

Distr.  
GENERAL

ITTC(XI)/19  
4 December 1991

Original: ENGLISH

ELEVENTH SESSION  
28 November - 4 December 1991  
Yokohama

DECISION 5 (XI)

FINANCIAL RULES AND  
RULES RELATING TO PROJECTS

The International Tropical Timber Council,

Affirming the importance of project activities as described in Article 23 of the ITTA, 1983,

Reaffirming the Financial Rules and Rules relating to Projects as set forth by the Council at its Third Session in document ITTC(III)/17,

Having considered Decision 2(X) of the Council at its Tenth Session, and in particular paragraph 8 of Annex 2, being adjustments to the project cycle which came into force on 1 July 1991,

Desiring to clarify the interpretation of the above-mentioned paragraph 8 of Annex 2 to Decision 2(X),

Defines ITTO Secretariat Costs Related to Projects as comprising the costs of:

- (a) monitoring progress in the implementation of projects, including remuneration and travel expenses of consultants and experts and travel expenses of ITTO staff on missions directly related to specific projects;
- (b) evaluating the achievements of projects either after completion or at the end of a distinct phase, including the payments and expenses of the kind specified in a) above;
- (c) administering the project, including the expenses of telecommunications, bank charges, and costs of financial control.

Reiterates that all ITTO Secretariat costs related to Projects shall be charged to the Project budget, as agreed in paragraph 8 of Annex 2 to Decision 2(X).

/...

Decides that, as from the date of this decision, monitoring and evaluation costs {(a) and (b) above} shall be specified in the project document based upon the actual needs of the project, and administrative costs {(c) above} shall comprise five percent of the total project budget. Administrative costs should be commingled for general use of all projects under the heading "Programme Support" in the Special Account, but monitoring and evaluation costs must be specified for each project.

Further decides that for projects where ITTO is the executing agency the sum of monitoring, evaluation, and administrative costs shall not exceed ten percent of the project budget but that the administrative costs may exceed five percent of the project budget should the special needs of the project require this.

-----