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ECONOMIC COMMISSION FOR EUROPE

Administrative Committee for the TIR Convention, 1975
(Thirty-fifth session, 25 and 26 September 2003,
agenda item 3 (b) (iii))

ACTIVITIES AND ADMINISTRATION OF THE TIR EXECUTIVE BOARD (TIRExB)

Administration of the TIRExB

Budget proposal and cost plan of the TIRExB and the TIR secretariat for the year 2004

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 2004. The budget proposal and cost plan, as contained in the present document, is expected to 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 proposal and cost plan for the year 2004 do not differ in substantive terms from the approved budget and cost plan of the TIRExB and the TIR secretariat for the year 2003, as contained in document TRANS/WP.30/AC.2/2002/5. The TIRExB, at its eighteenth session (Geneva, 16, 17 and 19 June 2003), felt that, pending results of the discussions within WP.30 and the TIR Administrative Committee concerning the functions and roles of the TIRExB, TIR secretariat and the IRU, the budget of the TIRExB should remain unchanged in 2004 compared to 2003 (TIRExB/REP/2003/18, para. 33) and requested the secretariat to prepare the budget 2004 accordingly.

3. The amount of the resulting levy on each TIR Carnet and the procedure for its collection will be contained in an exchange of letters amending the agreement between the UNECE and the International Road Transport Union (IRU), which will be submitted to the Administrative Committee for endorsement at its forthcoming session in spring 2004.

4. The estimated budget and cost plan for the TIRExB and the TIR secretariat for the year 2004 is provided below. The budget for the year 2004 amounts to US\$ 1,248,100. The effective amount to be provided will be around US\$ 737,000. This is the result of the estimated positive balance which could amount to approximately US\$ 444,123^{1/} for the budget year 2003 and US\$ 67,047 of unallotted funds for the year 2002 (refer to TRANS/WP.30/AC.2/2003/6).

Estimated budget and cost plan 2004	US\$ 1,248,100
- Estimated left over budget and programme support 2003	US\$ 281,300
- Operating reserve not used in 2003	US\$ 162,800
- Left over budget 2002 and interest income 2002	<u>US\$ 67,000</u>
Funds to be transferred by IRU	US\$ 737,000

5. For the estimated 1.9 million TIR Carnets to be issued in the year 2004, this would represent a levy on each TIR Carnet of US\$ 0.388.

^{1/} The cost plan proposed for the year 2004, just as the cost plans approved for the years 1999, 2000, 2001, 2002 and 2003, have to make provisions to enable the TIRExB and TIR secretariat to operate under a worst case scenario (including recruitment of new staff, removal costs, repatriation grants, etc.). For this reason there will be most likely a positive balance of approximately US\$ 281,300 at the end of the year 2003. In addition, at the end of the financial year 2003, the amount of Operating Reserve (US\$ 162,800) not utilized, will constitute the Operating Reserve Fund for 2004.

COST 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 2004

<u>Budget line</u>	<u>Object of expenditure</u>	<u>Amount (in US\$)</u>
1100	Project Personnel (4 experts as well as consultancy)	678,100
1301	Administrative Support Personnel	170,400
1501	Travel on Official Business	30,000
1601	Mission costs	15,000
2101	Sub-contracts	5,000
4301	Premises	25,000
4501	Local procurement	20,000
5101	Operation and maintenance of equipment	2,000
5301	Sundry	15,000
Total net allotment		960,500
Programme support (13% of Total)		124,800
15% Operating Reserve for 2004 ^{2/ 3/}		<u>162,800</u>
		287,600
Grand Total		1,248,100

^{2/} Actual requirement for Operating Reserve for 2004 will be: US\$ 162,800 - US\$ 162,800 (Operating Reserve for 2003) = US\$ 0.

^{3/} According to new regulations introduced as per 2001, the Operating Reserve has to be calculated on the basis of the sum of the "Total net allotment" plus "Programme support".

TIR Trust Fund resource requirements for the year 2004

Project Personnel (1100) - US\$ 678,100

The proposed amount under this object of expenditure is intended to cover the standard salary costs^{4/} 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 consultancies to administer the on-line ITDB and to carry out mandated research.

Administrative Support Personnel (1301) – US\$ 170,400

The proposed amount under this object of expenditure is intended to cover the standard salary costs of administrative support staff for one year.

Travel on Official Business (1501) - US\$ 30,000

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

Mission costs (1601) - US\$ 15,000

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.

Sub-contracts (2101) - US\$ 5,000

The proposed amount under this object of expenditure is intended to cover institutional contractors to provide possibly required conference support services (including rental of office equipment, conference room, interpretation, local transportation, etc.).

Premises (4301) - US\$ 25,000

The proposed amount under this object of expenditure is intended to cover the rent of three/four offices (depending on the size) at the Palais des Nations in Geneva.

Local procurement (4501) - US\$ 20,000

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

^{4/} In line with the United Nations staff regulations.

Operation and maintenance of equipment (5101) - 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.).

Sundry (5301) - US\$ 15,000

The proposed amount under this object of expenditure is intended to cover other operational costs of the TIR secretariat and the TIRExB (paper, mail, telephone/fax, external printing of publications, stationery, interpretations, translations, expenses for seminars, miscellaneous expenses, etc.).
