achieve the goals of IMT-GT, it carries out projects that contain

- a set of specific objectives that are linked to the goals of IMT-GT,

- a timeframe, with specific starting and ending dates, for its implementation; and

- a clearly defined set of expected results and outputs.

Projects may be carried out within a given planning period or sequenced over a longer period of time.

- **Project** is a specific activity or group of activities carried out to achieve a specific goal (e.g., policy development project, physical infrastructure projects).

- **Activities** are groups of tasks carried out using inputs to produce the desired outputs (e.g., field survey, report writing).

2.2   Eligibility Criteria

IMT-GT needs the right projects to deliver the desired outcomes and impacts. A proposed project should meet the following eligibility criteria:

- It addresses a priority objective of a subregional plan or agreement.

- It responds to an identified need of IMT-GT (i.e., a need-based project).

- It complements other projects that have been undertaken to support the implementation of the subregional plan.

- It is consistent with national development objectives of at least one IMT-GT member country.

2.3   Stages of the Project Cycle

All IMT-GT projects usually pass through seven successive stages, which are known as the IMT-GT project cycle (**Figure 1**).

Stages 1 to 5 of the project cycle refer to the design of a project (Figure 2). These stages entail the development, appraisal, and adoption of the project concept and full project proposal (see Appendix 2 for a more rigorous process of designing a project, i.e., to start with stakeholder analysis, problem and objectives analysis, and analysis of alternatives).

Figure 1   IMT-GT Project Cycle
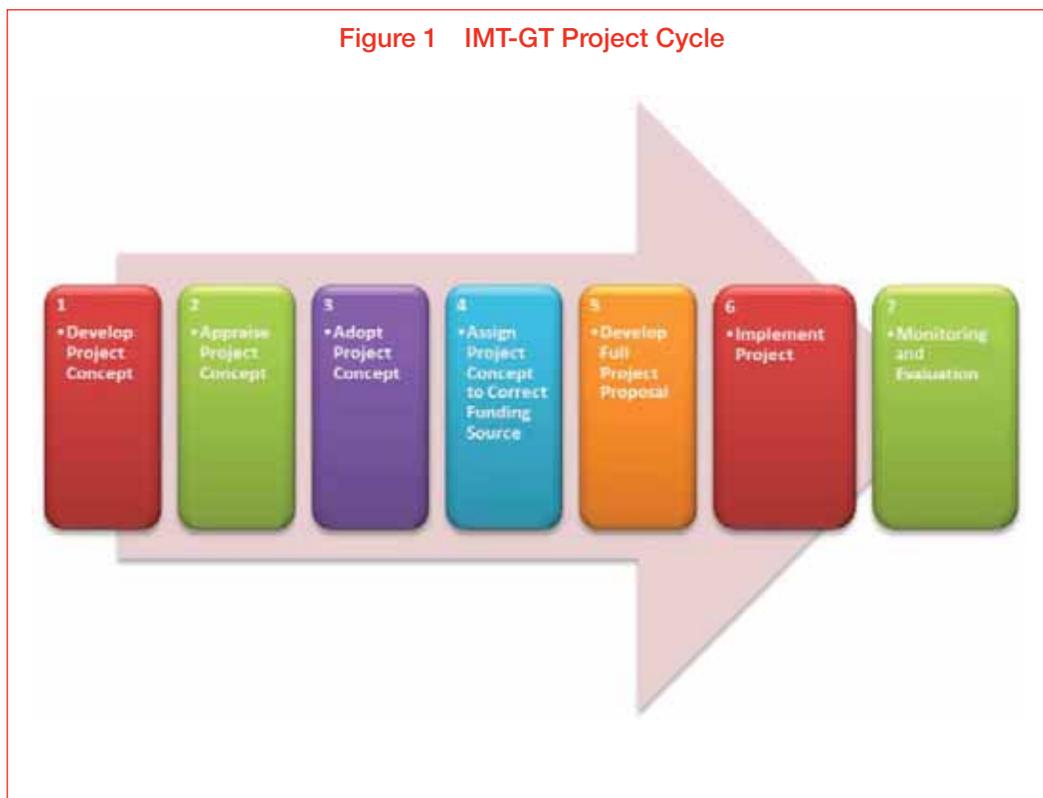
Stage 6 is the project implementation, which involves the generation of planned outputs and outcomes through a series of actions or activities (Figure 2).

Stage 7 of the project cycle requires project monitoring and evaluation (M&E). The performance of the project is monitored and the results are evaluated and fed back into operations for future project designs (**Figure 2**).

Figure 2   Key Phases of the IMT-GT Project Cycle
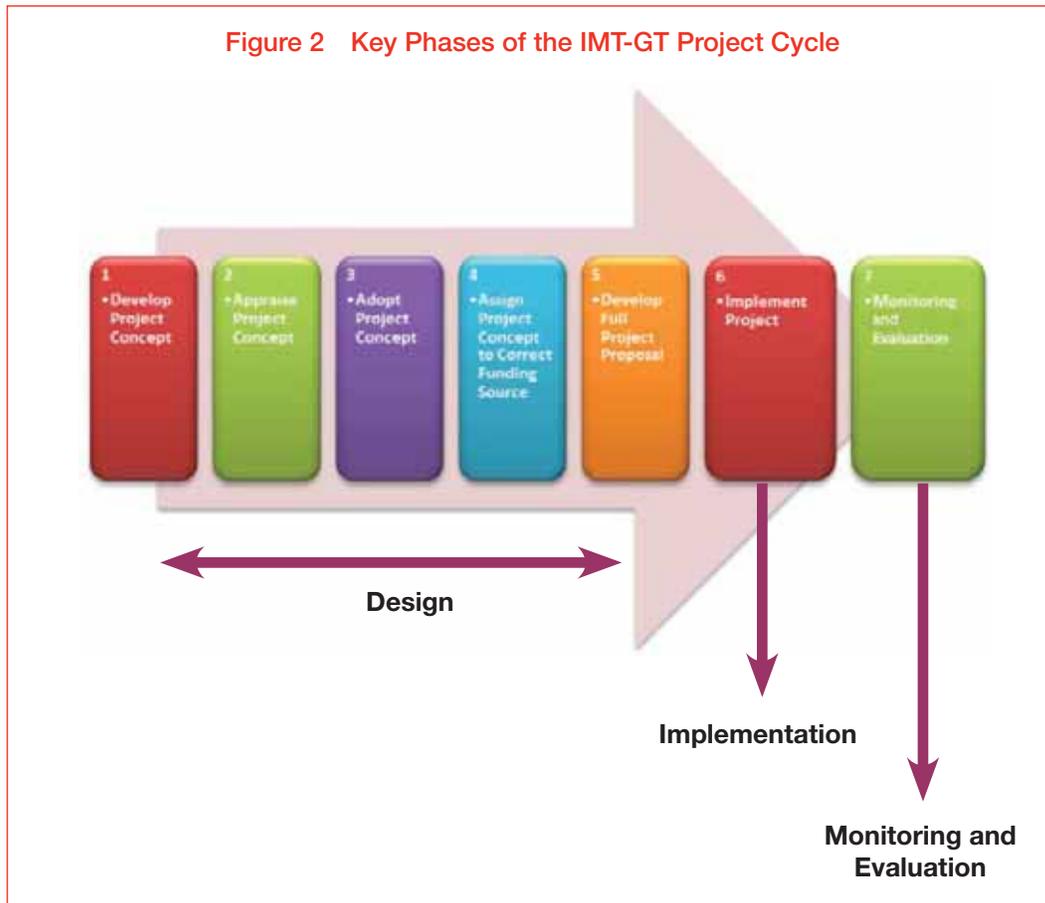
Table 1 provides a detailed explanation of the key successive steps involved in each stage of the project cycle. In certain cases, a project may be self-funded by member countries. Funding may come from national or provincial/state government, and/or private sources. Projects may be national in nature but require IMT-GT facilitation (see Section 2.7 on guidelines on self-funded projects).

Table 1   Key Steps of IMT-GT Project Cycle

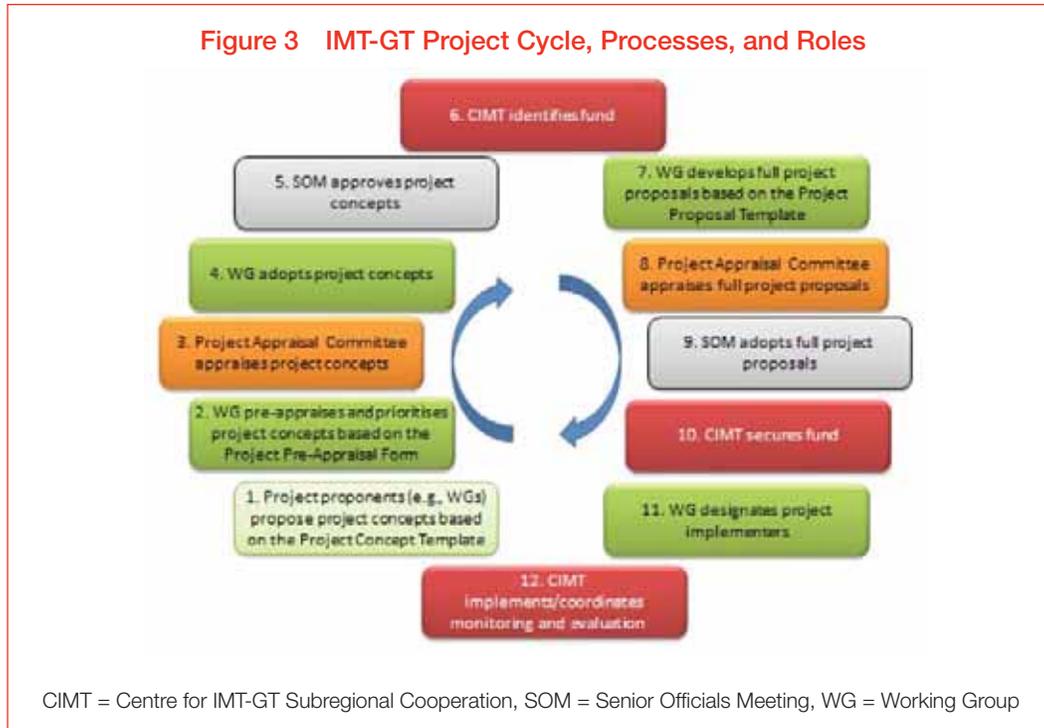| 1. Develop Project Concept		
Action and Timeframe	**Document**	**Responsible Body**
Project proponent to identify and conceptualize issues for projects guided by the Project Concept Template provided (Appendix 3).	Project Concept Template	Project proponents: They are from the working groups (WGs), national secretariats (NSs), Chief Ministers and Governors' Forum (CMGF), Centre for IMT-GT Subregional Cooperation (CIMT), and Joint Business Council (JBC.) In rare occasions, Senior Officials Meeting (SOM) and Ministerial Meeting (MM) may also propose projects.
Project proponent to submit the duly completed project concept to the relevant WG for pre-appraisal. Project proponent may consult the NS on the viability of the project concept beforehand.	Project concept	Project proponents, WGs, and NS
WG to appraise the project concept using the WG Project Concept Pre-Appraisal Form (Table 2) (timeframe: 2 weeks). Appraisal by ad-referendum/via e-mail is encouraged with CIMT providing the support.	WG Project Concept Pre-Appraisal Form	WG and CIMT
WG to submit the project concept to the Project Appraisal Committee (PAC) via CIMT if it finds the project concepts satisfactory (timeframe: 1 week)	Project concept	Working Groups.
2. Appraise Project Concept		
Action and Timeframe	**Document**	**Responsible Body**
PAC to assess the project's desirability in terms of potential contribution to IMT-GT goals and objectives (timeframe: 2 weeks)	Project concept	PAC
3. Adopt Project Concept		
Action and Timeframe	**Document**	**Responsible Body**
CIMT to submit the PAC-appraised project concept to the WG for adoption (timeframe: 2 weeks). Adoption may be done at the regular WG meetings or by ad-referendum/via e-mail to speed up the process (timeframe: 2 weeks).	Project concept	CIMT and WG

Table 1 *continued*

4. Assign Project Concept to the Correct Funding Source		
Action and Timeframe	**Document**	**Responsible Body**
CIMT to identify funding opportunities and make project funding recommendations to the WG and project proponent. CIMT to assist in funding negotiations with project funders/donors.	Project concept.	CIMT.
5. Develop Full Project Proposal		
Action and Timeframe	**Document**	**Responsible Body**
Project funder/donor may ask for a full project proposal to satisfy its funding approval criteria and procedures. CIMT to communicate the funding approval criteria and procedures to the WG and project proponent, where necessary	Project proposal	CIMT
Project proponent, under the purview of the WG, to develop a full project proposal based on the information and advice given by CIMT	Project proposal: Appendix 4 shows what a full project proposal should look like (for non-infrastructure projects, e.g., feasibility studies). For projects expected to have significant environmental and/or social impacts (e.g., infrastructure project), project proponents design the projects based on Appendix 5, which entails inclusion of safeguard measures.	Project proponents and WGs
WG to submit the full project proposal to the PAC for review	Project proposal	WG and PAC
PAC to make recommendations to Senior Officials Meeting (SOM) for adoption of the project proposal	Project proposal	PAC and SOM
CIMT to submit the SOM-adopted project proposal to the project funder/donor for funding support	Project proposal	CIMT

Table 1 *continued*

6. Implement Project			
Action and Timeframe	**Document**	**Responsible**	**Body**
Project implementation begins once funding is secured. Each project must have a project implementer as designated by the relevant WG. The project implementer to ensure (i) the project work plans are achieved within the approved budget and timeframe, (ii) the expected results are achieved and reported to the WG, (iii) the project reports are produced and submitted on time, (iv) the project funder/donor and CIMT are regularly updated on the project's progress, and (v) the established administrative policies and procedures are met.	Project document (i.e., essentially the approved project proposal)	Project implementers	
WG to assign a national focal point to support the project implementer, such as providing in-kind and administrative support for in-country missions and national workshops	Project document	WGs	
7. Monitoring and Evaluation			
Action and Timeframe	Document	Responsible Body	
CIMT to implement the monitoring and evaluation (M&E) requirements in close collaboration with the project implementer	Project document	CIMT and project implementers	
CIMT to ensure results of the M&E are used as input for improvement in future project designs	Project document	CIMT	

Figure 3 provides a summary of the key processes (start from Block 1 to Block 12) and roles of the IMT-GT Project Cycle.

Figure 3   IMT-GT Project Cycle, Processes, and Roles

6. CIMT identifies fund

5. SOM approves project concepts

7. WG develops full project proposals based on the Project Proposal Template

4. WG adopts project concepts

8. Project Appraisal Committee appraises full project proposals

3. Project Appraisal Committee appraises project concepts

9. SOM adopts full project proposals

2. WG pre-appraises and prioritises project concepts based on the Project Pre-Appraisal Form

10. CIMT secures fund

1. Project proponents (e.g., WGs) propose project concepts based on the Project Concept Template

11. WG designates project implementers

12. CIMT implements/coordinates monitoring and evaluation

CIMT = Centre for IMT-GT Subregional Cooperation, SOM = Senior Officials Meeting, WG = Working Group

Table 2   Working Group Project Concept Pre-Appraisal Form

Questions	Score 1 = Totally disagree 2 = Disagree 3 = Partially agree 4 = Agree 5 = Totally agree
1. **Subregional priority** • The project addresses a priority objective of a subregional plan or agreement.	
2. **Subregional problem** • The problem to be addressed is subregional in nature.	
3. **Subregional solution** • The problem and its causes can be effectively and appropriately addressed at the IMT-GT level.	
4. **Benefits** • Implementation of the project will bring benefits to at least two IMT-GT member countries.	
5. **National priority** • The project is consistent with the national development objectives of at least one IMT-GT member country.	

Table 2 *continued*

|	
6. Working Group Mandate • The project falls under the purview of the mandate of the Working Group.	
Total Score	
Remarks • **Accept/reject:** Working Group should only accept project concepts that have a total score of 24 or higher. • **Prioritization:** Priority should be given to the project concept that has the highest total score.	

2.4   Results-Based Monitoring

There is a growing realization among IMT-GT stakeholders that producing quality outputs/deliverables is simply not enough. Projects must be able to deliver results close to where the intended beneficiaries are, such as improving access to infrastructure services by low-income households and stronger economic ties between the neighboring provinces.

Results-Based Monitoring (RBM) system is increasingly being promoted in IMT-GT to support this strategic shift toward results. The IMT-GT Implementation Blueprint 2012–2016 has mandated an RBM to capture the delivery of project outputs, outcomes, and impact. Through RBM, the project proponents and sponsors are guided by the required quality of the project for its implementation—it represents a major departure from the usual practive of progress monitoring in the past.

Results chains are used to improve planning, connect interventions to results, and enable more systematic M&E. Results chains are logic diagrams showing how certain inputs lead to the intended impact.

2.4.1 The Results Chain

Figure 4   A Results Chain

Inputs → Activities → Outputs → Outcome → Impact
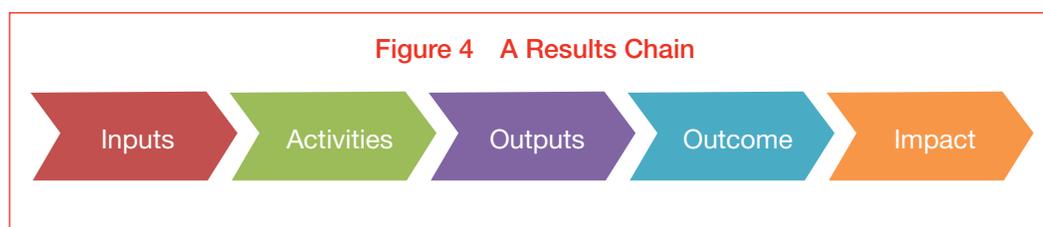
The results chain framework is presented in **Figure 4**.

Inputs are resources the project needs to produce outputs. This may include consultants, equipment, funds, etc.
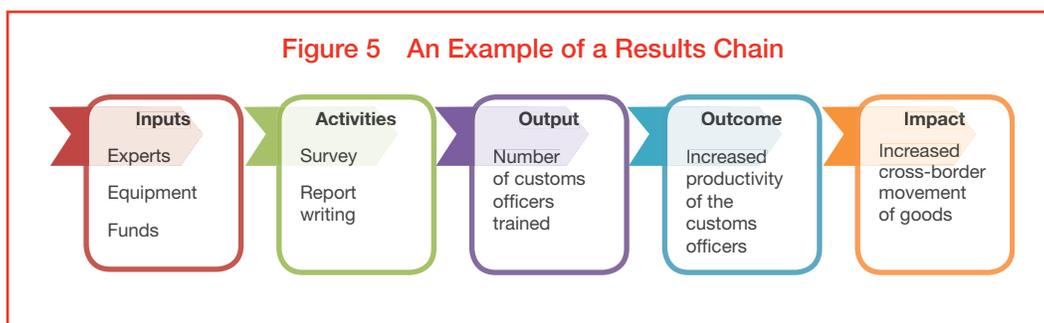
Activities are groups of tasks carried out using inputs to produce the desired outputs (e.g., field survey, report writing).

Outputs are what the project produces and leaves behind (e.g., infrastructure, new policies, laws, systems and procedures, skilled personnel) when completed.

Outcome is the short-term and intermediate change that occurs as a direct result of the project. These changes may include a change in behavior, removal or reduction of a specific development problem or constraint.

Impact represents the long-term and broader change that occurs within the community/ organization/society/environment several yars after project completion. It is influenced by many factors other than the project itself.

Figure 5 presents an example of a results chain.

Figure 5   An Example of a Results Chain

Inputs	Activities	Output	Outcome	Impact
Experts	Survey	Number of customs officers trained	Increased productivity of the customs officers	Increased cross-border movement of goods
Equipment	Report writing			
Funds				

While different project funders/donors may use different project proposal templates, the CIMT must ensure that all IMT-GT project proposals that it receives and processes must include a section on RBM framework. This may be just a simple RBM table as shown in **Table 3**. The CIMT must make it known to the project proponents, project sponsors, and project funders/ donors that this is a standard requirement of all IMT-GT project proposals. Essentially, the RBM table (Table 3) must be incorporated in all IMT-GT project proposals.

Table 3   Results-Based Monitoring Framework

Types of Result	Indicators	Data Sources	Assumptions/ Risks
Impact			
Outcome			
Output			

Indicators are specific measures that register progress toward a particular achievement. Indicators are useful for progress monitoring, showing whether a project has achieved what was planned. A baseline may be established as the basis for comparison. Critical attributes of well-defined indicators can be presented following **SMART**.

A well-defined indicator is "**SMART**," that is

Specific – relates to the results the project seeks to achieve

Measurable – stated in quantifiable terms

Achievable – realistic in what is to be achieved

Relevant – useful for management information purposes

Time-bound – stated with target dates

There are quantitative and qualitative indicators. Quantitative indicators are measures of quantities or amounts. An example would be a 10% increase in intra-IMT trade. Qualitative indicators are people's judgments or perceptions about a subject, such as level of satisfaction tourists gained from visiting a tourism spot in IMT-GT.

For IMT-GT projects, three different types of indicators for different types of results are required:

- **Output indicators.** These indicators measure the completion of deliverables, such as products and services produced by the project.
- **Outcome indicators.** These indicators should be formulated to fit into the unique context of the intervention, and are usually set with stakeholders to ensure joint responsibility for the achievements.
- **Impact indicators.** These are used to track the long-term changes to which an intervention (project implementation) contributes. Impact attempts to look at how the lives of people targeted by the project have improved. The common impact indicators on regional cooperation are growth rate of bilateral trade volume, employment figures of the targeted provinces, etc.

Sources of data include the IMT-GT Trade, Investment and Tourism Database; national statistical offices websites, publications, and reports; ministry records, stakeholder surveys; academic journals; etc.

Assumptions are positive statements of conditions, events, or actions that are necessary to achieve the intended results.

Risks are negative conditions, events, or actions that would adversely affect or make the project impossible to achieve the intended results.

Table 4 provides a simple example on what an RBM framework may look like.

Table 4   Results-Based Monitoring Framework: an Example

Types of Result	Indicators	Data Sources	Assumptions/Risks
Impact Increased bilateral trade between Province A in Thailand and Province B in Malaysia	Total trade between Province A in Thailand and Province B in Malaysia is increased from $500 million in 2010 to $1 billion by the year 2020	IMT-GT Trade, Investment and Tourism Database National Statistical Office trade statistics report	IMT-GT wide economic downturn in the medium term, resulting in lower domestic demand in Thailand and Malaysia
Outcome Improved land connectivity between Province A in Thailand and Province B in Malaysia	Travel time by road between Province A in Thailand and Province B in Malaysia is reduced by 25% by 2015 (2010 baseline: 10 hours)	Road traffic statistics published by highway authorities of the two countries	Maintenance cost of the highway increasing beyond $100 per kilometer, affecting the maintenance plans of the two countries
Output Built highway linking Province A in Thailand and Province B in Malaysia	100 kilometers of highway linking Province A in Thailand and Province B in Malaysia completed by 2015	Reports of executing agencies	Unforeseen delays due to land acquisition for highway construction

2.5 Evaluation

Evaluation is an important element of IMT-GT's project cycle (Stage 7), and it entails two dimensions: **self-evaluation** by the project and **independent evaluation** by an external party (see **Figure 6**). In addition to the evaluation framework, Table 5 outlines the key features to guide the implementation of each evaluation type.

Figure 6   Evaluation Framework for IMT-GT Projects
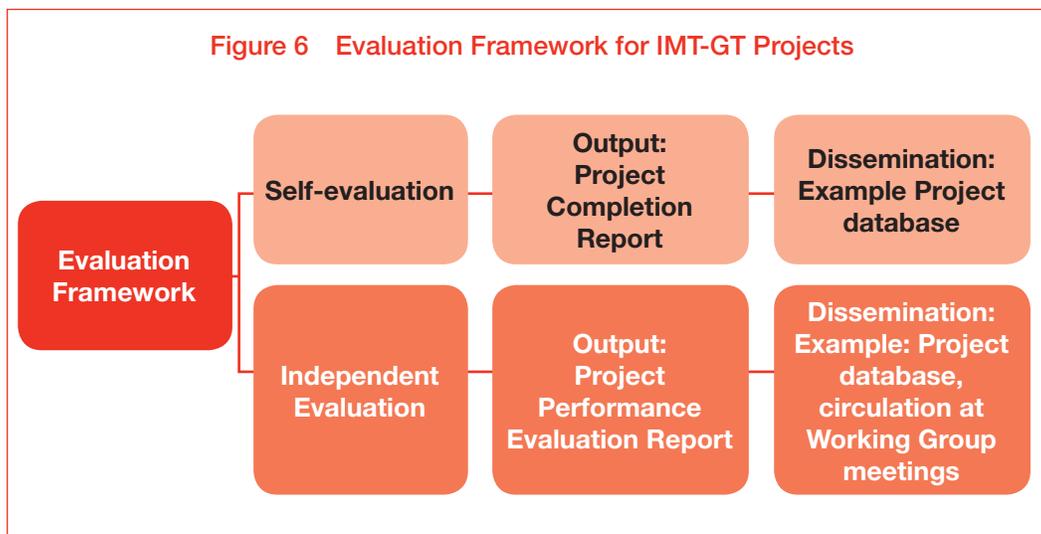
Table 5   Key Features of the Evaluation Assessment by Evaluation Dimension

Key features	Evaluation Type	
	Self-Evaluation	**Independent Review**
Reporting	• Project Completion Report	• Project Performance Evaluation Report
Guiding policy	• To be completed by all projects	• To be undertaken for projects of reasonable size
Timeline and process	• Submitted within 2 months of project completion date	• Advertisement for consultant undertaken 3 months before completion date • Engagement of consultant 2 months before the completion of project • Evaluation interviews held 1 month before project completion date • Completion of evaluation report within 2 months after the project completion date
Undertaken by	Project manager	External consultant

The intention of a self-evaluation is to record and reflect on the project achievements in terms of inputs, outputs, outcome, and impact; key findings; and dissemination efforts. It also provides an internal perspective of the lessons learned and recommendations that would be valuable for consideration by the working groups for next steps and future projects. The process of self-evaluation is proposed to be reflected in a project completion report (PCR), and will be deposited into the IMT-GT project database. The PCR is further proposed to be submitted by every project funded by IMT-GT but may be optional for self-funded projects. The PCR should be submitted to the IMT-GT project database within 2 months from the project completion date. The submission and completion of the PCR is under the responsibility of the project manager.

An **independent evaluation** by a third party expert intends to be forward looking by assessing project performance and capturing the important lessons learned from the total project cycle point of view (i.e., from project and monitoring design to implementation up to completion). Findings from an independent evaluation will be captured in a project performance evaluation report (PPER), which is proposed to be submitted to the IMT-GT project database and circulated among the relevant working group meetings. The independent evaluation is proposed to be conducted by an external consultant. It is proposed that the PPER should be completed within 3 months from the project completion date.

The **independent evaluation** will be guided by the standard evaluation criteria and methodological approach. **Table 6** provides a proposed evaluation assessment framework. It reflects the definitions, relevant questions, and ratings of each criterion. This was developed based on various sources and guidelines from key agencies, such as the Asian Development Bank, Asia-Pacific Economic Cooperation, and United Nations Development Programme.

<div align="center">Table 6　Overall Evaluation Assessment Methodology</div>

No.	Criterion	Definition	Rating (scale 1 to 4)
1	Relevance	Assesses the reason for the project implementation, particularly whether its objectives met the requirements of the IMT-GT strategic plans	Highly relevant (4) Relevant (3) Partly relevant (2) Irrelevant (1)
2	Effectiveness	Assesses the extent the project achieved its objectives	Highly effective (4) Effective (3) Less effective (2) Ineffective (1)
3	Efficiency	Assesses how well the project was implemented, looking at the ratio between its outputs and inputs, and the project's compliance with relevant project manual guidelines	Highly efficient (4) Efficient (3) Less efficient (2) Inefficient (1)
4	Sustainability	Assesses whether the benefits from the project are likely to continue after the project was completed or ended, through certain mechanisms or by actively engaging the relevant stakeholders that will enhance the continuity of long-term benefits	Most Likely (4) Likely (3) Less likely (2) Inefficient (1)
5	Impact	Assesses the longer-term outcomes of the project; while for the purpose of project evaluation, impact considers processes put in place through the project that would bring about desired long-term changes	Significant (4) Moderate (3) Minimal (2) Negligible (1)
Overall project assessment:	**Total Score:** 16 to 20 = Highly Satisfactory (HS) 11 to 15 = Satisfactory (S) 6 to 10 = Moderately Satisfactory (MS) 5 and below = Unsatisfactory (U)		

2.6　Roles and Responsibilities

The responsibility for IMT-GT projects is shared between the various subregional bodies, including the Senior Officials Meeting, Project Appraisal Committee, national secretariats, working groups, Chief Ministers and Governors' Forum, CIMT, Joint Business Council, etc. **Table 7** summarizes the respective responsibility and authority of each of these bodies.

Table 7   Role and Responsibilities of IMT-GT Bodies for IMT-GT Projects

IMT-GT Fora	Responsibility	Authority
Senior Officials Meeting (SOM)	• Provide policy direction to IMT-GT fora • Enter contract with project funders/donors for project funding • In rare occasions, SOM to suggest projects and act as project proponent	• Approve project proposals • Approve funding
Project Appraisal Committee (PAC) (consists of the national secretariats; and CIMT, as the secretariat of the PAC)	• Review and oversee IMT-GT project development processes • Appraise project concepts • Appraise project proposals • Make recommendations to the working groups (WGs) on whether or not to adopt a project concept • Make recommendations to SOM on whether or not to approve a project proposal	• Endorse project concepts • Endorse project proposals
National Secretariats (NSs)	• Coordinate and facilitate all in-country public sector IMT-GT activities in relation to project initiation, formulation, implementation, monitoring and evaluation (M&E) • Advise in-country project proponents on the requirements and guidelines stipulated in this Project Manual • Promote "bottom-up" projects, i.e., from provincial/state/local governments • Facilitate funding support (from both public and private sources) for IMT-GT projects • Ensure results-based monitoring as an integral part of IMT-GT project proposals	
Centre for IMT-GT Subregional Cooperation (CIMT)	• Facilitate all project concept and proposal endorsement processes • Serve as the secretariat of the PAC • Submit project concepts that are approved by the PAC to relevant WGs for adoption • Identify funding opportunities and assign project concepts to the correct funding source • Assist SOM in funding negotiations with project funders/donors • Communicate project funders/donors funding approval criteria and procedures to WGs and project proponents • Ensure results-based monitoring as an integral part of IMT-GT project concepts and proposals • Submit full project proposals to project funders/donors for funding support (if such full proposals are required by project funders/donors) • Enter contract with project funders/donors for project funding • Implement M&E requirements of all IMT-GT projects in close collaboration with the project implementers • Report the results of M&E to SOM, WGs, and NSs • Ensure results of the evaluation are fed back into operation for improvements in future project designs	

Table 7 *continued*

IMT-GT Fora	Responsibility	Authority
Working Groups (Project Sponsors)	• Pre-appraise and prioritize project concepts • Adopt project concepts that are deemed relevant by the PAC • Act as Project Sponsors, i.e., takes ownership and supports the contents of the project concepts • Designate relevant entities as project implementers • Designate national focal points to support the project implementer in project implementation	• Adopt project concepts • Designate project implementers • Designate national focal points to support project implementation
Project Proponents (may come from the NSs, WGs, Chief Ministers and Governors' Forum, CIMT, Joint Business Council, and even SOM and Ministers Meeting)	• Develop project concepts and project proposals based on the guidelines and steps stipulated in the Project Manual • Refine and improve project concepts and project proposals based on the recommendations of the PAC	
Project Implementers	• Ensure project work plans are achieved within the approved budget and timeframe • Report project implementation progress to WGs (Project Sponsors) and IMT-GT • Furnish CIMT with all information needed for results-based monitoring	
Special Task Forces	Where necessary, special task forces may be created by SOM or WG to expedite and resolve relevant project issues	

2.7   Self-Funded Projects

In some cases, projects could be nationally oriented and yet include subregional elements that depend on IMT-GT facilitation. These projects could be self-funded through respective member countries' contributions (e.g., national/provincial/state government's budget); or other sources, such as international donors (not via the official IMT-GT process) or private sector funding (e.g., private investment).

The fully self-funded projects are exempted from

- submitting project concept,

- assessment by the IMT-GT approving committees,

- project approval procedures contained in this Project Manual, and

- project submission target dates.

Nevertheless, in the spirit of conformity and alignment to the IMT-GT framework, the implementers of self-funded projects are required to

- provide the working groups (WGs) and CIMT with a summary of project background, profile, and rationale;

- outline the importance and relevance of the project to IMT-GT;

- outline the assistance needed from IMT-GT; and

- regularly update the WGs and CIMT on project outcomes and outputs.

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Appendixes

APPENDIX 1
Institutional Capacity

One of the key problems in the identification, prioritization, design, financing, and monitoring of IMT-GT projects is the lack of coordination between the national and/or local representatives in IMT-GT and other national authorities responsible for project planning, financing, and approval. This appendix presents a summary of the relevant institutional issues and challenges of each member country. It examines their annual budget formulation and approval cycles and national development planning processes. In most cases, national development plans set the overall budget priorities.

A.1 Country Summary

Table A.1 provides a comparison of the annual budget formulation and approval cycles and national development planning processes of the three IMT-GT member countries.

A.1.1 Annual Budget Formulation and Approval

Countries have their own set of rules and procedures in the use of public funds, but there is no significant variation in the budgeting process across IMT-GT member countries. In general, the budget formulation process involves budget requests, budget examinations, budget recommendations, and budget approvals.

Increasingly, a bottom-up approach is used in budget preparation, which implies greater engagement of local and business communities in designing and adopting the budget. Stakeholder consultation is a common feature in all IMT-GT member countries' budget formulation process (although this is not very obvious in the case of Thailand where budgeting is very much an executive-led process). Inputs and proposals are sought from national, provincial/state and local government agencies, private sector, civil society organizations, and academe to ensure a more inclusive budget.

The agencies leading the budgeting process, i.e., the Ministry of Finance in Indonesia and Malaysia and the Bureau of the Budget in Thailand, are not directly involved in IMT-GT meetings. However, through the consultative process, it is still possible for IMT-GT projects to be involved in the annual budgeting cycle and provided funding under the national budget.

A.1.2 National Development Planning Process

The national planning function exists alongside budgeting, with the national economic planning agencies playing a key role. Similar to the national budgeting process, the planning agencies adopt a bottom-up and multi-stakeholder consultative approach toward national development planning.

The ministerial meeting, senior official (SO), and national secretariat (NS) of Malaysia; and the SO and NS of Thailand are served in their respective lead national planning agency. This provides a convenient and strategic platform for them to incorporate IMT-GT projects in the short-, medium-, and long-term national development plans. In the case of Indonesia, although BAPPENAS does not directly take part in IMT-GT meetings and activities, being a multi-sectoral government agency with regional offices situated in the subregion, it maintains close and substantive relationships with the various Indonesian sector ministries, including those directly involved in the IMT-GT process.

There are avenues for inclusion of IMT-GT projects in the national budget and national development plans. But a negotiation process is involved as every ministry and government agency justify for public funds. To ensure strong negotiation power on the part of the IMT-GT stakeholders, an effective and cohesive in-country IMT-GT institution structure and process are imperative.

Table A.1   Annual Budget Formulation and National Development Planning of Indonesia, Malaysia, and Thailand: A Comparison

Country/ Fiscal Year	Annual Budget Formulation and Approval Cycle	National Development Planning
Indonesia **Fiscal year:** Calendar year	- **January/February:** Establishment of the level of resources available for the next budget by the Ministry of Finance (MOF) - **May–June:** Submission of the pre-budget report to the Parliament; discussions are held by the MOF with the Budget Committee on fiscal policy and overall ceiling; discussions are held by spending ministries and agencies with their respective sectoral commissions on detailed allocations - **June:** Agreement with Parliament on budget policies and priorities - **July–August:** Finalization of the budget proposal; delivery of a budget speech by the President to Parliament on 16 August - **August–October:** Budget Committee and sector commissions review the budget proposal - **October:** Approval of the budget - **November–December:** Finalization of detailed budget implementation guidance **Lead agency:** Ministry of Finance	- The National Development Planning Agency (BAPPENAS) is responsible for the annual government-wide work plan, as well as the 5-year and long-term development plans. - The annual government-wide work plan follows the structure of the 5-year plan. - The 5-year plan is operationalized each year through an annual work plan, which aims to inform the annual budgeting process. - There is an ongoing initiative to unify the relationship between the plan and the budget; and to put in place a unified chart of accounts for planning, budget formulation, and budget implementation. - BAPPENAS usually starts the fiscal year with a series of internal workshops identifying the specific priorities for the following year and their funding needs. The President, Vice President, minister for BAPPENAS, finance minister, and the three coordinating ministers are actively involved in this stage. Where necessary, ministers of line ministries are invited to take part in the workshops. - A cabinet meeting is held in March to deliberate the draft annual government-wide work plan and to approve its broad outlines. - BAPPENAS holds a series of Musrenbang or stakeholder forums in April and May with regional and local governments and civil society organizations before finalizing the government-wide work plan. The forums generate important inputs to the regional governments' budget formulation processes. - The President issues the final government-wide work plan in May. - Lead agency: The National Development Planning Agency (BAPPENAS)

Table A1 *continued*

Country/ Fiscal Year	Annual Budget Formulation and Approval Cycle	National Development Planning
Malaysia **Fiscal year:** Calendar year	• **January:** A "call circular" is issued to all ministries and related agencies for the New Year Budget Estimates for the preparation of the coming year budget. Agencies from different sectors prepare their written suggestions for the coming year budget. Generally, every ministry has to prepare their budget plan and submit it to the Ministry of Finance (MOF). Budget Dialogues are held to solicit inputs and recommendations from public and private stakeholders. • **March:** MOF receives the fiscal suggestions. • **April:** Preliminary hearing. • **May–July:** Budget hearing; New Year Estimates are approved by the MOF and the Cabinet. • **August–September:** Budget reading; agreement by the Cabinet; and tabling of the budget document to the Parliament. • **September–December:** Parliament to debate and approve the budget document. Upon approval of the budget document, MOF will issue a Warrant of the Expenditure for the various government agencies to execute the budget. **Lead agency:** Ministry of Finance	• The Economic Planning Unit (EPU) issues a special circular with guidelines on the preparation process of a new 5-year plan to relevant government departments. • EPU holds meetings with members of the Inter Agency Planning Group to generate inputs (e.g., macro-framework, policy targets, strategies, development budget) for the development of the plan. • EPU also receives proposals from federal ministries and agencies and state governments. EPU evaluates the proposals submitted by taking into account all the comments from the National Economic Consultative Council and the private sector. • The National Development Planning Committee formulates and reviews all proposals for national development and make recommendations on resource allocation. • EPU prepares a draft plan and presents it to the National Development Planning Committee and gets the consent and approval from Cabinet before tabling it to the Parliament. • EPU is also responsible for the preparation and evaluation of the development budget. The EPU sets the development ceiling in each of the 5-year development plan while the Ministry of Finance is responsible for the annual disbursement. **Lead agency:** Economic Planning Unit (EPU)

Table A1 *continued*

Country/ Fiscal Year	Annual Budget Formulation and Approval Cycle	National Development Planning
Thailand **Fiscal year:** October– September	The budget formulation process consists of five steps: (i) budget planning, (ii) budget preparation, (iii) budget adoption, (iv) budget execution, and (v) budget evaluation. • **January:** The budget planning process involves the Bank of Thailand, Office of the National Economic and Social Development Board, Ministry of Finance, and Bureau of the Budget. The economic assumptions applicable for the budget are determined. The Guidelines on Annual Budget Allocation is determined for approval of the Cabinet. Government agencies are asked by the Bureau of the Budget to submit their budget requests according to the guidelines. • **February–May:** Budget preparation by the Bureau of the Budget, other government agencies, and Council of Ministers. All departments and budget-dependent state enterprises submit budget requests to the Bureau of the Budget. The budget requests may be revised and prioritized by the Bureau of the budget based on certain pre-determined criteria, such as the regulations of the Bureau of the Budget, the resolutions of the Council of Ministers, and the National Economic and Social Development Plan. The Cabinet approves the Annual Budget Proposal based on the input from the Bureau of the Budget. • **June–September:** Budget adoption by the Parliament. The Parliament deliberates and adopts the budget. • **All year:** Budget execution by the Bureau of the Budget and other government agencies. • **All year:** Budget evaluation by the Bureau of the Budget and other government agencies. **Lead agency:** Bureau of the Budget	• The Office of the National Economic and Social Development Board adopts a participatory approach toward formulating the 5-year national development plan. Inputs from a broad cross-section of society are sought in the draft process of the plan. Various public consultation mechanisms are incorporated in the planning process. • The current National Economic and Social Development Plan (2012–2016) projects a shared vision of "A happy society with equality, fairness and resilience" and is "implemented using the insights and involvement of all stakeholders." • The plan set the agenda, including overall budget priorities, for the government administration. **Lead agency:** Office of the National Economic and Social Development Board

Sources: Blöndal, Jón R. 2006. *Budgeting in Thailand*; Pungprawat, Kriangchai. 2009. Budgeting System and Bureau of the Budget in Thailand. *Chulalongkorn Journal of Economics*. 21(1), pp. 49–71. Official websites of the Ministry of Finance, Indonesia; Economic Planning Unit, Malaysia; and the Bureau of the Budget and the Office of the National Economic and Social Development Board, Thailand; Organisation for Economic Co-operation and Development. *Journal on Budgeting*. Volume 5/3

A.1.3 IMT-GT Institutional Structure

The IMT-GT institutional structure is modelled after the ASEAN institutional framework, sharing a multi-tiered and hierarchical formation of a leaders summit, ministerial, senior officials, and working group processes. This structure is inherently central government centric, as reflected by the dominant presence of national agencies in IMT-GT institutional set up (Table A.2). However, the structure is not very responsive to the provincial/state/local government- and private sector-oriented character of IMT-GT cooperation.

Table A.2   Representation of National and Provincial/State Agencies in IMT-GT Fora

Country	Forum/Meeting	Lead Agency	National/Provincial/State
Indonesia	Ministerial Meeting	Coordinating Ministry for Economic Affairs	National
	Senior Officials Meeting	Coordinating Ministry for Economic Affairs	National
	National Secretariat Meeting	Coordinating Ministry for Economic Affairs	National
	Working Group Agriculture, Agro-Based Industry and Environment	Ministry of Agriculture	National
	Working Group Halal Products and Services	Ministry of Agriculture	National
	Working Group Tourism	Department of Culture and Tourism	National
	Working Group Infrastructure and Transport	Ministry of Transportation	National
	Working Group Trade and Investment	Ministry of Trade	National
	Working Group Human Resources and Development	Ministry of Manpower and Transmigration	National

Table A2 *continued*

Country	Forum/Meeting	Lead Agency	National/Provincial/State
Malaysia	Ministerial Meeting	Economic Planning Unit	National
	Senior Officials Meeting	Economic Planning Unit	National
	National Secretariat Meeting	Economic Planning Unit	National
	Working Group Agriculture, Agro-Based Industry and Environment	Ministry of Agriculture and Agro-Based Industry	National
	Working Group Halal Products and Services	Ministry of International Trade and Industry	National
	Working Group Tourism	Ministry of Tourism and Culture	National
	Working Group Infrastructure and Transport	Ministry of Transport	National
	Working Group Trade and Investment	International Cooperation Unit, Investment Policy and Trade Facilitation	National
	Working Group Human Resources and Development	Ministry of Human Resources	National
Thailand	Ministerial Meeting	Office of the National Economic and Social Development Board	National
	Senior Officials Meeting	Office of the National Economic and Social Development Board	National
	National Secretariat Meeting	Office of the National Economic and Social Development Board	National
	Working Group Agriculture, Agro-Based Industry and Environment	Bureau of Foreign Agricultural Affairs	National
	Working Group Halal Products and Services	Faculty of Allied Health Science	National
Thailand	Working Group Tourism	Ministry of Tourism and Sports	National
	Working Group Infrastructure and Transport	Ministry of Transport	National
	Working Group Trade and Investment	Department of Foreign Trade, Ministry of Commerce	National
	Working Group Human Resources and Development	Thailand International Development Cooperation Agency	National

A.1.4 Concluding Remarks

The bottom-up approach to national budgeting and development planning can only work well if there is a strong in-country IMT-GT institutional set up. The sector/line ministries that are involved in the IMT-GT working groups play a critical role in consolidating and elevating IMT-GT interests/agenda to higher level of domestic decision-making process. Generally, the sector/line ministries lack the capacity in identifying and formulating sound projects for IMT-GT.

The problem is exacerbated by the lack of technical guidance on project identification and formulation from the national secretariat (NS) and Centre for IMT-GT Subregional Cooperation (CIMT). As a result, sound project proposals, especially bottom-up proposals originating from the provincial or state governments are few and difficult.

The NS represents one of the main points of contact with the provincial/state/local governments. The NS is expected to reach out and facilitate in-country participation and coordinate information flow among in-country stakeholders. In addition to these in-country responsibilities, the NS is required to undertake horizontal coordination and facilitation with the other IMT-GT country secretariats, CIMT, and Joint Business Council (JBC). Generally, the NSs do not have adequate resources and capacity to effectively perform all these duties. With the NSs lacking human and financial resources, they face greater challenge in discharging their in-country duties.

But resource limitation is not the only challenge. What is more fundamental is that both the NSs and SOs do not have the political influence and mandate to manage the involvement of the sector/line ministries represented at working groups. The NSs and SOs are designed to be facilitators and coordinators. If a particular sector ministry does not demonstrate the needed commitment in project initiation or in moving forward an IMT-GT project, the NSs and SOs lack political clout to censure the ministry.

With respect to private sector involvement, the present JBC membership base is too narrow, and does not allow for a fuller representation of local business interests. Like many of its government counterparts, JBC lacks the capacity in identifying and formulating sound projects for IMT-GT.

It is beyond the scope of this Project Manual to make recommendations on improving the in-country and IMT-GT-wide institutional set-up and processes. The main focus of this manual is on addressing the knowledge and capacity gaps of IMT-GT stakeholders in project planning and implementation by emplacing a robust and standardized project planning, implementation, and monitoring and evaluation system.

APPENDIX 2
A Rigorous Process of Designing a Project

The following flowchart shows a more rigorous process of designing a project (adopted from Asian Development Bank. 2007. Project Performance Management System Guidelines for Preparing a Design and Monitoring Framework, Second Edition. Manila).

Stakeholder Analysis	→	Problem Analysis	→	Objectives Analysis	→	Alternatives Analysis	→	Design

Stakeholder analysis helps clarify which people and organizations are directly or indirectly involved in or affected by a specific development problem. It helps identify which groups are supportive and which groups may oppose the project strategy and subsequently obstruct project implementation. This provides a sound basis for taking appropriate actions to gain the support of opponents and to get key supporters more involved. Stakeholder analysis plays an important role in identifying the development problem. The benefits of a stakeholder analysis best unfold in workshop settings or brainstorming sessions.

Problem analysis is used to (i) analyze the existing situation surrounding a given development problem context, (ii) identify the major related problems and constraints associated with the development problem, and (iii) visualize the cause-effect relationship in a diagram—a problem tree. The problem analysis is performed with participation of the key stakeholder groups that were identified during the stakeholder analysis.

Objectives analysis describes a situation after the problems have been resolved; identifies the means-end relationship; and visualizes the means-end relationship in a diagram referred to as an "objectives tree."

Alternatives analysis is used to identify alternative means of achieving the desired situation or development objective, assess the feasibility of each, and agree on a project strategy.

APPENDIX 3
IMT-GT Project Concept Template

<table>
<tr><td colspan="2" align="center">**IMT-GT Project Concept Template**
(1 to 4 pages)</td></tr>
<tr><td colspan="2">**1. PROJECT DETAILS**</td></tr>
<tr><td>Project title:</td><td></td></tr>
<tr><td>Working Group</td><td>☐ Transport and Energy</td></tr>
<tr><td></td><td>☐ Trade and Investment</td></tr>
<tr><td></td><td>☐ Agriculture</td></tr>
<tr><td></td><td>☐ Halal products/services</td></tr>
<tr><td></td><td>☐ Tourism</td></tr>
<tr><td></td><td>☐ Human Resources Development</td></tr>
<tr><td></td><td>☐ Others, please specify:</td></tr>
<tr><td>Proposed project duration</td><td>Start date: End date:</td></tr>
<tr><td>Coverage/target countries</td><td></td></tr>
<tr><td colspan="2">**2. PROPONENT PROFILE**</td></tr>
<tr><td>Organization:</td><td></td></tr>
<tr><td>Address:</td><td></td></tr>
<tr><td>Telephone:</td><td>Fax: E-mail:</td></tr>
<tr><td>Type of business:</td><td></td></tr>
<tr><td>Principal contact person:</td><td></td></tr>
<tr><td>Name:</td><td></td></tr>
<tr><td>Position:</td><td></td></tr>
<tr><td>Telephone:</td><td>E-mail:</td></tr>
<tr><td>Declaration:</td><td>☐ This project concept was developed in accordance with the IMT-GT Project Manual.
☐ This project concept was developed based on other governing guidelines. Please specify: _____</td></tr>
<tr><td>Signature:</td><td></td></tr>
<tr><td>Date:</td><td></td></tr>
</table>

3. PROJECT DESCRIPTION and SUMMARY
3.1 Project Background and Relevance • *Why should the project be undertaken?* • *Summarize the specific development problem or constraint that the project aims to address. Is the problem or constraint subregional in nature?* • *Can the problem or constraint and its causes be effectively and appropriately addressed at the IMT-GT level?*
3.2 Link to IMT-GT Plan or Agreement • *Specify which subregional plan or agreement that the project intends to address.* • *How will the project contribute to deliver the goals and objective of the subregional plan or agreement?* • *Which strategic pillar/section/measure of the subregional plan or agreement that the project aims to address?*
3.3 Impacts • *Briefly describe the project's expected impact. For example, is it going to increase bilateral trade between Province A in Malaysia and Province B in Thailand?* Note: **Impacts** are the long-term and broader changes that occur within IMT-GT's community/organization/society/environment contributed by the project **outcome**. In some cases, impacts may only come 5 to 10 years after the **outcome** has been attained.
3.4 Outcome • *Briefly describe one major outcome the project intends to accomplish. For example, is it going to improve land connectivity between Province A in Malaysia and Province B in Thailand?* Note: **Outcomes** are the short-term and intermediate changes that occur after the project **outputs** have been successfully delivered/completed.
3.5 Outputs Briefly describe the project's outputs (what are the **deliverables**). For example, is the output a trans-boundary highway rehabilitated, a policy document adopted, staff skills upgraded, etc?
3.6 Activities • *Briefly describe the project's major activities. What specifically is the project going to do? Is it going to construct a highway, train people, develop policy, draft legislation, conduct survey, etc?*
3.7 Beneficiaries • *Briefly outline the relevant beneficiaries.*
3.8 Stakeholders • *Briefly outline the relevant stakeholders to be engaged.*
3.9 Previous Projects • *If there are relevant current or past projects, how would this project build upon or complement them?*

3.10 Proposed Project Budget Allocation

Description	Estimated Budget ($)	% Share of the Total Budget
1. Personnel/Labor		
2. Equipment/materials		
3. Meetings/workshops/ trainings		
4. Reports		
5. Travel		
6. Dissemination		
7. Others (please specify)		
Total		

3.11 Funding Source:
☐ National/provincial/state government

☐ Private sector

☐ International

☐ Others: _____

APPENDIX 4
Full Project Proposal Template for Non-Infrastructure Projects

IMT-GT Full Project Proposal Template
(maximum of 12 pages)

1. PROJECT DETAILS	
Project title:	
Working Group	☐ Transport and Energy
	☐ Trade and Investment
	☐ Agriculture
	☐ Halal products/services
	☐ Tourism
	☐ Human Resources Development
	☐ Others, please specify:
Proposed project duration	Start date: End date:
Coverage/target countries	

2. PROPONENT PROFILE				
Organization:				
Address:				
Telephone:	Fax:		E-mail:	
Type of business:				
Principal contact person:				
Name:				
Position:				
Telephone:	E-mail:			
Declaration:	☐ This project concept was developed in accordance with the IMT-GT Project Manual. ☐ This project concept was developed based on other governing guidelines. Please specify: _____			
Signature:				
Date:				

3. PROJECT PROPOSAL
SECTION 1: PROJECT BACKGROUND
1.1 Project Summary and Context • *Briefly summarize the description of the project.* • *Briefly outline recent development trends, context, and setting.* • *Brief description of any past projects or curr*ent initiatives that the intended project will build upon.
1.2 Project Rationale • *Why should the project be undertaken?* • *Summarize the specific development problem or constraint that the project aims to address. Is the problem or constraint subregional in nature?* • *Can the problem or constraint and its causes be effectively and appropriately addressed at the IMT-GT level?*
SECTION 2: PROJECT DESCRIPTION AND APPROACH
2.1 Project Relevance and Alignment • *Specify which subregional plan or agreement that the project intends to address.* • *How will the project contribute to deliver the goals and objective of the subregional plan or agreement?* • *Which strategic pillar/section/measure of the subregional plan or agreement that the project aims to address?*
2.2 Impacts • *Briefly describe the project's expected impact. For example, is it going to increase bilateral trade between Province A in Malaysia and Province B in Thailand?* Note: Impacts are the long-term and broader changes that occur within IMT-GT's community/organization/society/environment contributed by the project outcome. In some cases, impacts may only come 5 to 10 years after the outcome has been attained.
2.3 Outcome • *Briefly describe one major outcome the project intends to accomplish. For example, is it going to improve land connectivity between Province A in Malaysia and Province B in Thailand?* Note: Outcomes are the short-term and intermediate changes that occur after the project outputs have been successfully delivered/completed.
2.4 Outputs • *Briefly describe the project's outputs (what are the deliverables). For example, is the output a trans-boundary highway rehabilitated, a policy document adopted, staff skills upgraded, etc?*
2.5 Activities • *Briefly describe the project's major activities. In other words, what specifically is the project going to do? Is it going to construct a highway, train people, develop policy, draft legislation, conduct survey, etc?*
2.6 Beneficiaries • *Briefly outline the relevant beneficiaries.*
2.7 Stakeholders • *Briefly outline the stakeholders to be engaged.* • *Briefly explain how the stakeholders will be engaged.*

SECTION 3: PROJECT EFFECTIVENESS

3.1 Implementation Arrangements
- *Proposed executing/implementing agency.*
- *Linkages with other relevant IMT-GT fora, initiatives, etc.*
- *Relevant committees or steering groups to be set up as part of the project implementation.*

3.2 Work Plan
- *Provide expected start and completion dates.*
- *Timeline of outputs.*
- *Timeline of activities.*

3.3 Potential Risks
- *Briefly summarize what potential risks may arise and relevant mitigating measures to manage the risks.*

No.	Risks	Mitigating measures

3.4 Results-Based Monitoring
- *This matrix provides the framework of a results-based monitoring and evaluation. It is to be completed with guidance from CIMT.*

Type of Result	Indicators or Performance Targets	Data Sources	Assumptions and Risks
Impact			
Outcome			
Outputs			

Note: To be completed with guidance from CIMT.
Results-based monitoring and evaluation focuses on the higher-level outcome and impact instead of lower-level outputs, activities, or inputs. The matrix guides the framework of a results- based monitoring and evaluation exercise.

3.5 Sustainability
- *Describe how the project will continue to have an impact after the completion of the project.*
- *How will the relevant stakeholders and beneficiaries internalize the results and lessons from the project?*
- *What are the opportunities for future projects to build on the outputs and outcomes of the project?*

SECTION 4: FUNDING

4.1 **Proposed Project Budget Allocation**

Description	Estimated Budget ($)	% Share of the Total Budget
1. Personnel		
2. Equipment/materials		
3. Meetings/workshops/ trainings		
4. Reports		
5. Travel		
6. Dissemination		
7. Others (please specify)		
Total		

4.2 **Funding Source**
☐ National/provincial/state government

☐ Private sector

☐ International

☐ Others: _____

Full Project Proposal Template for Infrastructure Projects with Significant Environmental and/or Social Impacts

IMT-GT Full Project Proposal Template
(maximum of 12 pages)

1. PROJECT DETAILS	
Project title:	
Working Group	☐ Transport and Energy
	☐ Trade and Investment
	☐ Agriculture
	☐ Halal products/services
	☐ Tourism
	☐ Human Resources Development
	☐ Others, please specify:
Proposed project duration	Start date: End date:
Coverage/target countries	
2. PROPONENT PROFILE	
Organization:	
Address:	
Telephone:	Fax: E-mail:
Type of business:	
Principal contact person:	
Name:	
Position:	
Telephone:	E-mail:

Declaration:	☐ This project concept was developed in accordance with the IMT-GT Project Manual. ☐ This project concept was developed based on other governing guidelines. Please specify: _____
Signature:	
Date:	

PROJECT PROPOSAL

SECTION 1: PROJECT BACKGROUND

1.1 Project Summary and Context
- *Briefly summarize the description of the project.*
- *Briefly outline recent development trends, context, and setting.*
- *Brief description of any past projects or current initiatives that the intended project will build upon.*

1.2 Project Rationale
- *Why should the project be undertaken?*
- *Summarize the specific development problem or constraint that the project aims to address. Is the problem or constraint subregional in nature?*
- *Can the problem or constraint and its causes be effectively and appropriately addressed at the IMT-GT level?*

SECTION 2: PROJECT DESCRIPTION AND APPROACH

2.1 Project Relevance and Alignment
- *Specify which subregional plan or agreement that the project intends to address.*
- *How will the project contribute to deliver the goals and objective of the subregional plan or agreement?*
- *Which strategic pillar/section/measure of the subregional plan or agreement that the project aims to address?*

2.2 Impacts
- *Briefly describe the project's expected impact. For example, is it going to increase bilateral trade between Province A in Malaysia and Province B in Thailand?*

  Note: Impacts are the long-term and broader changes that occur within IMT-GT's community/organization/society/environment contributed by the project outcome. In some cases, impacts may only come 5 to 10 years after the outcome has been attained.

2.3 Outcome
- *Briefly describe one major outcome the project intends to accomplish. For example, is it going to improve land connectivity between Province A in Malaysia and Province B in Thailand?*

  Note: Outcomes are the short-term and intermediate changes that occur after the project outputs have been successfully delivered/completed.

2.4 Outputs
- *Briefly describe the project's outputs (what are the deliverables). For example, is the output a trans-boundary highway rehabilitated, a policy document adopted, staff skills upgraded, etc?*

2.5 Activities
- *Briefly describe the project's major activities. In other words, what specifically is the project going to do? Is it going to construct a highway, train people, develop policy, draft legislation, conduct survey, etc?*

2.6 Beneficiaries
- *Briefly outline the relevant beneficiaries.*

2.7 Stakeholders
- *Briefly outline the stakeholders to be engaged.*

- *Briefly explain how the stakeholders will be engaged.*

SECTION 3: PROJECT EFFECTIVENESS

3.1 Implementation Arrangements
- *Proposed executing/implementing agency.*
- *Linkages with other relevant IMT-GT fora, initiatives, etc.*
- *Relevant committees or steering groups to be set up as part of the project implementation.*

3.2 Work Plan
- *Provide expected start and completion dates.*
- *Timeline of outputs.*
- *Timeline of activities.*

3.3 Potential Risks
- *Briefly summarize what potential risks may arise and relevant mitigating measures to manage the risks.*

No.	Risks	Mitigating measures

3.4 Results-Based Monitoring

Types of Result	Indicators or Performance Targets	Data Sources	Assumptions and Risks
Impact			
Outcome			
Outputs			

Note: To be completed with guidance from CIMT.

Results-based monitoring and evaluation focuses on the higher-level outcome and impact instead of lower-level outputs, activities, or inputs. The matrix guides the framework of a results- based monitoring and evaluation exercise.

3.5 Sustainability
- *Describe how the project will continue to have an impact after the completion of the project*
- *How will the relevant stakeholders and beneficiaries internalize the results and lessons from the project?*
- *What are the opportunities for future projects to build on the outputs and outcomes of the project?*

SECTION 4: SAFEGUARDS

4.1 Environment
- *Environmental assessment and measures: Identify potential environmental impacts and risks of the project and describe the environmental management plan to be implemented by the project implementer.*

4.2 Involuntary Resettlement
- *Resettlement planning: Identify adverse impacts of a project on the physical, economic, and sociocultural assets of affected persons, including ethnic minorities, and the corresponding measures to help restore or even improve pre-project standards of living.*

4.3 Indigenous Peoples
- *Indigenous people's planning: Identify indigenous people who may be beneficially or adversely affected by the project and prescribe the corresponding measures to help restore or even improve pre-project standards of living.*

SECTION 5: FUNDING

5.1 Proposed Project Budget Allocation

Description	Estimated Budget ($)	% Share of the Total Budget
1. Consultants		
2. Civil works		
3. Equipment/materials		
4. Environmental and social mitigation		
5. Meetings/workshops/trainings		
6. Reports		
5. Travel		
7. Dissemination		
8. Contingencies		
8. Others (please specify)		
Total		

5.2 Funding Source

☐ National/provincial/state government

☐ Private sector

☐ International

☐ Others: _____