



DECISION WITHOUT MEETING

5 June 2020

Yokohama, Japan

DECISION 2 (LV.1)

MANAGEMENT OF THE ADMINISTRATIVE BUDGET FOR 2019-2020

The International Tropical Timber Council,

Appreciating the continuing efforts made by the Executive Director and his staff in exercising cost savings in the expenditures from the Administrative Budget for the years 2019-2020;

Noting with concern the insufficient receipts of contributions to-date from Members to the Administrative Budget for 2019-2020;

Recognizing that in 2019, a deficit of approximately \$580,000 was incurred between expenditures under the approved Administrative Budget and assessed contributions received from Members, and that the receipts of contributions from Members to the Administrative Budget for the remainder of 2020 might fall short of the estimated total expenditure for 2020;

Recalling Decision 2(XXXIV) which authorizes the Executive Director to transfer, if and when necessary, an amount not exceeding US\$300,000.00 annually from the Working Capital Reserve to the current account in the Administrative Account to meet the shortfall of funds to implement the work programme of the Organization;

Further noting that the current balance of the Working Capital Reserve is approximately US\$5.8 million;

Decides to:

1. Authorize the Executive Director to transfer, in addition to the amount of US\$300,000.00 annually authorized in Decision 2(XXXIV), an amount not exceeding US\$300,000.00 from the Working Capital Reserve to meet the shortfall of funds for the Administrative Budget for 2019, and, if necessary, an amount not exceeding US\$1,000,000.00 from the Working Capital Reserve to the current account in the Administrative Account to meet the shortfall of funds to implement the work programme of the Organization for the year 2020;
2. Request members to pay as early as possible, and in full, their contributions to the Administrative Budget for 2020, as well as all arrears in contributions from previous years, to prevent further depletion of the Organization's savings through the utilization of the Working Capital Reserve to meet the shortfall in contributions; and
3. Urge the Secretariat to continue to undertake appropriate cost saving measures as necessary under the Administrative Budget for 2020.

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