



**INTERNATIONAL TROPICAL
TIMBER COUNCIL**

**COMMITTEE ON
FINANCE AND ADMINISTRATION**

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GENERAL

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13 - 17 November 2023
Pattaya, Thailand

**STATUS OF THE ADMINISTRATIVE ACCOUNT
FOR THE FINANCIAL YEAR 2023**

[Item 6 of the Provisional Agenda]

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SUMMARY STATEMENT ON THE ADMINISTRATIVE BUDGETS

(As at 11 October 2023)

A. Administrative Budget 2023:

1) Contributions received up to 11 October 2023		
- Producers	1,459,510.71	
- Consumers	<u>3,656,745.00</u>	\$5,116,255.71
2) Estimated contributions expected before 31 December 2023		\$0.00
3) Arrears		\$1,092,510.06
4) Funds authorized by Council for utilization in 2023		\$0.00
- Bank interest utilized for 2023 Administrative Budget		\$0.00
5) Less Estimated Expenditures up to 31 December 2023		<u>(\$5,558,910.50)</u>
	Estimated Surplus (Deficit) in 2023:	<u>\$649,855.27</u>

Assessed contribution collection rate for Year 2023 as at 11 October 2023 is 71.32 % of total assesment \$7,173,648.

B. Contributions to be paid to the Administrative Budgets:

1) Administrative Budget for the Financial Year 2023		
- Producers	1,912,345.87	
- Consumers	<u>145,046.00</u>	\$2,057,391.87
2) Arrears in Contributions to Previous Budgets (1986-2022)		
- Producers	7,929,773.00	
- Consumers	605,125.00	
- Former Members	<u>1,707,005.72</u>	\$10,241,903.72
3) Interest charges levied on late contributions		
- Producers	15,333.58	
- Consumers	0.00	
- Former Members	<u>31,043.56</u>	\$46,377.14

Total Arrears and Interest Charges as at 11 October 2023: \$12,345,672.73

4) Less contributions expected before 31 Dec. 2023 \$0.00

Expected Total Arrears and Interest Charges at 31 Dec. 2023: \$12,345,672.73

C. Special Reserved Fund (To be utilized at Council's approval) \$2,500,000.00

D. Working Capital Reserve:

Funds available as at 31 December 2022 \$7,721,032.36

Less Estimated (Surplus) Deficit in 2023: (\$649,855.27)

- Amount expended under Decisor 4(LVI) \$33,218.64

- Amount expended under Decisor 4(LVIII) \$6,900.00

Estimated Balance of Working Capital Reserve (as at 31 December 2023): \$8,330,768.99

E. Interest Income (for hiring Consultants/Contractors) - Financial rule (Rule5.10):

Interest income available as at 31 December 2022 \$227,717.24

Add - Interest earned (during January - September 2023) \$582.30

Balance of Interest Income (as at 11 October 2023): \$228,299.54

Administrative Budget for the Financial Year 2023- Current Expenditures

(As at 11 October 2023)

Part A. BASIC ADMINISTRATIVE COSTS

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Budget Heading	Approved Allocation	Total Estimated Expenditures for 2023			BALANCE Surplus or (Deficit)	
		Actual (Jan. - Sep.)	Estimated (Oct. - Dec.)	Total		
	[A]	[B]	[C]	[D] {B + C}	[C] {A - D}	
A. SALARIES AND BENEFITS						
A1. A01	Salaries	2,444,714	\$1,496,882	\$632,017	\$2,128,898	315,816
A2. A02	Tax Refund	[395,551	205,975	\$53,695	259,670	135,881]*/
A3. A03	Post Adjustment	988,624	442,873	\$246,041	688,914	299,710
A4. A04	Rental Subsidy	2,389	0	\$0	0	2,389
A5. A05	Education Grant (incl. Education Travel)	263,718	42,375	\$31,000	73,375	190,343
A6. A06	Dependency Allowance	194,829	90,655	\$35,255	125,910	68,919
A7. A07	Home Leave	93,452	56,878	\$0	56,878	36,574
A8. A08	Language Allowance	0	0	\$0	0	0
A9. A09	Overtime	23,797	0	\$0	0	23,797
A10. A10	Mobility & Hardship Allowance	5,292	0	\$0	0	5,292
A11. A11	Separation Benefits	320,117	0	\$0	0	320,117
A12. A12	Removal Costs	53,640	0	\$0	0	53,640
A13. A13	Repatriation/Recruitment Travel	102,200	0	\$0	0	102,200
	Component Total:	<u>\$4,492,772</u>	<u>\$2,129,663</u>	<u>\$944,312</u>	<u>\$3,073,975</u>	<u>\$1,418,797</u>
B. INSTALLATION COSTS						
B1. B01	Assignment Grant	59,200	0	\$0	0	59,200
B2. B02	Lumpsum Benefit	64,100	0	\$0	0	64,100
	Component Total:	<u>\$123,300</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$123,300</u>
C. OFFICIAL TRAVEL						
C1. C01	Transportation/Tickets	99,746	14,147	\$85,599	99,746	0
C2. C02	DSA & Travel Expenses	54,905	30,000	\$24,905	54,905	0
	Component Total:	<u>\$154,651</u>	<u>\$44,147</u>	<u>\$110,504</u>	<u>\$154,651</u>	<u>\$0</u>
D. SOCIAL SECURITY						
D1. D01	Provident Fund	663,250	395,499	\$261,165	656,664	6,586
D2. D02	Accident/Health Insurance	147,572	105,160	\$37,053	142,213	5,359
D3. D03	Japanese National Scheme	161,057	56,342	\$47,265	103,607	57,450
	Component Total:	<u>\$971,879</u>	<u>\$557,001</u>	<u>\$345,483</u>	<u>\$902,484</u>	<u>\$69,395</u>
E. SPECIAL ACTIVITIES						
E1. E01	Consultants	30,634	0	\$20,000	20,000	10,634
E2. E02	Workshops and Meetings	10,003	7,594	\$805	8,399	1,604
E3. E03	Other Activities (Legal Advisor)	11,690	0	\$6,000	6,000	5,690
	Component Total:	<u>\$52,327</u>	<u>\$7,594</u>	<u>\$26,805</u>	<u>\$34,399</u>	<u>\$17,928</u>
F. DATA PROCESSING						
F1. F01	Computer Software and Servicing	54,891	20,677	\$34,214	\$54,891	0
F2. F02	Network, Hardware and Supplies	83,205	60,970	\$22,235	83,205	0
F3. F03	Training and Staff Development	6,548	0	\$4,584	4,584	1,964
	Component Total:	<u>\$144,644</u>	<u>\$81,648</u>	<u>\$61,032</u>	<u>\$142,680</u>	<u>\$1,964</u>

*/ Applied to Japanese Staff only, and payable by Japan. This item is not included in the budget total.

Budget Heading	Approved Allocation	Total Estimated Expenditures for 2023			BALANCE Surplus or (Deficit)	
		Actual (Jan. - Sep.)	Estimated (Oct. - Dec.)	Total		
	[A]	[B]	[C]	[D]	[E]	
				{B + C}	{A - D}	
G. OTHER COSTS						
G1. G01	Communications	35,621	6,752	\$20,255	27,007	8,614
G2. G02	Publications	29,165	0	\$29,165	29,165	0
G3. G03	Transport	68,601	20,602	\$14,879	35,481	33,120
G4. G04	Library	12,765	3,810	\$0	3,810	8,955
G5. G05	Supplies	30,735	6,157	\$5,384	11,540	19,195
G6. G06	Hospitality	15,258	5,898	\$5,000	10,898	4,360
G7. G07	Bank Charges	23,799	10,109	\$3,370	13,478	10,321
G8. G08	Audit	138,472	125,179	\$13,293	138,472	0
G9. G09	Miscellaneous	6,414	397	\$800	1,197	5,217
	Component Total:	\$360,830	\$178,904	\$92,145	\$271,049	\$89,781
H. COUNCIL MEETINGS						
H1. H01	Costs not met by Host Country	8,457	0	\$8,457	8,457	0
H2. H02	Council Session Outside Japan ****/	200,000	59,424	\$140,576	200,000	0
	Component Total:	\$208,457	\$59,424	\$149,033	\$208,457	\$0
I. COSTS MET BY JAPAN						
I1. I01	Office, equipment, utilities	***/	***/	***/	***/	***/
I2. I02	Council Meetings	***/	***/	***/	***/	***/
I3. I03	Initial Travel	***/	***/	***/	***/	***/
I4. I04	Removal Costs	***/	***/	***/	***/	***/
I5. I05	Supporting Staff	***/	***/	***/	***/	***/
	Component Total:	***/	***/	***/	***/	***/
J. CONTINGENCY RESERVE						
	Component Total:	--	--	--	--	--
K. ALLOCATION FROM WORKING CAPITAL ACCOUNT						
	Component Total:	(304,565)	0	0	0	(304,565)
GRAND TOTAL:		\$6,204,295	\$3,058,380	\$1,729,315	\$4,787,695	\$1,416,600

***/ Paid directly or reimbursable by Japan based on actual expenditures.

****/ The Council, in its Decision 7(XLVI), decided that "the costs for convening a Council session outside Headquarters, covered by the Administrative budget, in any two-year period shall be budgeted equally between the two years and shall not exceed US\$400,000 in total".

Part B. CORE OPERATIONAL COSTS

Budget Heading	Approved Allocation	Total Estimated Expenditures for 2023			BALANCE Surplus or (Deficit)	
		Actual (Jan. - Sep.)	Estimated (Oct. - Dec.)	Total		
O. COMMUNICATION AND OUTREACH						
O1. O01	Publications (including TFU)	195,000	60,122	\$120,779	180,902	14,098
O2. O02	Outreach (conferences, side events, booths)	155,000	25,886	\$109,898	135,785	19,215
O3. O03	ITTO Website	85,000	30,407	\$51,177	81,583	3,417
	Component Total:	\$435,000	\$116,415	\$281,855	\$398,269	\$36,731
P. EXPERT MEETINGS BY COUNCIL						
P1. P01	Expert Meetings/Workshops	110,000	5,946	\$12,000	17,946	92,054
P2. P02	Other Meetings as Decided by Council	0	0	\$0	0	0
	Component Total:	\$110,000	\$5,946	\$12,000	\$17,946	\$92,054
Q. POLICY WORK						
Q1. Q01	Action Plan	0	0	\$0	0	0
Q2. Q02	Guidelines, Manuals, Studies, etc.	0	0	\$0	0	0
	Component Total:	\$0	\$0	\$0	\$0	\$0
R. STATISTICS, STUDIES & INFORMATION						
R1. R01	Market Information Services (MIS)	210,000	130,000	\$80,000	210,000	0
R2. R02	Market Discussion	35,000	0	\$35,000	35,000	0
R3. R03	Relevant Market Studies	0	0	\$0	0	0
R4. R04	Work on Statistics	20,000	0	\$20,000	20,000	0
	Component Total:	\$265,000	\$130,000	\$135,000	\$265,000	\$0
S. ANNUAL REPORT & BIENNIAL REVIEW						
S1. S01	Annual Report	30,000	7,658	\$22,342	30,000	0
S2. S02	Biennial Review	60,000	10,000	\$50,000	60,000	0
S3. S03	Promotion of Exchange of Views	0	0	\$0	0	0
	Component Total:	\$90,000	\$17,658	\$72,342	\$90,000	\$0
GRAND TOTAL:		\$900,000	\$270,019	\$501,196	\$771,216	\$128,784

ADMINISTRATIVE BUDGET GRAND TOTAL: **\$7,104,295** **\$3,328,399** **\$2,230,512** **\$5,558,910** **\$1,545,385**

Annex 1: Disclosures required by the Financial Rules

List of payments greater than \$100,000 subject to Bid and Tender process and to be reported to the CFA (Financial Rules, Annex6, 3.1.i)

Amount of payment	Description
N/A	N/A

List of sole suppliers subject to CFA endorsement (Financial Rules, Annex6, 3.1.m)

Name of Supplier	Description
Diverta	Developer and web hosting service provider for ITTO's homepage
Utmost	Fund management company for ITTO's provident fund
Triforce Global Solutions KK	Developer of ITTO's accounting system
Inspiring Inc	Maintenance company for ITTO's approval systems
Hakon Holm Grafisk ApS	Printing company with capabilities for designing and printing in ITTO's official languages and can distributes products globally to ITTO member countries at a competitive price.
Sumitomo Denko	Developer and web hosting service provider for ITTO's electronic approval system.
Design One	Design company which has been providing design and layout services for ITTO publications, such as Policy series, Technical series, TFU, annual reports and others, giving a unified look.
Increase Corporation	Japanese design and Public relations company which provides design and PR solutions for Japanese audience.
Sarre et Al	Writing and editing services specialize in forestry topics.
Stephen Graham	Editing services for forestry topics
CIG	Interpreting and translation service provider
Pacifico Yokohama	Venue for the International Tropical Timber Council

List of bad debt write offs subject to approval by the Council through the CFA (Financial Rules, Annex6, 4.9)

Amount of write off	Description
N/A	N/A

Banks and financial institutions approved by the Council: (Financial Rules, Annex2, Appendix1)

- MUFG Bank, Ltd.
 - Sumitomo Mitsui Banking Corporation
 - Citibank
 - Bank of Yokohama
 - HSBC
 - Daiwa Securities Group
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