1. The Governing Council, under Article 11(4) of the UNIDROIT Statute, is responsible for drawing up the Institute’s draft Budget for the following financial year. The draft Budget drawn up by the Governing Council is subsequently communicated to member Governments for observation. Member Governments have until 30 September of that year to make such observation. Together with any such observations, the draft Budget is then laid before the Finance Committee in October of that year for opinion and, thereafter, before the General Assembly of all member Governments in either late November or early December of that year for approval.

2. Under Article 31 of the UNIDROIT Regulations, it is for the Secretariat to prepare the proposals on the basis of which the Governing Council draws up the draft Budget. These proposals are laid before a representative cross-section of member Governments, gathered in the Sub-committee of the Finance Committee, prior to being submitted to the Governing Council. The first estimates for the draft Budget for the financial year 2006 prepared by the Secretariat will be considered by the Sub-committee of the Finance Committee at its 103rd session, to be held in Rome on 11 April 2005.

3. Given, on the one hand, the short time between the holding of the forthcoming session of the Sub-committee of the Finance Committee and the 84th session of the Governing Council and, on the other, the implications that the budgetary appropriations to be voted for the financial year 2006 will necessarily have on the ability of the Secretariat to carry out the Work Programme for the 2006/2008 triennium to be drawn up by the Governing Council at its forthcoming session and to be approved by the General Assembly at its 59th session, to be held...
in Rome on 1 December 2005, the Secretariat has considered it opportune to communicate to members of the Governing Council the first estimates for the draft Budget for 2006 to be considered by the Sub-committee of the Finance Committee at its forthcoming session (see F.C./S.C. (103) 2).

4. The Secretariat will, of course, brief the Governing Council orally at its forthcoming session on the reception that the Sub-committee of the Finance Committee gives to these first estimates. It will then be for the Governing Council, on the basis of this oral briefing, to draw up the draft Budget for the financial year 2006.