



INTERNATIONAL COTTON ADVISORY COMMITTEE

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Memorandum No. 800

To: Delegates to the Standing Committee, Coordinating Agencies, Members of the Private Sector Advisory Panel and Industry Observers

From: Executive Director

Subject: Secretariat Budget Approved for 2006-07

Date: May 30, 2006

At the 483rd Meeting of the Standing Committee on May 9, 2006, the Subcommittee on Budget submitted a proposed budget and scale of assessments for 2006-07 (Attachment III to SC-N-483). The proposed budget had been reviewed in detail by the Subcommittee on Budget and was forwarded without reservation to the Standing Committee. The Chair announced that the proposed budget would be considered approved if no objections were communicated to the Secretariat by May 19, 2006.

One country indicated that there was an objection to the proposed budget as of May 19. Consistent with national policy regarding participation in international organizations, this country could not accept a budget proposal that resulted in an increase in the assessment of that country.

However, upon consideration, that country has agreed that the proposed budget is reasonable, and that the formula in the Rules and Regulations used for the calculation of assessments should be maintained. Accordingly, the objection to the proposed budget has been removed, and the budget is considered approved.

The budget for fiscal year 2006-07 (July-June) will be \$1.702 million, including expenditures of resources contributed by the private sector under the business plan. This is an increase of 0.1% over the budget for the current fiscal year of \$1.700 million. Expenditures exclusive of the business plan are projected at \$1.650 million in 2006-07, an increase of 1% over the budget for the current year.

This proposed budget results in projected assessments totaling \$1.590 million for 2006-07, compared with \$1.591 million for the current fiscal year. The proposed cash flow indicates that the Working Fund of the Committee will equal about \$170,000 on June 30, 2007. This will be below the desired amount of 15% of the budget, but the Reserve Fund will remain at \$367,000 representing approximately one-fifth of expenditures.

The Secretariat will distribute assessment notices to each country for the 2006-07 fiscal year. The support of member governments for the work of the Secretariat is much appreciated.