

The Twentieth Session of the Scientific Advisory Committee
on the Acid Deposition Monitoring Network in East Asia
23-24 September 2020, Virtual Meeting

DRAFT FINANCIAL REPORT OF THE SECRETARIAT AND THE NETWORK CENTER IN 2019

I. INTRODUCTION

1. This report presented the financial report of the Secretariat and the Network Center in 2019. In principle, the budget and expenditures of the Secretariat and the NC in 2019 were based on the Work Programme and Budget of the EANET in 2019 approved at the Twentieth first Session of the Intergovernmental Meeting (IG21) on the EANET in 2019 Beijing, China.

II. FINANCIAL REPORT OF THE SECRETARIAT IN 2019

2. The Financial report of the Secretariat in 2019 was prepared based on the Work Programme and Budget of the EANET in 2019 which includes the financial contribution received for 2019 and the disbursement made from the 2019 Secretariat budget.
3. The budget of the Secretariat in 2019 to implement its 2019 Work Programme under the new arrangements of the Secretariat for the EANET at UN Environment (UNEP) decided by the Fifteenth Session of the Intergovernmental Meeting (IG15) on the EANET in 2013 and the Framework between the United Nations Environment Programme and the Acid Deposition Monitoring Network in East Asia (EANET) on Arrangements for UNEP's Provision of Secretariat Services to the EANET. The grand-total Secretariat budget in 2019 approved by IG19 is US\$ 732,200.

II-1 Voluntary Financial Contributions from the Participating Countries

4. The total voluntary financial contributions received from the Participating Countries to the Secretariat budget in 2019 were US\$ 479,275. Detailed financial contributions received from the Participating Countries in 2019 are as follows: Cambodia (US\$ 200), China (US\$ 97,730), Japan (US\$ 248,974), Malaysia (US\$ 8,284), Mongolia (US\$ 200), Myanmar (US\$ 238), Philippines (US\$ 4,244), Republic of Korea (US\$ 49,000), Russia (US\$ 79,427), Thailand (US\$ 7,485), and Viet Nam (US\$ 1,493). The List of Voluntary Financial Contributions to the Secretariat Budget in 2019 from the Participating Countries is presented in Table 1.a. of Annex 1.
5. In 2019, in line with the Decision of IG15 and Work Plan and Budget of the Secretariat in 2019 approved by the IG20, the Secretariat utilized in-kind cash contribution to the Secretariat's budget from China as much as US\$ 106,000 to recruit a 1-year technical consultant to work at the Secretariat.
6. Cambodia made an in-kind contribution to EANET Secretariat by providing dinner reception and meeting support for the Nineteenth Scientific Advisory Committee Meeting (SAC19) from 8-10

October 2019 in Siem Reap, Cambodia. In addition, one of China's participant attended the SAC19 on self support (see table 1.b List of In-kind Contribution Received by the Secretariat in 2019).

7. China made an in-kind contribution to the EANET Secretariat by providing meeting support equipment for the IG21. In addition, three countries made in-kind contributions by funding their participants to attend IG21, among which Japan (fully funded two participants), Russia (fully funded one participant), and Indonesia (funded partially (travel) one participant).
8. Malaysia provided in-kind contribution to the EANET Secretariat by providing local flights and land transportation for their national participants, airport transfer, meeting support and field trip arrangements during the Malaysia National Awareness Workshop in November 2019.
9. Thailand provided in-kind contribution to the EANET Secretariat by providing local transport and accommodation for its participants attending the Thailand Air Pollution Session, as part of the EANET' Awareness Forum on Prevention of Air Pollution in Asia Pacific, in Bangkok, June 2019.
10. The Secretariat also received in-kind support from UNEP to cover most of the personnel costs of UNEP staff involved in supporting EANET, including staff of UNEP legal unit, management office, technical staff and communication unit.
11. To ensure the smooth implementation of the EANET's activities, the Secretariat strongly encourage Participating Countries to submit their contribution in as soon as possible at the beginning of the year in full amount as per expected amount of the contributions.

II-2 Expenditures

12. The total expenditures and commitments of the Secretariat for the EANET in 2019, including programme support cost is US\$ 591,139. Total expenditures for the implementation of a 1-year technical consultant to support the Secretariat in 2019 is US\$ 89,419. The grand-total expenditures of the Secretariat in 2019 including the expenses for a 1-year technical consultant is US\$ 680,558. The detailed information on expenditures is presented in Table 2.a, Table 2.b, Table 2.c, Table 2.d and Table 2.e of Annex 1.
13. In 2019, a small-scale funding agreement between UNEP and RRC.AP was signed by following the Decision of IG15. Under this SSFA, RRC.AP provides support to the Secretariat in implementation of activities including in convening the SAC19 in October 2019, and the IG21 in November 2019. RRC.AP allocated one programme officer and one administrative assistant to support the Secretariat in implementing the EANET's activities. The certified interim financial statement of RRC.AP as of December 2019 is presented in Table 1 of Annex 2.
14. The Secretariat also made a small-scale funding agreement between UNEP and the Japan Environment and Sanitation Center (JESC), the parent organization of Asia Center for Air Pollution Research (ACAP) as the Network Center (NC) to support the implementation of the EANET Research Fellowship Programme in 2019 with the amount of US 31,000.

III. FINANCIAL REPORT OF THE NETWORK CENTER (NC) IN 2019

15. The NC's budget in 2019 was estimated to be US\$ 414,000 for the core budget activities and US\$ 566,000 for the additional budget activities.

III-1 Balance between Revenue and Expenditures

16. Actual total revenue, total expenditures and the balance between revenue and expenditure of the NC in 2019 are shown in Table 1 of Annex 3.

III-2 Revenue for the NC

17. Actual total revenue including a voluntary financial contribution from the Participating Countries of the NC in 2019 is shown in Table 2 of Annex 3 and the Table of the Contributions from the Participating Countries for the NC Core Budget in 2019. All of the voluntary financial contributions from the Participating Countries to the NC in 2019 were transferred to the Japan Environmental Sanitation Center (JESC) bank account directly.
18. Table 2 of Annex 3 also shows other revenue of the NC in 2019 amounting to US\$ 124,457 based on the financial support from the Niigata Prefecture including rental fee of the ACAP building.

III-3 Actual Expenditures of the NC Core and Additional Budget Activities, etc.

19. Actual expenditures of the NC core and additional budget activities of each activity item in 2019 are shown in Table 3 and 4 of Annex 3 respectively. The amounts of expenditures were US\$ 396,031 for the core budget activities and US\$ 580,561 for the additional budget activities.
20. The actual total expenditures of the NC core budget was not above the estimated budget while the NC's additional budget exceeded the estimated budget. As for the Direct Expenditure, traveling related costs were saved on all of activities that contributed to the saving both for expenditures in core budget and additional budget. On the other hand, Personal Expenditures exceeded the budget due to increased unit cost of labor both in core budget and additional budget.

Annex 1

Table 1.a. Voluntary Financial Contributions to the Secretariat Budget in 2019 from the Participating Countries

Countries	Voluntary Contribution in 2019	
	Expected	Actual
Cambodia ^a	105	200
China	203,730	97,730
Indonesia	12,962	-
Japan	248,974	248,974
Lao PDR ^a	74	-
Malaysia	8,284	8,284
Mongolia ^a	130	200
Myanmar	260	238
Philippines	4,244	4,244
R.O. Korea	52,432	49,000
Russia	79,427	79,427
Thailand	7,485	7,485
Viet Nam	1,493	1,493
Total Contribution	619,600	497,275

Note: a. The minimum amount of voluntary financial contribution is US\$ 200 as recommended and specified in the Procedures for Financial Contributions to the EANET Trust Fund to support the Activities of the Acid Deposition Monitoring Network in East Asia for the new Secretariat arrangements at UNEP.

Table 1.b. List of In-kind Contribution Received by the Secretariat in 2019

Source	List of In-kind Contribution Received by the Secretariat
Cambodia	Provided dinner reception and meeting support for the SAC19 (host)
China	<ul style="list-style-type: none"> • 1-year technical consultant to support Secretariat as much as US\$ 106,000 • Fully covered one of its participant attending the SAC19 • Provided meeting support and equipment for the IG21 (host)
Indonesia	Partially covered one of its participants attending the IG21 (travel)
Japan	Fully covered two of its participant attending the IG21
Malaysia	Provided local flight and land transportation for the national participants, airport transfer, meeting support and field trip arrangements dinner during the Malaysia National Awareness Workshop in December 2019 (host)
Russia	Fully covered one of its participant attending the IG21
Thailand	Provided local transport and accommodation for its participants attending the Thailand Air Pollution Session on the margin of EANET's Awareness Forum on Prevention of Air Pollution in Asia Pacific, in Bangkok, June 2019.
UNEP	Covered the personnel cost of UNEP staff involved in supporting EANET, including staff of UNEP legal unit, management office, technical staff and communication unit.

Table 2.a – Provisional Financial Statement of EANET Secretariat for the Period of 01 January 2019 to 31 December 2019 (in US\$)

Items	Budget	Expenditure
1. Personnel Cost		
1.1. Personnel costs	179,200	178,084
1.2. Consultant ^a	30,800	11,910
Sub-total	210,000	189,995
2. Travel		
2.1. Travel of Secretariat staff	20,000	17,325
2.2. Other travels directly managed by the Secretariat ^b	60,000	31,088
Sub-total	80,000	48,413
3. Contractual services		
3.1. Contractual services directly managed by the Secretariat for meetings, printing, etc.	100,000	32,618
Sub-total	100,000	32,618
4. Grants for implementing partners		
4.1. SSFA with RRC.AP/AIT ^b	199,000	195,236
4.2. SSFA with the NC ^c	31,000	25,000
Sub-total	230,000	220,236
5. Operating and other direct costs		
5.1. Operating and other direct costs including office supplies and communication.	20,000	32,328
5.2. Supplies, Commodities and Materials		117
Sub-Total	20,000	32,445
Programme Support Cost	83,200	67,432
Grand total	732,200	591,139

Notes: a. Includes Contractual Services expenditure of USD 6,910.28, budgeted under header 3.1

Contractual Services

b. Includes travel expenditure of USD 33,089 budgeted under header 2.2. Other travels, and outstanding commitment from 2018.

c. Includes the outstanding commitment from 2018.

Table 2.b – Provisional Financial Statement for the In-Kind Contribution from China for the period 01 January 2019 to 31 December 2019 (in US\$)

Items	Budget
1. Personnel Cost	
1.1. Personnel costs	
1.2. Consultant	1,437
Sub-total	1,437
2. Travel	
2.1. Travel of Consultant	2,787
2.2. Other travels directly managed by the Secretariat	
Sub-total	2,787
3. Contractual services	
3.1. Contractual services directly managed by the Secretariat for meetings, printing, etc.	200
Sub-total	200
4. Grants for implementing partners	
4.1. Contract with UNOPS ^a	67,020
Sub-total	67,020
5. Operating and other direct costs	
5.1. Operating and other direct costs including office supplies equipment and communication	7,420
Sub-Total	7,420
Programme Support Cost	10,555
Grand-total	89,419

Note: a. Includes Consultant expenditure of 67,020 US\$, budgeted under header 1.2 Consultant

Table 2.c - Balance between Revenues & Expenditures in 2019 (in US\$)

Items	Revenue	Expenditures
1. Balance carried forward from the previous years	1,002,864	
2. Voluntary Contributions from the Participating Countries ^a	556,636	591,139
3. Correction to Myanmar contribution ^b	(17,562)	
4. In-kind Contribution from China	106,000	89,419
5. Prior Year Adjustments	(4,625)	
6. Exchange rate (loss)/gain		(203)
Sub-total	1,643,313	680,761
Total Balance^{cd}		962,552

Note: a. Includes the contributions for 2018 and 2020 received in 2019 as recorded in Umoja system.

b. Correction of the erroneous record of Myanmar contribution in 2018 in Umoja system

c. The total balance includes savings from China in-kind contribution from 2015-2019 as much as **US\$ 281,813** (The total balance excluding savings of China In-kind is **US\$ 680,739**).

d. The Secretariat needs to secure available funds for at least one calendar budget year to ensure the continuity of Secretariat activities in the following year due to the delay in receiving the contributions from the Participating Countries.

Table 2.d. Scanned Copy of Original Letter of Provisional Financial Statement of EANET Secretariat for the Period of 01 January 2019 to 31 December 2019 (in US\$)

**MI-32CPL0-000284 - Acid Deposition Monitoring Network in East Asia (EANET)
Provisional Financial Statement for the period of 01 January 2019 to 31 December 2019
(Expressed in US dollars)**


Items	Budget	Expenditure and Commitment
1. Personnel Costs		
1.1 Personnel costs	179,200	178,084
1.2 Consultant (a)	30,800	11,910
Sub-total	210,000	189,995
2. Travel		
2.1 Travel of Secretariat staff	20,000	17,325
2.2 Other travels directly managed by the Secretariat	60,000	31,088
Sub-total	80,000	48,413
3. Contractual services		
3.1 Contractual services directly managed by the secretariat for meetings, printing, etc.	100,000	32,618
Sub-total	100,000	32,618
4. Grants for implementing partners		
4.1 SSFA with RRC/AP/AIT (b)	199,000	195,236
4.2 SSFA with the NC	31,000	25,000
Sub-total	230,000	220,236
5. Operating and other direct costs		
5.1 Operating and other direct costs including office supplies equipment and communications	20,000	32,328
5.2 Supplies, Commodities and Materials		117
Sub-total	20,000	32,445
Programme Support Cost	83,200	67,432
Grand Total	723,200	591,139

Notes:

**Request for HQ certified report have been submitted and will be shared once available*

(a) includes Contractual Services expenditure of USD 6,910.28, budgeted under header 3.1 Contractual services

(b) includes travel expenditure of USD 33,089 budgeted under header 2.2 Other travels.


Ahmed Iftikhar Khan
Administrative Officer
Asia and the Pacific Office
UN Environment Programme

Date: 21.04.2020

Table 2.e. Scanned Copy of Original Letter of Provisional Financial Statement for the In-Kind Contribution from China for the period 01 Januar 2019 to 31 December 2019 (in USS)

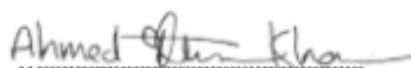
**MI-32CPL-000284 - Acid Deposition Monitoring Networks in East Asia (EANET)
Provisional Financial Statement for the In-Kind Contribution from China
for the period 01 January 2019 to 31 December 2019
(Expressd in US dollars)**

Items	Expenditure and Commitment
1. Personnel Costs	
1.1 Personnel costs	-
1.2 Consultant	1,437
Sub-total	1,437
2. Travel	
2.1 Travel of Consultant	2,787
2.2 Other travels directly managed by the Secretariat	-
Sub-total	2,787
3. Contractual services	
3.1 Contractual services directly managed by the secretariat for meetings, printing, etc.	200
Sub-total	200
4. Grants for implementing partners	
4.1 Contract with UNOPS (a)	67,020
Sub-total	67,020
5. Operating and other direct costs	
5.1 Operating and other direct costs including office supplies equipment and communications	7,420
Sub-total	7,420
Programme Support Costs	10,555
Grand Total	89,419

Notes:

**Request for HQ certified report have been submitted and will be shared once available*

(a) Includes Consultant expenditure of 67,020 USD, budgeted under header 1.2 Consultant



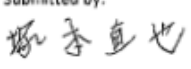
Ahmed Iftekhar Khan
Administrative Officer
Asia and the Pacific Office
UN Environment Programme

Date: 21.04.2020

Table 1. Scanned Copy of Original Letter of Certified Interim Financial Statement of RRC.AP/AIT under small-scale funding agreement between UNEP and AIT in 2019 (in US\$)

FINANCIAL STATEMENT (IN US DOLLARS)			
SSFA/AIT/UNEP/2019 M1-32CPL-000284/32CPL/M99/11228/14AC0004/SB-001023.03 BP: 1500001466			
For the period of 1 January – 31 December 2019			
Starting date: 1 January 2019		Ending Date: 31 December 2019	
Description	Budget (A)	Expenditure (B)	Budget Balance (C) = (A) - (B)
1. Personnel cost	85,000	85,000	-
2. Logistics arrangement cost for SAC19 and IG21 meetings	87,616	77,950	9,666
<i>2.1 Travel</i>	40,815	35,625	5,190
2.1.1 SAC17	19,890	19,587	
2.1.2 IG19	20,925	16,038	
<i>2.2 Per diem</i>	24,161	23,835	326
2.2.1 SAC17	11,088	10,437	
2.2.2 IG19	13,073	13,398	
<i>2.3 Accommodation</i>	13,000	8,850	4,150
2.3.1 SAC17	6,000	4,491	
2.3.2 IG19	7,000	4,359	
<i>2.4 Printing & Communications</i>	9,640	9,640	-
2.4.1 SAC17	5,240	4,229	
2.4.2 IG19	4,400	5,411	
3. Supplies, commodities, materials	1,000	1,000	-
3.1 SAC17	500	566	
3.2 IG19	500	463	
4. General operating costs	22,570	21,313	1,257
Total	196,186	185,263	10,597

Summary	Amount (USD)
First Installment (26 July 2019)	100,000
Less Expenditure	<u>185,263</u>
Balance	<u>(85,263)</u>

Submitted by:

 Naoya Tsukamoto
 Director, RRC.AP
 Date: 12 December 2019

**FINANCIAL STATEMENT OF THE NETWORK CENTER
JANUARY - DECEMBER 2019**

Table 1 - Balance between Revenues and Expenditures in 2019

Items	Revenues (US \$)	Expenditures (US \$)	Balance (US \$)
1. Core budget	396,981	396,031	950
2. Additional budget	577,070	580,561	-3,491
3. Others	124,457	124,457	0
Total	1,098,508	1,101,049	-2,541

Table2 – Revenues for the Network Center in 2019 (Financial Contributions, etc.)

Organizations / Purpose	Revenue (US\$)			
	Core budget	Additional budget	Others	Total
1. Core budget Participating Countries	396,981			396,981
2. Additional budget				
(1) UNEP through contract (Fellowship)		12,000		12,000
(2) MOE, Japan (Contribution)		376,570		376,570
(3) MOE, Japan (Contract)		184,000		184,000
(4) Niigata Prefecture (Support for EANET meetings)		3,000		3,000
(5) Niigata City (Support for EANET meetings)		1,500		1,500
3. Others Niigata Prefecture (Support for NC activities)			124,457	124,457
Total	396,981	577,070	124,457	1,098,508

***Contributions from the Participating Countries for the NC core budget in 2019**

Name of country	Contribution (US\$)
Cambodia	200
China	136,127
Japan	199,047
Mongolia	200
Myanmar	202
Philippines	2,821
Russia	53,071
Thailand	4,315
Vietnam	998
Total	396,981

Table 3 - Expenditures of the Network Center in 2019 (Core Budget Activities) (US\$)

Activity item	Budget			Expenditures		
	Direct expenses	Personnel costs	Total	Direct expenses	Personnel costs	Total
1. Monitoring of acid deposition	40,000	90,000	130,000	22,048	114,606	136,654
- Continuation and improvement of EANET monitoring	5,000	20,000	25,000	0	25,468	25,468
- Development/revision of guidelines, technical manuals and strategy paper	0	10,000	10,000	0	12,734	12,734
- Implementation of QA/QC activities	20,000	20,000	40,000	14,236	25,468	39,704
- Management of data and maintenance of the database	5,000	30,000	35,000	2,248	38,202	40,450
- Upgrading of the EANET website	5,000	5,000	10,000	1,903	6,367	8,270
- Upgrading of the data management system in the NC	5,000	5,000	10,000	3,661	6,367	10,028
2. Strengthening current monitoring	15,000	30,000	45,000	0	38,202	38,202
- Promotion of the monitoring of ozone and PM2.5	15,000	25,000	40,000	0	31,835	31,835
- Capacity building activities for ozone and PM2.5 monitoring and meteorological parameters	0	5,000	5,000	0	6,367	6,367
3. Promotion of activities other than monitoring						
4. Policy relevant information	0	15,000	15,000	0	19,101	19,101
- Periodic assessment of the state of acid deposition	0	10,000	10,000	0	12,734	12,734
- Preparation of periodic assessment reports on the state of acid deposition in East Asia	0	5,000	5,000	0	6,367	6,367
5. Public awareness						
6. Enhancement of Intergovernmental Cooperation	124,000	100,000	224,000	51,453	120,971	172,424
- Arrangements for the EANET Sessions	124,000	70,000	194,000	50,950	82,770	133,720
- Consideration on future development of the EANET	0	10,000	10,000	0	12,734	12,734

- Review of the arrangements of the EANET Secretariat and the NC(s) and setting up of a new network center	0	5,000	5,000	463	6,367	6,830
- Revision of Guidelines on Administrative and Financial Management for the Secretariat and NC taking account of decisions of IG	0	5,000	5,000	0	6,367	6,367
- Conduct Mid-Term Review of the MTP for the EANET(2016-2020), and revision of the MTP for the EANET(2016-2020) if necessary	0	2,500	2,500	40	3,183	3,223
- MTP for the EANET (2021-2025)	0	7,500	7,500	0	9,550	9,550
7. Enhancement of Cooperation and Collaboration						
Sub Total	179,000	235,000	414,000	73,501	292,880	366,381
Administrative Cost				29,650		29,650
Grand Total	179,000	235,000	414,000	103,151	292,880	396,031

Table 4 - Expenditures of the Network Center in 2019 (Additional Budget Activities) (US\$)

Activity item	Budget			Expenditures		
	Direct expenses	Personnel costs	Total	Direct expenses	Personnel costs	Total
1. Monitoring of Acid deposition	62,500	52,500	115,000	57,075	66,852	123,927
- Promotion of capacity building and technical support of Participating Countries	62,500	52,500	115,000	57,075	66,852	123,927
2. Strengthening current monitoring	22,000	15,000	37,000	0	19,100	19,100
- Capacity building activities for ozone and PM2.5 monitoring and meteorological parameters	22,000	15,000	37,000	0	19,100	19,100
3. Promotion of activities other than monitoring	161,000	140,000	301,000	74,683	178,275	252,958
- Information exchange on clean air technologies and regional impact assessment through workshops, seminars, etc.	30,000	15,000	45,000	14,035	19,101	33,136
- Research and technical cooperation on emission inventory	0	15,000	15,000	0	19,101	19,101
- Research activities on regional impact assessment and EC and OC	30,000	20,000	50,000	4,411	25,468	29,879
- Studies on the applicable measurement methodologies	15,000	10,000	25,000	14,755	12,734	27,489
- Fellowship research programme	28,000	10,000	38,000	6,345	12,734	19,079
- Studies on the effects of acid deposition and other priority chemical species	20,000	20,000	40,000	14,449	25,468	39,917
- Promotion of studies on models	35,000	40,000	75,000	20,688	50,935	71,623
- Publication of the EANET science bulletin	3,000	10,000	13,000	0	12,734	12,734
4. Policy relevant information						
5. Public awareness	3,000	15,000	18,000	3,572	19,101	22,673
- Promotion of public awareness	3,000	15,000	18,000	3,572	19,101	22,673
6. Enhancement of Intergovernmental Cooperation						

7. Enhancement of Cooperation and Collaboration	0	5,000	5,000	0	6,367	6,367
- Sharing information on atmospheric environment and policy recommendations to policy makers		5,000	5,000	0	6,367	6,367
Sub Total	248,500	227,500	476,000	135,330	289,695	425,025
Administrative Cost		90,000	90,000	40,931	114,605	155,536
Grand Total	248,500	317,500	566,000	176,261	404,300	580,561