



ITTO

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**PROPOSAL TO REVISE THE BUDGET OF APPROVED PROJECT
PD 31/96 Rev. 2 (M,F,I)**

**"INTRODUCING MYANMAR'S LESSER-KNOWN TIMBER
SPECIES TO THE WORLD MARKET"**

SUBMITTED

BY

GOVERNMENT OF THE UNION OF MYANMAR

Title: A Proposed reallocation of the approved budget for national project manager for ITTO Project PD 31/96 Rev. 2 (M,F,I)

1. Project Identification

- | | | | |
|-----|---------------------|---|--|
| 1.1 | Title | - | Introducing Myanmar's Lesser-known Timber Species to the World Market. |
| 1.2 | Serial Number | - | PD 31/96 Rev. 2 (M,F,I) |
| 1.3 | Implementing Agency | - | Forest Department, Ministry of Forestry. |
| 1.4 | Host Government | - | Union of Myanmar |
| 1.5 | Starting Date | - | 1st April 1997 |
| 1.6 | Duration | - | 36 Months |
| 1.7 | Project Costs | - | ITTO contribution: US\$495,533.50
Myanmar cont.: Kyats9,690.650.00 |

2. Justification of the reallocation of the budget allotted for NPM

Justification of the reallocation of the budget allotted for NPM is US\$54,000. The Forest Department, which is the executing agency of PD 31/96, assigned the Director of Forest Research Institute as the NPM to implement the project due to difficulty finding out an appropriate non-governmental professional to lead the PD 31/96.

2.1 (11) Project Personnel

(a) National Project Manager

The NPM is not allowed to get paid from the ITTO budget because he is a government staff. The PSC, during its first meeting recommended to propose a reallocation of the approved ITTO budget for NPM and get approval from ITTO in order to enhance the working capacity of the NPM by allowing him to use some, but minimum possible amount from the approved budget of the NPM's salary US\$54,000 for undertaking the local travels. The following justifications are observed:

- (i) The NPM has to have frequent duty travels to the project site, to Yangon and also to some other cities to undertake, oversee and facilitate the project activities; and

- (ii) The NPM, being most responsible for the successful implementation of the project, has to use his long-time accumulated expertise at the fullest extent, which deserve some sort of in-kind appreciation. Therefore, it is intended to use an average amount of US\$100.00 per month for his local travels. The total amount of local travels of the NPM will therefore, be US\$3,600, and that amount will be taken from the approved budget of NPM salary of US\$54,000.

(b) Administrative personnel

Two administrative personnel are required to help NPM, one at Yangon and another at Yezin for proper execution of both field and office jobs. The average monthly cost of US\$50.00 to each of the administrative personnel is considered appropriate for the facilitation of field and laboratory works, office administration and communication. They have to frequent visits to some other places such as project site and major cities with furniture markets related to project activities. Therefore, the total amount for them for local travels will be US\$3,600 and will be taken from the approved budget of NPM's salary US\$54,000.

(c) Other labour

This item is intended to use for hiring a secretary and an engineer which are critically essential for successful implementation of the project. The secretary could handle all up dated financing, communication and supporting services. The engineer (electrical) is essential for FRI where not a single engineer is appointed yet. For each post US \$100 is recommended for through out the protect period starting from October 1997. Please note that PD 31/96 starts from 1st April 1997 and therefore the project's first year would be from April 1997 to March 1998.

2.2 (15) Fellowship and Training

Approved budget for this item is US\$28,000. This amount would merely cover the expenses for 6 trainees abroad, 4 during the 1st year and 2 during the 2nd year (Activities 1.3.2 and 2.4.2). Therefore, it is proposed that the budget for fellowship and training component should be revised by adding some budget, from the balance of the approved NPM salary of US\$54,000. To cover all required expenses for fellowship and training component, an amount of US\$19,000 is proposed to be taken from US \$ 54,000 and the breakdown of US\$19,000 will be as follows: US\$2,000 for trainings (overseas), US\$14,000 for study tours (Overseas), and US\$3,000 for two in country trainings.

(a) Training (Overseas)

A total of 6 trainings for one and half to two months would be organized. US\$2,000 will be taken from the balance of approved NPM salary of US\$54,000.

(b) In-country Trainings

Although activity 2.5.3 for in-country training is provided in the Workplan both for 1st and 2nd year, no provision of budget is available from both ITTO and the government side. Therefore, part of the reallocation of NPM's salary is proposed here to utilize for this purpose with an amount of US\$1,500 for each year. In-country trainings for about 10 persons on basic carpentry techniques and making of small wooden articles and selected items of furniture in each course will take 3 to 4 weeks' period. The proposed budget for the total for two trainings is, therefore, US\$3,000 which would be used from the balance of NPM's approved salary of US\$54,000.

(c) Study Tours

It is intended that two study tours on LUS processing and marketing for one-week period for each tour will be organized in the first two years of the project. Each tour will include 3 professionals who are involved in the project activities. It is considered that each tour will cost US\$7,000, with a total of US\$14,000 for the two. This US\$14,000 will also be taken from the balance of NPM's approved salary of US\$54,000.

2.3 Annual Workshop and Seminar, and Sundry

Annual workshop and seminar will be held two times, one at each of the end of the first two years. The total cost is estimated to be of US\$6,000. Again, a budget of US\$15,800 is proposed for sundry. All these costs would be borne from the balance of the NPM's approved budget of US\$54,000.

An annex is given to show the details of the proposed budget reallocation.

**A proposed reallocation of the
approved budget for national project manager for ITTO project
PD 31/96 Rev. 2 (M.F.I)**

Item	Components	Approved Total	Proposed Reallocation	Revised Total	Year 1	Year 2	Year 3
10	<u>Project Personnel</u>						
11	National Expert (Project Manager)	54,000	(-) 54,000	0	-	-	-
13	Consultants						
	International (Two persons)	24,000	0	24,000	24,000	-	-
	National (Three persons) (US\$ 1,000/person/month)	36,000	0	36,000	12,000	18,000	6,000
14	Other Labour (one secretary & one electrician)	0	(+) 6,000	6,000	1,200	2,400	2,400
15	Fellowships and Training						
	(a) Overseas Training (6 Trainees × 1.5-2 months)	28,000	(+) 2,000	30,000	20,000	10,000	-
	(b) Study Tour (overseas) (3 persons × 1 week/each year)	0	(+) 14,000	14,000	7,000	7,000	-
	(c) In-country Training (Two Trainings × US\$ 1,500)	0	(+) 3,000	3,000	1,500	1,500	-
19	Component Total	142,000	(-) 29,000	113,000	65,700	38,900	8,400
30	<u>Duty Travel</u>						
31	Daily Subsistence Allowance(Local)	7,200	0	7,200	2,400	2,400	2,400
32	Local Travel for NPM and administrative personnel	0	(+) 7,200	7,200	2,400	2,400	2,400
33	International Travel	7,000	0	7,000	5,000	2,000	-
39	Component Total	14,200	(+) 7,200	21,400	9,800	6,800	4,800
40	<u>Capital Items</u>						
43	Capital Equipment	216,000	0	216,000	150,000	66,000	-
49	Component Total	216,000	0	216,000	150,000	66,000	-
50	<u>Consumable Items</u>						
53	Utilities	17,500	0	17,500	6,500	5,500	5,500
59	Component Total	17,500	0	17,500	6,500	5,500	5,500
60	<u>Miscellaneous</u>						
61	Sundry	0	(+) 15,800	15,800	5,800	5,000	5,000
62	Publication of Research Papers Pamphlets and Periodicals	23,000	0	23,000	2,000	6,000	15,000
63	Project Office	15,000	0	15,000	5,000	5,000	5,000
66	International Seminar	15,000	0	15,000	-	-	15,000
67	Terminal Report	2,000	0	2,000	-	-	2,000
68	Annual Workshop and Seminar	0	(+) 6,000	6,000	3,000	3,000	-
69	Component Total	55,000	(+) 21,800	76,800	15,800	19,000	42,000
70	<u>ITTO Monitoring, Evaluation, and Evaluation</u>						
71	Monitoring and Evaluation	25,000	0	25,000	-	12,500	12,500
72	Administrative Costs	25,833.5	0	25,833.5	5,833.5	10,000	10,000
79	Component Total	50,833.5	0	50,833.5	5,833.5	22,500	22,500
99	GRAND TOTALS	495,533.5	0	495,533.5	253,633.5	158,700	83,200