



# INTERNATIONAL TROPICAL TIMBER COUNCIL

## COMMITTEE ON FINANCE AND ADMINISTRATION

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### STATUS OF THE ADMINISTRATIVE ACCOUNT FOR THE FINANCIAL YEAR 2024

[ Item 6 of the Provisional Agenda ]

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**SUMMARY STATEMENT ON THE ADMINISTRATIVE BUDGETS**

(As at 14 November 2024 )

**A. Administrative Budget 2024:**

1)	Contributions received up to 14 November 2024		
	- Producers .....	2,029,428.01	
	- Consumers .....	<u>3,394,981.09</u>	\$5,424,409.10
2)	Estimated contributions expected before 31 December 2024		\$446,965.00
3)	Payments made in 2024 for arrears		\$560,360.98
4)	Funds authorized by Council for utilization in 2024		\$0.00
	- Bank interest utilized for 2024 Administrative Budget . . . . .		\$0.00
5)	Less Estimated Expenditures up to 31 December 2024		<u>(\$6,115,374.47)</u>
	<b>Estimated Surplus (Deficit) in 2024:</b>		<b><u>\$316,360.61</u></b>

Assessed contribution collection rate for Year 2024 as at 14 November 2024 is 75.74 % of total assesement \$7,161,588.09.

**B. Contributions to be paid to the Administrative Budgets:**

1)	Administrative Budget for the Financial Year 2024		
	- Producers .....	1,250,793.99	
	- Consumers .....	<u>486,385.00</u>	\$1,737,178.99
2)	Arrears in Contributions to Previous Budgets (1986-2023)		
	- Producers .....	8,856,448.78	
	- Consumers .....	438,631.00	
	- Former Members .....	<u>1,707,005.72</u>	\$11,002,085.50
	Total Arrears as at 14 November 2024:		<u>\$12,739,264.49</u>
3)	Less contributions expected before 31 Dec. 2024		<u>(\$446,965.00)</u>
	Expected Total Arrears and Charges at 31 Dec. 2024:		<u>\$12,292,299.49</u>

**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 2023 \$7,669,921.62

<b>Less</b>	Estimated (Surplus) Deficit in 2024:	(\$316,360.61)
	- Amount expended under Decisor 4(LVI)	\$5,209.99
	- Amount expended under Decisor 4(LVI)	\$52,114.76
	- Amount expended under Decisor 4(LVIII)	\$4,710.00

Estimated Balance of Working Capital Reserve (as at 31 December 2024): \$7,924,247.48

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

Interest income available as at 31 December 2023 \$249,132.24

**Add** - Interest earned (during January - September 2024) \$109,886.97

Balance of Interest Income (as at 14 November 2024): \$359,019.21

## Administrative Budget for the Financial Year 2024- Current Expenditures

(As at 14 November 2024 )

### Part A. BASIC ADMINISTRATIVE COSTS

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Budget Heading	Approved Allocation	Total Estimated Expenditures for 2024			BALANCE Surplus or (Deficit)
		Actual (Jan. - Sep.)	Estimated (Oct. - Dec.)	Total	
	[A]	[B]	[C]	[D] {B + C}	[C] {A - D}
<b>A. SALARIES AND BENEFITS</b>					
A1. Salaries	2,258,490	1,416,574	535,890	1,952,463	306,027
A2. Tax Refund	228,347	205,975	22,372	228,347	0
A3. Post Adjustment	696,001	466,809	191,345	658,154	37,847
A4. Rental Subsidy	2,041	0	0	0	2,041
A5. Education Grant (incl. Education Travel)	117,296	12,865	65,408	78,273	39,023
A6. Dependency Allowance	141,625	78,625	30,576	109,201	32,424
A7. Home Leave	36,847	26,927	0	26,927	9,920
A8. Language Allowance	0	0	0	0	0
A9. Overtime	25,305	0	0	0	25,305
A10. Mobility & Hardship Allowance	11,340	0	0	0	11,340
A11. Separation Benefits	332,488	223,985	0	223,985	108,503
A12. Removal Costs	121,000	67,000	13,000	80,000	41,000
A13. Repatriation/Recruitment Travel	218,000	35,545	796	36,341	181,659
Component Total:	\$3,960,433	\$2,328,329	\$837,015	\$3,165,344	\$795,089
<b>B. INSTALLATION COSTS</b>					
B1. Assignment Grant	62,000	18,210	15,030	33,240	28,760
B2. Lumpsum Benefit	67,250	14,481	25,649	40,130	27,120
Component Total:	\$129,250	\$32,691	\$40,679	\$73,370	\$55,880
<b>C. OFFICIAL TRAVEL</b>					
C1. Transportation/Tickets	166,085	15,952	150,133	166,085	0
C2. DSA & Travel Expenses	84,905	30,000	54,905	84,905	0
Component Total:	\$250,990	\$45,952	\$205,038	\$250,990	\$0
<b>D. SOCIAL SECURITY</b>					
D1. Provident Fund	645,986	390,337	246,979	637,316	8,670
D2. Accident/Health Insurance	148,905	104,735	39,821	144,556	4,349
D3. Japanese National Scheme	162,635	92,249	36,079	128,328	34,307
Component Total:	\$957,526	\$587,321	\$322,879	\$910,200	\$47,326
<b>E. SPECIAL ACTIVITIES</b>					
E1. Consultants	99,516	23,620	75,896	99,516	0
E2. Workshops and Meetings	50,088	0	50,088	50,088	0
E3. Other Activities (Legal Advisor)	11,143	0	6,000	6,000	5,143
Component Total:	\$160,747	\$23,620	\$131,984	\$155,604	\$5,143
<b>F. DATA PROCESSING</b>					
F1. Computer Software and Servicing	47,004	23,619	23,385	47,004	0
F2. Network, Hardware and Supplies	71,262	50,936	20,326	71,262	0
F3. Training and Staff Development	5,300	0	4,373	4,373	928
Component Total:	\$123,566	\$74,554	\$48,084	\$122,639	\$928

\*/ 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 2024			BALANCE Surplus or (Deficit)
		Actual (Jan. - Sep.)	Estimated (Oct. - Dec.)	Total	
	[A]	[B]	[C]	[D] {B + C}	[E] {A - D}
<b>G. OTHER COSTS</b>					
G1. Communications	27,791	9,056	16,029	25,084	2,707
G2. Publications	24,254	0	24,254	24,254	0
G3. Transport	54,163	10,604	34,119	44,723	9,440
G4. Library	11,413	4,320	2,338	6,658	4,755
G5. Supplies	24,432	12,674	9,013	21,687	2,745
G6. Hospitality	50,685	7,129	33,722	40,852	9,833
G7. Bank Charges	20,794	11,718	3,997	15,715	5,079
G8. Audit	148,793	108,078	40,715	148,793	0
G9. Miscellaneous	6,405	348	145	493	5,912
Component Total:	\$368,730	\$163,928	\$164,331	\$328,259	\$40,471
<b>H. COUNCIL MEETINGS</b>					
H1. Costs not met by Host Country	25,479	0	25,479	25,479	0
H2. Council Session Outside Japan ****/	200,000	0	200,000	200,000	0
Component Total:	\$225,479	\$0	\$225,479	\$225,479	\$0
<b>I. COSTS MET BY JAPAN</b>					
I1. Office, equipment, utilities	***/	***/	***/	***/	***/
I2. Council Meetings	***/	***/	***/	***/	***/
I3. Initial Travel	***/	***/	***/	***/	***/
I4. Removal Costs	***/	***/	***/	***/	***/
I5. Supporting Staff	***/	***/	***/	***/	***/
Component Total:	***/	***/	***/	***/	***/
<b>J. CONTINGENCY RESERVE</b>	--	--	--	--	--
Component Total:	--	--	--	--	--
<b>K. ALLOCATION FROM WORKING CAPITAL AC</b>	(72,493)	0	0	0	(72,493)
<b>GRAND TOTAL:</b>	<b>\$6,104,228</b>	<b>\$3,256,396</b>	<b>\$1,975,489</b>	<b>\$5,231,885</b>	<b>\$872,343</b>

\*\*\*/ 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 2024			BALANCE Surplus or (Deficit)
		Actual (Jan. - Sep.)	Estimated (Oct. - Dec.)	Total	
<b>O. COMMUNICATION AND OUTREACH</b>					
O1. Publications (including TFU)	195,000	68,430	119,521	187,951	7,049
O2. Outreach (conferences, side events, booths)	200,000	74,207	119,147	193,353	6,647
O3. ITTO Website	85,000	16,694	61,640	78,334	6,666
Component Total:	\$480,000	\$159,331	\$300,308	\$459,638	\$20,362
<b>P. EXPERT MEETINGS BY COUNCIL</b>					
P1. Expert Meetings/Workshops	110,000	3,953	9,898	13,851	96,149
P2. Other Meetings as Decided by Coun	0	0	0	0	0
Component Total:	\$110,000	\$3,953	\$9,898	\$13,851	\$96,149
<b>Q. POLICY WORK</b>					
Q1. Action Plan	0	0	0	0	0
Q2. Guidelines, Manuals, Studies, etc.	0	0	0	0	0
Component Total:	\$0	\$0	\$0	\$0	\$0
<b>R. STATISTICS, STUDIES &amp; INFORMATION</b>					
R1. Market Information Services (MIS)	250,000	165,450	84,550	250,000	0
R2. Market Discussion	50,000	0	50,000	50,000	0
R3. Relevant Market Studies	0	0	0	0	0
R4. Work on Statistics	20,000	16,672	3,328	20,000	0
Component Total:	\$320,000	\$182,122	\$137,878	\$320,000	\$0
<b>S. ANNUAL REPORT &amp; BIENNIAL REVIEW</b>					
S1. Annual Report	30,000	5,000	25,000	30,000	0
S2. Biennial Review	60,000	20,000	40,000	60,000	0
S3. Promotion of Exchange of Views	0	0	0	0	0
Component Total:	\$90,000	\$25,000	\$65,000	\$90,000	\$0
<b>GRAND TOTAL:</b>	<b>\$1,000,000</b>	<b>\$370,406</b>	<b>\$513,084</b>	<b>\$883,489</b>	<b>\$116,511</b>

<b>ADMINISTRATIVE BUDGET GRAND TOTAL</b>	<b>\$7,104,228</b>	<b>\$3,626,802</b>	<b>\$2,488,573</b>	<b>\$6,115,374</b>	<b>\$988,854</b>
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## 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
Inkish Publishing 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