



INTERNATIONAL TROPICAL TIMBER COUNCIL

COMMITTEE ON
FINANCE AND ADMINISTRATION

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Panama City, Panama

STATUS OF THE ADMINISTRATIVE ACCOUNT FOR THE FINANCIAL YEAR 2025

[Item 6 of the Provisional Agenda]

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SUMMARY STATEMENT ON THE ADMINISTRATIVE BUDGETS

(As at 16 September 2025)

A. Administrative Budget 2025:

1)	Contributions received up to 16 September 2025		
	- Producers	1,053,999.08	
	- Consumers	3,492,193.47	\$4,546,192.55
2)	Estimated contributions expected before 31 December 2025		\$74,318.00
3)	Arrears received in the current year		\$672,476.26
4)	Funds authorized by Council for utilization in 2025		\$0.00
	- Bank interest utilized for 2025 Administrative Budget		\$0.00
5)	Less Estimated Expenditures up to 31 December 2025		(\$5,921,468.06)
	Estimated Surplus (Deficit) in 2025:		(\$628,481.25)

Assessed contribution collection rate for Year 2025 as at 16 September 2025 is 63.48% of total assesement \$7,161,588.09.

B. Contributions to be paid to the Administrative Budgets:

1)	Administrative Budget for the Financial Year 2025		
	- Producers	2,226,248.92	
	- Consumers	389,198.00	\$2,615,446.92
2)	Arrears in Contributions to Previous Budgets (1986-2024)		
	- Producers	9,795,083.51	
	- Consumers	478,051.00	
	- Former Members	1,707,005.72	\$11,980,140.23
	Total Arrears as at 16 September 2025		\$14,595,587.15
3)	Less contributions expected before 31 Dec. 2025		(\$74,318.00)
	Expected Total Arrears and Charges at 31 Dec. 2025:		\$14,521,269.15

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 2024		\$8,543,168.89
Less	Estimated (Surplus) Deficit in 2025:		\$628,481.25
	- Amount expended under Decision 4(LVI)		\$4,014.73
	Estimated Balance of Working Capital Reserve (as at 31 December 2025):		\$7,910,672.91

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

	Interest income available as at 31 December 2024		\$404,260.47
Add	- Interest earned (during January - August 2025)		\$64,634.89
	Balance of Interest Income (as at 1 September 2025):		\$468,895.36

Administrative Budget for the Financial Year 2025- Current Expenditures

(As at 1 September 2025)

Part A. BASIC ADMINISTRATIVE COSTS

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Budget Heading	Approved Allocation	Total Estimated Expenditures for 2025			BALANCE Surplus or (Deficit)
		Actual (Jan. - Aug.)	Estimated (Sep. - Dec.)	Total	
	[A]	[B]	[C]	[D] {B + C}	[E] {A - D}
A. SALARIES AND BENEFITS					
A1. Salaries	2,303,660	1,330,905	734,152	2,065,057	238,603
A2. Tax Refund	237,668	205,975	31,693	237,668	0] */
A3. Post Adjustment	709,921	416,744	232,248	648,992	60,929
A4. Rental Subsidy	2,041	0	0	0	2,041
A5. Education Grant (incl. Education Travel)	117,296	5,897	43,296	49,193	68,103
A6. Dependency Allowance	144,458	78,350	38,465	116,815	27,643
A7. Home Leave	134,653	23,895	16,253	40,148	94,505
A8. Language Allowance	0	0	0	0	0
A9. Overtime	25,811	0	0	0	25,811
A10. Mobility & Hardship Allowance	11,340	0	0	0	11,340
A11. Separation Benefits	196,159	22,683	116,311	138,994	57,165
A12. Removal Costs	55,500	0	54,000	54,000	1,500
A13. Repatriation/Recruitment Travel	168,000	0	20,514	20,514	147,486
Component Total:	\$3,868,839	\$1,878,474	\$1,255,239	\$3,133,712	\$735,126
B. INSTALLATION COSTS					
B1. Assignment Grant	62,000	0	10,395	10,395	51,605
B2. Lumpsum Benefit	67,250	0	10,157	10,157	57,093
Component Total:	\$129,250	\$0	\$20,552	\$20,552	\$108,698
C. OFFICIAL TRAVEL					
C1. Transportation/Tickets	166,085	20,918	145,167	166,085	0
C2. DSA & Travel Expenses	84,905	30,000	54,905	84,905	0
Component Total:	\$250,990	\$50,918	\$200,072	\$250,990	\$0
D. SOCIAL SECURITY					
D1. Provident Fund	658,906	371,237	248,299	619,536	39,370
D2. Accident/Health Insurance	151,884	107,070	13,186	120,256	31,627
D3. Japanese National Scheme	165,888	41,493	76,122	117,615	48,273
Component Total:	\$976,678	\$519,800	\$337,607	\$857,407	\$119,271
E. SPECIAL ACTIVITIES					
E1. Consultants	99,516	78,284	21,232	99,516	0
E2. Workshops and Meetings	50,088	38,451	11,637	50,088	0
E3. Other Activities (Legal Advisor)	11,143	0	6,000	6,000	5,143
Component Total:	\$160,747	\$116,735	\$38,869	\$155,604	\$5,143
F. DATA PROCESSING					
F1. Computer Software and Servicing	47,004	30,024	16,980	47,004	0
F2. Network, Hardware and Supplies	71,262	50,134	21,128	71,262	0
F3. Training and Staff Development	5,300	0	4,314	4,314	986
Component Total:	\$123,566	\$80,158	\$42,422	\$122,580	\$986

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

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Budget Heading	Approved Allocation	Total Estimated Expenditures for 2025			BALANCE Surplus or (Deficit)
		Actual (Jan. - Aug.)	Estimated (Sep. - Dec.)	Total	
	[A]	[B]	[C]	[D] {B + C}	[E] {A - D}
G. OTHER COSTS					
G1. Communications	27,791	6,033	10,679	16,713	11,078
G2. Publications	24,254	32	24,222	24,254	0
G3. Transport	54,163	12,665	35,116	47,781	6,382
G4. Library	11,413	3,545	1,918	5,463	5,950
G5. Supplies	24,432	8,911	7,129	16,040	8,392
G6. Hospitality	50,685	6,283	34,495	40,779	9,906
G7. Bank Charges	20,794	8,506	4,603	13,109	7,685
G8. Audit	148,793	102,050	46,743	148,793	0
G9. Miscellaneous	6,405	1,368	568	1,936	4,469
Component Total:	\$368,730	\$149,395	\$165,473	\$314,868	\$53,862
H. COUNCIL MEETINGS					
H1. Costs not met by Host Country	25,479	0	25,479	25,479	0
H2. Council Session Outside Japan ****/	200,000	32,827	167,173	200,000	0
Component Total:	\$225,479	\$32,827	\$192,652	\$225,479	\$0
I. COSTS MET BY JAPAN					
I1. Office, equipment, utilities	***/	***/	***/	***/	***/
I2. Council Meetings	***/	***/	***/	***/	***/
I3. Initial Travel	***/	***/	***/	***/	***/
I4. Removal Costs	***/	***/	***/	***/	***/
I5. Supporting Staff	***/	***/	***/	***/	***/
Component Total:	***/	***/	***/	***/	***/
J. CONTINGENCY RESERVE	--	--	--	--	--
Component Total:	--	--	--	--	--
K. ALLOCATION FROM WORKING CAPITAL ACCOUNT	0	0	0	0	0
GRAND TOTAL:	\$6,104,278	\$2,828,306	\$2,252,886	\$5,081,192	\$1,023,086

*** 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 2025			BALANCE Surplus or (Deficit)
		Actual (Jan. - Aug.)	Estimated (Sep. - Dec.)	Total	
O. COMMUNICATION AND OUTREACH					
O1. Publications (including TFU)	195,000	94,176	70,349	164,525	30,475
O2. Outreach (conferences, side events, booths)	200,000	45,820	115,140	160,960	39,040
O3. ITTO Website	85,000	43,312	36,490	79,802	5,198
Component Total:	\$480,000	\$183,308	\$221,979	\$405,287	\$74,713
P. EXPERT MEETINGS BY COUNCIL					
P1. Expert Meetings/Workshops	110,000	17,966	7,022	24,989	85,011
P2. Other Meetings as Decided by Council	0	0	0	0	0
Component Total:	\$110,000	\$17,966	\$7,022	\$24,989	\$85,011
Q. POLICY WORK					
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
R. STATISTICS, STUDIES & INFORMATION					
R1. Market Information Services (MIS)	250,000	162,869	87,131	250,000	0
R2. Market Discussion	50,000	4,426	45,574	50,000	0
R3. Relevant Market Studies	0	0	0	0	0
R4. Work on Statistics	20,000	12,252	7,748	20,000	0
Component Total:	\$320,000	\$179,548	\$140,452	\$320,000	\$0
S. ANNUAL REPORT & BIENNIAL REVIEW					
S1. Annual Report	30,000	3,973	26,027	30,000	0
S2. Biennial Review	60,000	56,531	3,469	60,000	0
S3. Promotion of Exchange of Views	0	0	0	0	0
Component Total:	\$90,000	\$60,504	\$29,496	\$90,000	\$0
GRAND TOTAL:	\$1,000,000	\$441,326	\$398,950	\$840,276	\$159,724

ADMINISTRATIVE BUDGET GRAND TOTAL:	\$7,104,278	\$3,269,632	\$2,651,836	\$5,921,468	\$1,182,810
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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)

Vender	Description
Access Travel	Travel Agency for Business trip
CIG	Interpreting and translation service provider
Claudia Adán	Translator-Spanish
Claudine Fleury	Translator-French
Diverta	Developer and web hosting service provider for ITTO's homepage
Ernst & Young Japan	Audit firm
Increase Corporation	Japanese design and Public relations company which provides design and PR solutions for Japanese audience.
Inkish Publishing Aps	Printing company with capabilities for designing and printing in ITTO's official languages and can distribute products globally to ITTO member countries at a competitive price. Work amounting to more than \$100,000 was ordered for this company in FY2024.
Inspiring Inc	Maintenance company for ITTO's approval systems
Microsoft Corporation	Technology companies that license and support software
Pacifico Yokohama	Venue for the International Tropical Timber Council
Stephen Graham	Editing services for forestry topics
Sumitomo Denko	Developer and web hosting service provider for ITTO's electronic approval system.
Triforce Global Solutions KK	Developer of ITTO's accounting system
Utmost	Fund management company for ITTO's provident fund
Yuka Matsunaga	Translator-Japanese

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
\$1,997.05	Residual funds from the closure of the U.S. Citibank account. ITTO was informed that the only way to recover these funds was for an officer to visit their branch in New York and receive a check. It was deemed that the travel and banking fees would surpass the amount that could be recovered.

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

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