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ECONOMIC COMMISSION FOR EUROPE

Administrative Committee for the TIR Convention, 1975

Forty-second session

Geneva, 28 September 2006

Item 3 (b) (iii) of the provisional agenda

ACTIVITIES AND ADMINISTRATION OF THE TIR EXECUTIVE BOARD (TIRExB)

Financial administration of the TIRExB and the TIR secretariat

Budget proposal and cost plan for the year 2007

Note by the TIR Secretary *

1. In accordance with Annex 8, Article 13 of the Convention, the TIRExB has prepared the present budget proposal and a cost plan providing for its operation in the year 2007. The budget proposal and cost plan, as contained in the present document, will be finalized and approved by the TIRExB at its September meeting. Modifications, if any, decided upon by the TIRExB at this meeting, will be reflected in a corrigendum to this document.

2. The budget for the operation of the TIRExB and the TIR secretariat in 2007 is estimated at **US\$1,345,900** (i.e., Cost Plan US\$1,188,200 plus operating cash reserve US\$157,700). However, taking into account the estimated balance at 31 December 2006 available for 2007 operations (US\$390,456), the actual additional amount that will be required for 2007 is estimated at US\$955,000 (rounded). The resources of US\$305,000 exceptionally transferred by

* The UNECE Transport Division has submitted the present document after the official documentation deadline.

IRU in 2004 to be used in the event of termination of the UNECE/IRU agreement, will be left unallotted and carried forward from year to year until required. (See Fund Statement in Annex 2 for details of all the foregoing).

3. It is currently estimated that some ... million TIR Carnets will be issued in 2007. Under this scenario, a levy on each TIR Carnet of US\$... will be required to generate the income necessary to cover the additional funds of US\$955,000 needed for the 2007 operations.

4. The agreement providing the amount of the levy to be required and the procedure for its collection will be contained in a document, which will be submitted to the Administrative Committee for endorsement at its forthcoming session.

Annex 1COST PLAN

United Nations Economic Commission for Europe, Transport Division
 Programme: TIR Executive Board (TIRExB) and TIR secretariat
 Title of Trust Fund: "Transport International Routier - TIR";
 Account No.: ZL-RER-8001.

Proposed cost plan for the year 2007

<u>Object of expenditure</u>	<u>Amount (in US\$)</u>
Project Personnel	732,500
Administrative Support Personnel	182,000
Consultants fees and travel	30,000
Travel on official business	35,000
Mission costs	20,000
Staff Training	15,000
Office automation & equipment	20,000
Operation and maintenance of equipment	2,000
External contractual services	14,000
General operating expenses	1,000
Total net allotment	1,051,500
Programme support (13% of Total net allotment)	136,700
Grand Total	1,188,200

TIR Trust Fund resource requirements for the year 2007

Project Personnel US\$732,500

The proposed amount under this object of expenditure is intended to cover the salary and related costs¹ for one year of four experts on fixed-term appointments: 2 Customs experts, one Administrative and EDI expert and one Computer Information System expert. It also includes provisions for short-term expert to assist the in the development of mandated IT projects.

Administrative Support Personnel US\$182,000

The proposed amount under this object of expenditure is intended to cover the salary and related costs¹ of two administrative support staff for one year.

Consultant fees and travel US\$30,000

The proposed amount under this object of expenditure is intended to cover consultancy costs to carry out mandated tasks.

Travel on official business US\$35,000

The proposed amount under this object of expenditure is intended to cover the travel cost of Project Staff and the TIR Secretary.

Mission costs US\$20,000

The proposed amount under this object of expenditure is intended to cover DSA for the nine members of the TIRExB for meetings held outside Geneva and in Geneva when not in conjunction with the meetings of WP.30 and AC.2.

Staff Training US\$15,000

The proposed amount under this object of expenditure is intended to cover training costs of the TIR secretariat staff.

Office automation & equipment US\$20,000

The proposed amount under this object of expenditure is intended to cover the acquisition and replacement of relevant electronic and computer office equipment (PCs, printers, copy machine, fax, office furniture, etc.), including data bank hard and software systems.

Operation and maintenance of equipment US\$2,000

The proposed amount under this object of expenditure is intended to cover the cost of repair and maintenance of office and computer equipment (PCs, printers, copy machine, fax, etc.).

External contractual services US\$14,000

The proposed amount under this object of expenditure is intended to cover expenses for meeting rooms, interpretations, translations, external printing of training materials, hospitality, telephone/fax, miscellaneous expenses, etc, related to seminars and TIRExB meetings organized outside the UN premises.

General operating expenses US\$1,000

The proposed amount under this object of expenditure is to provide for communication costs (i.e. postage, fax, long distance calls, pouch) and other miscellaneous expenses.

¹ In line with the United Nations staff regulations.

Annex 2

**Local Technical Cooperation Trust Fund
Transport International Routier (TIR)
Fund Statement**

2007 Projected Expenditures:

2007 Estimated projected expenditures		1,051,500
13 % Programme Support Costs		136,700
15% Operating Reserve (US\$1,051,500 X 15%)		157,700
2007 Estimated projected expenditures		<u>1,345,900</u>

Estimated Funds Available as at 31 December 2006:

Actual fund balance as at 31 December 2005 ¹	1,045,174	
2006 Contribution received in 2005	<u>778,982</u>	
Total funds as at 31 December 2005²		1,824,156

Less: (The following estimates are inclusive of 13% Programme Support Cost)

2006 Estimated projected expenditures (assuming no changing in staff)	963,000	
Provision for Separation Cost	165,700	
Provision for termination UNECE/IRU Agreement (forwarded year-to-year)	<u>305,000</u>	<u>1,433,700</u>

Total estimated available balance as at 31 December 2006 for 2007 operations **390,456**

Estimated additional funds needed to operate in 2007 (rounded) **955,000**

Note 1: See document ECE/TRANS/WP.30/AC.2/2006/7

Note 2: Source: UNOG Financial statements as at 31 December 2005.
