



**THE 43RD GENERAL ASSEMBLY OF
ASEAN INTER-PARLIAMENTARY ASSEMBLY
20-25 NOVEMBER 2022
Phnom Penh, Cambodia**

Advancing Together for Sustainable, Inclusive, and Resilient ASEAN

**EXPLANATORY NOTE ON BUDGET ESTIMATES
FOR FINANCIAL YEAR 2022/2023**

The proposed Annual Estimated Expenditure of US\$ 368,740 and the estimated expenditure out of the Special Fund of US\$50,000 will cater for the needs of the Secretariat as well as to make provision for other activities of AIPA Secretariat. The budget proposal is higher than that of the previous year due to additional expenditures related to Incoming Secretary General and Outgoing Secretary General as well as other expenditures that we foresee to occurred. In preparing the budget, the Secretariat had taken into account all components to support smooth operation of AIPA Secretariat.

A. Annual Estimated Expenditure for period 1 August 2022 to 31 July 2023 and Supplementary Estimated Expenditure for period 1 August 2023 to 31 October 2023

The proposed AIPA Secretariat Estimated Expenditure is divided into two periods: (1) AIPA's Financial Year is from 1 August of each year to 31 July of the following year as resolved by the Resolution RES.35GA/2014/ORG/03 at the 35th AIPA General Assembly held in Vientiane, Lao PDR; and (2) The Supplementary Estimated Expenditure will cover the period 1 August 2023 to 31 October 2023.

Taking into account that physical meetings has become a normal format, as well as no more restriction for travel between countries, we foresee there will be a deficit of USD. 940 from the annual contributions by the end of fiscal year.

Outgoing Secretary General

Under the Staff and Financial Regulations of the AIPA Secretariat and Working Agreement for the Secretary General of AIPA, AIPA agreed to pay the Employee a Gratuity, a 13th month bonus and pro-rated bonus on the completion of service, expenses for shipment of personal effect and airfare upon completion of duty. The Outgoing Secretary General has served AIPA for the period of 3 (three) years and 3 (three) months extension. The gratuity during term of office of USD. 40,950, 13th month pro-rated bonus of USD.4,000, expenses for the shipment of personal effect of USD.3,000 and payment for air ticket of USD.500 respectively will be paid this financial year with the approval of AIPA General Assembly.

Incoming Secretary General

Under the Staff and Financial Regulations of the AIPA Secretariat and Working Agreement for the Secretary General of AIPA, AIPA will pay Outfit Allowance of USD. 1,000, airfare for the Incoming Secretary and his/her family on first arrival with

estimate cost of USD.2,000 and hotel accommodation for three days on first arrival with the estimate cost of USD.750

As provided for under Article VI (Salaries and Allowances), Paragraph 6.2.2 of the Staff Regulations of the AIPA Secretariat, education allowance is payable for a maximum number of 3 (three) dependent children who are less than 21 (twenty-one) years of age, The said education allowance is subject to the approval of the General Assembly. Approval is hereby sought from the General Assembly for the provision of education allowance amounting to USD.13,200.00 for school year 2022/2023 in an International School (or equivalent) for the Secretary General's dependent children.

Proposed payment for shipment of personal effects of Incoming Secretary General from home country to Jakarta amounting to USD.1,200.00. The proposed for the shipment of personal effects of the Incoming Secretary General in a lift van not exceeding USD.1,200.00 from his/her home country to Jakarta within 6 (six) months from arrival at post subject to the approval of the General Assembly. AIPA Secretariat hereby sought approval from the General Assembly for the provision of the shipment cost at an estimated cost of USD.1,200.00

The proposed budget is USD. 67,540 more than estimated income of USD. 301,200. That said amount, however, cannot be covered by the regular income sources (contributions and bank deposit interest). The Secretariat proposes to have it charged to the saving Account.

B. Special Fund

The proposed amendment to the Statutes for the creation of a Special Fund, with additional contribution from Member Parliaments to operate this account is for specific purposes, namely, to:

- (1) Cost of the attendance of the President of AIPA to the ASEAN Summit.
- (2) Cost of Part-Financing AIPACODD
- (3) Cost of Part-Financing of hosting Study/Ad Hoc Committees and Sub Committees of the Standing Committees and Expert Research/Consultant(s)
- (4) Renovation and refurbishment of AIPA House
- (5) Undergraduates Attachment Program
- (6) ASEAN/AIPA Day
- (7) Other Expenditure as approved by General Assembly:
 - (a) Awareness Program
 - (b) SECTT activities/Plastic, marine debris activities

During the Working Group Meeting on the 8th June 2021, majority countries supported the initiative of using AIPA alternative funds (savings/special funds) to pay for the cost-sharing of the new premises and slight salary increase for existing AIPA Secretariat's local staff to ensure the welfare of staff in the pandemic time, to avoid the high rate of employment turnover as well as keep staff motivated to work. The good aspect of using this fund is to help AIPA member parliaments solve their financial difficulties for a short term and no additional contribution is paid by member parliaments at least until 2023.

The budget re-allocation of the AIPA Special Fund is now proposed as follows:

- (1) Cost sharing for the new premises.
- (2) Salary adjustment for Locally Recruited Staff (annually)
- (3) Renovation and refurbishment of AIPA House.
- (4) Undergraduate attachment program.
- (5) Other Expenditure as approved by General Assembly: Awareness Program

Recommendation

General Assembly is urged to approve Budget Estimates as set out in the Estimated Expenditure, Supplementary Estimated Expenditure and Special Fund for the Financial Year 2022 to 2023.
