

The Eleventh Session of the Scientific Advisory Committee
on Acid Deposition Monitoring Network in East Asia
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Financial Report of the Secretariat and the Network Center in 2010

I. INTRODUCTION

1. The Seventh Session of the Intergovernmental Meeting (IG7) endorsed the “Guidelines on Administrative and Financial Management for the Secretariat and the Network Center (EANET/IG 7/4)”. The “Financial Report of the Secretariat and the Network Center in 2010” was developed by the Secretariat and the Network Center (NC) based on the format agreed upon for reporting the revenue/income and expenditures of the Secretariat and the NC for each year. This document was discussed at the Tenth Session of Working Group on Future Development of EANET (WGFD10) held on 19-20 July 2011 and will be discussed at the Eleventh Session of the Scientific Advisory Committee (SAC11) to be held on 12-14 October 2011, before submission to the Thirteenth Session of the Intergovernmental Meeting (IG13) on 23-24 November 2011, for its adoption.

II. FINANCIAL REPORT OF THE SECRETARIAT

II-1 Regular budget

2. The Secretariat’s budget in 2010 was US\$ 473,359.00 while the expenditure in 2010 for the regular activities had a total amount of US\$ 411,272.00. The expenditures in the regular budget included: personnel costs, rental of premises, operating costs, and overhead. The details were presented in Table 1 of Annex 1.

II-2 Savings of the Secretariat

3. The Financial Statement on Savings of the Secretariat was tabulated in Table 2. The cash balance from the regular activities in 2010 was reflected, amounting to US\$ 6,112.50 (income minus expenses in 2010). The total balance on savings of the Secretariat had a total amount of US\$187,450.00.

II-3 Financial Contributions from participating Countries for 2010 Budget

4. The participating countries that made contributions to the Secretariat for the year 2010 included: Cambodia (US\$ 50.00 for the Secretariat, US\$ 50.00 for the NC core budget), China (US\$ 15,000.00), Japan (US\$ 350,000.00), Malaysia (US\$ 3,835.00), Mongolia (US\$ 50.00), Republic of Korea (US\$ 44,127.00), Thailand (US\$ 3,777.00), and Vietnam (US\$ 495.00). The total contribution from the participating countries received by the

Secretariat was US\$ 417,384.00. Regarding US\$ 50.00 from Cambodia for the NC core budget activities, this amount was transmitted to the NC less 5% overhead.

III. FINANCIAL REPORT OF THE NETWORK CENTER

5. The balance between total revenue (US \$ 1,456,012.2) and total actual expenditures (US \$ 1,421,533.0) of the NC in 2010 was US \$ 34,479.2 as shown in Table 1 in Annex 2. It was carried over to the year 2011.
6. As shown in Table 2, Annex 2, the revenue of the NC in 2010 was US \$ 461,595.2 for core budget activities, US \$ 829,910 for additional budget activities, and US \$ 164,507 for others, respectively. These revenues were derived from financial contributions from the participating countries of EANET (Cambodia, Japan, Mongolia, Thailand and Vietnam), United Nations Environment Programme Regional Resource Centre for Asia and the Pacific (UNEP RRC.AP), the Ministry of the Environment, Japan, Niigata Prefecture and other sources. The total revenue of the NC in 2010 was US \$ 1,456,012.2. The NC also received in-kind personnel contribution from Niigata City, Environmental Science Research Niigata (ESRN) and Joetsu Environmental Science Center (JOESC).
7. Actual expenditures of the NC core and additional budget activities in 2010 are shown in Table 3 and 4, Annex 2. The amounts of expenditures were US \$ 431,996 for the core budget activities and US \$ 825,030 for the additional budget activities. There are some items in Table 3 and 4 that the estimated budget and the actual expenditures were a bit different. The reasons of the differences are shown as follows:

[Table 3 (core budget activities)]

- (1) Central compilation, evaluation and storage of data, etc.
 - Participants of the Drafting Committee and Lead Authors Meeting were increased compare with the original estimation.

[Table 4 (additional budget activities)]

- (1) Strengthening technical capacity in the participating countries
 - Some expenditures of the technical missions in 2009 were paid in 2010 due to delay of payment.
- (2) Implementation of training activities
 - Duration of the second individual training course was shorter than the original plan, and so on.
- (3) Research activities
 - Cost for the contract of commission (such as the Research project for catchment analysis), consumables and travel cost, etc, were increased in accordance with the increased actual revenue.

(4) Public awareness activities

- Some activities in the joint project with a participating country in 2010 were canceled due to inconvenience of both organizations.

8. Table 5 shows a breakdown of the expenditures by categories such as salary of staff members, travel costs, meeting costs and so on. There are some items in Table 5 that the estimated budget and the actual expenditures were a bit different. The reasons of the differences are shown as follows:

(1) External consultants/assistants (It includes the cost for contacts of commission with the external organizations and official audit by an independent agency.)

- Some expenditures which activities were implemented in 2009 were included in the expenditures of 2010 due to delay of payments.
- Audit by the independent agency was implemented for two years (2008 and 2009) reports, and so on.

(2) Meetings

- The numbers of the participants (such as Lead Authors Meeting for PRSAD) were increased compare with the original plan.
- The NC had to attend some additional meetings which were not planned at the beginning of 2010.

(3) Reporting (Publication)

- Before making some publications (e.g. EANET Data Report, EANET Science Bulletin, etc.), taking the printing costs into account, the NC made contracts with the printing companies which submitted cheapest estimated prices among some companies.

9. Table 6 shows other expenditures of the NC activities in 2010 amounting to US \$ 164,507 based on the financial support from Niigata Prefecture including rental fee of the building.

10. The NC expenditure for Financial contribution, etc. (core and additional budget activities) was US \$ 1,257,026. The total of expenditures of the NC in 2010 including the above mentioned costs in para. 9 was US \$ 1,421,533 as shown in Table 7, Annex 2.

Annex 1

Table 1- Financial Statement in US Dollars - Regular budget
EANET Secretariat
January – December 2010

Details	Budget 2010 (A)	Actual Expenditure (B)	Budget Balance (C) = (A-B)
1. Personnel Costs (Salary, Social Security, Provident Fund, Tax, etc.)	161,818	147,840	13,978
2. Rental of premises (as per Contract)	30,000	30,000	-
3. Operating Costs	259,000	213,847	45,153
3.1 Reporting Costs	9,000	9,455	(455)
3.2 Development of Newsletter	3,000	2,960	40
3.3 Office supplies	2,000	1,776	224
3.4 Communication	8,000	8,414	(414)
- Telephone/Fax/Network		3,957	
- Postage/DHL		4,457	
3.5 Travel of staff	15,000	15,437	(437)
3.6 Meetings (including PTA ticket, DSA, Venue food, accommodation, logistics, etc.)	182,000	155,714	26,286
• WGFD9	50,000	35,853	14,147
• SAC10	57,000	51,821	5,179
• WGFD-S4, IG12, High Level Segment	75,000	68,040	6,960
3.7 Fellowship Program at NC	20,000	20,043	(43)
3.8 Contribution from Cambodia to NC	-	48	(48)
3.9 Deposit to Saving	20,000	-	20,000
Sub-total	450,818	391,687	59,131
4. Overhead (5% of sub-total)	22,541	19,584	2,957
TOTAL for regular activities (Sub-total + overhead)	\$ 473,359	\$ 411,272	\$ 62,087

Table 2 - Financial Statement - Saving Money
EANET Secretariat
January- December 2010

Details	Amount (USD)
1) Saving in 2002 and 2003	465,391
2) Total Expenses in 2004	(39,530)
3) Total Expenses in 2005	(50,889)
4) Contribution from China 2002-2005	60,000
5) Total Expenses in 2006	(158,799)
6) Total Expenses in 2007	(38,418)
7) Total Expenses in 2008	(31,597)
8) Total Expenses in 2009	(24,820)
9) Cash Balance in 2010-(regular activities)	6,112
BALANCE on SAVINGS	187,450

Table 3- Financial Contributions from Participating Countries for Secretariat in 2010 Budget

Annex 1

<u>Contribution Status for regular activities</u>		
<u>Countries</u>	<u>Date of received</u>	<u>Amount (USD)</u>
Thailand	9-Mar-10	\$ 3,777.00
Vietnam	7-Apr-10	\$ 495.00
Republic of Korea	23-Apr-10	\$ 44,127.00
Malaysia	23-Apr-10	\$ 3,835.00
Cambodia for Secretariat	21-Jul-10	\$ 50.00
Cambodia for NC	21-Jul-10	\$ 50.00
Mongolia	27-Dec-10	\$ 50.00
China	29-Dec-10	\$ 15,000.00
Japan	10-Mar-11	\$ 350,000.00
Total Income 2010		<u>\$ 417,384.00</u>
Expense of regular activities in 2010		<u>\$ (411,271.50)</u>
Cash Balance		<u>\$ 6,112.50</u>

Annex 2

**FINANCIAL STATEMENT OF THE NETWORK CENTER
JANUARY - DECEMBER 2010**

Table 1. Balance between revenue and expenditures

Items	Core budget	Additional budget	Financial support (Host municipalities)	Total (US \$)
1. Revenue	461,595.2	829,910.0	164,507.0	1,456,012.2
2. Actual expenditures	431,996.0	825,030.0	164,507.0	1,421,533.0
Balance	29,599.2	4,880.0	0.0	34,479.2

Note: Exchange rate between Japanese yen and US dollar for development of this report was 94 yen/\$.

Table 2. Revenue for the Network Center in 2010 (Financial contribution, etc.)

Organizations	Financial contribution, etc. (US \$)			
	Core Budget	Additional Budget	Others	Total
(1) Participating countries *(contribution)	432,742.0			432,742.0
(2) UNEP RRC.AP (contract)		20,000.0		20,000.0
(3) Ministry of the Environment, Japan (contribution)		346,781.0		346,781.0
(4) Ministry of the Environment, Japan (contract)		350,522.0		350,522.0
(5) National Institute for Agro-Environmental Sciences, Japan (Research fund)		79,805.0		79,805.0
(6) Mitsui & Co., Ltd. Environment Fund, Japan		27,535.0		27,535.0
(7) Niigata prefecture (Support for EANET meeting)		3,511.0		3,511.0
(8) Niigata city (Support for EANET meeting)		1,756.0		1,756.0
(9) Niigata Prefecture (support for NC activities)			164,507.0	164,507.0
(10) Cash Reserve of 2009	28,853.2			28,853.2
Total	461,595.2	829,910.0	164,507.0	1,456,012.2

***Contributions from the participating countries for NC Core Budget in 2010**

Name of country	Contribution (US\$)	Name of country	Contribution (US\$)
Cambodia	48.0	Japan	428,984.0
Mongolia	50.0	Thailand	3,160.0
Vietnam	500.0		

Total 432,742.0 (US\$)

Table 3. Expenditures of the Network Center in 2010 (Core budget activities)

Activities	Budget in 2010			Expenditures in 2010		
	Direct Exp. (US \$)	Personnel Exp. (US \$)	Total (US \$)	Direct Exp. (US \$)	Personnel Exp. (US \$)	Total (US \$)
1. Central compilation, evaluation and storage of data etc.	34,300	44,800	79,100	54,741	44,538	99,279
2. Preparation of data report	7,500	17,500	25,000	7,682	17,996	25,678
3. Dissemination of data and relevant information	10,000	12,000	22,000	6,387	13,497	19,884
4. Strengthening technical capacity in participating countries	50,000	40,000	90,000	41,383	38,240	79,623
5. Implementation and coordination of QA/QC activities	26,000	17,000	43,000	25,108	26,993	52,101
6. Implementation of training activities	0	5,000	5,000	445	4,498	4,943
7. Technical support to EANET meetings	49,700	69,500	119,200	50,289	69,730	120,019
8. Administrative works	10,000	14,000	24,000	23,721	6,748	30,469
Total	187,500	219,800	407,300	209,756	222,240	431,996

Table 4. Expenditures of the Network Center in 2010 (Additional budget activities)

Activities	Budget in 2010			Expenditures in 2010		
	Direct Exp. (US \$)	Personnel Exp. (US \$)	Total (US \$)	Direct Exp. (US \$)	Personnel Exp. (US \$)	Total (US \$)
1. Strengthening technical capacity in participating countries	64,500	27,500	92,000	87,338	26,319	113,657
2. Implementation of training activities	38,500	81,500	120,000	32,877	62,760	95,637
3. Research activities	233,000	144,000	377,000	298,271	127,540	425,811
4. Other activities (Public awareness)	56,000	28,000	84,000	28,191	28,342	56,533
5. Administrative works	40,000	40,000	80,000	28,122	105,270	133,392
Total	426,000	327,000	753,000	474,799	350,231	825,030

Table 5. Expenditures of the Network Center in 2010 (by expenditure item)

I t e m s	Budget (US \$)			Expenditures (US \$)		
	Core	Additional	Total	Core	Additional	Total
1. Salary of staff members	219,800	321,000	540,800	222,240	350,231	572,471
2. External consultants and assistants*	15,000	100,000	115,000	19,678	133,644	153,322
3. Travel costs	5,000	145,000	150,000	3,253	147,120	150,373
4. Meetings	120,000	20,000	140,000	123,245	61,749	184,994
5. Communication	15,000	32,000	47,000	11,128	20,312	31,440
6. Reporting (publication)	7,500	18,000	25,500	7,084	7,427	14,511
7. Equipment	20,000	65,000	85,000	19,121	61,499	80,620
8. Consumables	5,000	46,000	51,000	25,888	42,356	68,244
9. Miscellaneous	0	6,000	6,000	359	692	1,051
Total	407,300	753,000	1,160,300	431,996	825,030	1,257,026

* It includes the cost for contacts of commission with external organizations, external consultants, and official audit by an independent agency.

Table 6. Expenditures of the Network Center in 2010 (Financial support from the host municipalities)

Organizations / Items	Expenditures (US \$)
NC activities including rental fee of ACAP building	164,507
Total	164,507

Table 7. Total expenditures of the Network Center in 2010

Items	Total (US \$)
1. Core and additional budget activities	1,257,026
2. NC activities including rental fee of ACAP building	164,507
Total	1,421,533

Appendix

Expenditures of the Network Center in 2010 (Core budget activities)

Activities	Budget in 2010			Expenditures in 2010		
	Direct Exp. (US \$)	Personnel Exp. (US \$)	Total (US \$)	Direct Exp. (US \$)	Personnel Exp. (US \$)	Total (US \$)
1. Central compilation, evaluation and storage of data etc.	34,300	44,800	79,100	54,741	44,538	99,279
- Data verification including preparation of the Second Periodic Report	17,300	26,800	44,100	20,539	26,542	47,081
- Support to the Drafting Committee	16,000	14,000	30,000	30,505	13,497	44,002
- Maintenance of database	1,000	4,000	5,000	3,697	4,499	8,196
2. Preparation of data report	7,500	17,500	25,000	7,682	17,996	25,678
3. Dissemination of data and relevant information	10,000	12,000	22,000	6,387	13,497	19,884
- Analysis on the state of acid deposition in the region	4,000	8,000	12,000	5,497	8,998	14,495
- Development and updating of EANET website	6,000	4,000	10,000	890	4,499	5,389
4. Strengthening technical capacity in participating countries	50,000	40,000	90,000	41,383	38,240	79,623
- STM meeting	50,000	40,000	90,000	41,383	38,240	79,623
5. Implementation and coordination of QA/QC activities	26,000	17,000	43,000	25,108	26,993	52,101
- Inter-laboratory comparison surveys	22,000	9,000	31,000	21,998	17,996	39,994
- Individual questions and answers	4,000	8,000	12,000	3,110	8,997	12,107
6. Implementation of training activities	0	5,000	5,000	445	4,498	4,943
- Development of annual training program	0	5,000	5,000	445	4,498	4,943
7. Technical support to EANET meetings	49,700	69,500	119,200	50,289	69,730	120,019
- Preparation of technical documents	4,000	16,000	20,000	1,780	17,995	19,775
- Attendance at the EANET meetings	23,000	17,000	40,000	28,584	13,496	42,080
- Support for Task Forces & Expert Groups	22,700	36,500	59,200	19,925	38,239	58,164
8. Administrative works	10,000	14,000	24,000	23,721	6,748	30,469
- Preparation of Second Medium Term Plan (MTP) and others	10,000	14,000	24,000	23,721	6,748	30,469
Total	187,500	219,800	407,300	209,756	222,240	431,996

Expenditures of the Network Center in 2010 (Additional budget activities)

Activities	Budget in 2010			Expenditures in 2010		
	Direct Exp. (US \$)	Personnel Exp. (US \$)	Total (US \$)	Direct Exp. (US \$)	Personnel Exp. (US \$)	Total (US \$)
1. Strengthening technical capacity in participating countries	64,500	27,500	92,000	87,338	26,319	113,657
- Dispatch of technical missions	38,000	12,000	50,000	61,156	12,147	73,303
- Assistance and technical support to individual countries	25,000	12,000	37,000	25,728	12,147	37,875
- Communication/coordination with donor agencies	1,500	3,500	5,000	454	2,025	2,479
2. Implementation of training activities	38,500	81,500	120,000	32,877	62,760	95,637
- Development of training materials, technical documents	0	20,000	20,000	1,814	12,147	13,961
- Assistance for national training activities	0	20,000	20,000	1,814	12,147	13,961
- Coordination with and support to other training programs	7,000	18,000	25,000	4,047	16,196	20,243
- Individual training at NC	30,000	20,000	50,000	24,711	20,245	44,956
- Communication/coordination with donor agencies	1,500	3,500	5,000	491	2,025	2,516
3. Research activities	233,000	144,000	377,000	298,271	127,540	425,811
- Research for improving monitoring methodologies	84,000	56,000	140,000	135,548	56,685	192,233
- High priority research projects	23,000	14,000	37,000	39,512	4,049	43,561
- EANET Research Fellowship	25,000	5,000	30,000	10,967	6,074	17,041
- Modeling activities and emission inventories	50,000	30,000	80,000	47,960	20,244	68,204
- Research for effects by priority pollutants	44,000	36,000	80,000	63,378	36,440	99,818
- Development of EANET Science Bulletin (Vol.2)	7,000	3,000	10,000	906	4,048	4,954
5. Other activities	56,000	28,000	84,000	28,191	28,342	56,533
- Raising of public awareness	56,000	28,000	84,000	28,191	28,342	56,533
6. Administrative works	40,000	40,000	80,000	28,122	105,270	133,392
- Communication/coordination	15,000	25,000	40,000	18,229	52,635	70,864
- Management of budget and personal affairs	19,000	15,000	34,000	4,132	44,538	48,670
- Miscellaneous	0	6,000	6,000	5,761	8,097	13,858
Total	426,000	327,000	753,000	474,799	350,231	825,030