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**ECONOMIC COMMISSION FOR EUROPE**

Administrative Committee for the TIR Convention, 1975

(Thirty-ninth session, 6 October 2005,  
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 2006**

**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 2006. The budget proposal and cost plan, as contained in the present document, will be finalized and approved by the TIRExB at its October meeting. Modifications, if any, decided upon by the TIRExB at this meeting, will be reflected in a corrigendum to this document.

2. At the beginning of 2005, the UNECE was audited by the United Nations External Board of Auditors. The audit also included the TIR Trust Fund and the UNECE/IRU Agreement. Following the recommendations of the auditors, the 2006 Cost Plan of the TIRExB and the TIR secretariat amounting to an estimated US\$1,092,700,(see **Annex 1** for details) has been modified as follows:

- (a) Resource requirements under budget line 1100 (Project Personnel) reflect a net decrease as a result of the fact that provisions for separation costs (removal costs, repatriation grants, etc.) in the event of separation of TIR staff members from service, are now presented separately in the Fund Statement provided in **Annex 2**;

- (b) Budget lines "Premises" and "Subcontractors" have now been deleted since, as in the past, no requirements are envisioned in 2006 under these expenditure lines;
- (c) Budget lines 1501 (Travel on official business) and 1601 (Mission costs) have been adjusted to reflect the increased level of activity and costs;
- (d) The Operating Reserve is also now presented in the Fund Statement (instead of the Cost Plan as was done in previous years); and
- (e) Resources for "Staff Training" (budget line 3301) has been provided for in 2006.

3. The budget for the operation of the TIRExB and the TIR secretariat in 2006 is estimated at **US\$1,237,800** (i.e., Cost Plan US\$1,092,700 plus operating cash reserve US\$145,100). However, taking into account the estimated available balance at 31 December 2005 for 2006 operations (US\$458,734), the actual additional amount that will be required for 2006 is estimated at US\$779,000 (rounded). The resources of US\$305,000 exceptionally transferred by 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.)

4. It is currently estimated that some ... million TIR Carnets will be issued in 2006. 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\$779,000 needed for the 2006 operations.

5. The agreement providing the amount of the levy to be imposed 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 1**

**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 2006**

<u>Budget line</u>	<u>Object of expenditure</u>	<u>Amount (in US\$)</u>
1100	Project Personnel	630,000
1301	Administrative Support Personnel	200,000
1151	Consultants fees and travel	30,000
1501	Travel on Official Business	35,000
1601	Mission costs	20,000
3301	Staff Training	15,000
4501	Office Furnitures & Equipment	20,000
5101	Operation and maintenance of equipment	2,000
5301	Sundry	15,000
Total net allotment		967,000
Programme support (13% of Total net allotment)		125,700
<b>Grand Total</b>		<b>1,092,700</b>

TIR Trust Fund resource requirements for the year 2006

Project Personnel (1100) - US\$630,000

The proposed amount under this object of expenditure is intended to cover the standard salary costs<sup>1</sup> for one year of four experts on fixed-term appointments: 2 Customs experts, one Administrative and EDI expert and one Computer Information System expert.

Administrative Support Personnel (1301) – US\$200,000

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

Consultant fees and travel (1151) – 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 (1501) - 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 (1601) - 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 (3301) – US\$15,000

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

Office Furnitures & Equipment (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.

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.).

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<sup>1</sup> In line with the United Nations staff regulations.

Annex 2

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

**2006 Projected Expenditures:**

2006 Estimated projected expenditures		967,000
13 % PSC		125,700
15% Operating Reserve (US\$967,000 X 15%)		<u>145,100</u>
2006 Estimated projected expenditures		<b><u>1,237,800</u></b>

**Estimated Funds Available as at 31 December 2005:**

Actual fund balance as at 31 December 2004	955,519	
2004 Interest and other income	35,233	
2005 Contribution received in 2004	<u>882,982</u>	
<b>Total funds as at 31 December 2004<sup>1</sup></b>		1,873,734

Less:(Amounts inclusive of 13% Programme Support Cost)

2005 Estimated projected expenditures	944,300	
Provision for Separation Cost	165,700	
Provision for termination UNECE/IRU Agreement (forwarded year-to-year)	<u>305,000</u>	<u>1,415,000</u>

**Total estimated available balance as at 31 December 2005 for 2006 operations** **458,734**

**Estimated Funds needed to operate in 2006 (Rounded)** **779,000**

**Note 1:** Source: UNOG Financial statements as at 31 December 2004.