



**NATIONAL CONSERVATION TRUST FUND
FOR NATURAL RESOURCES (NCTF)
APPLICATION GUIDELINES**

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CHAPTER 1: INTRODUCTION TO NATIONAL CONSERVATION TRUST FUND FOR NATURAL RESOURCES (NCTF)

1.1 OVERVIEW OF NCTF

The National Conservation Trust Fund for Natural Resources (NCTF) was established to carry out activities related to conservation efforts such as communication, education and public awareness, research and development, management, protection and climate change mitigation and adaptation.

1.2 OBJECTIVE OF NCTF

- i. To carry out long term conservation plan to support natural resource management;
- ii. Support Sustainable Forest Management (SFM);
- iii. Conduct research and development activities in the fields of natural resources management and conservation;
- iv. Support capacity building for the implementation of obligations and commitments under Multilateral Environmental Agreements (MEA) of which Malaysia is a party of; and
- v. Provide a transparent mechanism for receiving and channelling funds to support natural resource management and biodiversity conservation.

1.3 FOCUS AREAS

Focal Areas 1: Natural Resource Management

- i. Projects and activities intended to involve community participation in the management, monitoring and protection of important areas of biological diversity, and environmentally sensitive areas;
- ii. Projects and activities intended for in-situ management and monitoring of biological diversity including ecosystems and species;
- iii. Projects and activities intended for ex-situ management and monitoring of biological diversity, local species and genetic resources; and
- iv. Projects and activities towards mainstreaming biodiversity conservation and sustainable management of natural resources in mitigating and adaptation to climate change.

Focal Area 2: Research and Development

Funding for research and development (R&D) activities in the fields of science, technology and socio-economy related to conservation of biological diversity and sustainable management of natural resources that are aligned to conservation related policies and national commitments in multilateral environmental agreements.

Focal Areas 3: Capacity Building

- i. Projects and activities that foster understanding in the implementation, enforcement and improvement of policies, laws, regulations, and guidelines in the fields of conservation;
- ii. Projects and activities for human resource development and training for conservation of biological diversity and sustainable management of natural resources, including strengthening and understanding of policies, laws, regulations, guidelines and national obligations in international conventions and forums;
- iii. Projects and activities intended to increase public awareness through education, training, and capacity development, including supporting protection and conservation campaigns; and
- iv. Organising seminars, courses, workshops, conferences and colloquiums funded by NCTF.

Focal Areas 4: Sustainable Financing Mechanism

Projects and activities for the implementation of sustainable financing mechanisms, financial and other sources of benefit transfer between the Federal and State governments.

1.4 ELIGIBILITY CRITERIA

1. The following organisations are eligible to apply for funding from the NCTF:
 - i. Government agencies;
 - ii. Research institutes and universities; and
 - iii. Locally registered non-governmental organisations (NGOs), community-based organisation (CBOs) and civil society organisations (CSOs).

1.5 SELECTION CRITERIA OF THE PROJECT

- i. Activities of proposed projects shall fall within the NCTF focal areas.
- ii. Funds **shall not be used** for:
 - a. physical development or capital expenditure (e.g. purchase of car);

- b. commercialisation; and
 - c. academic sponsorship or scholarship.
- iii. Applicants shall demonstrate:
 - a. Relevant experience in implementing similar projects;
 - b. Strong organisational capability to implement the proposed project; and
 - c. Strong organisational capability to implement the proposed project.
- iv. Applicants shall not be eligible to apply for another NCTF grant if it has not completed an on-going NCTF funded project.

1.6 LOCATION OF RESEARCH

The project under NCTF must be carried out in Malaysia.

1.7 PROJECT DURATION

Project duration is between 6 months to 24 months.

1.8 RESPONSIBILITIES OF THE PROJECT LEADER

The successful implementation of the project is the responsibility of the project leader. Project leaders have to ensure that the projects are carried out effectively to meet the specified objectives and milestones within the specified time frame and funding allocated.

1.9 SCOPE OF FUNDING

1. NCTF funding covers the following scope:

- i. Administration (not exceeding 10% of total amount applied for, eg. project staff, contribution for utilities, stationery).
- ii. Project Activities (eg. survey, training, workshop, contract services).
- iii. Materials and Equipment (eg. camera-trap, scientific equipment and tools required to carry-out project activities).
- iv. Monitoring and Evaluation (breakdown of related costs if any, eg. transportation and Daily sustenance allowance (DSA) related to site visits).
- v. Publication/Documentation (eg. preparing reports, books, video, CDs).
- vi. Contingency (not exceeding 5% of total amount applied for).

2. The budget should be realistic, and should be directly related to the implementation of project activities in a cost-effective manner. Indirect costs such as office rent, and staff overheads (ie. percentage of staff costs) are not to be included. In terms of documentation, all relevant financial records should be kept and included as supporting documents to the financial report to NCTF Secretariat.
3. The applicant should prepare the budget carefully to avoid cost overrun. NCTF **will not provide top-up funds to cover shortfalls**. Budget movement between activities and categories may be allowed only if appropriate justifications are provided.

1.11 NOTIFICATION OF RESULTS

The results of applications will be notified to the applicant through email after the convening of the NCTF Committee.

1.12 ACCEPTANCE OF OFFER

Applicant must accept or decline the offer through email to the secretariat within 14 days after notification.

1.13 LETTER OF ACCEPTANCE

Successful applicants are required to sign a Letter of Undertaking within 30 days upon acceptance of the approved projects failing which NRE has the right to revoke the approval.

1.14 OWNERSHIP AND USE OF EQUIPMENT

1. All materials and equipment purchased under the NCTF must be recorded and tagged with the project identification number for monitoring and verification purposes and it belongs to the organisation.
2. All materials and equipment shall be maintained by the organisation on conclusion of project.

1.15 INTELLECTUAL PROPERTY RIGHTS (IPR)

Ownership and management of IPR, royalties and any other form of fees received by the organisation resulting from technology transfer licensing of technology or any other form of commercialisation shall be governed in accordance with the terms and conditions outlined in the Letter of Undertaking.

1.16 PUBLICATIONS

Grantees are encouraged to publish the results of their projects (where applicable) in local and renowned publications only after all measures have been taken to protect IPR generated from these projects.

The contribution of NRE as the fund provider must be acknowledged at all times in all forms of publication.

1.17 MONTHLY FINANCIAL REPORT

Each grantee is required to submit to NCTF Secretariat a monthly financial report of the approved project in digital file (excel format) as shown in **Table 1**.

No.	Project No.	Project Title	Project Leader	Project Duration		Project status	Total Amount Approved	Total Amount Received	V-Series						Total Actual Expenditure (RM)	% Total Actual Expenditure	Committed Expenditure (RM)	Committed Expenditure (RM)+ Total Actual Expenditure (RM)	Balance (RM)
				Start	End	Completed/On-going/Extension													

1.18 CHANGE OF PROJECT LEADER

If a project leader resigns, retires or moves to another organisation, the grantee must inform the NCTF Secretariat of the change of project leader. The grantee must ensure that the new project leader has the necessary expertise to experience to lead the project.

1.19 TERMINATION

Projects can be terminated based on the following:

- i. Any false reporting by the project leader;
- ii. Any misuse of grant provided;
- iii. Non-performance in terms of progress;

- iv. Variation of scope project without getting prior approval from NCTF Secretariat; and
- v. No suitable project leader as replacement in the original recipient organisation in cases as in 1.18.

Any unspent funding shall be returned to NRE.

CHAPTER 2: PROJECT APPLICATION

2.1 APPLICATION PROCESS

Application for NCTF must be made using the application form which can be downloaded from <http://www.nre.gov.my/sites/nctf>

Please refer to the NCTF Application Guideline for further instructions.

2.2 APPLICATION SUBMISSION

1. Project proposals shall be submitted in the standard application form.
2. Project proposals shall clearly articulate how project objectives and activities would have a positive effect on the NCTF focal areas.
3. Project proposals shall include a monitoring and evaluation plan.
4. There shall be 2 cycles of application for each calendar year.

2.3 APPLICATION FORM

This section of the Guidelines is for filling in the NCTF Application Form.

General Requirements

1. Proposal for NTCF grants should be made using the Application Form provided.
2. Applicants are to refer to the call for proposal so that their proposed project is aligned to the priorities identified.

3. Completed application form should be submitted (hard and soft copies) to:

NCTF Secretariat
Biodiversity and Forestry Management Division
Ministry of Natural Resources and Environment Malaysia
Level 12, Wisma Sumber Asli,
No. 25 Persiaran Perdana, Precinct 4
62574 Putrajaya
Malaysia
Tel. : 03-8886 1073 / 03-8886 1667
Fax : 03-88904021
Email : nctf@nre.gov.my

Project Overview/Summary

1. **Project Title:** State the name of the project.
2. **Project Location:** State where the project will be implemented.
3. **Expected Start Date:** State the expected commencement date of the project.
4. **Expected End Date:** State the expected completion date of the project.
5. **Project Duration:** Stated in months, the project duration should be a reasonable timeframe to implement proposed activities. Project duration is generally between 6 months to 24 months.
6. **Focal Areas:** Tick the focal area of the project. Tick at least one of the focal areas that the proposed project can identify with. It should be consistent with the call for proposal.
7. **Total Funding Applied For:** This is the total requested support from NCTF. The maximum is RM300,000. This should be consistent with the amount in **Part 7** of the Application Form and elaborated in **Part 8** of the Application Form.
8. **Total Co-Funding:** State the amount of co-funding from other sources, including estimates of in-kind contributions. These should be consistent with the amount in **Part 7** of the Application Form and elaborated in **Part 8** of the Application Form.
9. **Total Project Costs:** This is the Total Funding Applied For and Total Co-Funding. This amount should be consistent with the amount in **Part 7** of the Application Form.

Part 1: Applicant Background

This part captures information about the applicant.

1. **Name of Organisation:** State the official/registered name of organisation.
2. **Date Established:** State when organisation was established.
3. **Type of Organisation:** Tick the relevant box. If others, please provide details.
4. **Purpose / Objective of Organisation:** State the purpose/objective of organisation.
5. **Number of Employees:** State the current number of employees or staff (for government agencies). This includes volunteers and part-time staff.
6. **Number of Members:** For member-based organisation, state current membership.
7. **Registered Address:** State the current mailing address for official correspondence. PO Box address is unacceptable.
8. **Correspondence Address:** Should there be any change in correspondence address, inform the NCTF Secretariat.

Part 2: Contact

This part captures contact details of:

1. **The Principal Officer**, normally the person-in-charge of the organisation.
2. **The Project Coordinator/Manager**, normally the person-in-charge of the specific proposed project.

Part 3: Project Description

This part provides clear and concise information about the proposed project

1. **Project Objective:** State the primary objective(s) and specific objective(s) of the proposed project.
2. **Targeted Benefits/Outcomes:** State the expected benefits and outcomes and relate these to the Focal Areas of NCTF Grant.
3. **Targeted Beneficiaries:** State who stands to benefit from the project.

4. **Background - Current Situation/Baseline:** Describe the current situation prior to the implementation of the proposed project. Provide baseline information at the project site (if applicable).
5. **Problem Statement:** State the issues that the proposed project will be addressing.
6. **How does the project address the issues:** State how these issues will be tackled through this project.
7. **Intended situation after project completion:** State the expected impacts after project completion.

Part 4: Project Implementation

1. **Methodology:** Describe the methodology adopted for implementing activities of the project. If the project involves partnership with other organisations, provide details about the nature of this partnership.
2. **Implementation Team Composition:** Provide details of the implementation team, including paid or unpaid staff members, and their roles in project implementation. Include also team members from other organisations if the project involves cooperation with other organisations.
3. **Organisational Background and Administrative Support:** Demonstrate that the organisation has the experience and capacity to carry out the proposed activities. The organisational approach for project implementation should be included. Elaborate if the implementation team is within a larger division or section of the organisation. Include organisational chart if relevant.
4. **Key Assumptions:** Include the key assumptions that were made while preparing and developing the project. The feasibility of the project will depend on these assumptions.
5. **Major Risk Factors Identified and Risk Mitigation Measures:** State the major risk factors that would affect the project, and prevent it from achieving its objectives and outcomes. These include internal risks (eg. staffing, team moral) and external risks (eg. relationship with project partners, climate). For each of the risks identified, please propose mitigation measure to address them.

Part 5: Project Implementation

This table provides the details of the planned project activities.

1. **Project Objective:** These should be consistent with project objective(s) stated in **Part 3** of the Application Form.
2. **Project Activities:** List out the specific project activities that are planned. These could be grouped based on the objective(s) stated above.
3. **Expected Specific and Measurable Result / Outcome:** State the specific and measurable result of each activity. These are measurable changes after implementing the project activity. (eg. number of people undergone a specific training)

Part 6: Implementation Plan and Timeframe

The Implementation Plan and Timeframe is presented as a chart.

1. The implementation plan should present the planned activities, in logical sequence following the project implementation timeline from the commencement of the project to its completion.
2. The implementation plan should also include activities such as monitoring and evaluation. (please see Part 9 of the Application Form and preparing progress and completion reports).

(Sample for Demonstration Purpose Only)

No	Activity	Month																	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1	Project Planning Meeting	■																	
2	Coordinate training		■	■															
3	Conduct training for local community to carry out conservation activity				■														
4	Implementation of conservation project by local community: Phase 1					■	■	■	■										
5	Monitoring and Evaluation						■												
6	Prepare progress report						■												
7	Implementation of conservation project by local community: Phase 2									■	■	■	■	■					
8	Monitoring and Evaluation										■	■	■						
9	Prepare progress report												■						
10	Documentation of lessons learnt															■			
11	Prepare completion report																■		

Part 7: Summary of Project Funding

1. **Amount applied from the NCTF:** This is the total amount requested from the NCTF. The breakdown should be provided in the column “Amount Applied For” in **Part 8** of the Application Form.
2. **Co-funding / Other Sources:** Please also include sources of funding obtained from others, including the applicant. These could be in-cash, in-kind or both. These should be consistent with the amount elaborated in **Part 8** of the Application Form, and a letter of commitment of the co-funding should be attached as supporting document (**Part 10** of the Application Form).
3. **Total Funding:** Please sum-up sources of funding accordingly.

Part 8: Project Expenditure Budget

This part provides the breakdown of project expenditure budget. These should be grouped into the following categories:

1. **Administration** (not exceeding 10% of total amount applied for, eg. project staff, contribution for utilities, stationery).
2. **Project Activities** (eg. survey, training, workshop, contract services).
3. **Materials and Equipment** (eg. camera-trap, scientific equipment and tools required to carry-out project activities).
4. **Monitoring and Evaluation** (breakdown of related costs if any, eg. transportation and Daily Sustenance Allowance (DSA) related to site visits).
5. **Publication/Documentation** (eg. preparing reports, books, video, CDs).
6. **Contingency** (not exceeding 5% of total amount applied for).

If a planned expenditure item does not fall into any of the categories above, include this as “others” followed by description. Include also project expenditures that are co-funded, both in-cash and also in-kind in the columns provided.

The budget should be realistic, and should be directly related to the implementation of project activities in a cost-effective manner. Indirect costs such as office rent, and staff overheads (ie. percentage of staff costs) are not to be included. In term of documentation, all relevant financial records should be kept and included as supporting documents to the monthly financial report to NCTF Secretariat.

The applicant should prepare the budget carefully to avoid cost overrun. NCTF **will not provide top-up funds to cover shortfalls**. Budget movement between activities and categories may be allowed only if appropriate justifications are provided upon approval by the NCTF Committee.

Part 9: Monitoring and Evaluation Plan

This part provides clear and concise information about the indicator of each planned activity, who would monitor these, and when. Hence it functions also as a project-monitoring schedule.

1. **Indicator:** The expected specific and measurable result / outcome of each activity are already stated in **Part 5** of the Application Form. These are measurable changes after implementing the project activity.
2. **Who will monitor:** Specify who will be responsible to monitor the indicator.
3. **When will monitoring be carried out:** Specify when the monitoring will be carried out.

Part 10: Other details

Grantees must provide bank details and supporting documents as follows:

1. Government Agencies:
 - i. organisation structure and
 - ii. letter of commitment of co-funding (if applicable).
2. Other organisations:
 - i. registration document;
 - ii. organisation structure;

- iii. photocopy of bank statement / bank book, and iv) latest (audited) financial statement; and
- iv. letter of commitment of co-funding (if applicable).

CHAPTER 3: PROJECT EVALUATION

3.1. SCREENING, SELECTION AND APPROVAL

1. The NCTF Committee shall determine a screening modality (which shall be periodically reviewed to ensure that the modality is working effectively).
2. Initial screening is performed by the NCTF Secretariat to ensure that proposals fulfil the eligibility criteria, and that the information provided is complete. If needed, the NCTF Secretariat shall contact the applicant for further information.
3. Only proposals that have fulfilled eligibility criteria, and provided relevant information will be evaluated and reviewed by the Technical Committee.
4. Applicants may be required to present their proposals to the Technical Committee.
5. The Technical Committee shall present and recommend proposals to the NCTF Committee for approval.

CHAPTER 4: ALLOCATION AND DISBURSEMENT OF FUND

4.1. QUANTUM OF FUNDING

The maximum grant amount for each project is RM300,000.

4.2. INITIAL DISBURSEMENT

1. The disbursement amount and schedule may differ, and is contingent upon the nature and length of project activities. In general, the first disbursement shall not exceed 50% of the total project grant amount subject to the objectives, workscope and workplan of the proposal. (except when justified and prior approval from NCTF Committee has been received).
2. This first disbursement shall be released upon signing of LOU.

4.3. PROGRESS PAYMENT

1. Subsequent payments are subject to the following conditions:
 - i. Submission of progress report and completion report by the Grantee to the NCTF Secretariat.

- ii. Upon satisfactory assessment and verification by the Secretariat, recommendations shall be forwarded to the Chairman for approval of subsequent payments.
2. The NCTF Committee may decide to recommend a different payment schedule for projects with grant amount not exceeding RM 30,000 and project duration not more than 6 months.

4.4. INSTITUTIONAL FINANCIAL PROCEDURE

1. Grantees must abide by all financial rules and regulations of the organisation especially those pertaining to procurement, disbursement, appointment of staff and IPR.
2. The Grantee and NRE shall enter into an agreement in the form of LOU.
3. The LOU shall be signed by the Grantee and the Chairman of NCTF Committee.
4. The LOU shall describe the responsibilities of the signatories, duration of the project, payment schedule and amount, milestones and templates for records, information and reports.

CHAPTER 5: PROJECT IMPLEMENTATION AND MONITORING

5.1 PROJECT IMPLEMENTATION AND MONITORING

1. Grantees must submit progress and completion reports as per schedule and milestones as set out in the LOU. It is a mandatory requirement for Grantees to submit progress reports and completion reports as one of the conditions for release of subsequent payments.
2. The progress and outcomes of activities carried out, including quantifiable and measurable indicators, and financial expenditures shall be monitored and evaluated through various means such as progress reports, mid-term review, and site visits by the NCTF Secretariat/NCTF Committee or Technical Committee members.