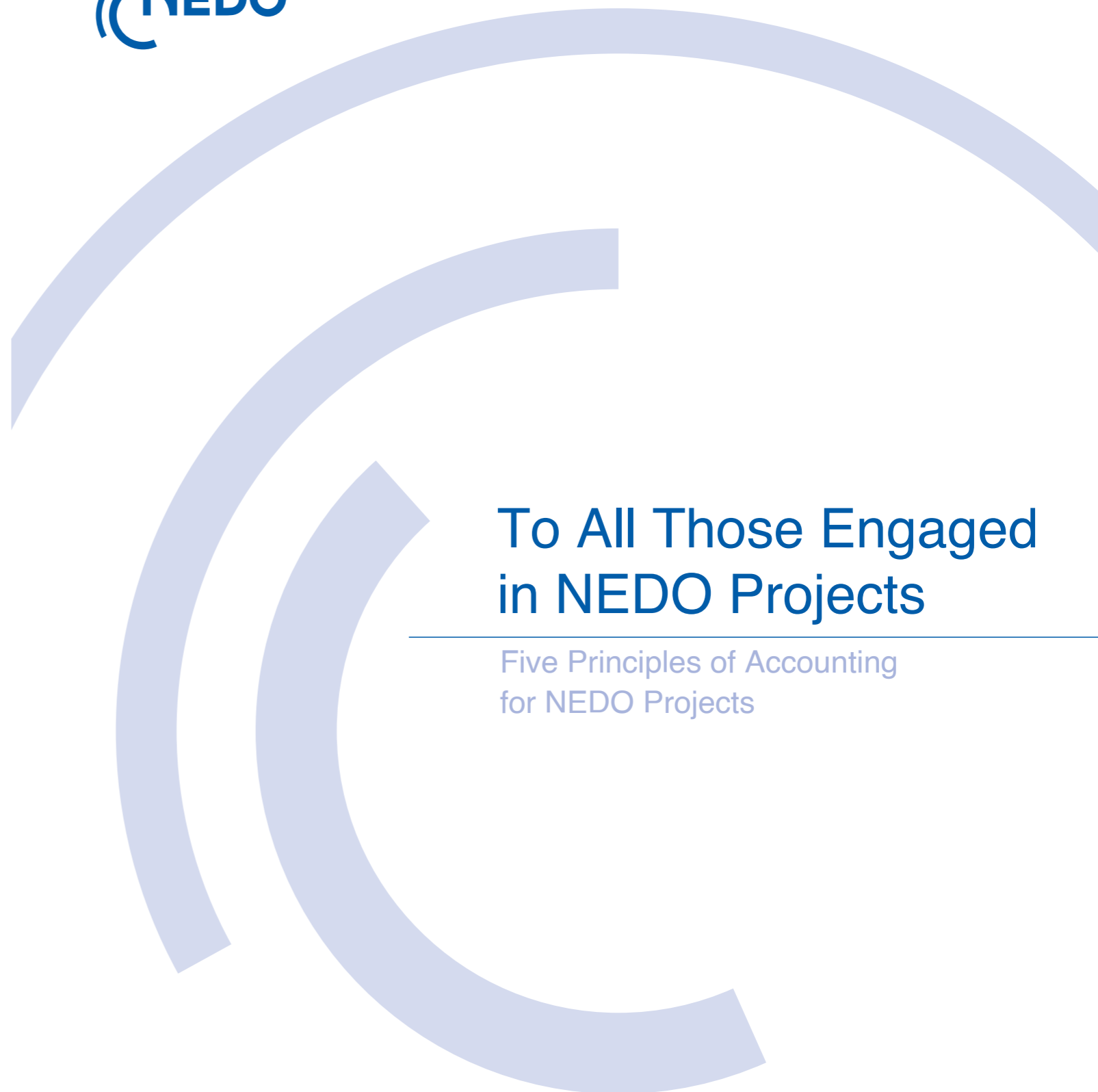
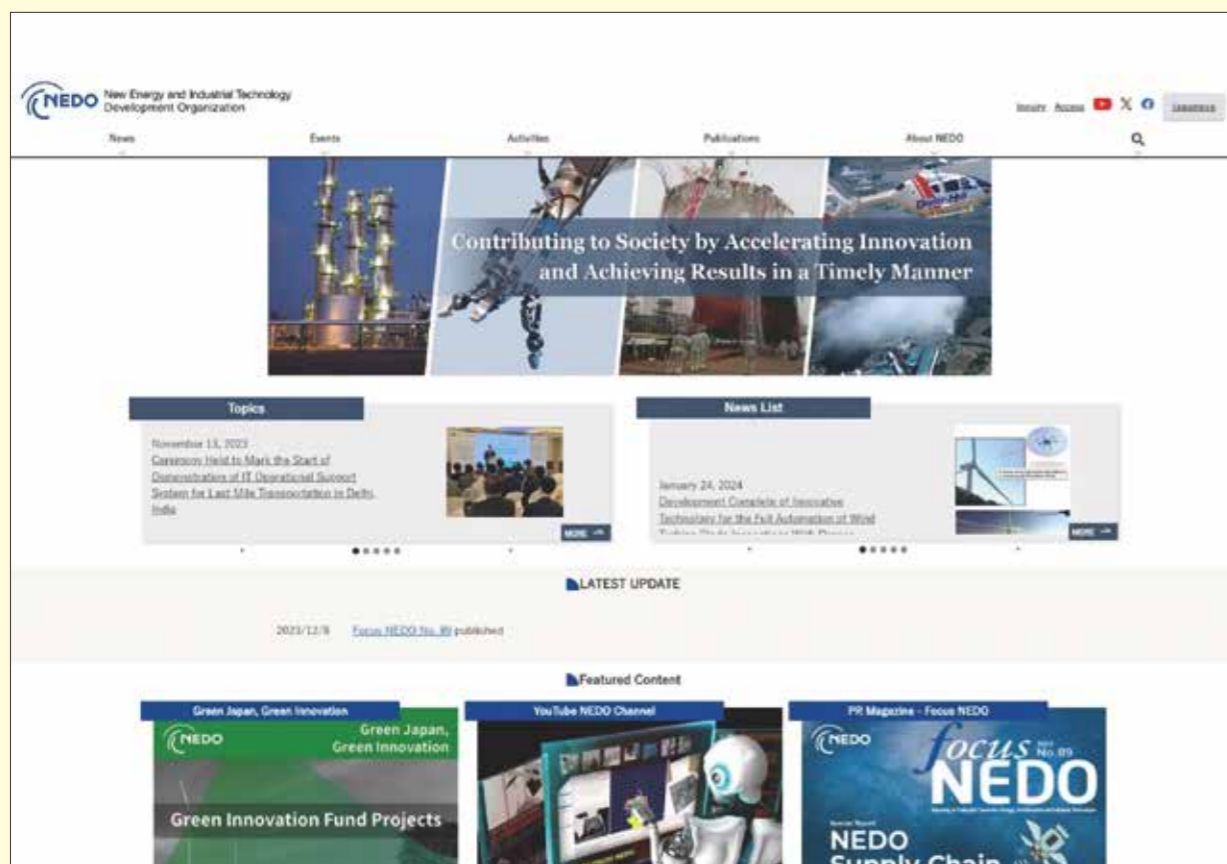


NEDO Web Page <https://www.nedo.go.jp/english/index.html>



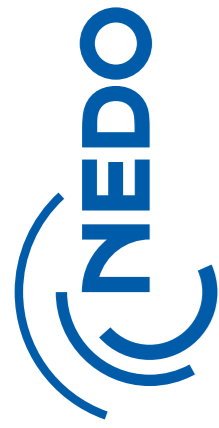
To All Those Engaged in NEDO Projects

Five Principles of Accounting for NEDO Projects



In the event of a false application and overcharging of expenses, or misconduct or inappropriate conduct in research activities, NEDO may take the following strict measures in addition to requesting the return of research expenses.

- **Suspension of subsidies and new contracts (up to three years for contractors or subsidy recipients)**
You cannot apply for NEDO projects during the suspension period. The Ministry of Economy, Trade and Industry (METI) and other ministries and agencies will take the same measures, and you may not be able to receive any public research funds for a considerable period of time. Furthermore, if a researcher commits misconduct in research activities, NEDO may take measures lasting up to ten years for all who are involved in the misconduct.
- **Disclosure of the project operator's name and details of its misconduct**
- **Criminal prosecution (violation of the Budget Execution Act*)**
*The Act on Regulation of Execution of Budget Pertaining to Subsidies, etc. (Act No. 179 of 1955)
Not only juridical persons but also their employees who commit violations are subject to penalties.
(Application of Penal Provisions under Article 29-32)



Please pay attention to the following matters when carrying out NEDO projects!

Proper Execution of Expenses

NEDO's research expenses are financed by public funds. When executing research expenses, please ensure proper accounting procedures are followed in accordance with not only laws and regulations but also internal rules. In addition, please observe the following five principles of accounting.

Furthermore, it is desirable to have an organizational system with internal checks and balances, such as not having the same person as the person who places the order and the person who inspects the delivered goods, to establish and thoroughly enforce the rules for administrative procedures related to accounting execution, and to strengthen the check system by conducting periodic audits.

Appropriate Management of Research Results

The fabrication, falsification, and plagiarism of research results and papers in research activities are the most malicious forms of misconduct that are unacceptable as a researcher. Please manage results appropriately.

Five Principles of Accounting for NEDO Projects

1 Only expenses that are directly necessary for the project are to be recorded.

General office supplies (e.g., toner for copiers, printer ink cartridges, pencils, and office equipment such as desks) that are not consistent with the project purpose and that cannot be identified as being used directly for the project cannot be included in direct expenses. In addition, please refrain from making purchases that are not necessary, which can be regarded as a year-end budget fulfillment.

2 Only expenses that are incurred during the project period are to be recorded.

In principle, orders, deliveries/inspections, and payments should be made during the project period.

*Deposits (pooled money) to suppliers are clearly misconduct.

3 Do not mix research funds for one project with other research funds for other projects.

Do not mix multiple research funds. Duplicate receipt of public funds for the same research theme is not allowed.

4 When using expenses, please execute procurement in an economical and efficient manner.

When purchasing goods or subcontracting, please try to use expenses economically by comparing quotations.

5 Please fill in the daily record and other documents accurately.

Please write your daily record, which is the basis for the labor expense calculation, correctly every day by yourself. The manager of the work should regularly check whether there are any differences or falsehoods in the recorded contents.

Contact Details for Inquiries

Contact point for inquiries and comments on administrative processing and procedures for entrustment/subsidy projects:

E-mail: helpdesk-e@ml.nedo.go.jp

Contact point for receiving allegations about misconduct of research activities or misuse of research funds related to NEDO projects:

E-mail: helpdesk-2e@ml.nedo.go.jp