



INTERNATIONAL TROPICAL TIMBER COUNCIL

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Yokohama, Japan

DECISION 3 (XXXV) EXECUTING AGENCIES ACCOUNT

The International Tropical Timber Council,

Noting that the “Financial Rules and Rules Relating to Projects of the International Tropical Timber Organization” adopted by the International Tropical Timber Council through Decision 6(XXIII) of December 1997, specifically dealt with the three Financial accounts of the Organization established through Article 18, paragraph 1 (a), (b) and (c), and elaborated under Articles 19, 20 and 21 of the ITTA, 1994;

Also noting Article 23 “Audit and publication of accounts”;

Recognizing that the current format of the Special Account and the Bali Partnership Fund Account includes “funds committed for projects and pre-projects” and consequently this is included in the “cash and time deposits”, thus providing misleading information about the available fund status of the Organization;

Taking note of Article 18, paragraph 1 (d), of the International Tropical Timber Agreement, 1994, which states that “there shall be established such other accounts as the Council shall deem appropriate and necessary”;

Decides to:

1. Establish with effect from the year ended 31 December 2003, a Financial Account – (henceforth named the Executing Agencies Account); independent of the existing accounts of the International Tropical Timber Organization (Administrative Account, Special Account and the Bali Partnership Fund Account);
2. Authorize the Executive Director to transfer into the Executing Agencies Account, the funds committed for Projects, Pre-Projects and Activities pending disbursements; and accordingly, the funds committed are to be excluded from the cash and time deposits (of the Special Account and the Bali Partnership Fund Account);
3. Authorize the Executive Director to transfer fifty per cent of interest earned on the Executing Agencies Account to the “unearmarked fund” in the Special Account, and to transfer the remaining balance of interest earned into the Bali Partnership Fund in accordance with Article 21 of the ITTA, 1994, and Rule 19 of the “Financial Rules and Rules Relating to Projects”; and
4. Request the Executive Director to submit an auditor's report (separate from the report of the ITTO Accounts) on the Executing Agencies Account to the Council, as soon as possible after the close of the financial year, but not later than six months after that date and in any case not later than two months before the next session of the Council. Auditor's expenses for the report are to be charged to the Special Account and the Bali Partnership Fund Account.