



ITTO

## INTERNATIONAL TROPICAL TIMBER COUNCIL

Distr.  
GENERAL

ITTC(XXXIII)/28  
9 November 2002

Original: ENGLISH

THIRTY-THIRD SESSION  
4-9 November 2002  
Yokohama, Japan

### DECISION 7(XXXIII)

#### MEASURES TO REDUCE COSTS AND IMPROVE THE EFFICIENCY AND EFFECTIVENESS OF THE ORGANIZATION

The International Tropical Timber Council,

Recalling Decisions 4(XXXII), 2(XXV), 2(XXIV), 4 and 5 (XXII), and 4(XXI) on Organization of Work under the ITTA, 1994, Decisions 4(XXV), 5(XXIV), 4(XXIII) and 4(XXII) on Strengthening and Streamlining the Work of the Committees, and Decisions 5(XXIX), 11(XXVII) and 4(XXVI) on the Frequency and Duration on Council and Committee Sessions;

Also recalling the Yokohama Action Plan 2002-2006 and in particular the Actions for Effective Implementation (section 1.6);

Welcoming the Report of the Working Group on Measures to Further Improve the Efficiency and Effectiveness of the Work of the Organization;

Recognizing the excellent services provided to Members by the Secretariat in the face of increasing project and policy workloads and the significant achievements already made in the efficiency and effectiveness of the Organization under the leadership of the Executive Director;

Reaffirming the continuing need to improve the overall efficiency and effectiveness of the Organization and reduce costs where feasible;

Decides to:

1. Adopt the cost savings, efficiency and effectiveness measures contained in Annex I to this Decision;
2. Request the Executive Director to review the servicing costs associated with Council sessions held outside headquarters in light of the measures contained in Part A of Annex I, with a view to reducing costs;
3. Urge Members, through their ITTO focal points, to review critically the quality of all Project and Pre-Project Proposals prior to submission to the Executive Director, and to limit the number of proposals submitted for a single Project Cycle;
4. Encourage Members to give preferential consideration to financing approved Projects and Pre-Projects submitted by Members which have fully met their financial obligations to the Organization;

5. Encourage Members to formulate Project and Pre-Project Proposals which can be implemented effectively and benefit Members on a regional as well as on a national basis;
6. Adopt the schedule for frequency and duration of Council and Committee meetings and preparatory meetings and conferences for the negotiation of a successor agreement to the ITTA, 1994, as contained in Annex II;
7. Request the Executive Director to consider ways in cooperation with the host government to enhance the visibility of the ITTO and improve understanding of its mandate in Japan and the City of Yokohama; and
8. Review the effectiveness of these measures at the end of 2005.

## ANNEX I

### MEASURES TO REDUCE COSTS AND IMPROVE THE EFFICIENCY AND EFFECTIVENESS OF THE ORGANIZATION

#### Part A – Cost Savings Measures

Cost savings from the following measures are estimated at \$165,000.00 annually:

1. All Members will receive electronically, via the ITTO Home Page, all documents for Council and Committee Sessions at least three weeks before the Session, unless a Member is unable to retrieve documents electronically.
2. Members will submit project and pre-project proposals electronically to the Secretariat unless a Member does not have the means to do so.
3. Project and pre-project proposals and ITTO technical documents (e.g. ITTO mission reports, workshop reports, regional analyses) prepared in French or Spanish will be translated into English only. Such documents prepared in English will not be translated. Documents of special interest to Members will continue to be made available in the three languages.
4. Progress reports on project implementation will be prepared by the Executive Director and reviewed by the three Technical Committees on an annual basis only.
5. Reduction in Secretariat travel costs to Sessions held outside Headquarters as a result of 1-4 above.

#### Part B – Measures to Improve Efficiency and Effectiveness

1. Work Programme and Budget
  - a. The Council will adopt a biennial Work Programme and indicative Administrative Budget at its Thirty-fifth Session for the 2004-2005 biennium;
  - b. The indicative Administrative Budget for 2005 will be reviewed and approved at the end of 2004; and
  - c. The Executive Director will circulate any proposed amendments to the Financial Rules needed to implement 1.a and 1.b for the consideration by Council at the Thirty-fourth Session.
2. Project Formulation, Monitoring and Evaluation
  - a. At its Twenty-fifth session, the Expert Panel on the Technical Appraisal of Project and Pre-Project Proposals will be extended one day to consider and recommend measures to improve the project and pre-project appraisal process, including measures to strengthen assistance to Members in project formulation under PD 73/89 (M,F,I) "Assistance for Project Identification and Formulation", and report to the Council at its Thirty-fourth Session. The Executive Director is requested to invite two outgoing experts to participate in this process to provide continuity
  - b. The Executive Director will establish, maintain, regularly update and circulate annually to Members, a "roster of experts" on ITTO project formulation; and
  - c. The Executive Director will consider ways to strengthen the monitoring and evaluation capacity of the Secretariat and report to Council at its Thirty-fourth Session.

3. Streamlining the Work of the Committees

Beginning with the Thirty-fourth Session, the Committee on Forest Industry (CFI) and the Committee on Economic Information and Market Intelligence (CEM) will meet in joint sessions only, with a view to integrating their work.

4. Streamlining Council Decision-Making Procedures

- a. The Council will give guidance to the Executive Director through the Council Chairperson on routine or non-controversial matters not having financial implications. This guidance will be included in the Report of the Session, not reflected as decisions of Council;
- b. In order for draft decisions by Members to be considered by Council, the following procedures will be adopted:
  - In relation to the Provisional Agenda, Members submit proposals for Council decisions to the Executive Director for circulation to all Members not less than two weeks prior to Council. Each proposal contains three elements: the subject, the purpose of the decision, and the proposed action, including any financial implications. The Executive Director will not circulate incomplete proposals.
  - Minus Day 1: The IAG considers the proposals for Council decisions from Members, as well as proposals from the Executive Director.
  - Council Day 1: The Chairperson presents the proposals to Council as part of the IAG report and identifies which, if any, can be handled per 4.a above.
  - Day 2: The proposals for draft decisions are discussed in Caucuses and via informal consultations.
  - Day 3: The Council decides the topics it will consider for decision; then the Chairperson, assisted by a small group and the Executive Director, develops preliminary draft decisions for circulation to and consideration by all Members.
  - Day 4+: The Chairperson's Open-Ended Drafting Group convenes to discuss and finalize draft decisions.
  - Noon, Penultimate Day: Final decisions are submitted for translation. Decisions still under negotiation are deferred to the next Council Session.
- c. These procedures will be reviewed at the Thirty-fourth Session.

**Part C – Measures Regarding Arrears to the Administrative Account**

1. The Executive Director is authorized to write off, on an annual basis, one-fifth of a Member's arrears of the period 1986-1996 for any Member which has no arrears in its contributions to the Administrative Budget in respect to its obligations related to the year 2002 and beyond; and
2. The Secretariat will not process project and pre-project proposals submitted by Members with cumulative arrears to the Administrative Account beginning from 2002 which are equal to or in excess of three times the Member's annual assessed contribution in the year proposals are submitted.

**ANNEX II**

**SCHEDULE OF COUNCIL SESSIONS AND ITTA RENEGOTIATIONS**

May 2003	34 <sup>th</sup> Council Session (6 days) + PrepCom I Venue: Panama
November 2003	35 <sup>th</sup> Council Session (6 days) + PrepCom II Venue: Yokohama
May 2004	36 <sup>th</sup> Council Session (4 days: 2 days for Council and 2 days for Joint Committees) + UNCTAD Renegotiation I (5 days) Venue: Geneva (to be confirmed for Council Session)
November 2004	37 <sup>th</sup> Council Session (6 days) Venue: Yokohama
December 2004 or January 2005	UNCTAD Renegotiation II Venue: Geneva
May 2005	38 <sup>th</sup> Council Session (3 days: 2 days for Joint Committees and CFA and 1 day for Council) Venue: Brazzaville
November 2005	39 <sup>th</sup> Council Session (6 days) Venue: Yokohama

\* \* \*