



Document 6

Report from the Chair of the Finance Sub-Committee

Prepared by Finance Sub-Committee and the EAAFP Secretariat

Summary

The Finance Sub-Committee presents its report to the tenth Meeting of Partners (MoP10), advising of progress in implementing the decisions from MoP9, especially the EAAFP Sustainable Financing Strategy and requests the MoP to:

- Note that it will defer further requests for information from Partners on expenditure on Flyway activities at this point in time;
- Re-endorse the EAAFP Voluntary Fee Contribution system and encourage Partners to make voluntary payments.

The Finance Sub-Committee is also seeking MoP endorsement of:

- Membership proposed for the Finance Sub-Committee until MoP11;
- Development of the EAAFP Resourcing Plan by the Finance Sub-Committee with support of the Secretariat once the EAAFP Strategic Plan 2019-2028 is adopted;
- The proposal to establish an EAAFP Contingency Fund.

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I. Progress in implementing the EAAFP Sustainable Financing Strategy

Adopted at MOP9, the EAAFP Sustainable Financing Strategy (MOP9 Agenda Item 1.7.2) proposed a number of recommendations in response to the need to increase and diversify funding for EAAFP operations and activities to achieve its strategic goals including to:

1. Establish a benchmark that would build a shared understanding about funding levels being contributed to national and international Flyway priority actions to form the basis about how to expand those resources;
2. Encourage Partners to strengthen their efforts to identify funding, provide direct contributions and help raise funds for priority actions and EAAFP support;
3. Implement the voluntary fee-based contribution system;
4. Hire a Fundraising Officer based at the Secretariat, subject to funding availability, and approve the Terms of Reference for this position;
5. Establish a Finance Sub-Committee and approve its Terms of Reference;
6. Develop an EAAFP Supporter program;
7. Develop EAAFP offices in Flyway countries other than Korea;
8. Develop a series of project concepts, compelling stories, visual presentations to be used for fundraising, ideally targeted to different potential contributors.

Since MOP9, these recommendations have been implemented to varying degrees by the Finance Sub-Committee, Secretariat and the Fundraising Manager. This report elaborates the progress of each recommended actions.

Progress 1: Establish a benchmark that would build a shared understanding about funding levels being contributed to national and international Flyway priority actions to form the basis about how to expand those resources.

This recommendation was proposed at MOP8 to help Incheon Metropolitan City justify its annual financial contributions to the EAAFP Secretariat by showing that Partners are already contributing significantly through their own efforts. Also, knowing the overall financial commitments by the Partners could greatly assist in identifying where fundraising efforts should be made during the course of the new Strategic Plan 2019-2028 . If well analyzed, this information can be useful to develop a realistic financing strategy to implement priority activities in the next Strategic Plan when it is adopted.

The Finance Sub-Committee discussed the methodology of collecting such data to establish a benchmark during the Finance Sub-Committee workshop held from 21-22 August in Songdo, RO Korea. It was agreed by the Sub-Committee members that there is not a compelling case at present for justifying the potential level of work that would be required to collect data on expenditure by Partners on Flyway activities. It was agreed to defer this task and further deliberation by the Finance Sub-Committee on this matter should be undertaken in conjunction with developing a resourcing plan for the new Strategic Plan. It was also agreed that developing criteria about the information required would assist Partners in reducing any administrative burdens in collecting the required data.

Progress 2. Encourage Partners to strengthen their efforts to identify funding, provide direct contributions and help raise funds for priority actions and EAAFP support;

2.1 Resource mobilization for ASEAN project

In 2017, the EAAFP supported the ASEAN Centre for Biodiversity (ACB) and Singapore, on behalf of ASEAN member states, to mobilize 1 million US dollar from the Government of Japan for a project titled “Improving Biodiversity Conservation of Wetlands and Migratory Waterbirds in the ASEAN Region – Phase 1”. The objective of this project is to conserve the wetlands and migratory waterbirds in the ASEAN region. Given that ASEAN region lies at the heart of the East - Asian Australasian Flyway and the cooperation of the member states is critical for the conservation of wetlands and migratory waterbirds, the Partners at MOP9 approved the EAAFP Southeast Asia Network. The Japan-ASEAN Integration Fund (JAIF) will provide support for the 2-year project to survey and improve management of sites of importance for migratory waterbirds within the region. EAAFP will provide any technical expertise required during the implementation of the project.

2.2 China’s support to establish the EAAFP Science Unit

In response to EAAFP’s call to Partners for a voluntary contribution fee agreed at MOP9, the Government of China indicated its difficulty in providing direct financial support due to restrictions on moving funds overseas. However, it offered to support, through domestic funding, to set up a Science Unit of the EAAFP Secretariat in China. This Unit would carry out the duties of the EAAFP Science Officer who was based in the Secretariat until June 2016 when the position was discontinued due to insufficient funds. China recognized that the EAAFP Secretariat played an important role in facilitating communication and coordination of the Partnership and assisting Partners to develop and implement collaborative activities across the Flyway. As the core part and scientific support of the Secretariat, the Science Unit will help ensure the EAAFP conservation strategy working in a scientific way, which is both important and timely.

The Science Unit, established in Beijing Forestry University, will undertake duties and responsibilities according to the requirements of the Secretariat and MOP, and promote its role, which may include international activities of the Secretariat, maintenance of database, coordination of FSN sites, improvement of monitoring and training, interaction with experts and necessary funding support. A five-year funding agreement with Qiaonyu Foundation and Mangrove Conservation Foundation, respectively, will support the operation of the Science Unit, as well as its activities.

Progress 3. Implement the voluntary fee-based contribution system

While EAAFP is a voluntary Partnership working to protect a shared biodiversity heritage, the costs of its operation, primarily through the Secretariat, have been borne largely by a single Partner, the Republic of Korea, through the hosting arrangement with the Government of Incheon Metropolitan City. At MOP8 in January 2015, the RO Korea requested the Partnership to consider greater direct cash contributions by other Partners to help justify continued support to the Secretariat and to leverage increased funding by RO Korea and other Partners. In response to the request, the Finance Sub-Committee submitted a

proposal for a Voluntary Contribution Fee which was adopted by Partners at MOP9 in January 2017 in Singapore as Decision MOP9/D3.

Since MOP9, the Governments of Japan, Singapore and the USA, and other Partners such as the Wildfowl and Wetland Trust (WWT) and the International Crane Foundation (ICF), have generously provided voluntary contributions towards the work of the EAAFP. These contributions were used for a variety of activities, such as improving the Site Information Sheet (SIS), organizing awareness raising activities, advocacy events, supporting Working Groups/Task Forces, providing small grants to the Partners to organize national conservation events, producing communication materials such as booklets, videos, badges which all contributed to promoting the EAAFP's brand and awareness raising. Partners' voluntary contributions also have made a catalytic impact on fundraising for the EAAFP. For example, the recruitment of the Fundraising Manager was made possible through a generous voluntary contribution from the Government of Japan. The detailed information of the Partners' Contributions is outlined below in **Table 1**.

Table 1: Status of Voluntary Fee Contribution 2017-2018 (as of 27 November 2018)

	2017 (US\$)	2018 (US\$)
Republic of Korea	61,947	66,372
Japan	35,128	
Singapore	1,995	1,995
USA	10,000	14,233
New Zealand	-	2,000
NGO Partner- WWT	4,000	
NGO Partner- ICF	2,020	2,000
Total	115,090	86,600

The number of contributing Partners is still low partially due to challenges facing some Partners. For example, there are Partners who cannot make 'voluntary' contribution by their rules. Some small NGOs are unable to make such payments. Also, some Partners expressed their desire to put a restriction on the usage of the voluntary fee. To resolve these issues, the Finance Sub-Committee suggests that in-kind contribution can be an option for some Partners to use.

The Finance Sub-Committee stresses that, as the Voluntary Fee Contribution was developed mainly to tackle the funding shortage of the Secretariat, the Secretariat should have discretion of the usage of the funds contributed. The Finance Sub-Committee recommends that the fee scale for Country Partners should remain the same as the MOP9 proposal, while a USD 1,000 minimum fee is applied. For non-Country Partners, the indicative range USD 2,000- USD 4,000 will be maintained. The Democratic People's Republic of Korea joined the Partnership in 2017 and the DPRK's indicative amount for the payment has been calculated using the 2018 UN Scale of Assessment rate. **Table 2** provides an indicative level of voluntary fee payments for Country Partners. Column 5 is the amount of the payment for MOP10 approval.

Table 2. An indicative level of voluntary fee contribution for Country Partners

Partner	MOP9 Decision		MOP10 Proposal	
	UN Ass't % Adjusted	US\$	Minimum fee applicable	US\$
Australia	2.074	11,156	No	11,156
Bangladesh	0.010	53	Yes	1,000
Cambodia	0.004	22	Yes	1,000
China	5.148	27,692	No	27,692
Indonesia	0.346	1,861	No	1,861
Japan	10.833	58,274	No	58,274
Korea, DPR	N/A	N/A	Yes	1,000
Korea, RO	1.994	10,727	No	10,727
Malaysia	0.281	1,511	No	1,511
Mongolia	0.003	16	Yes	1,000
Myanmar	0.010	53	Yes	1,000
New Zealand	0.253	1,361	No	1,361
Philippines	0.154	828	Yes	1,000
Russia	0.610	3,281	No	3,281
Singapore	0.384	2,066	No	2,066
Thailand	0.239	1,286	No	1,286
USA	5.5000	29,587	No	29,587
Vietnam	0.042	226	Yes	1,000
Total	27.885	150,000		155,802

Half of EAAFP Partners are international non-governmental (including one private sector) and inter-governmental organizations. For these Partners, the UN Scale of Assessment is difficult to apply and there is no existing method of assessing capacity to pay. The Finance Sub-Committee proposes to keep the same range from USD 2,000 to USD 4,000 to be applied to the non-Country Partners as adopted in MOP9. The overall table is shown below in **Table 3**:

Table 3. An indicative range of fee payment for Non-Country Partners

Partner	US\$	Partner	US\$
AWSG	2,000 - 4,000	CMS	2,000 - 4,000
ICF	2,000 - 4,000	Ramsar	2,000 - 4,000
Wetlands Int'l	2,000 - 4,000	CBD	2,000 - 4,000
WWF	2,000 - 4,000	CAFF	2,000 - 4,000
Birdlife Int'l	2,000 - 4,000	FAO	2,000 - 4,000
WBS Japan	2,000 - 4,000	IUCN	2,000 - 4,000
WWT	2,000 - 4,000	ASEAN Centre for Biodiversity	2,000 - 4,000
Pukorokoro Miranda NT	2,000 - 4,000	Rio Tinto	2,000 - 4,000
WCS	2,000 - 4,000	Hanns Seidel Foundation	2,000 - 4,000

Total	36,000 - 72,000
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Progress 4. Hire a Fundraising Officer based at the Secretariat, subject to funding availability, and approve the Terms of Reference for this position

The recruitment of the Fundraising Officer was approved at MOP9 as MOP9/D4. The overall purpose of the position is to lead on and contribute to the development and implementation of a Resourcing Strategy for the EAAFP, including:

- Building the EAAFP Partnership brand and profile among various audiences within and outside of the region,
- Identifying and engaging various donors and developing sustained relationships and acquiring funding for EAAFP;
- Taking the lead in grant funding and corporate fundraising, and –
- Building an EAAFP Supporter Program.

Among these activities, priority attention was to be given to stakeholders and the donor community in the Republic of Korea.

There was some delay in the recruitment process initially and the TOR was modified from a Fundraising Officer to that of a Fundraising Manager. The position was filled in November 2017. The key achievements of the Fundraising Manager are described below.

4.1 Resource mobilization

Since the Fundraising Manager joined the Secretariat, the Secretariat has raised a total of US\$ 83,650 from November 2017 to December 2018 as indicated in **Table 4**.

Table 4. Resource mobilized from November 2017 to December 2018

Donors	Amount (US\$)	Areas of support
National Geographic Society- Asia	10,000	Youth seminar during World Migratory Bird Day 2018 event
Sony Korea	4,000	In-kind contributions. Received two high-end cameras in celebration of the World Migratory Bird Day 2018 event
Korea South-East Power Co. Yeongheung Power Division	25,000	Conservation of migratory birds and habitats in Incheon, ROK
Sony	20,000	Organization of 34 th Singapore Bird Race on 11 November 2018
Corporate sponsorship for the MOP10	24,650	Lotek, Sony, EcoTone
Total	83,650	

In addition, four organizations are in the fundraising pipeline as of December 2018. Two of them are waiting for the final decisions from donors and the other two companies are in the consultation phase.

Table 5 Prospective donors in pipeline

Donors	Amount (US\$)	Areas of support
Korea South-East Power Co. Yeongheung Power Division	TBD	Conservation of migratory birds and habitats in Incheon, ROK
Incheon Metropolitan City	TBD	Developing an ecotour map for Incheon area, Republic of Korea. A proposal was submitted for 2019 support.
Jeil feed corporation (ROK)	TBD	Awareness building on Avian Influenza among Korean poultry farmers.
Incheon Bridge Co., Ltd (ROK)	TBD	Conservation of the Incheon tidal-flats.
Sony	TBD	Waterbird photo contest 2019
Total	125,000 -	

4.2 Building the EAAFP Partnership brand and profile

Led by the Fundraising Manager, the EAAFP Secretariat organized a reception in Seoul, RO Korea on 11 May 2018 to celebrate 2018 World Migratory Bird Day. The reception contributed enormously in raising the profile of EAAFP among the international donor community, the Government of RO Korea and NGOs and also helped raise awareness about the need for international cooperation to conserve migratory waterbirds and their habitats. Approximately 70 participants gathered at the reception including representatives from the Embassies of the EAAF Country Partner based in Seoul, Ministry of Environment, Ministry of Oceans and Fisheries, National Institute of Biological Research (NIBR), other governmental organizations, international and multi-lateral organizations, NGOs, universities, research institutes, and private companies. The diplomatic representatives included the Ambassador of the Embassy of Singapore, the Ambassador of the Embassy of Papua New Guinea, as well as representatives from the Embassies of Australia, Cambodia, Japan, Malaysia, Myanmar and the United States of America.

11 networking and promotion events were facilitated in 2018 to promote EAAFP's mission and brand in RO Korea. 5 fundraising flyers were developed with a theme of Flyway Site Network; Yellow Sea Conservation; ASEAN cooperation; Spoon-billed Sandpiper; Black-faced Spoonbill respectively. **Table 6** outlines the events and meetings in 2018 to promote the EAAFP.

Table 6 List of events and meetings in 2018 to promote the EAAFP in RO Korea

Date	Event	Activities
22 March	World Water Forum in Songdo Convensia	EAAFP promotion booth
10 April	CBD Sustainable Ocean Initiative in Seoul	EAAFP promotion booth
21 April	Ganghwa Bird Race	EAAFP promotion materials and speech
16 May	DPRK EAAFP Ceremony	Press conference
19 May	BFS Birthday Party	EAAFP promotion booth
02 June	Yeongjong Migratory Birds and Mudflats Event	EAAFP promotion materials, speech and press release

08 June	Meeting with Green Climate Fund	High-level networking meeting
11 June	DPRK Briefing Incheon	EAAFP promotion materials, speech and press release
09 August	KOEN MOU Ceremony	EAAFP promotion materials, speech and press release
20 August	POSCO E&C meeting	High-level information sharing meeting
06 September	DMZ Forum	EAAFP promotion materials, speech and press release

Also, with the Fundraising Manager's support, a RO Korean design brand NEW:KIT launched a summer 18' collection inspired by 5 endangered bird species in the East Asian – Australasian Flyway; namely, Red-crowned Crane, Black-faced Spoonbill, Saunders's Gull, Spoon-billed Sandpiper, Bar-Tailed Godwit. T-Shirts, eco-bags and bracelets inspired by the listed bird species were also developed.

4.3 Change in the title of the Fundraising Manager to External Relations Manager

It has been observed that the present title of the position as 'Fundraising Manager' is too explicit and direct to build strategic relationship with potential donors who may feel unnecessary pressure. Also, the manager's role is not just limited to financial resourcing but covers building relationship with potential funders. It is this aspect that usually comes first before seeking financial support. While many of international organizations have similar positions, the titles they use are less specific such as Resource Mobilization Manager, External Relations Manager. In view of the advantages that a title change would bring, the Finance Sub-Committee has proposed that the title be changed from Fundraising Manager to External Relations Manager while the TOR remains the same. The change will come to effect with the manager's new contract in November 2018.

Progress 5. Establish a Finance Sub-Committee and approve its Terms of Reference.

The Terms of Reference of Finance Sub-Committee was approved in MOP9 (MOP9 Agenda Item 1.7.2). From February 2017 to September 2018, seven Sub-Committee meetings were organized, with two meetings in 2017 and five meetings in 2018. One face-to-face workshop was held on 21-22 August 2018 in the Republic of Korea with 17 participants including EAAFP Finance Sub-Committee members, representatives of Wildfowl and Wetlands Trust, Japanese Ministry of Environment, Singapore National Parks Board, Beijing Forestry University, International Crane Foundation, Korean Ministry of Environment, Korean National Institute of Biological Resources, Wetlands International, Conservation of Arctic Flora and Fauna and Incheon Metropolitan City. Minutes of all meetings were shared and are reflected in this report submitted to MOP10.

Progress 6. Develop an EAAFP Supporter program

The EAAFP Supporter Program was proposed at MOP9 with the aim to identify, encourage and support individuals and organizations to directly contribute resources to finance priority actions of the Partnership. The implementation of the Program was discussed by the Finance Sub-Committee at the Finance Sub-

Committee meeting in January 2018 in effort to advise the Manager's annual work planning. Given that the time and resources needed to develop the Program, the Finance Sub-Committee agreed to prioritize other fundraising activities in 2018 and defer the Supporter Program. To prepare for the implementation though, the Fundraising Manager has done desk review on best practices of other Supporter Programs both in RO Korea and overseas. The findings will be used as reference to launch the EAAFP Supporter Program once approved.

In the meantime, the EAAFP Secretariat is in the process of being designated as a 'Statutory Donation Acceptance Organization' in the RO Korea to be able to offer tax exemption benefits to donors. The designation is a pre-requisite process to public fundraising and corporate fundraising. The application has been delayed because the status of the Secretariat does not perfectly meet the eligibility of the designation. The Ministry of Economy and Finance (RO Korea) is the authorizing ministry and the endorsement from the Ministry of Environment is needed to be designated. The Secretariat has requested the Ministry of Economy and Finance to help solve the eligibility issue to get the designation status by end of 2018.

An online donation page is being tested out in the new EAAFP website. Some technical difficulties have been found by the server hosting company which are being sorted out as of September 2018.

Progress 7. Develop EAAFP offices in Flyway countries other than Korea

This recommendation had two specific objectives:

- Direct support to offices and country programs
- Identification of internal financing strategy targeting national donors and corporations, or international donors active in those countries.

While not so much progress has been made towards the implementation of this recommendation at both Finance Sub-Committee level and Partnership level, the establishment of the EAAFP Science Unit in China can be acknowledged as provision of scientific support to the Secretariat. Further deliberation by the Finance Sub-Committee on this matter will be undertaken.

Progress 8. Develop a series of project concepts, compelling stories, visual presentations to be used for fundraising, ideally targeted to different potential contributors.

From November 2017 to September 2018 the Fundraising Manager has developed several concept notes, proposals and visual presentations to be used for fundraising as outlined below.

- Corporate sponsorship package for World Migratory Bird Day 2018 and MOP10 in China.
- A concept note of bird/habitat photography competition to be implemented in 2019 in collaboration with a global digital imaging company
- A concept note of sponsorship proposal for a bird race in Singapore 2018
- Five fundraising flyers; 1) Flyway Site Network; 2) Yellow Sea Conservation; 3) ASEAN cooperation; 4) Spoon-billed Sandpiper; 5) Black-faced Spoonbill
- A fundraising video about EAAFP

- Concept note of a developing an Ecotour Map in Incheon area in RO Korea.
- Promotional materials for fundraising: eco-bags, pin-badges and T-shirts

It should be acknowledged that the EAAFP Secretariat might not be in a best position to design and implement a 'project' given the limited financial and human resources in the office. The challenging fact that only one staff (Fundraising Manager) is working on the fundraising task and a Communication Officer position being vacant for 6 months since April 2018 has made inevitable to prioritize the recommended fundraising actions.

As project development needs much committed efforts and stronger financial and technical investment, the Partnership would benefit by actively engaging the Secretariat in current or future project development and also providing voluntary fee contribution to help strengthen the function of the Secretariat.

II. EAAFP Resourcing Plan

The EAAFP Strategic Plan 2019-2028 is aimed at optimising the implementation of the EAAFP in a realistic way. Implementation can be ensured only when the appropriate means, both financial and in terms of human capacity, are available to the Partnership. Mobilising the required resources for implementation of the Strategic Plan will be a key element for the Partnership through work by Partners, the Finance Sub-Committee, the Management Committee, and the Secretariat.

The Finance Sub-Committee proposes that an EAAFP Resourcing Plan be developed to assist in delivery of the Strategic Plan over its 10-year life, following endorsement by the Meeting of the Partners. The Resourcing Plan will establish priorities for funding for the first 2 years of the Strategic Plan and will be a task for the Finance Sub-Committee to develop with the support of the Secretariat. A Priority Framework developed by the Finance Sub-Committee will be used as basis of developing the Resourcing Plan as outlined in **Table 7** below. Each priority will be connected to the Key Results Area of the Strategic Plan.

Table 7 Priority Framework template

Priority A	
Contents	Description
Why is it important?	Relevance to the EAAFP's mission.
How to implement?	Planned implementation activities
Positive outcomes	Expected positive outcomes
Resource gap & cost	Estimated costing to deliver the activities
Match making	Fundraising and partnership opportunities

III. Priorities for the Strategic Plan 2019-2021

The first step of developing the EAAFP Resourcing Plan is to identify priorities that would guide EAAFP's resourcing efforts for the next two years. The Finance Sub-Committee meeting that was organized 21-22 August in Songdo, RO Korea agreed that one Key Results Area should be identified for each EAAFP

Strategic Plan objective. Accordingly, 5 KRAs are suggested for the Partners' consideration as outlined in **Table 8.**

Table 8 Suggested KRA per SP objective

	Description
KRA 1.2	National and Site Partnerships have been developed to coordinate the implementation of the EAAFP at national and local levels.
KRA 2.5	The EAAFP CEPA Strategy and Action Plan is monitored and updated.
KRA 3.3	Updated list of sites of international importance for migratory waterbirds for conservation management and prioritization.
KRA 4.3	Building capacity of Partner Focal Points to support the purpose of the Partnership.
KRA 5.4	The conservation of migratory waterbirds is mainstreamed into national legislation and/or policy instruments including adaptation to the impacts of climate change.

The Finance Sub-Committee also identified and suggests to Partners for consideration three driving elements to create a matrix that scores the KRAs against three driving elements as follows:

- Enabling KRA's that will facilitate and support other KRA's
- Impactive KRA's that can deliver tangible impact.
- Urgency KRA's that require urgent action because of the level of threat.

IV. Proposal for Finance Sub-Committee membership

According to the Terms of Reference (ToR) for the Finance Sub-Committee adopted at MOP9, the Finance Sub-Committee will consist of seven members in their personal capacity made up by:

- a) Four core members of the existing Finance Sub-Committee until MOP10
- b) Three additional members nominated by Partners.

The ToR also talked about the Finance Sub-Committee needing to be reconstituted at each MOP (para. 11) but it does not explain how the FC will be reconstituted (e.g. will all the members have to be changed or can we keep half of the members?). Table 9 is proposed Finance Sub-Committee membership until MOP11.

Table 9 Finance Sub-Committee membership proposed

MOP9 status	Name	Proposed new membership
Core	Mr. Peter Probasco (Chair)	Mr. Martin Spray
Core	Ms. Alison Russell-French	Ms. Alison Russell-French
Core	Ms. Kaori Tsujita	Ms. Tomoko Ichikawa
Core	Mr. Jim Harris	Mr. Spike Millington
Additional	Mr. Ward Hagemeijer	Mr. Ward Hagemeijer

Additional	Mr. Dick Williams	Mr. Jay Lee (National Geographic Society – Asia)
Additional	To be identified	Mr. 전무수 (Incheon Metropolitan City)

V. Proposal for establishing the EAAFP Contingency Fund

For many organizations, especially non-profit organizations, the setting up of a reserve fund is a valuable tool to help respond to unexpected and sudden financial needs. An operating reserve is built up from the unspent funds at the end of each financial year and is available for use at the discretion of the governing board. The Chief Executive proposed setting up a reserve fund for the EAAFP at the Finance Sub-Committee meeting on 7th June 2018 and he gave the example of the reserve fund used by the Ramsar Conservation. In this model, the amount in the fund is limited to a maximum of 1/12th of the core budget of the current fiscal year and the fund is to be administered by the Ramsar Secretary General under the guidance of the Subgroup on Finance. In the UK, many NGOs, including the WWT, keep a reserve fund (or equivalent) that can cover operation costs for three months.

If this model from the UK was applied to the EAAFP, then the reserve fund would not exceed USD 98,300 (equivalent to three months cost of the annual operating budget of approx. USD 520,000). This EAAFP reserve fund would be administered by the Chief Executive under the guidance of the Finance Sub-Committee and the Chair of the Management Committee.

After the Finance Sub-Committee meeting approved the proposal at their meeting on 7 June 2018, it was further approved by the Management Committee on 12 July 2018. They also suggested that the funds could be used for the emergency operations of the Secretariat as well as for unforeseen Partnership activities. Examples of such emergency uses would include a lack of funds to successfully organize a future MOP, the EAAFP website crashing and the loss of all the data so that an IT consultant needs to be hired urgently to build a new website.

Both the Finance Sub-Committee and the Management Committee reminded that comments on the proposals need to be sought from the Incheon Municipal Government since they provide most (<80%) of the funds for the operation of the EAAFP. The Management Committee also recommended that the proposal be put forward to MOP10 for comment and possible endorsement.

The Finance Sub-Committee meeting on 21-22 August 2018 repeated their support for the proposal and recommended to change the name of the concerned facility from Reserve Fund to Contingency Fund. The workshop acknowledged the need of establishing the contingency fund for the Secretariat to help respond to unexpected and sudden financial needs for the Secretariat. The workshop recommended that 3 months operating reserve of the Secretariat is built up and will be available for use at the discretion of the Secretariat with the approval of the Finance Sub-Committee and the Management Committee. The representative of Incheon Metropolitan City stated that they will discuss with the Secretariat on the use and procedure of the contingency fund and make a decision before MOP10.

VI. Decision

The 10th Meeting of Partners to the EAAFP:

- *Approves* the establishment of EAAFP Contingency Fund for the Secretariat to help respond to unexpected and sudden financial needs for the Secretariat. Use of the contingency fund for agreed funding priority needs will be recommended by the Finance Sub-Committee for approval by the Management Committee.
- *Re-endorses* the EAAFP Voluntary Fee Contribution system and *encourages* the Partners to make payments according to the proposed fee **Table 2** for Country Partners and **Table 3** for non-Country partners.
- *Recognizes* that an EAAFP Resourcing Plan will be developed by the Finance Sub-Committee with support of the Secretariat using the three driving elements for the selection of the priority Key Result Areas for the first 2 years of the new Strategy Plan and Priority Framework.
- *Invites* Partners to view on the five KRAs that the Finance Sub-Committee identified as priorities for fundraising and to *indicate* whether they support these KRAs or whether they have other suggestions for KRAs that should be priorities.
- *Recommends* the Finance Sub-Committee create for Partners' support, a matrix that scores the KRAs – against the three driving elements.
- *Approves* the proposal of the Finance Sub-Committee membership until MOP11.