

The Fourth Special Session of the Working Group  
on Future Development of EANET  
22 November 2010, Niigata, Japan

## **FINANCIAL REPORT OF THE SECRETARIAT AND THE NETWORK CENTER IN 2009**

### **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 2009” was developed by the Secretariat and the Network Center (NC) based on the format agreed upon for reporting the revenue and expenditures of the Secretariat and the NC for each year. This document will be discussed at the Fourth Special Session of the Working Group on Future Development of EANET (WGFD-S4) on 22 November 2010 before submission to the Twelfth Session of the Intergovernmental Meeting (IG12) on 23-24 November 2010, for endorsement.

### **II. FINANCIAL REPORT OF THE SECRETARIAT**

#### **II-1 Regular budget**

2. The Secretariat’s budget in 2009 was US\$ 473,359 while the expenditure in 2009 for the regular activities had a total amount of US\$ 423,083. The expenditures in the regular budget include: personnel cost, rental of premises and operating costs. The details were presented in Annex 1, Table 1 of this Financial Report.

#### **II-2 Savings of the Secretariat**

3. Regarding the savings of the Secretariat, included in Table 2 of the Annex 1 is the previous year adjustment: 1) the additional contribution from China for the year 2002-2003 amounting to US\$ 60,000.00 and 2) surplus for the year 2007 amounting to US\$ 19,150.00. The balance on savings of the Secretariat is US\$ 181,338.00 as of December 2009. Please refer to Table 2, Annex 1.

4. The contributions to the Secretariat in 2008 were less than the expenses, therefore an amount, US\$ 24,820 was taken from the savings to supplement the expenses and it was reflected in the financial report during the year 2009.

### **II-3 Financial Contributions from participating Countries for 2009 Budget**

5. The contributions from the participating countries received by the Secretariat in 2009 include: Cambodia (US\$ 50.00) for Secretariat, US\$ 50.00 for NC core budget, China (US\$ 15,000.00); Lao PDR (US\$50.00); Malaysia (US\$ 3,835.00); Mongolia (US\$ 50.00); Republic of Korea (US\$ 18,059.05); and Thailand (US\$ 3,777.00).
6. The Secretariat received the voluntary financial contributions from Japan and Vietnam for 2009 Secretariat budget, amounting to US \$ 382,262.00 and US \$495.00 on 31 March 2010 and 07 April 2010, respectively.

### **III. FINANCIAL REPORT OF THE NETWORK CENTER (NC)**

7. The balance between Total revenue (US \$ 1,432,423.2) and Total actual expenditures (US \$ 1,403,570.0) was US \$28,853.2 as shown in Table 1 in Annex 2. It was carried over to the year 2010.
8. As shown in Table 2, Annex 2, the revenue of the NC in 2009 for core budget activities was US \$ 453,772.2 and for additional budget activities was US \$ 785,715. These revenues were derived from financial contributions from the participating countries of EANET, United Nations Environment Programme Regional Resource Centre for Asia and the Pacific (UNEP RRC.AP), the Ministry of the Environment, Japan, municipalities in Japan and other sources as shown in Table 2 and Table 3, Annex 2. The NC also received additional revenue of US \$ 192,936 for some specific costs such as maintenance of ACAP building, financial support for the NC activities from Niigata Prefecture in Japan as shown in Table 4, Annex 2. The total revenue of the NC in 2009 is US \$ 1,432,423.2 as shown in Table 5, Annex 2. The NC also received in-kind personnel contribution from Niigata City, Environmental Science Research Niigata (ESRN), Joetsu Environmental Science Center (JOESC), SHIMADZU Corporation.
9. Actual expenditures of the NC core and additional budget activities in 2009 are shown in Table 6 and 7, Annex 2. The amounts of expenditures were US \$ 414,979 for the core budget activities and US \$ 795,655 for the additional budget activities. Table 8 shows a breakdown of the expenditures by categories such as salary of staff members, travel costs, meeting costs and so on.
10. Table 9 shows the expenditures of the NC in 2009 for some specific costs such as maintenance of ACAP building and additional personnel cost of Niigata Prefecture's staff amounting to US \$ 192,936.

11. The NC expenditure for core and additional budget activities was US \$ 1,210,634. The total expenditure of the NC in 2009 including the above mentioned specific cost amounting to US \$ 192,936 was US \$ 1,403,570 as shown in Table 10, Annex 2.

**Annex 1**

**Table 1- Financial Statement in US Dollars - Regular budget**  
**EANET Secretariat**  
**January – December 2009**

<b>Details</b>	<b>Budget 2009 (A)</b>	<b>Actual Expenditure (B)</b>	<b>Budget Balance (C) = (A-B)</b>
<b>1. Personnel Costs</b> (Salary, Social Security, Provident Fund, Tax, etc.)	<b>157,818</b>	<b>135,518</b>	<b>22,300</b>
<b>2. Rental of premises (as per Contract)</b>	<b>30,000</b>	<b>30,000</b>	<b>-</b>
<b>3. Operating Costs</b>	<b>263,000</b>	<b>237,418</b>	<b>25,582</b>
<b>3.1 Reporting Costs</b>	<b>13,000</b>	<b>15,364</b>	<b>(2,364)</b>
<b>3.2 Office Supplies</b>	<b>1,850</b>	<b>1,304</b>	<b>546</b>
<b>3.3 Communication</b>	<b>9,000</b>	<b>8,361</b>	<b>639</b>
- Telephone/Fax/Network		3,761	
- Postage/DHL		4,600	
<b>3.4 Travel of staff</b>	<b>15,150</b>	<b>14,563</b>	<b>587</b>
<b>3.5 Meetings</b> (including PTA ticket, DSA, Venue food, accommodation, logistics, etc.)	<b>184,000</b>	<b>162,951</b>	<b>21,049</b>
• WGFD8	50,000	51,699	(1,699)
• SAC9	57,000	66,703	(9,703)
• IG11	55,000	49,729	5,271
• High level segment	22,000	-	22,000
• Previous year adjustment (Air tickets refund for meetings)		(5,180)	5,180
<b>3.6 Fellowship Program at NC</b>	<b>20,000</b>	<b>20,040</b>	<b>(40)</b>
<b>3.7 National Workshop on Public Awareness</b>	<b>20,000</b>	<b>14,789</b>	<b>5,211</b>
<b>3.8 Contribution from Country to NC</b>	<b>-</b>	<b>48</b>	<b>(48)</b>
<b>Sub-total</b>	<b>450,818</b>	<b>402,936</b>	<b>47,882</b>
<b>4. Overhead (5% of sub-total )</b>	<b>22,541</b>	<b>20,147</b>	<b>2,394</b>
TOTAL for regular activities (Sub-total + overhead)	<b>\$ 473,359</b>	<b>\$ 423,083</b>	<b>\$ 50,276</b>

**Table 2 - Financial Statement - Saving Money  
EANET Secretariat  
January- December 2009**

<b>Details</b>	<b>Amount (USD)</b>
<b>1) Saving in 2002 and 2003</b>	<b>465,391</b>
<b>2) Total Expenses in 2004</b>	<b>(39,530)</b>
<b>3) Total Expenses in 2005</b>	<b>(50,889)</b>
<b>4) Total Expenses in 2006</b>	<b>(158,799)</b>
<b>5) Total Expenses in 2007</b>	<b>(57,568)</b>
<b>6) Total Expenses in 2008</b>	<b>(31,597)</b>
<b>7) Previous year adjustment</b>	<b>79,150</b>
Additional contribution from China (for year 2002-2005) <b>60,000</b>	
Surplus from year 2007 <b>19,150</b>	
<b>8) Total Expenses in 2009</b>	<b>(24,820)</b>
Amount to supplement the contribution from participating countries in 2008 <b>(24,820)</b>	
<b>9) BALANCE on SAVINGS</b>	<b>181,338</b>

**Table 3- Financial Contributions from Participating Countries for 2009 Budget**

	<b><u>Name of Country</u></b>	<b><u>Date received</u></b>	<b><u>Amount (in US \$ )</u></b>
1	Mongolia	23-Mar-09	50.00
2	Thailand	21-Apr-09	3,777.00
3	Cambodia for Sec	8-Jun-09	50.00
4	Cambodia for NC	8-Jun-09	50.00
5	Republic of Korea	24-Jul-09	18,059.05
6	Lao PDR	11-Aug-09	50.00
7	Malaysia	16-Oct-09	3,835.00
8	China	28-Dec-09	15,000.00
9	Japan	31-Mar-10	382,262.00
10	Vietnam	7-Apr-10	495.00
<b>TOTAL</b>			<b>\$ \$ 423,628.05</b>

**Annex 2**

**FINANCIAL STATEMENT OF THE NETWORK CENTER  
JANUARY - DECEMBER 2009**

**Table 1. Balance between revenue and expenditures**

Items	Total (US \$)
1. Total revenue	1,432,423.2
2. Actual expenditures	1,403,570.0
<b>Balance</b>	<b>28,853.2</b>

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

**Table 2. Revenue of the Network Center in 2009 (for Core and Additional budget activities only)**

Organizations / Activities	Fund Contribution (US \$)		
	Core Budget	Additional Budget	Total
<b>A. Contribution from the participating countries for NC Core Budget Activities</b>	<b>426,769.6</b>		<b>426,769.6</b>
<b>B. Contribution from the participating countries for NC Additional Budget Activities</b>			
<b>(1) UNEP RRC.AP (through contract)</b>		<b>20,000</b>	<b>20,000</b>
<b>Research activities</b>			
- Fellowship		20,000	20,000
<b>(2) Ministry of the Environment, Japan (through contract)</b>		<b>339,978</b>	<b>339,978</b>
- Assistance and technical support to individual countries, training activities, public awareness activities, etc.		339,978	339,978
<b>(3) Ministry of the Environment, Japan (through contract)</b>		<b>323,744</b>	<b>323,744</b>
<b>Strengthening technical capacity in participating countries</b>			
- Dispatch of technical missions		53,867	53,867
<b>Implementation of training activities</b>			
- Coordination with and support to other training programs		7,441	7,441
<b>Research activities</b>			
- Research for improving monitoring methodologies		91,110	91,110
- Modeling activities and emission inventories		137,156	137,156
<b>Technical support for EANET meetings</b>			
- Other follow-up activities of the meetings		34,170	34,170
<b>(4) National Institute for Agro-Environmental Sciences (NIAES), Japan</b>		<b>86,120</b>	<b>86,120</b>
<b>Research activities</b>			
- Research for improving monitoring methodologies		86,120	86,120
<b>(5) Nissan Science Foundation, Japan</b>		<b>1,969</b>	<b>1,969</b>
<b>Other activities</b> - Raising public awareness		1,969	1,969
<b>(6) Mitsui &amp; Co., Ltd. Environment Fund, Japan</b>		<b>7,243</b>	<b>7,243</b>
<b>Other activities</b> - Raising public awareness		7,243	7,243
<b>(7) Niigata Visitors &amp; Convention Bureau, Japan</b>		<b>1,394</b>	<b>1,394</b>
<b>Other activities</b> - Raising public awareness		1,394	1,394
<b>(8) Niigata Prefecture, Japan</b>		<b>3,511</b>	<b>3,511</b>
Strengthening technical capacity in participating countries		3,511	3,511
<b>(9) Niigata City, Japan</b>		<b>1,756</b>	<b>1,756</b>
Strengthening technical capacity in participating countries		1,756	1,756
<b>C. Cash Reserve of 2008</b>	<b>27,002.6</b>		<b>27,002.6</b>
<b>Total</b>	<b>453,772.2</b>	<b>785,715</b>	<b>1,239,487.2</b>

**Table 3 - Financial Contributions of the Participating Countries  
for NC Core Budget Activities in 2009**

	Name of Country	Contribution (US\$)
1	Cambodia	47.60
2	Japan	422,967.00
3	Lao P.D.R.	50.00
4	Mongolia	50.00
5	Thailand	3,160.00
6	Viet Nam	495.00
	<b>Total</b>	<b>426,769.60</b>

**Table 4. Additional Revenue of the Network Center in 2009**

Organizations / Items	Revenue (US \$)
1. Niigata Prefecture	
- Maintenance of ACAP building cost	82,863
- Financial support for NC activities	110,073
<b>Total</b>	<b>192,936</b>

**Table 5. Total revenue of the Network Center in 2009**

Items	Core Budget (US \$)	Additional Budget (US \$)	Total (US \$)
1. For NC core and additional budget activities	453,772.2	785,715	1,239,487.2
<b>Sub-Total</b>	<b>453,772.2</b>	<b>785,715</b>	<b>1,239,487.2</b>
2. Revenue from Niigata Prefecture			192,936
<b>Total</b>			<b>1,432,423.2</b>



**Table 6. Expenditures of the Network Center in 2009 (Core budget activities)**

Activities	Budget in 2009			Expenditures in 2009		
	Direct Exp. (US \$)	Personnel Exp. (US \$)	Total (US \$)	Direct Exp. (US \$)	Personnel Exp. (US \$)	Total (US \$)
<b>1. Central compilation, evaluation and storage of data etc.</b>	<b>40,900</b>	<b>44,000</b>	<b>84,900</b>	<b>63,223</b>	<b>19,508</b>	<b>82,731</b>
- Data verification and preparation of the Second Periodic Report on the State of Acid Deposition in East Asia including Scientific Workshop	39,900	35,000	74,900	62,478	15,631	78,109
- Maintenance of database	1,000	9,000	10,000	745	3,877	4,622
<b>2. Preparation of data report</b>	<b>5,500</b>	<b>19,500</b>	<b>25,000</b>	<b>7,795</b>	<b>15,508</b>	<b>23,303</b>
<b>3. Dissemination of data and relevant information</b>	<b>3,000</b>	<b>19,000</b>	<b>22,000</b>	<b>5,457</b>	<b>11,631</b>	<b>17,088</b>
- Analysis on the state of acid deposition in the region	1,000	11,000	12,000	1,514	7,754	9,268
- Development and updating of EANET website	2,000	8,000	10,000	3,943	3,877	7,820
<b>4. Strengthening technical capacity in participating countries</b>	<b>70,000</b>	<b>20,000</b>	<b>90,000</b>	<b>50,356</b>	<b>23,262</b>	<b>73,618</b>
- STM meeting	70,000	20,000	90,000	50,356	23,262	73,618
<b>5. Implementation and coordination of QA/QC activities</b>	<b>13,000</b>	<b>30,000</b>	<b>43,000</b>	<b>23,385</b>	<b>23,263</b>	<b>46,648</b>
- Inter-laboratory comparison surveys	13,000	18,000	31,000	19,815	15,508	35,323
- Individual questions and answers	0	12,000	12,000	3,570	7,755	11,325
<b>6. Implementation of training activities</b>	<b>0</b>	<b>5,000</b>	<b>5,000</b>	<b>746</b>	<b>3,878</b>	<b>4,624</b>
- Development of annual training program	0	5,000	5,000	746	3,878	4,624
<b>7. Technical support to EANET meetings</b>	<b>61,000</b>	<b>56,200</b>	<b>117,200</b>	<b>75,002</b>	<b>62,036</b>	<b>137,038</b>
- Preparation of technical documents	6,000	14,000	20,000	2,983	15,509	18,492
- Attendance at the EANET meetings	25,000	15,000	40,000	26,802	11,632	38,434
- Support for Task Forces & Expert Groups	30,000	27,200	57,200	45,217	34,895	80,112
<b>8. Administrative works</b>	<b>0</b>	<b>24,000</b>	<b>24,000</b>	<b>5,115</b>	<b>24,814</b>	<b>29,929</b>
- Preparation of Second Medium Term Plan (MTP) and others	0	24,000	24,000	5,115	24,814	29,929
<b>Total</b>	<b>193,400</b>	<b>217,700</b>	<b>411,100</b>	<b>231,079</b>	<b>183,900</b>	<b>414,979</b>

**Table 7. Expenditures of the Network Center in 2009 (Additional budget activities)**

Activities	Budget in 2009			Expenditures in 2009		
	Direct Exp. (US \$)	Personnel Exp. (US \$)	Total (US \$)	Direct Exp. (US \$)	Personnel Exp. (US \$)	Total (US \$)
<b>1. Strengthening technical capacity in participating countries</b>	<b>63,000</b>	<b>36,000</b>	<b>99,000</b>	<b>55,980</b>	<b>45,940</b>	<b>101,920</b>
- Dispatch of technical missions	32,000	18,000	50,000	35,478	28,345	63,823
- Assistance and technical support to individual countries	29,000	15,000	44,000	20,043	15,503	35,546
- Communication/coordination with donor agencies	2,000	3,000	5,000	459	2,092	2,551
<b>2. Implementation of training activities</b>	<b>66,000</b>	<b>54,000</b>	<b>120,000</b>	<b>57,305</b>	<b>71,818</b>	<b>129,123</b>
- Development of training materials, technical documents	16,000	14,000	30,000	4,373	19,378	23,751
- Assistance for national training activities	8,000	12,000	20,000	2,616	11,627	14,243
- Coordination with and support to other training programs	10,000	5,000	15,000	19,630	19,343	38,973
- Individual training at NC	30,000	20,000	50,000	30,227	19,378	49,605
- Communication/coordination with donor agencies	2,000	3,000	5,000	459	2,092	2,551
<b>3. Research activities</b>	<b>247,000</b>	<b>97,000</b>	<b>344,000</b>	<b>218,626</b>	<b>170,993</b>	<b>389,619</b>
- Research for improving monitoring methodologies	59,000	31,000	90,000	112,110	84,112	196,222
- High priority research projects	105,000	25,000	130,000	15,950	11,628	27,578
- Fellowship	17,000	3,000	20,000	18,995	3,876	22,871
- Joint research with Russia	15,000	3,000	18,000	11,512	3,876	15,388
- Modeling activities and emission inventories	51,000	35,000	86,000	60,059	67,501	127,560
- Other research	0	0	0	0	0	0
<b>4. Technical support to EANET meetings</b>	<b>10,000</b>	<b>16,000</b>	<b>26,000</b>	<b>31,286</b>	<b>48,783</b>	<b>80,069</b>
- Other follow-up activities of the meetings	10,000	16,000	26,000	31,286	48,783	80,069
<b>5. Other activities</b>	<b>89,000</b>	<b>45,000</b>	<b>134,000</b>	<b>20,437</b>	<b>25,581</b>	<b>46,018</b>
- Raising of public awareness	89,000	45,000	134,000	20,437	25,581	46,018
<b>6. Administrative works</b>	<b>6,000</b>	<b>74,000</b>	<b>80,000</b>	<b>18,126</b>	<b>30,780</b>	<b>48,906</b>
- Communication/coordination	0	40,000	40,000	13,969	13,046	27,015
- Management of budget and personal affairs	0	34,000	34,000	2,685	11,039	13,724
- Preparation of Second Medium Term Plan (MTP) and others	6,000	0	6,000	1,472	6,695	8,167
<b>Total</b>	<b>481,000</b>	<b>322,000</b>	<b>803,000</b>	<b>401,760</b>	<b>393,895</b>	<b>795,655</b>

**Table 8. Budget and Expenditures of the Network Center in 2009 (by item)**

Items	Budget (US \$)			Expenditures (US \$)		
	Core	Additional	Total	Core	Additional	Total
1. Salary of staff members	217,700	316,000	533,700	183,900	393,894	577,794
2. External consultants/assistants	28,000	68,000	96,000	22,729	114,186	136,915
3. Travel costs	25,000	108,500	133,500	4,142	143,429	147,571
4. Meetings	109,000	70,000	179,000	155,938	10,599	166,537
5. Communication	12,000	42,000	54,000	10,004	24,948	34,952
6. Reporting (publication)	6,500	15,000	21,500	6,045	12,384	18,429
7. Equipment	4,000	96,000	100,000	19,393	56,984	76,377
8. Consumables	8,900	81,500	90,400	12,782	38,609	51,391
9. Miscellaneous	0	6,000	6,000	46	622	668
<b>(Sub) Total</b>	<b>411,100</b>	<b>803,000</b>	<b>1,214,100</b>	<b>414,979</b>	<b>795,655</b>	<b>1,210,634</b>

Note: Revenue of the year balances with the expenditures of the year.

**Table 9. Expenditures of the Network Center in 2009 (for some specific costs, e.g. maintenance of ACAP building)**

Organizations / Items	Expenditures (US \$)
1. Maintenance of ACAP building cost	82,863
2. Additional personnel cost	110,073
<b>Total</b>	<b>192,936</b>

**Table 10. Total expenditures of the Network Center in 2009**

Items	Core (US \$)	Additional (US \$)	Total (US \$)
1. NC core and additional budget activities	414,979	795,655	1,210,634
<b>Sub-Total</b>	<b>414,979</b>	<b>795,655</b>	<b>1,210,634</b>
2. Maintenance of ACAP building, support for NC activities			192,936
<b>Total</b>			<b>1,403,570</b>