



## INTERNATIONAL TROPICAL FRUITS NETWORK

# CONSTITUTION RULES AND PROCEDURES

as of 6 August 2015



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### **Article 1. Name of Organization**

The organization shall be known as International Tropical Fruits Network or TFNet.

### **Article 2. Status of the Organization**

- 2.1. TFNet is an independent global network set up under the auspices of the Food and Agriculture Organization of the United Nations (FAO). It is both inter-governmental and inter-institutional in nature and reports its activities to the Sub-Group on Tropical Fruits of the FAO Inter-governmental Group on Bananas and on Tropical Fruits.
- 2.2. TFNet shall have legal personality and shall have the capacity to contract, to acquire and dispose of moveable and immovable property, and to institute legal proceedings.
- 2.3. The status, privileges and immunities of TFNet, its Chief Executive Officer, members of the Board of Trustees as well as other officers and staff, and of member delegations shall continue to be governed by the Headquarters Agreement between the host Government and TFNet signed on August 3, 2000 with such amendments as might be necessary for the proper functioning of this Constitution.
- 2.4. If the headquarters of TFNet is moved to another country, the Government of that country shall, as soon as possible, conclude with TFNet a Headquarters Agreement to be approved by the General Assembly.
- 2.5. TFNet may also conclude, with one or more Governments, agreements to be approved by the General Assembly relating to such privileges and immunities as may be necessary for the proper functioning of TFNet.

### **Article 3. Definition of Tropical Fruits**

- 3.1. Tropical Fruits shall be defined as fruits grown within the geographical region south of the Tropic of Cancer and north of the Tropic of Capricorn.

## **Article 4. Objectives**

4.1. TFNet shall act as a network to promote the production, processing, marketing, consumption and international trade of tropical fruits.

4.2. The objectives of TFNet are:

- i. To systematically collect, analyze, document and disseminate information on production, processing, marketing, consumption and international trade of tropical fruits to all members;
- ii. To promote, coordinate and support conservation of germplasm, research and development (R&D), and transfer of technologies in production and post-harvest handling, including downstream processing for industrial use;
- iii. To facilitate the expansion of international trade of tropical fruits;
- iv. To enhance human resource development in the tropical fruits sector;
- v. To organize generic market promotion in collaboration with exporters and importers aimed at strengthening consumer knowledge of the nutritional value of tropical fruits;
- vi. To monitor and evaluate the impact of international and regional agreements on production, processing, marketing, consumption and international trade of tropical fruits; and
- vii. To facilitate technical and economic cooperation in the tropical fruits sector in pursuance of sustainable production, strengthening of domestic market, poverty eradication and food security.

## **Article 5. Guiding Principles**

5.1 TFNet shall in performing such activities as deemed necessary in furtherance of its aims and aspirations, be guided by the following principles:

- i. Aspire to mobilize the support of all members to provide relevant information to the Secretariat as a basis for accurate market assessments;

- ii. Endeavour to assist members to find cost-effective measures for treatment of tropical fruit exports in compliance with food safety standards and regulations;
- iii. Promote the dissemination of the latest information on sanitary and phytosanitary measures to all members to facilitate international trade;
- iv. Promote awareness of the health benefits of tropical fruits consumption; and
- v. Encourage collaboration among scientists, producers, traders and consumers towards mobilizing resources to raise productivity in the tropical fruits industry.

## **Article 6. Membership**

There shall be three types of members of TFNet:

### **i. Country Members**

Country membership is open to all member countries of the FAO who are signatories to the Agreement on the Establishment of the Tropical Fruits Network or who has acceded to the said agreement.

Country members shall have voting rights in the General Assembly.

A one-time registration fees shall be at USD 5,000.00.

An annual membership fees, of USD 2,000.00 shall be levied.

### **ii. Associate Members**

Associate membership is open to any international, regional or national organization, institute, association or business entity in both public and private sectors that can contribute positively to the objectives and operations of TFNet.

Associate members shall have voting rights in the General Assembly.

Annual membership fees shall be at USD500.00.

iii. Ordinary Members

Ordinary membership is open to any individual or non-profit organisation that can contribute positively to the objectives and operations of TFNet.

Ordinary members shall have no voting rights in the General Assembly.

Annual membership fees shall be at USD50.00

## **Article 7. Organs**

The organs of TFNet shall be:

- i. The General Assembly
- ii. The Board of Trustees (hereinafter referred to as "the Board")
- iii. The Secretariat

## **Article 8. General Assembly**

8.1. There shall be a General Assembly of all country, associate and ordinary members of TFNet, which shall meet once every three years.

8.2. The Chairperson of the General Assembly shall be the representative of the host government. The General Assembly shall elect from among its country members, two Vice Chairpersons to assist the Chairperson. In the case where the host government is not a member of TFNet, the General Assembly shall elect from among its country members, a chairperson for the purpose of chairing the General Assembly.

8.3. The General Assembly shall also elect from among its members, members of the Board, subject to Article 9.1 and two internal auditors for the term of three years. In electing the members of the Board, the General Assembly shall endeavour to ensure adequate continuity by re-electing some members of the Board. With the exception of the Representative from the host country, no member shall be re-elected for more than two terms.

8.4. The General Assembly shall, among others:

- i. Consider the report on the activities of TFNet;

- ii. Consider and approve the audited financial reports of TFNet;
  - iii. Consider and approve the triennial programme and budget of TFNet;
  - iv. Appoint an external auditor for a term of three years;
  - iv. Determine the date and venue of the next General Assembly;
  - v. Consider and propose action to be taken by the Board for the proper and efficient functioning of TFNet;
  - vi. Adopt rules and regulations for TFNet; and
  - vii. Determine the membership fees.
- 8.5. The Chief Executive Officer of TFNet appointed under Article 10 (hereinafter referred as "CEO") shall be the Secretary of the General Assembly with no voting right.
- 8.6. The General Assembly may establish such committees or working groups as it deemed necessary for the effective implementation of the objectives of TFNet.
- 8.7. Special session of the General Assembly may be convened by the Board or at the request of at least one third of country members. A special session convened under this paragraph shall be known as Special Assembly. The Special Assembly shall have all the authority provided under this Article.

## **Article 9. Board of Trustees**

- 9.1. The Board shall comprise members who shall consist of:
- i. All country members;
  - ii. Two (2) Representatives from among the Associate Members subject to Article 8.3;
  - iii. Two (2) experts from among the members to represent the various disciplines in the tropical fruit industry, subject to Article 8.3;
  - iv. A Representative from the Food and Agriculture Organisation (FAO) of

the United Nations, and

v. The CEO who shall be an ex-officio member.

9.2. The Board shall elect from among its members, who are Country Members, a Chairperson who shall preside over all meetings of the Board. The Board shall also elect from among its members, who are Country Members, two (2) Vice-Chairpersons to assist the chairperson.

In the absence of the Chairperson, either one of the Vice-Chairpersons shall chair the meeting with the same power as the Chairperson.

9.3. The CEO of TFNet shall be the Secretary of the Board with no voting right.

9.4. The Board shall meet at least once a year in the host country. It may, however, meet at other locations if deemed desirable by the majority of the Board.

9.5. The Board shall have the power to consider all applications for membership. The decision of the Board shall be ratified by the General Assembly during its session or at the Special Assembly or by way of circulation among its members.

9.6. The Board shall be responsible for the proper functioning of TFNet. To this end it shall:

i. Submit to the General Assembly the necessary reports including:

- reports on TFNet's activities;
- audited statements of accounts and financial reports;
- annual work programmes including budget estimates;

ii. Meet at least once a year and may authorize the CEO to seek consensus from members of the Board through "ad-Referendum" on important and urgent matters;

iii. Make such administrative procedures in accordance with Article 13, as may be necessary or appropriate for the proper conduct of the business of TFNet, provided that such administrative procedures shall not be inconsistent with this Constitution or any by-laws and rules and regulations of TFNet adopted by the General Assembly;

iv. Be empowered to authorize virement among the approved programme and activities;

- v. Advise and guide the Secretariat on the operation and management of TFNet;
- vi. Appoint the CEO, officers and staff of TFNet, and determine the terms and conditions of employment. However, the appointment of the staff of TFNet may be delegated to the CEO;
- vii. Represent TFNet in seeking funds and technical support; and
- viii. Enhance cooperation and linkages between TFNet and other states, organization, institutions, individual and any entity in the public and private sectors.

## **Article 10. Secretariat**

- 10.1. The Secretariat, which shall be headed by the CEO and assisted by officers and staff appointed under TFNet regulations, shall be responsible for the operation and management of TFNet.
- 10.2. The CEO shall be appointed by the Board from among the citizens of country members of TFNet for a term of three years. The CEO shall be eligible for reappointment for an additional term of two years.
- 10.3. If for any reason the CEO is not available or if the office of CEO is vacant, a senior Technical Officer shall, with the approval of the Board, assume the duty of the CEO until such time the CEO is available or a new CEO is elected by the Board.
- 10.4. The CEO shall:
  - i. Be responsible for the day-to-day administration of TFNet;
  - ii. Make all arrangements for Board Meetings;
  - iii. Coordinate activities of TFNet;
  - iv. Organize conferences, symposia, training programmes and other activities in accordance with the approved work programmes;
  - v. Initiate proposals for joint action programmes with other international, regional and national bodies;

- vi. Be responsible for the financial management of the TFNet and in that respect shall be empowered to:
  - a. Incur expenses in connection with the administration and operation of TFNet;
  - b. Collect, receive and acknowledge contributions and deposits them in appropriate bank accounts, in the name of TFNet, in banks approved by the Board;
  - c. Authorize, record and account for all disbursements made by or on behalf of TFNet;
  - d. Prepare an annual and triennial financial statements for auditing; and
  - e. Submit to the Board, the audited accounts and auditor's report.
- vii. Perform any other function as may be specified by the Board and the General Assembly.

## **Article 11. Funding and Disbursement**

- 11.1. TFNet shall be financed by membership fees, sponsorships, donation and other revenues.
- 11.2. The Board shall submit to the General Assembly the triennial budget of TFNet for approval.
- 11.3. The financial period of TFNet shall be three calendar years.
- 11.4. Each member of TFNet shall pay the annual membership fees, the amount of which shall be determined by the General Assembly.
- 11.5. All payments of membership fees shall be made by end of March. Non-payment of membership fees may result in suspension of rights and privileges in accordance with regulations made under Article 13.1(v).
- 11.6. Membership fees shall be paid upon joining TFNet following the adoption by the General Assembly.
- 11.7. Accounts of TFNet are subject to internal and external auditing.

## **Article 12. Observers**

- 12.1. Observers may be invited by the Board to attend the General Assembly and the meetings of the Board. Observers may also be invited to attend the meetings of committees/working groups established under Article 8.6, with the approval of the Chairperson of that particular meeting.
- 12.2. The observers invited to attend the General Assembly or meetings may be invited to participate in the discussion at the General Assembly or meetings, with the approval of the chairperson of the respective meetings.
- 12.3. Observers shall not have voting rights.
- 12.4. Observers shall be bound by the Constitution.

## **Article 13. Rules and Procedures**

- 13.1. For the discharge of its functions under the Constitution, rules and procedures may be specifically passed by resolution of the General Assembly in respect of the following matters:
  - i. Procedures regarding the General Assembly, Extraordinary Assembly, the Board and other committees or working groups;
  - ii. Procedures for election of Chairperson, Vice-Chairperson and the members of the Board;
  - iii. Financial management;
  - iv. Audit procedures including appointment of auditors;
  - v. All matters pertaining to membership; and
  - vi. Amendment of constitutions, rules and procedures.
- 13.2. For the discharge of its function under the Constitution, administrative procedures may be passed by resolutions of the Board in respect of the following matters:
  - i. Personnel management;

- ii. Financial operation;
- iii. Contracts and agreements;
- iv. Sponsorship and donations; and
- v. Any other matters not covered by the above but are required for the above for the efficient discharge of the function of TFNet.

13.3. The power to pass resolutions on administrative procedures under Article 13.2 includes the power to amend or revoke such administrative procedures.

#### **Article 14. Language**

- 14.1. The working language of TFNet shall be the English language.
- 14.2. All documents and reports of TFNet shall be issued in the English language, and where possible in other languages.

#### **Article 15. Amendment of the Constitution, Rules and Procedures**

- 15.1. The General Assembly may amend the Constitution by a two-thirds majority of the votes cast.
- 15.2. The General Assembly may amend any Rules and Procedures made under Article 13.1, by a simple majority of the votes cast.
- 15.3. Notice of any proposed amendment shall be circulated by the Board to all members, not less than thirty (30) days prior to the meeting of the General Assembly. Any amendments approved by the General Assembly shall take effect on such date as it may determine.

#### **Article 16. Settlement of Disputes**

- 16.1. Any dispute concerning the interpretation and application of the provisions of the Constitution, and rules and Procedures shall be decided by the Board. Any party, who is not satisfied with the decision of the

Board, may appeal to the General Assembly whose decision shall be final.

### **Article 17. Withdrawal from Membership**

- 17.1. Any member may withdraw from the TFNet by submitting a written notice to the Secretariat.
- 17.2. Such withdrawal under paragraph 17.1 shall take effect 3 months from the date of receipt of such notification by the Secretariat. Such notification shall not discharge the member from its liability or obligation due or incurred before the effective date.

### **Article 18. Dissolution**

- 18.1. TFNet may be dissolved by a consensus of its country members.
- 18.2. In case of dissolution of TFNet, the General Assembly shall set up a committee to administer the winding up of TFNet, the payment of its debts and the realization and distribution of its assets.

# INTERNATIONAL TROPICAL FRUITS NETWORK

## RULES AND PROCEDURES OF TFNET

In exercise of the powers conferred by Article 13 of the Constitution, the General Assembly makes the following rules:

### SECTION I. PRELIMINARY

These rules shall be known as the Rules of Procedures of TFNet.

#### Rule 1. Purpose

1. These Rules of Procedure shall regulate the functioning of the following organs of TFNet:
  - i. The General Assembly;
  - ii. The Board of Trustee (hereinafter referred as the Board); and
  - iii. The Secretariat.

#### Rule 2. Interpretation

1. Under these Rules:

*Board* means the executive governance of TFNet convened under Article 9 of the Constitution;

- i. *CEO* means the Chief Executive Officer of TFNet, elected under Article 10.2 of the Constitution;
- ii. *Chairperson* means the current Chairperson of the General Assembly, elected under Article 8.2 of the Constitution or the chairperson of the Board elected under Article 9.2 of the Constitution;
- iii. *Constitution* means the Constitution of TFNet;
- iv. *Delegation* means a representative or representatives of members

appointed in writing to attend any function of TFNet on its behalf;

- v. *General Assembly* means the General Assembly convened under Article 8 of the Constitution;
  - vi. *Host Country* means the country where the Headquarters of TFNet is situated;
  - vii. *Host Government* means the country where a meeting of TFNet is held,
  - viii. *Officer and Staff* means any employee of the TFNet other than the CEO;
  - ix. *Rules of Procedure* mean the rules that regulate the functioning of the organs of TFNet;
  - x. *Secretariat* means the Secretariat established under Article 10 of the Constitution;
  - xi. *TFNet* means International Tropical Fruits Network; and
  - xii. *Vice Chairperson* means the current Vice-Chairperson of the General Assembly, elected under Article 8.2 of the Constitution.
2. Under these Rules, words and expressions importing the masculine gender include females.

## **SECTION II. GENERAL ASSEMBLY**

### **Rule 1. Composition**

- 1. The General Assembly shall compose of:
  - i. All the members of TFNet, whether country, associate or ordinary members.
  - ii. The CEO as Secretary to the General Assembly
- 2. Country, Associate or Ordinary Members of TFNet shall be permanent constituents of the General Assembly, and shall remain so till they cease to

hold the membership of TFNet. They shall have the right to attend each of the sessions of the General Assembly.

3. Each member shall be represented by one delegation.

## **Rule 2. General Assembly**

1. The CEO of TFNet shall convene the General Assembly in accordance with Rule 5 of Section II of these Rule and Procedures.
2. The General Assembly shall, at each session, decide the venue of the next session of the General Assembly, and, if possible, the dates thereof.
3. Any member of TFNet may extend an invitation to the General Assembly to hold its next session in its country. In the case this invitation is extended by an organization, the consent of the government of the country concerned shall accompany the invitation.
4. The invitation to hold the General Assembly shall be communicated to the CEO of TFNet, by the member making the offer before the opening of the proceedings of the General Assembly of TFNet.
5. The member whose invitation to host the next General Assembly is accepted, shall sign a Memorandum of Understanding with the CEO of TFNet, clearly stipulating the operational, financial and other obligations, to be shared in the hosting of the General Assembly.
6. In the event that it might not be feasible or advisable to hold the General Assembly in the country whose invitation had been accepted, the CEO shall approach other members to invite offers to host the General Assembly. In the event that no member country is able to host the General Assembly, it shall then be held at the host country.
7. The date and duration of the relevant General Assembly shall be decided by the CEO, in consultation with authorities of the host government. The CEO shall communicate the said decision to all the members.
8. Each session of General Assembly shall have a serial number.

### **Rule 3. Special Assembly**

1. A Special Assembly may be convened by:-
  - i. The Board whenever circumstances so require; or
  - ii. A written request by one third of country members which shall be addressed to CEO, and accompanied by an explanation of the reasons for the Special Assembly and the matters to be discussed thereof.
2. The date and place of the Special Assembly whether convened under (i) or ii) shall be determined by the Board.
3. Notification of the Special Assembly shall be given in accordance with Rule 5 of Section II.
4. The Special Assembly shall have, for consideration and adoption, a provisional agenda, which it shall duly adopt before proceeding to transact its business.
5. Members may be elected to fill up any vacancies in the Board at the Special Assembly.

### **Rule 4. Provisional Agenda**

1. A draft Provisional Agenda shall be prepared by the CEO and communicated to all members at least sixty (60) days before the General Assembly.
2. Members of TFNet shall have the right to request for the inclusion of additional items in the Provisional Agenda.
3. Any request for inclusions of additional items in the Provisional Agenda must be send to the CEO at least forty five (45) days before the General Assembly.
4. The CEO shall include all additional items received in due time, in the Provisional Agenda.
5. The Provisional Agenda shall be tabled at the General Assembly for consideration and adoption thereof.

## **Rule 5. Notification of session of General Assembly and Special Assembly**

1. The CEO shall arrange to communicate a formal notice on the convening of the General Assembly or Special Assembly to all members as early as possible, but not later than sixty (60) days before the commencement of the General Assembly, and not later than thirty (30) days before the commencement of a Special Assembly.
2. The formal notice shall be accompanied by a copy of the Provisional Agenda.

## **Rule 6. Chairperson and Vice-Chairpersons**

1. In electing the Chairperson (if necessary) and the two Vice Chairpersons, the CEO shall invite nominations from among the country members to be elected as such Chairpersons and Vice-Chairpersons, at the General Assembly.
2. The General Assembly shall then elect the Chairperson and the two Vice Chairpersons from among the nominees.
3. The Chairperson shall have the conduct of the current General Assembly for which he is appointed. The Vice-Chairpersons shall assist the Chairpersons in his duties.
4. In exercising his powers, the Chairperson shall perform the following duties:
  - i. Ascertain the quorum for the meeting;
  - ii. Direct the discussion and ensure observance of all provisions of the Constitution and the Rules of Procedure;
  - iii. Accord the right to speak and decide all questions on point of order; and
  - iv. Put resolutions or proposals to vote and announce decisions.
5. The Vice-Chairperson acting as Chairperson in the absence of the Chairperson shall have the same functions and powers as the Chairperson.
6. The Chairperson shall have the right of a casting vote in case of a tie in any election during the General Assembly.

## **Rule 7. Meeting Documents**

The CEO of TFNet shall furnish all relevant documents pertaining to matters in the Provisional Agenda to all the members and the invitees at least thirty (30) days before the General Assembly and not less than fourteen (14) days, in the case of a Special Assembly.

## **Rule 8. Interpretation Services**

TFNet shall procure the assistance of the host government to provide simultaneous interpretation services of proceedings of General Assembly and Extraordinary Assembly in French and Spanish.

## **Rule 9. Quorum**

The presence of delegates of a simple majority of Country Members shall be required to constitute a quorum for the General Assembly.

## **Rule 10. Voting**

1. Subject to the provisions of paragraph 2 of Rule 1, each Country Member and Associate Member shall have one vote.
2. Whenever a decision has to be taken by the General Assembly on any matter, it shall be incumbent upon the Chairperson to seek to arrive at that decision by consensus and only failing that would voting be resorted to.
3. By a written notification to the Chairperson, any Country Member and Associate Member may authorize any other member to represent its interest and to cast its votes in the General Assembly. The CEO shall keep a file of all authorization, which shall be open for inspection by any country member.
4. The Chairperson does not have a vote. The vote for the member which the Chairperson otherwise represents, shall where possible be cast by the person designated on his behalf.
5. Voting shall be by show of hands unless the General Assembly decides otherwise. The election of the members of the Board by the General Assembly shall be by secret ballot.

6. Decision of the General Assembly shall be taken by a simple majority of votes cast.
7. The Secretariat shall be responsible for the smooth running of the voting process.

### **Rule 11. Reports**

Reports of sessions of General Assembly and Special Assembly shall be circulated to all members not later than 3 months from such Assembly and made available to invitees.

## **SECTION III. BOARD OF TRUSTEES**

### **Rule 1. Election**

1. The CEO shall invite nomination for election to the Board not later than ninety (90) days before the next General Assembly.
2. Any member who wishes to be elected to the Board shall submit the nomination form to the Secretariat not later than thirty (30) days before the General Assembly.
3. Any member who wishes to be nominated shall pay all membership fees outstanding at the time of submission of the nomination form.
4. Any member who wishes to be nominated but have not complied with the requirement under paragraph 3 shall submit a satisfactory explanation to support his nomination and an undertaking letter to pay all membership fees due together with nomination form.
5. The Secretariat shall compiled a list of all nominations received within the period specified and such list shall form part of the meeting documents for the General Assembly.
6. The election of the Board shall be held by secret ballot towards the close of the General Assembly.

## **Rule 2. Sessions**

1. Each formal sitting of the Board shall be known as a session.
2. Each session shall have a serial number.
3. The Board shall hold its first session immediately after the General Assembly to elect the Chairperson of the Board.
4. The date and duration of each session of the Board other than the first session shall be decided by the CEO in consultation with the Chairperson. The CEO shall communicate the said decision to all the members of the Board.
5. In the event it might not be feasible or advisable to hold the session in the country whose invitation to host the session had been accepted, the session shall be held at the TFNet Headquarters.
6. The CEO shall arrange to communicate a formal notice on the convening of the Board session to all the members of the Board as early as possible, but not later than sixty (60) days before the commencement of the session.

## **Rule 3. Provisional Agenda**

The CEO shall, in consultation with the Chairperson, prepare a Provisional Agenda of the session of the Board, and communicate it to the members not later than sixty (60) days before the commencement of the session. The documents pertaining to the Agenda shall also be dispatched for circulation at least thirty (30) days before the commencement of the session.

## **Rule 4. Quorum**

A simple majority of the Board shall form the quorum for a session. The presence of the CEO shall not be considered in determining the quorum.

## **Rule 5. Voting**

1. Voting at the sessions of the Board shall be by show of hands unless decided otherwise by the Board. All members of the Board shall have voting rights

except the CEO.

2. Whenever a decision has to be taken by the Board on any matter, it shall be incumbent upon the Chairperson to seek to arrive at that decision by consensus and only failing that would voting be resort to.
3. In the case of a tie in any voting exercise, the Chairperson shall have a casting vote.

#### **Rule 6. Admission of New Member**

1. All applications for membership to TFNet shall be submitted to the CEO in the form to be prescribed by TFNet, and shall be accompanied by a registration fee as determined by the General Assembly.
2. Country Membership must be accompanied by a formal instrument of accession of the Agreement on the Establishment of the TFNet.
3. The CEO shall submit all applications received to the Board for consideration. The decision of the Board shall be ratified at the General Assembly during its session or by way of circulation among its country members.
4. The CEO shall inform all applicants of the decision of the Board as ratified by the General Assembly.

### **SECTION IV. CHIEF EXECUTIVE OFFICER AND STAFF**

#### **Rule 1. Appointment of CEO**

1. The Secretariat shall call for nomination for the post of CEO from among the country members not later than one hundred eighty (180) days before the expiry of the term of the current CEO by way of advertisement.
2. In case the incumbent of the office of the CEO desires to seek an extension of an additional term of two years after the expiry of his term of office he shall inform the Board of such intention and shall submit on written consent of the relevant authorities of his country permitting his application for extension of his term at least one hundred eighty (180) days before the expiry of the term.

3. The Secretariat shall prepare a list of nominations including any nomination for extension of term by the current CEO and shall call for the Meeting of the Board not later than ninety (90) days before the expiry of the term of the current CEO.
4. The Board shall appoint the CEO in accordance with Article 10.2 of the Constitution.
5. Upon his appointment, the CEO shall assume his duty as provided under the Constitution and upon such terms and conditions as determined by the Board.
6. The Secretariat shall duly inform all members of the appointment of the CEO.

## **Rule 2. Vacancy due to Resignation**

1. The CEO may resign from his office before the expiry of his term by giving 90 (ninety days) written notice to the Board.
2. In lieu of the ninety (90) days notice, the CEO may resign by paying compensation equivalent to one month's salary to TFNet.
3. Upon receipt of the notice of resignation, the Secretariat shall immediately call for nominations from among all country members. All nominations shall be submitted to the Secretariat within ninety (90) days from the date of notification calling for nomination.
4. The Secretariat shall prepare a list of all nominations received and shall convene a Meeting of the Board not later than ninety (90) days after the close of nomination, to consider the appointment of the CEO.
5. The Board shall appoint the CEO in accordance with Article 10.2 of the Constitution.
6. Upon his appointment the CEO shall assume his duty as provided under the Constitution and upon such terms and conditions as determined by the Board.
7. The Secretariat shall duly inform all members of the appointment of the CEO.

### **Rule 3. Officers and Staff**

1. Officers and all members of the staff shall hold their respective posts in the Secretariat in accordance with the terms and conditions of service of TFNet.
2. All members of the staff and at least one Technical Officer shall be appointed preferably from among the citizen of the host country.
3. Appointment for the post of Technical Officers shall be the responsibility of the Board and shall be advertised by inviting applications from among members.
4. Appointment for the posts of staff shall be advertised in the local advertisement of the host country.

## **SECTION V. FINANCIAL RULES AND PROCEDURES**

### **Rule 1. The Budget**

1. The CEO shall prepare a triennial programme and budget estimates of TFNet.
2. The triennial programme and budget estimates shall include the income and expenditures of its administrative functions and activities, and its work programme for the next three years.
3. The CEO shall submit to the Board a detailed triennial programme and budget estimates for the following financial period, not later than ninety (90) days before the next General Assembly.
4. The CEO shall circulate to all members of TFNet, the draft detailed triennial programmes and budget estimates as endorsed by the Board, not later than thirty (30) days before the next General Assembly.
5. The budget and its estimates shall be drawn up in US Dollars. The structure of the budget shall include:
  - i. All estimated receipts for the current and following financial period with a break down according to each calendar year of the financial period; and

- ii. The estimated expenditures for the current and following financial period with a break down according to each calendar year of the financial period.

## **Rule 2. Administration of the Budget**

1. The adoption by the General Assembly of the Budget shall constitute the authority for the CEO to receive payments to meet obligations and to incur expenditure within the approved budget.
2. Subject to the prior approval of the Board, the CEO is authorized to make virement from among the approved programmes and activities.
3. The CEO shall provide at every regular session of the Board, a financial statement of the receipt and expenditure of TFNet.
4. The CEO may delegate in writing part of his financial authority to the officer-in-charge of administration to approve and make payments.
5. It shall be the function of the officer-in-charge of administration to certify the authenticity of payment vouchers and the availability of sufficient funds before making any payments.
6. The officer-in-charge of administration shall keep the CEO informed of the financial position at all times.
7. On the recommendation of the officer-in-charge of administration, appoint a staff member to operate a petty cash account with an amount not exceeding US\$ 500 at any one time, for purposes of making sundry payments. The officer-in-charge of administration shall, however, remain responsible for the petty cash account.

## **Rule 3. General Accounting Procedure**

1. All financial transactions must be supported by invoice, voucher or pay slip and shall be approved by the officer-in-charge of administration, before any payment is made.
2. Officer-in-charge of administration shall ensure that a note indicating the source and nature of fund must accompany all input funds received.

3. Every contribution or donation received shall be acknowledged by official receipt.
4. The officer-in-charge of administration, shall ensure the salaries of officers and staff of TFNet be paid within the last week of each month.
5. The Board shall prescribe the mode for the procurement of any materials, equipments or services.
6. The CEO shall keep an inventory of all assets of TFNet.
7. If it is discovered that there has been a loss of money, office materials or other property of the Network or official documents, the person making the discovery shall notify the loss immediately in writing to the CEO, and unless the value of the property or importance of the document is negligible, the CEO shall report the results of his investigations to the Board.

#### **Rule 4. Funds**

1. There shall be established a General Fund to which shall be credited receipts from contributions of members, whether current or arrears and miscellaneous income and from which shall be made payments for approved activities and general expenses.
2. There shall be established a Reserve Fund for the purpose of meeting contingencies. The Board may authorize any surplus from annual budgets to be transferred to such fund. The fund shall be deposited in an interest-bearing bank account or invested, in any manner determined by the Board.
3. Income from investment made under paragraph 2 of this Rule, shall be credited into the Reserve Fund.
4. There shall be no carry-over balance in the General Funds to more than one financial year period, unless the Board takes an express decision to the contrary in special circumstances. Any balance shall be transferred in the Reserve Fund.

#### **Rule 5. Audit and Submission of Account**

1. The External Auditor appointed under Article 8.4 of the Constitution shall in

carrying out his duties conform to the following procedures:

- i. The external audit shall be conducted in conformity with accepted common auditing standards;
  - ii. The external auditor may make observations with respect to the efficiency of the financial procedures, the accounting system and in general, the administration and management of the TFNet; and
  - iii. The external auditor shall be completely independent and solely responsible for the conduct of the audit.
2. The External Auditor shall issue a report on the audit of the financial statements at the end of each calendar.
  3. The CEO shall submit to the Board, the audited account and the auditor's report as soon as possible but not later than the month of March of the following calendar year.

#### **Rule 6. Membership fees**

1. The CEO shall prepare a draft membership fees structure for consideration by the Board for endorsement by the General Assembly.
2. Membership fees structure for country, associate, and ordinary members shall be based on the estimated annual minimum administrative expenditure of the TFNet.
3. The Board shall consider the draft membership fees structure before tabling it to the General Assembly for approval.
4. All members of TFNet are bound to pay the annual membership fee determined by the General Assembly.
5. The CEO shall:
  - i. Inform all members of their obligations in respect of annual membership fees; and
  - ii. Request all members, to remit all membership fees due.

6. All membership fees due but not paid up within a calendar year shall be considered to be one year in arrears as at January of the following calendar year.
7. Annual membership fees to the budget shall be quoted in US Dollars.
8. The General Assembly may consider the suspension of certain rights and privileges of members, which have been in arrears of its membership fee for three consecutive years.

**International Tropical Fruits Network (TFNet)**

**Box 334 UPM Post Office  
43400 Serdang, Selangor  
Malaysia**

**Tel: +603 8941 6589**

**Fax: +603 8941 6591**

**Email: [info@ifnet.org](mailto:info@ifnet.org)**

**Website: [www.ifnet.org](http://www.ifnet.org)**