

**EARMARKED FUND**  
**IMPLEMENTED BY MEKONG RIVER COMMISSION**  
**AUDITED STATEMENTS AND**  
**INDEPENDENT AUDITORS' REPORT**  
**31 DECEMBER 2021**

**EARMARKED FUND**

*Implemented by Mekong River Commission*

**FUND INFORMATION**

**FUND MANAGEMENT:**

An Pich Hatda, Chief Executive Officer  
(ceased on 13 January 2022)  
Anoulak Kittikhoun, Chief Executive Officer  
(appointed on 14 January 2022)  
Tran Minh Khoi, Director of Administration Division  
Hak Socheat, Director of Environmental Management  
Division  
Bountieng Sanaxonh, Director of Planning Division  
Winai Wangpimool, Director of Technical Support Division  
Lam Hung Son, Head of Regional Flood and Drought  
Management Center  
Vu Thu Hong, Chief Human Resources Officer  
Buntheung Sanethavong, Chief Finance Officer

**IMPLEMENTING AGENCY:**

Mekong River Commission

**OFFICE:**

184 Fa Ngoum Road,  
Unit 18, Ban Sithane Neua,  
Sikhottabong District,  
Vientiane Capital  
Lao PDR

**PRINCIPAL BANKERS:**

Banque Franco Lao  
Cambodian Public Bank  
Public Bank

**AUDITORS:**

BDO (Laos) Co., Ltd.

**EARMARKED FUND**  
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**EARMARKED FUND***Implemented by Mekong River Commission***FUND MANAGEMENT'S REPORT**

The Fund Management hereby submits the report together with the audited statement of income and expenditures ("the statement") of Earmarked Fund ("the Fund") for the financial year ended 31 December 2021.

**Responsibilities of the Fund Management in Respect of the Statement**

The Fund Management is responsible to ascertain that the statement of the Fund for the financial year ended 31 December 2021 is prepared, in all material respects, in accordance with the basis of preparation and accounting policies set out in Note 2 to the statement. In preparing the statement, the Fund Management is required to select suitable accounting policies and then apply them consistently.

The Fund Management is responsible for ensuring that proper accounting records are kept which enable the statement to be prepared in compliance with the basis of preparation and accounting policies set out in Note 2 to the statement. The Fund Management is also responsible for safeguarding the assets of the Fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Fund Management assumes the responsibility to provide, and has provided, the auditors with all accounting records, supporting and other documents, minutes, and any other pertinent information and explanations, either orally or in writing, deemed necessary for the audit.

**Statement by the Fund Management**

In the opinion of the Fund Management, the statement set out on pages 4 to 23 is prepared, in all material respects, in accordance with the basis of preparation and accounting policies set out in Note 2 to the statement.

On behalf of the Fund Management,



**Tran Minh Khoi**  
Director of Administration Division



**Anoulak Kittikhoun**  
Chief Executive Officer

Vientiane, Lao PDR  
Date: 16 May 2022

## INDEPENDENT AUDITORS' REPORT TO THE FUND MANAGEMENT OF EARMARKED FUND

### Report on the Statement

#### Opinion

We have audited the accompanying statement of income and expenditures ("the statement") of Earmarked Fund ("the Fund"), and a summary of significant accounting policies and other explanatory information, as set out on pages 4 to 23.

In our opinion, the statement of the Fund for the financial year ended 31 December 2021 are prepared, in all material respects, in accordance with the basis of preparation and accounting policies set out in Note 2 to the statement.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Statement* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

#### Emphasis of Matter - Basis of Accounting and Restriction on Distribution

We draw attention to Note 2 to the statement, which describes the basis of preparation and accounting policies adopted by the Fund. The statement is prepared to assist the Fund to meet its financial reporting requirements. As a result, the statement may not be suitable for another purpose. Our report is intended solely for the Fund Management and should not be described to or used by any other parties. Our opinion is not modified in respect of this matter.

#### Responsibilities of the Fund Management for the Statement

The Fund Management is responsible for the preparation of the statement in accordance with the basis of preparation and accounting policies set out in Note 2 to the statement. The Fund Management is also responsible for such internal control as the Fund Management determines is necessary to enable the preparation of the statement of the Fund that is free from material misstatement, whether due to fraud or error.

**INDEPENDENT AUDITORS' REPORT TO THE FUND MANAGEMENT OF  
EARMARKED FUND (continued)**

**Auditors' Responsibilities for the Audit of the Statement**

Our objectives are to obtain reasonable assurance about whether the statement of the Fund as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the statement.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the statement of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund Management.
- Evaluate the overall presentation, structure and content of the statement of the Fund, including the disclosures, and whether the statement of the Fund represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Fund Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For and on behalf of  
BDO (Laos) Co., Ltd.

Lim Seng Siew  
Certified Public Accountant

Vientiane, Lao PDR

Date: 16 MAY 2022



**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

**A. BELGIUM**

	Note	2021 USD	2020 USD
<b>INCOME</b>			
<b>Cash contributions</b>			
EF-BEL.FLD to contribute to the MRC Navigation, Environment and Climate Change Action. L-MRCS(AD)624/20		83,275	608,834
<b>Interest earned</b>			
EF-BEL.FLD to contribute to the MRC Navigation, Environment and Climate Change Action. L-MRCS(AD)624/20		5,341	166
		<u>88,616</u>	<u>609,000</u>
<b>EXPENDITURES</b>			
EF-BEL.FLD to contribute to the MRC Navigation, Environment and Climate Change Action. L-MRCS(AD)624/20	4	334,564	-
<b>Movement in fund balance for the year</b>			
Fund balance as at 1 January		(245,948)	609,000
		<u>609,000</u>	<u>-</u>
<b>Fund balance as at 31 December</b>	<b>3</b>	<b><u>363,052</u></b>	<b><u>609,000</u></b>

**EARMARKED FUND**  
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**STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (continued)**

**B. CHINA**

	Note	2021 USD	2020 USD
<b>EXPENDITURES</b>	4		
EF-China the MRC Council visit to China		-	20,657
		<hr/>	<hr/>
<b>Movement in fund balance for the year</b>		-	(20,657)
Fund balance as at 1 January		193	20,850
		<hr/>	<hr/>
<b>Fund balance as at 31 December</b>	3	<b>193</b>	<b>193</b>
		<hr/>	<hr/>



**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (continued)**

**C. EUROPEAN UNION**

	Note	2021 USD	2020 USD
<b>INCOME</b>			
<b>Cash contributions</b>			
EU (ACA/2018/402-232) Sustainable Transboundary Water Management in the Mekong Basin		<u>138,223</u>	<u>2,060,026</u>
<b>Interest earned</b>			
EU (ACA/2018/402-232) Sustainable Transboundary Water Management in the Mekong Basin		<u>3,012</u>	<u>5,977</u>
		<u>141,235</u>	<u>2,066,003</u>
<b>EXPENDITURES</b>			
EU (ACA/2018/402-232) Sustainable Transboundary Water Management in the Mekong Basin	4	<u>977,775</u>	<u>2,032,063</u>
<b>Movement in fund balance for the year</b>		(836,540)	33,940
Fund balance as at 1 January		<u>909,153</u>	<u>875,213</u>
<b>Fund balance as at 31 December</b>	3	<u><b>72,613</b></u>	<u><b>909,153</b></u>

**EARMARKED FUND**  
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**STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (continued)**

**D. FRANCE**

	Note	2021 USD	2020 USD
<b>INCOME</b>			
<b>Cash contributions and direct payments</b>			
EF-AFD the Extension of the Mekong Hycos network, AFD CZZ1889.01.P		-	267,705
EF-AFD21 Support the Hydro -Mekong project CZZ2662 01 D		<u>356,471</u>	<u>-</u>
		<u>356,471</u>	<u>267,705</u>
<b>Interest earned</b>			
EF-AFD the Extension of the Mekong Hycos network, AFD CZZ1889.01.P		1,816	661
EF-AFD21 Support the Hydro -Mekong project CZZ2662 01 D		<u>1,387</u>	<u>-</u>
		<u>3,203</u>	<u>661</u>
		<u>359,674</u>	<u>268,366</u>
<b>EXPENDITURES</b>			
EF-AFD the Extension of the Mekong Hycos network, AFD CZZ1889.01.P	4	157,138	99,256
EF-AFD21 Support the Hydro -Mekong project CZZ2662 01 D		<u>180,379</u>	<u>-</u>
		<u>337,517</u>	<u>99,256</u>
<b>Movement in fund balance for the year</b>			
Fund balance as at 1 January		<u>22,157</u> <u>271,146</u>	<u>169,110</u> <u>102,036</u>
<b>Fund balance as at 31 December</b>	3	<u><b>293,303</b></u>	<u><b>271,146</b></u>

**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (continued)**

**E. JAPAN**

	Note	2021 USD	2020 USD
<b>INCOME</b>			
<b>Cash contributions</b>			
EF-JAIFD (2.2\39\15\JPN\D) _ Drought Management Programme Core Function ProjectJan 2015-Dec 2017		-	208,708
EF-JAIFD (2.2\40\15\JPN\H) _ Flood Forecasting, Dry Season Monitoring&Dissemination of Info &Warning& Alert		-	331,875
EF-JPN17-21_Project for Improving Irrigation Facilities in the Lower Mekong River Basin		-	318,180
EF-JPNFDM20 Grant from Japan for Flood & Drought Management_MRB		-	3,825,796
EF-JPNIIF21-25_Improving the Irrigation Facilities in LMB (Phase II) Note Verbale No.005/21-D		339,453	-
EF-JPNFMC21_ Flood Management Capacity Building in the Mekong River Basin Exchange of Note 26 February 2021		2,690,065	-
		<u>3,029,518</u>	<u>4,684,559</u>
<b>Interest earned</b>			
EF-JAIFD (2.2\39\15\JPN\D) _ Drought Management Programme Core Function ProjectJan 2015-Dec 2017		(12)	242
EF-JAIFD (2.2\40\15\JPN\H) _ Flood Forecasting, Dry Season Monitoring&Dissemination of Info &Warning& Alert		(22)	839
EF-JPN17-21_Project for Improving Irrigation Facilities in the Lower Mekong River Basin		80	830
EF-JPNFDM20 Grant from Japan for Flood & Drought Management_MRB		33,994	12,557
EF-JPNIIF21-25_ Improving the Irrigation Facilities in LMB (Phase II) Note Verbale No.005/21-D		974	-
EF-JPNFMC21_ Flood Management Capacity Building in the Mekong River Basin Exchange of Note 26 February 2021		10,492	-
		<u>45,506</u>	<u>14,468</u>
		<u>3,075,024</u>	<u>4,699,027</u>

**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (continued)**

**E. JAPAN (continued)**

	Note	2021 USD	2020 USD
<b>EXPENDITURES</b>	4		
EF-JAIFD (2.2\39\15\JPN\D) _ Drought Management Programme Core Function ProjectJan 2015-Dec 2017		-	75,917
EF-JAIFF (2.2\40\15\JPN\H) _ Flood Forecasting, Dry SeasonMonitoring&Dissemination of Info &Warning& Alert		-	172,217
EF-JPN17-21_ Project for Improving Irrigation Facilities in the Lower Mekong River Basin		389,023	301,490
EF-JPNFDM20 Grant from Japan for Flood & Drought Management_MRB		517,763	-
EF-JPNFMC21_ Flood Management Capacity Building in the Mekong River Basin Exchange of Note 26 February 2021		<u>14,620</u>	<u>-</u>
		<u>921,406</u>	<u>549,624</u>
<b>Movement in fund balance for the year</b>		2,153,618	4,149,403
(Repayment to)/Loan from BF		(58,288)	58,288
Fund balance as at 1 January		<u>4,338,998</u>	<u>131,307</u>
<b>Fund balance as at 31 December</b>	3	<u><b>6,434,328</b></u>	<u><b>4,338,998</b></u>

**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (continued)**

**F. KREDITANSALT FÜR WIEDERAUFBAU ("KfW")**

	Note	2021 USD	2020 USD
<b>INCOME</b>			
<b>Cash contributions</b>			
EF-KFW.WL the Lower Mekong Basin Wetland Management and Conservation Project, MK2016/01		-	467,812
<b>Interest earned</b>			
EF-KFW.WL the Lower Mekong Basin Wetland Management and Conservation Project, MK2016/01		-	640
		-	468,452
<b>EXPENDITURES</b>			
EF-KFW.WL the Lower Mekong Basin Wetland Management and Conservation Project, MK2016/01	4	8,858	467,130
<b>Movement in fund balance for the year</b>		(8,858)	1,322
(Repayment to)/Loan from BF		(211,198)	211,198
Fund balance as at 1 January		221,179	8,659
<b>Fund balance as at 31 December</b>	3	<b>1,123</b>	<b>221,179</b>

**EARMARKED FUND**  
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**STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (continued)**

**G. MEKONG REGION FUTURES INSTITUTE ("MRFI")**

	Note	2021 USD	2020 USD
<b>INCOME</b>			
<b>Unutilised fund and interest returned</b>			
EF- MRFI The Socio-Economic Modeling Project		-	9,503
<b>EXPENDITURES</b>			
EF- MRFI The Socio-Economic Modeling Project	4	-	8,945
<b>Movement in fund balance for the year</b>			
Fund balance as at 1 January		-	(18,448)
		-	18,448
<b>Fund balance as at 31 December</b>	<b>3</b>	<b>-</b>	<b>-</b>

**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (continued)**

**H. NETHERLANDS**

	Note	2021 USD	2020 USD
<b>INCOME</b>			
<b>Interest earned</b>			
EF-NET_ To promote and coordinate sustainable development and management of the Mekong's water related natural resources (Env-2017-133 & IGG-2017-24041) for Earmarked Fund		<u>4,795</u>	<u>2,222</u>
		<u>4,795</u>	<u>2,222</u>
<b>EXPENDITURES</b>			
EF-NET_ To promote and coordinate sustainable development and management of the Mekong's water related natural resources (Env-2017-133 & IGG-2017-24041) for Earmarked Fund	4	<u>26,399</u>	<u>166,503</u>
<b>Movement in fund balance for the year</b>		(21,604)	(164,281)
Fund balance as at 1 January		<u>55,242</u>	<u>219,523</u>
<b>Fund balance as at 31 December</b>	3	<u><b>33,638</b></u>	<u><b>55,242</b></u>

**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (continued)**

**I. WORLD BANK**

	Note	2021 USD	2020 USD
<b>INCOME</b>			
<b>Cash contribution</b>			
EF-WB (2.2\14\12\IBR\W) Mekong Integrated Water Resources Management APL Phase I Grant No. H762		-	652
<b>Interest earned</b>			
Interest (EF-WB 2.2\14\12\IBR\W Mekong Integrated Water Resources Management APL Phase I Grant No. H762)		-	39
		-	691
<b>EXPENDITURES</b>			
EF-WB 2.2\14\12\IBR\W Mekong Integrated Water Resources Management APL Phase I Grant No. H762	4	-	38,424
<b>Movement in fund balance for the year</b>			
Fund balance as at 1 January		-	(37,733)
		-	37,733
<b>Fund balance as at 31 December</b>	3	-	-



**EARMARKED FUND**  
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**STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (continued)**

**J. UNIVERSITY MURDOCH - AUSTRALIA**

	Note	2021 USD	2020 USD
<b>EXPENDITURES</b>	4		
EF-AULFP 2.2\42\15\AUL\F F-PIP 2011-2015		5,331	416
<b>Movement in fund balance for the year</b>		(5,331)	(416)
Fund balance as at 1 January		5,909	6,325
<b>Fund balance as at 31 December</b>	3	<b>578</b>	<b>5,909</b>

**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**K. NORWEGIAN AGENCY FOR DEVELOPMENT COOPERATION ("NORAD")**

	Note	2021 USD	2020 USD
<b>Movement in fund balance for the year</b>		-	-
Fund balance as at 1 January		<u>238</u>	<u>238</u>
<b>Fund balance as at 31 December</b>	3	<u>238</u>	<u>238</u>

**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (continued)**

**L. UNITED NATIONS ENVIRONMENT PROGRAMME ("UNEP")**

	Note	2021 USD	2020 USD
<b>INCOME</b>			
<b>Cash contribution</b>			
EF-UNEP_Project Cooperation Agreement (UNEP/PCA/ Asia and Pacific Office/2020/3524 )		170,000	-
<b>Interest earned</b>			
EF-UNEP_Project Cooperation Agreement (UNEP/PCA/ Asia and Pacific Office/2020/3524 )		536	-
		<u>170,536</u>	<u>-</u>
<b>EXPENDITURES</b>			
EF-UNEP_Project Cooperation Agreement (UNEP/PCA/ Asia and Pacific Office/2020/3524 )	4	137,619	-
<b>Movement in fund balance for the year</b>			
Fund balance as at 1 January		-	-
<b>Fund balance as at 31 December</b>	<b>3</b>	<b><u>32,917</u></b>	<b><u>-</u></b>

**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**STATEMENT OF INCOME AND EXPENDITURES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 (continued)**

**M. THE SECRETARIAT OF THE CONVENTION ON THE CONSERVATION OF MIGRATORY SPECIES OF WILD ANIMALS ("UNEP/CMS")**

	Note	2021 USD	2020 USD
<b>INCOME</b>			
<b>Cash contribution</b>			
EF-UNEP/CMS Small-Scale Funding Agreement SB-012156. 02.49.06 / SB-012156. 02.49.08		60,000	-
<b>EXPENDITURES</b>			
EF-UNEP/CMS Small-Scale Funding Agreement SB-012156. 02.49.06 / SB-012156. 02.49.08	4	64,928	-
<b>Movement in fund balance for the year</b>		(4,928)	-
Fund balance as at 1 January		-	-
<b>Fund balance as at 31 December</b>	3	<b>(4,928)</b>	-

*The accompanying notes form an integral part of the statement.*

**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**NOTES TO THE STATEMENT**

**1. FUND BACKGROUND**

The Mekong River Commission ("MRC") was established in 1995 with the signing of the Agreement on the Cooperation for the Sustainable Development of the Mekong River Basin. The MRC Member Countries are Cambodia, the Lao PDR, Thailand and Viet Nam, with China and Myanmar as Dialogue Partners.

Since its establishment, the MRC has strived to develop work programmes and strategies to best serve its mission to promote and coordinate sustainable management and development of water and related resources for the countries' mutual benefit and the people's well-being. Over the years, with a vision to bring about an economically prosperous, socially just and environmentally sound Mekong River Basin, the MRC has placed regional cooperation and basin-wide planning at the heart of its operation.

The MRC is governed by a Council which comprises of the environment and water ministers of the four Member Countries. The Council Members would review and mutually conclude on the management and development of water and related resources. These decisions and policies are then put into action by the MRC Joint Committee, which comprises senior officials at no less than Head of Department level of the four countries, and supported by national line agencies including the Ministry of Foreign Affairs.

MRC facilitates regional meetings of the Member Countries and provides technical advice on joint planning, coordination and cooperation. It also works closely with the four countries' coordinating bodies, the National Mekong Committees ("NMCs") and other state agencies.

The funds received and uses of funds in MRC were categorised into three types as the following:

1. Basket Fund ("BF");
2. Earmarked Fund ("EF"); and
3. Administrative Reserve Fund ("ARF").

**2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis of preparation**

The statement of income and expenditures ("the statement"), which is expressed in United States Dollar ("USD"), has been prepared in accordance with the modified cash basis of accounting. Under this basis of accounting, income are recognised when received rather than when earned, and payments are recognised when paid rather than when incurred, except for the following:

- (i) Staff health and life insurance premiums, personal telephone and fax costs charged to staff, project related expenses and repatriation fee, which are recognised on an accrual basis; and
- (ii) Advances to NMCs, projects and employees are recognised as receivables until they are cleared.

**EARMARKED FUND**  
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**2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.2 Income**

The income consists of contributions from Development Partners, which are recognised as income when cash is credited to the MRC's bank accounts. Direct payments made by Development Partners to contractors are recognised as income upon Development Partners' notice to the MRC.

Interest income is recognised when credited to the MRC's bank accounts.

**2.3 Expenditures**

Expenditures are recognised when payment is made rather than when it is incurred, except as disclosed in Note 2.1 to the statement.

**2.4 Property and equipment**

For control purposes, property and equipment is maintained in a property and equipment listing. All property and equipment are expensed in full in the statement at the date of acquisition. Any proceeds from disposal of property and equipment are recognised as a decrease in expenditures rather than an increase in income in the statement.

**2.5 Foreign exchange differences**

The Fund mainly transacts its activities and maintains its books of accounts primarily in USD. Transactions in currencies other than USD are converted into USD at the rates of exchange prevailing on the transaction dates. All foreign exchange differences are recognised in the statement.

**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**3. SUMMARY OF INCOME, EXPENDITURES AND FUND BALANCES BY DEVELOPMENT PARTNERS – 2021**

Development Partner	Cash contributions	Interest earned	Total income net	Unutilised fund and interest returned	Reallocation	Expenditures (*)	Foreign exchange loss	Movement in fund balance for the year	Loan repayment to BF	Fund balance as at 1 January 2021	Fund balance as at 31 December 2021
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
	(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)	(7)	(8)=(3)-(4)-(5)-(6)-(7)	(9)	(10)	(11)=(8)+(9)+(10)
Belgium	83,275	5,341	88,616	-	-	334,564	-	(245,948)	-	609,000	363,052
China	-	-	-	-	-	-	-	-	-	193	193
European Union	138,223	3,012	141,235	-	-	977,775	-	(836,540)	-	909,153	72,613
France	356,471	3,203	359,674	-	-	337,517	-	22,157	-	271,146	293,303
Japan	3,029,518	45,506	3,075,024	-	-	921,406	-	2,153,618	(58,288)	4,338,998	6,434,328
KfW	-	-	-	-	-	8,858	-	(8,858)	(211,198)	221,179	1,123
MRFI	-	-	-	-	-	-	-	-	-	-	-
Netherlands	-	4,795	4,795	-	-	26,399	-	(21,604)	-	55,242	33,638
World Bank	-	-	-	-	-	-	-	-	-	-	-
University Murdoch - Australia	-	-	-	-	-	5,331	-	(5,331)	-	5,909	578
NORAD	-	-	-	-	-	-	-	-	-	238	238
UNEP	170,000	536	170,536	-	-	137,619	-	32,917	-	-	32,917
UNEP/CMS	60,000	-	60,000	-	-	64,928	-	(4,928)	-	-	(4,928)
	<b>3,837,487</b>	<b>62,393</b>	<b>3,899,880</b>	-	-	<b>2,814,397</b>	-	<b>1,085,483</b>	<b>(269,486)</b>	<b>6,411,058</b>	<b>7,227,055</b>

(\* ) Expenditure in column (6) includes management and administration fees ("MAF").

**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**4. EXPENDITURES**

**4a. Analysis of expenditures by Development Partners**

Development Partner	2021				2020			
	Expenditures (excluding MAF)		Expenditures (including MAF)		Expenditures (excluding MAF)		Expenditures (including MAF)	
	USD	MAF	USD	MAF	USD	MAF	USD	MAF
Belgium	290,925	43,639	334,564	-	-	-	-	-
China	-	-	-	-	20,657	-	20,657	-
European Union	913,808	63,967	977,775	1,899,124	132,939	2,032,063	2,032,063	2,032,063
France	293,493	44,024	337,517	86,310	12,946	99,256	99,256	99,256
Japan	835,835	85,571	921,406	494,066	55,558	549,624	549,624	549,624
KfW	7,980	878	8,858	420,838	46,292	467,130	467,130	467,130
MRFI	-	-	-	8,945	-	8,945	8,945	8,945
Netherlands	22,955	3,444	26,399	144,785	21,718	166,503	166,503	166,503
World Bank	-	-	-	34,616	3,808	38,424	38,424	38,424
University Murdoch – Australia	4,803	528	5,331	375	41	416	416	416
NORAD	-	-	-	-	-	-	-	-
UNEP	119,668	17,951	137,619	-	-	-	-	-
UNEP/CMS	56,459	8,469	64,928	-	-	-	-	-
	<b>2,545,926</b>	<b>268,471</b>	<b>2,814,397</b>	<b>3,109,716</b>	<b>273,302</b>	<b>3,383,018</b>	<b>3,383,018</b>	<b>3,383,018</b>



**EARMARKED FUND  
Implemented by Mekong River Commission**

**4. EXPENDITURES (continued)**

**4b. Analysis of expenditures by programmes**

Programme	Abbreviations	Project codes	2021		2020		Expenditures (including MAF) USD		Expenditures (including MAF) USD	
			Expenditures (excluding MAF) USD		Expenditures (including MAF) USD		Expenditures (excluding MAF) USD		Expenditures (including MAF) USD	
			MAF	USD	MAF	USD	MAF	USD	MAF	USD
The Drought Management Programme	DMP	EF-JAIFD	-	-	-	-	70,951	4,966	75,917	
Flood Management and Mitigation Programme	FMMP	EF-JAIF	-	-	-	-	160,950	11,267	172,217	
Project for Improving Irrigation Facilities in the lower Mekong River Basin	IF	EF-JPN17-21	338,281	50,742	389,023	262,165	39,325	301,490		
Fisheries Programme	FP	EF-AULFP	4,803	528	5,331	375	41	416		
Mekong Integrated Water Resources Management Project	MIWRMP	EF-WB	-	-	-	34,616	3,808	38,424		
The Wetland Management and Conservation Project	WL	EF-KFW.WL	7,980	878	8,858	420,838	46,292	467,130		
The Mekong Hydro-Meteorological Network and Data Application	HYDRO	EF-AFD	136,641	20,497	157,138	86,310	12,946	99,256		
The MRC Navigation, Environment and Climate Change Action To Promote and Coordinatinn Sustainable Development and Management	NECC	EF-BEL.FLD	290,925	43,639	334,564	-	-	-		
Support to Enhanced Cooperation in Sustainable Transboundary Water	PCSDM	EF-NET	22,955	3,444	26,399	144,785	21,718	166,503		
The MRC Council Visit to China	STWM	EU	913,808	63,967	977,775	1,899,124	132,939	2,032,063		
The Socio-Economic Modelling Project	CHINA SEMP	EF-CHINA EF-MERFI	-	-	-	20,657	-	20,657		
			-	-	-	8,945	-	8,945		
The Hydro-Mekong Development of new Operational Tools for broadening Flood & Drought Forecasting & Monitoring products & services;	HYDRO	EF-AFD21	156,851	23,528	180,379	-	-	-		
Analysis of Extreme Weather Events and Climate Variability in the Lower Mekong Basin for 2021-2024	FDM	EF- JPNFDM20	483,891	33,872	517,763	-	-	-		
Flood Management Capacity Building in the Mekong River Basin	FMCB	EF-JPNFMC21	13,664	956	14,620	-	-	-		
Promotion of action against marine plastic litter in Asia and the Pacific (CounterMEASURE II)	PAP	EF-UNEP	119,668	17,951	137,619	-	-	-		
Promotion of action against marine plastic litter in Asia and the Pacific (CounterMEASURE II)	PAP	EF-UNEPCMS	56,459	8,469	64,928	-	-	-		
			<b>2,545,926</b>	<b>268,471</b>	<b>2,814,397</b>	<b>3,109,716</b>	<b>273,302</b>	<b>3,383,018</b>		

**EARMARKED FUND**  
*Implemented by Mekong River Commission*

**5. ANALYSIS OF EXPENDITURE BY DEVELOPMENT PARTNERS AND BY PROGRAMMES - 2021**

Development Partner/ Programme	HYDRO USD	HYDRO USD	FP USD	NECC USD	IF USD	FDM USD	FMCB USD	WL USD	PCSDM USD	PAP USD	STWM USD	TOTAL USD
France	157,138	180,379	-	-	-	-	-	-	-	-	-	337,517
European Union	-	-	-	-	-	-	-	-	-	-	-	977,775
Japan	-	-	-	389,023	517,763	14,620	-	-	-	-	-	921,406
KfW	-	-	-	-	-	-	8,858	-	-	-	-	8,858
Netherlands	-	-	-	-	-	-	-	-	26,399	-	-	26,399
University Murdoch-Australia	-	-	5,331	-	-	-	-	-	-	-	-	5,331
Belgium	-	-	-	334,564	-	-	-	-	-	-	-	334,564
UNEP	-	-	-	-	-	-	-	-	-	137,619	-	137,619
UNEP/CMS	-	-	-	-	-	-	-	-	-	64,928	-	64,928
	<b>157,138</b>	<b>180,379</b>	<b>5,331</b>	<b>334,564</b>	<b>389,023</b>	<b>517,763</b>	<b>14,620</b>	<b>8,858</b>	<b>26,399</b>	<b>202,547</b>	<b>977,775</b>	<b>2,814,397</b>