

Twenty-second Session of the Scientific Advisory Committee
on the Acid Deposition Monitoring Network in East Asia
18-20 October 2022, Virtual Meeting

FINANCIAL REPORT OF THE SECRETARIAT AND THE NETWORK CENTER IN 2021

I. INTRODUCTION

1. This document presents the Financial Report of the Secretariat and the Network Center in 2021. In principle, the budget and expenditures of the Secretariat and the NC in 2021 were based on the Work Programme and Budget of the EANET for 2021 and in line with the Medium Term Plan for the EANET (2021-2025).
2. The Financial Report of the Secretariat and the Network Center in 2021 is available in the Attachment.

II. ACTIONS REQUIRED

3. The Twenty-second Session of the Scientific Advisory Committee Meeting (SAC22) on the EANET is invited to review the Financial Report of the Secretariat and the NC in 2021 and may wish to discuss, consider, provide guidance, and endorse the report, as appropriate.

ATTACHMENT

**FINANCIAL REPORT OF THE SECRETARIAT AND THE NETWORK
CENTER IN 2021**

I. INTRODUCTION

1. This report presents the Financial Report of the Secretariat and the Network Center (NC) in 2021. In principle, the budget and expenditures of the Secretariat and the NC in 2021 were based on the Work Programme and Budget of the EANET in 2021 and in line with the Medium Term Plan (MTP) for the EANET (2021-2025).

II. FINANCIAL REPORT OF THE SECRETARIAT IN 2021

2. The Financial Report of the Secretariat was based on the Work Programme and Budget of the EANET in 2021, which includes the financial contributions received and the disbursements made in 2021. The report follows the same format in previous financial reports but includes additional supplementary information in response to the recommendations at the Working Group Meeting in 2022.
3. The budget of the Secretariat in 2021 to implement its 2021 Work Programme under the arrangements of the Secretariat for the EANET at UN Environment Programme (UNEP) as 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 2021 approved by IG22 is US\$ 625,900.

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 2021 were US\$ 535,074. Details of the amount and timing of the contributions received from the Participating Countries in 2021 are provided in supplementary Table 1.a and 1.b.
5. In line with the Decision of IG15, China provides an in-kind cash contribution as much as US\$ 106,000 per year to the Secretariat towards the costs of a Technical Consultant to work at the Secretariat. China withheld their in-kind financial contribution in 2021 upon the advise of the Secretariat, that it was unable to recruit a new technical consultant after the contract

of the previous consultant Ms. Jia Haiping's ended in March 2020. contract (EANET consultant funded from the China in-kind financial contribution) ended, due to the mobility restrictions brought about by the COVID-19 pandemic. This was due to UN and host government restriction on international travel during the Covid-19 pandemic. There was no expenditures related to the China in-kind financial contribution in 2021.

6. The Secretariat continued to receive administrative and substantive support from UNEP (as well as UNON and UNESCAP) with respect to HR, Financial, Legal, Communications and Programmatic matters.

II-2 Expenditures

7. The total expenditures and commitments of the Secretariat for the EANET in 2021, including programme support cost, were US\$ 436,683, as detailed in the financial report (Annex 1).
8. In 2021, 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 the implementation of activities, including convening the SAC21 in October 2021, the working group meetings, and the IG23 in November 2021. UNEP supported two full time staff from RRC.AP, 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 2021 is presented in Table 1 of Annex 2.
9. 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) and the Network Center (NC) to support the implementation of the EANET Research Fellowship Programme in 2021 with the amount of US\$ 38,000. This amount is not considered part of the Core Budget of the Secretariat.

III. FINANCIAL REPORT OF THE NETWORK CENTER (NC) IN 2021

10. The NC's budget in 2021 was estimated to be US\$ 592,000 for the Core Budget Activities and US\$ 370,110 for the Non-Core Budget Activities.

III-1 Balance between Revenue and Expenditures

11. Actual total revenue, total expenditures, and the balance between revenue and expenditure of the NC in 2021 are shown in Table 1 of Annex 3.

III-2 Revenue for the NC

12. Actual total revenue, including a voluntary financial contribution from the Participating Countries of the NC Core Budget in 2021, is shown in Table 1 and Table 2 of Annex 3. All of the voluntary financial contributions from the Participating Countries to the NC in 2021 were transferred to the Japan Environmental Sanitation Center (JESC) bank account directly.
13. Table 1 of Annex 3 also shows other revenue of the NC in 2021 amounting to US\$ 133,983 based on the financial support from the Niigata Prefecture, including the rental fee of the ACAP building.

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

14. Actual expenditures of the NC Core and Non-Core Budget Activities of each activity item in 2021 are shown in Table 3 and 4 of Annex 3, respectively. The amounts of expenditures were US\$ 468,048 for the Core Budget activities and US\$ 195,943 for the Non-Core Budget Activities.

Annex 1

Table 1.a. Voluntary Contributions to the Core Budget of the Secretariat in 2021 from the Participating Countries

Countries	Voluntary Contributions in 2021	
	Estimated (based on UN scale of assessment 2019-2021)	Actual
Cambodia ^{a b}	134	200
China	272,602	203,730
Indonesia	12,332	-
Japan ^c	194,468	203,768
Lao PDR ^a	115	-
Malaysia	7,742	7,742
Mongolia ^{a b}	115	200
Myanmar ^b	225	225
Philippines	4,657	4,657
R.O. Korea	51,478	51,220
Russia	54,612	54,612
Thailand	6,971	6,971
Viet Nam ^b	1,749	1,749
Total Contribution	607,200	535,074 ^b

Notes:

- (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 (Core Budget of the Secretariat) to support the Activities of the Acid Deposition Monitoring Network in East Asia.
- (b) The contribution amount presented in the UNEP HQ Certified Financial Report for the FY2021 is US\$ 536,827. The difference is due to the recording of 2020 contributions of some Participating Countries in UNEP account for the EANET Trust Fund in FY2021.
- (c) Including non-core contribution of US\$ 9,300.

Table 1.b Timing of Voluntary Contribution Received from Participation Countries in 2021 to the Core Budget of the Secretariat

Countries	Estimated	Actual	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Cambodia ^{ab}	134	200							x					
China	272,602	203,730						x						
Indonesia	12,332	-												
Japan ^c	194,468	203,768						x						
Lao PDR ^a	115	-												
Malaysia	7,742	7,742									x			
Mongolia ^{ab}	115	200	x											
Myanmar ^b	225	225	x											
Philippines	4,657	4,657								x				
R.O. Korea	51,478	51,220								x				
Russia	54,612	54,612	x											
Thailand	6,971	6,971	x											
Viet Nam ^b	1,749	1,749											x	
Total Contribution	607,200	535,074^b	62,008					460,506	469,706	525,583	533,325		535,074	
Contribution (%) by period		88%	10%					67%	0%	9%	1%		1%	

Notes:

- (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.
- (b) The contribution amount presented in the financial report for the FY2021 is US\$ 536,827. This difference is due to the recording of 2020 contribution of some countries in UNEP account for the EANET Trust Fund in FY2021.
- (c) The contribution of US\$ 9,300 from Japan was for non-core activities.

Table 2.a – Detailed expenditures of the EANET Secretariat for the Period of 01 January 2021 to 31 December 2021 (in US\$)

Items	Budget	Expenditure and Commitment
1. Personnel Cost ^a		
1.1. Personnel costs	195,000	190,705
1.2. Consultant ^b	75,000	83,730
Sub-total	270,000	274,435
2. Travel		
2.1. Travel of Secretariat staff ^c	20,000	(608)
2.2. Other travels directly managed by the Secretariat ^c	53,900	(94)
Sub-total	73,900	(702)
3. Contractual services		
3.1. Contractual services directly managed by the Secretariat for meetings, printing, etc. ^d	50,000	10,448
Sub-total	50,000	10,448
4. Grants for implementing partners		
4.1. SSFA with RRC.AP/AIT ^e	140,000	43,315
4.2. SSFA with the NC ^f	0	38,000
Sub-total	140,000	81,315
5. Operating and other direct costs		
5.1. Operating and other direct costs including office supplies and communication	20,000	20,949
Sub-Total	20,000	20,949
Total Direct Expenditures	553,900	386,445
Programme Support Cost	72,000	50,238
Total Expenditures	625,900	436,683

Notes:

- (a) The expenditure includes a full-time coordinator, a part-time admin assistant, a communications consultant, a consultant for the Terminal Review of EANET Medium Term Plan (2016-2020) and a moderator for the Awareness Workshop in 2021 and Science and Policy Dialogue
- (b) Includes consultants expenditure of US\$ 1,768 under non-core contribution from Japan (total US\$ 9,300)
- (c) Includes travel refund from 2020 official missions
- (d) Includes meeting arrangement expenditure of US\$ 7,532 under non-core contribution from Japan (total US\$ 9,300)
- (e) Includes liquidation of 2020 commitments
- (f) Non-core activity to support the EANET fellowship program in 2021

Table 2.b - Balance between Voluntary Contributions & Expenditures as at 31 December 2021 (in US\$)

Total Contributions Received ^{b c}	4,169,164
Total Expenditure	3,135,134
Cash Balance before exchange rate	1,034,030
Exchange Rate gain/(loss)	(15)
Cash Balance ^a	1,034,015

Notes:

- (a) Cash balance includes an estimated US\$ 379,429 for China in-kind contribution, thus estimated cash balance for the secretariat core budget is US\$ 654,586
- (b) UNEP has received the voluntary contributions from the Participating Countries after the Framework Agreement between UNEP and EANET was signed in 2015. The total contributions are cumulative since 2015.
- (c) In previous Financial Reports of the EANET, the terms used for Contributions were “Revenue”, and for Available Cash Balance, “Surplus”. The replacement of these terminologies is made in order to be consistent with the terminologies used in the UNEP certified financial report found in Table 2.c.

Table 2.c. Certified Interim Financial Report of the EANET Secretariat for the Period of 01 January 2021 to 31 December 2021 (in US\$)



1000/32CPL - TF Ctrpart Ctrs Supp Envrmt Activities

MI-32CPL-000284 - Institutional Measure and Technical Assistance to Address Ai

140000030 - Group of Sponsors

Interim Certified Financial Statements (IMIS + Umoja) for the period ended 31 December 2021

(Expressed in US dollars)

	<u>Cumulative to 2020</u>	<u>Fiscal Year 2021</u>	<u>Cumulative to 2021</u>
Income			
Contributions received	3,632,336.97	536,827.00	4,169,163.97
Total Income	3,632,336.97	536,827.00	4,169,163.97
Expenditures			
Staff and other personnel cost	927,170.64	273,705.25	1,200,875.89
Supplies, Commodities and Materials	561.00	-	561.00
Equipment, Vehicles and Furniture	1,878.00	1,669.00	3,547.00
Contractual Services	47,644.49	509.25	48,153.74
Travel	96,219.25	(702.01)	95,517.24
Transfers and Grants	1,195,391.00	81,315.42	1,276,706.42
General Operating and Other Direct Costs	119,145.15	29,948.30	149,093.45
Total direct expenditures	2,388,009.53	386,445.21	2,774,454.74
Indirect Support Costs (United Nations) ^a	310,441.24	50,237.88	360,679.12
Total indirect support costs	310,441.24	50,237.88	360,679.12
Total expenditures	2,698,450.77	436,683.09	3,135,134
Net excess/(shortfall) income over expenditure	933,886.20	100,143.91	1,034,030.11
Exchange rate (loss)/gain	(9.12)	(5.92)	(15.04)
Available Balance	933,877.08	100,137.99	1,034,015.07

^a Indirect Support Costs (United Nations) has been manually adjusted in lieu of pending full PSC batch run in 2022.

Certified by: Ahmed Khan Date: 03/08/2022
Ahmed Khan
Fund Management Officer
UN Environment Programme

Cleared by: Miriam Nanyonga Date: 02/08/2022
Miriam Nanyonga
Chief, Financial Reporting Unit, BFMS, UN Environment Programme
United Nations Office at Nairobi
ACCOUNTS SECTION

Approved by: Kathleen Creavalle Date: 05.08.2022
Kathleen Creavalle
Chief, Financial Management Services
UN Environment Programme
Budget and Financial
Management Service

Note:

This is the format of the UNEP Headquarters certified report. Expenditure from RRC.AP and NC is incorporated under Transfers and Grants Budget line

Annex 2

Table 1. Scanned Copy of Original Letter of Certified Final Financial Statement of RRC.AP/AIT under small-scale funding agreement (SSFA) between UNEP and AIT in 2021 (in US\$)

Final Expenditure Report

Partners Name: Asian Institute of Technology
 Budget line: SB-012975.04.03
 Title of the project: Acid Deposition Monitoring Network in East Asia (EANET)
 SSFA starting date: 11/02/2021
 Reporting period: From 11/02/2021 to 31/12/2021
 Cumulative amount already transferred from UNEP to the Partner as of this reporting date: USD 100,000

Activity	Original Budget (USD)	Accumulative Expenditures for previous reporting period (as at 31/07/2021) (USD)	Expenditures incurred for the current reporting period (USD)	Total Expenditures (USD)	Comments (if the expenditures were different from what was originally planned, please provide a short explanation)
<i>Activity 1: Support organization of the SAC21 and IG23 meetings</i>					
Staff & Other Personnel Costs	24,012.50	14,007.29	10,005.21	24,012.50	
Travel	15,000.00	0.00	0.00	0.00	Travel and DSA budget were unspent as SAC22 & IG23 meetings were held virtually
Contractual Service	20,000.00	875.00	625.00	1,500.00	
General Operating	8,950.00	5,220.83	3,729.17	8,950.00	
Sub-total	67,962.50	20,103.13	14,359.38	34,462.50	
<i>Activity 2: Support organization of national and regional awareness events in 2021</i>					
Staff & Other Personnel Costs	24,012.50	14,007.29	10,005.21	24,012.50	
Sub-total	24,012.50	14,007.29	10,005.21	24,012.50	
<i>Activity 3: Support development of EANET communication materials for the awareness activities and circulation of EANET members list</i>					
Staff & Other Personnel Costs	24,012.50	14,007.29	10,005.21	24,012.50	
Sub-total	24,012.50	14,007.29	10,005.21	24,012.50	
<i>Activity 4: Monthly coordination meeting of EANET Secretariat</i>					
Staff & Other Personnel Costs	24,012.50	14,007.29	10,005.21	24,012.50	
Sub-total	24,012.50	14,007.29	10,005.21	24,012.50	
TOTAL COST	140,000.00	62,125.00	44,375.00	106,500.00	

Summary	Amount (USD)
First Installment	100,000.00
Less Expenditure	106,500.00
Balance	(6,500.00)

Signature of a duly Authorized Officer:



Name: Dr. Naoya Tsukamoto
 Position: Director, RRC.AP
 Date: 28 December 2021



Tomi Haryadi
 EANET Coordinator

I hereby certify that the goods and/or services covered by this invoice have been received and accepted and are in accordance with the relevant agreement(s) for which the relevant amount was approved; can be met from the available balance of the relevant allocation(s) with due regard to foreseeable future commitments.

Coordinating officer: 
 Ahmed Khan
 Name of receiving officer: _____ Date: 14.01.2022

Annex 3

**FINANCIAL STATEMENT OF THE NETWORK CENTER
JANUARY - DECEMBER 2021**

Table 1. Revenue and Expenditures of the Network Center in 2021 (US\$)

Items	Revenue		Expenditures		Balance
	Estimated	Actual	Estimated	Actual	Actual
NC Core Activities	592,000	439,961	592,000	468,048	(28,087)
Support from Niigata Prefecture and Niigata City	4,500	0	4,500	0	0
Support for NC activities from Niigata Prefecture (Office rental)	119,581	133,983	119,581	133,983	0
NC Non-Core Activities	370,110	223,397	370,110	195,943	27,454
Total	1,086,191	797,341	1,086,191	797,974	(633)

Table 2. Voluntary Financial Contribution of Participating Countries to the Network Center Core Budget in 2021

Participating Countries	UN scale of assessment 2019-2021 (%)	Scale of EANET burden sharing (%)	Network Center	
			Estimated annual contribution (US\$)	Actual contribution (US\$)
Cambodia*	0.006	0.022	121	200
China	12.005	44.895	246,384	102,170
Indonesia	0.543	2.031	11,146	0
Japan	8.564	32.027	175,764	277,210
Lao PDR *	0.005	0.019	104	0
Malaysia	0.341	1.275	6,997	0
Mongolia*	0.005	0.019	104	200
Myanmar	0.01	0.037	203	203
Philippines	0.205	0.767	4,209	4,209
Republic of Korea	2.267	8.478	46,527	0
Russia	2.405	8.994	49,359	49,359
Thailand	0.307	1.148	6,300	4,829
Viet Nam	0.077	0.288	1,581	1,581
Total	----	100	548,799	439,961

Table 3. Expenditures of the Network Center for Core Activities in 2021 (US\$)

Activities	Budget (Jan.~Dec. 2021)			Expenditures (Jan.~Dec. 2021)		
	Personnel cost	Direct expenses	Total	Personnel cost	Direct expenses	Total
Objective 1. Monitoring of Acid deposition	132,000	40,000	172,000	127,252	17,599	144,851
(1) Continuation and improvement of EANET monitoring	48,000	15,000	63,000	46,274	0	46,274
(2) Development/revision of guidelines, technical manuals and documents	12,000	0	12,000	11,568	0	11,568
(3) Development/revision of strategy papers for guidance on the future direction of the monitoring,	6,000	0	6,000	5,784	0	5,784
(4) Implementation of QA/QC activities	24,000	20,000	44,000	23,137	17,599	40,736
(5) Management of data and maintenance of the database	42,000	5,000	47,000	40,489	0	40,489
Objective 2. Promotion of data utilization and dissemination	66,000	60,000	126,000	63,626	17,353	80,979
(6) Conduct annual assessment of the state of acid deposition using trend analysis, numerical models	18,000	0	18,000	17,353	2,483	19,836
(7) Development of Periodic Report on the State of Acid Deposition in East Asia (PRSAD)	36,000	50,000	86,000	34,705	0	34,705
(8) Regular updating of the website	12,000	10,000	22,000	11,568	14,870	26,438
Objective 4. Enhancement of outreach activities	18,000	3,000	21,000	17,353	98	17,451
(10) Promotion of public awareness on acid deposition including other priority chemical species	18,000	3,000	21,000	17,353	98	17,451
Objective 5. Enhancement of cooperation and collaboration	108,000	105,000	213,000	104,115	4,287	108,402
(11) Arrangements for the EANET Sessions	78,000	105,000	183,000	75,195	4,286	79,481
(12) Consideration on future development of the EANET	6,000	0	6,000	5,784	1	5,785
(13) Review of the arrangements of the EANET Secretariat and the NC	6,000	0	6,000	5,784	0	5,784

Activities	Budget (Jan.~Dec. 2021)			Expenditures (Jan.~Dec. 2021)		
	Personnel cost	Direct expenses	Total	Personnel cost	Direct expenses	Total
(15) Review of the MTP (2016-2020), revision of the MTP (2021-2025) if necessary, and development of the next MTP for the EANET (2026-2030)	12,000	0	12,000	11,568	0	11,568
(16) Sharing a common understanding on atmospheric environment issues among the scientific community	6,000	0	6,000	5,784	0	5,784
Sub Total	324,000	208,000	532,000	312,346	39,337	351,683
(17) Administrative works	60,000	0	60,000	57,842	58,523	116,365
Grand Total	384,000	208,000	592,000	370,188	97,860	468,048

Table 4 Expenditure of the Network Center for Non-Core Activities in 2021 (in US\$)

Activities	Network Center					
	Budget (Jan. ~Dec. 2021)			Expenditures (Jan. ~Dec. 2021)		
	Personnel cost	Direct expenses	Total	Personnel cost	Direct expenses	Total
Objective 1. Monitoring of Acid deposition	36,000	40,000	76,000	34,704	13,838	34,704
(4) Research on analysis of long term trend and acid deposition	12,000	20,000	32,000	11,568	0	11,568
(6) Promotion of studies on the effects of acid deposition	24,000	20,000	44,000	23,136	13,838	23,136
Objective 3. Promotion of capacity building	114,000	130,000	244,000	109,898	2,798	109,898
(15) Promotion of capacity building for personnel of the participating countries	42,000	45,000	87,000	40,489	1,501	40,489
(16) Promotion of technical support to participating countries	42,000	65,000	107,000	40,489	1,297	40,489
(18) Promotion of research and technical cooperation on emission inventory to support the capacity building.	12,000	0	12,000	11,568	0	11,568
(20) Conduct fellowship research program.	18,000	20,000	38,000	17,352	0	17,352
Objective 4. Enhancement of outreach activities	12,000	3,000	15,000	11,568	0	11,568
(24) Publication of EANET Science Bulletin	12,000	3,000	15,000	11,568	0	11,568
Objective 5. Enhancement of cooperation and collaboration	24,000	11,110	35,110	23,136	1	23,136
(26) Providing information and policy recommendations to policy makers	18,000	9,343	27,343	17,352	0	17,352
(27) Promotion of communication, collaboration and cooperation	6,000	1,767	7,767	5,784	1	5,784
Grand Total	186,000	184,110	370,110	179,306	16,637	195,943

Annex 4

Audit Report for the Financial Report of the Network Center in 2021

To be inserted in time for the IG24