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Report of the Secretary-General

Part II: UNWTO within the United Nations system

(b) Joint Inspection Unit recommendations: implementation in the context of the White Paper

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II. Purpose of this report to the Executive Council

1. The United Nations has an internal review body named “Joint Inspection Unit” (JIU). In accordance to the Unit’s statutes, its basic function is to provide an independent view aimed at improving management of the United Nations Organizations. This view is issued through reports, notes and confidential letters, transmitted to the Executive Heads of Organizations. Further, JIU’s statutes (Art. 11) anticipate that Executive Heads should transmit these reports to the Competent Bodies of the Organization. The UNWTO adhered to the JIU’s statutes on 11 March 2004 as part of its integration process into the United Nations system of Specialized Agencies.

2. As part of its program of work for 2007, the JIU conducted a review of management and administration in the UNWTO. This review resulted in report JIU/REP/2009/1 (see Annex 14 of this document) taken up by the 18th session of UNWTO’s General Assembly.

3. Subsequently to appointment of UNWTO’s current Secretary-General, and in line with JIU’s report, the UNWTO has begun an ambitious reform process, which has crystalized in General Assembly resolution (A/RES/60/2/XIX) approving the White Paper (A/19/11). The reform process so mandated by the General Assembly is now followed up through an implementation plan monitored by the Executive Council (CE/93/8). Part 5 of this report further explains the management of this reform process.

4. The purpose of this report is twofold: on the one hand, to comply with JIU requirements to transmit JIU reports to UNWTO’s Governing Bodies. On the other, to synchronize UNWTO’s reform tool (UNWTO’s White Paper implementation plan) with the insights and recommendations provided by the JIU in their reports. This could be achieved, by rolling additional measures into the implementation plan of the White Paper, updating it as necessary.

III. The JIU: Background

5. The JIU was created in 1966 by General Assembly resolution of the United Nations. The aims of the JIU, as stated in its annual report are the following:

   (a) To assist the legislative organs of the participating organizations in meeting their governance responsibilities in respect of their oversight function concerning management by the secretariats of human, financial and other resources;

   (b) To help improve the efficiency and effectiveness of the respective secretariats in achieving the legislative mandates and the mission objectives established for the organizations;

   (c) To promote greater coordination between the organizations of the United Nations System;

   (d) To identify best practices, propose benchmarks and facilitate information-sharing throughout the system.

6. These aims are translated into a programme of work and budget for the JIU. According to the annual report for 2011 (paragraphs 70 and 72), resources mobilized by the JIU in 2011 amounted to USD 14 million (10.6 million euros), of which staff costs were USD 13 million (9.8 million euros) for 31 staff positions, of which 11 are Inspectors appointed by the UN General Assembly. Figures in euros are estimated using the ICSC exchange rate for May 2011. Funding for the JIU is obtained from all participating organizations in the UN system through a cost-sharing formula, to which the UNWTO contributed last year with USD 7,000.
IV. The JIU annual report for 2011

7. The JIU annual report for 2011 is presented to the United Nations General Assembly combined as a document with the proposed programme of work for 2012. This is document reference A/66/34, enclosed as Annex 1.

8. JIU’s outputs can take the form of reports, notes or confidential letters. In 2011 and in accordance to its annual report, the JIU completed 11 reports and 1 note, which have been addressed to its participating organizations. Eight reports and a note were of a system-wide nature, one concerned several organizations and two were reviews of single organizations.

9. The title, code and annex within this document of each report are listed below:

   (a) JIU/REP/2011/1 Review of the medical service in the United Nations System (Annex 2)
   (b) JIU/REP/2011/2 Transparency in the selection and appointment of senior managers in the United Nations Secretariat (Annex 3)
   (c) JIU/REP/2011/3 South-South and Triangular Cooperation in the United Nations system (Annex 4)
   (d) JIU/REP/2011/4 Multilingualism in the United Nations system organizations: Status of implementation (Annex 5)
   (e) JIU/REP/2011/5 Accountability frameworks in the United Nations system (Annex 6)
   (f) JIU/REP/2011/6 Business continuity in the United Nations system (Annex 7)
   (g) JIU/REP/2011/7 The investigation function in the United Nations system (Annex 8)
   (i) JIU/REP/2011/9 Information and Communication Technology (ICT) governance in the United Nations system organizations (Annex 10)
   (j) JIU/REP/2011/10 Staff-management relations within the United Nations (Annex 11)
   (l) JIU/NOTE/2011/1 Procurement reforms in the United Nations system (Annex 13)

10. In 2011, total JIU output reached 583 pages and 110 recommendations. Further and for elaboration of the 2011 report, JIU requested participating organizations to report on the status of implementation of recommendations issued in 2008 (119), 2009 (127) and 2010 (125).

11. The JIU has recently established a web-based monitoring system for tracking implementation of recommendations by each participating organization. This tracking system therefore requires individualized follow-up of a total of 481 specific recommendations (up to 2011).

V. UNWTO’s internal reform: the White Paper and its follow-up

12. As said earlier, the UNWTO began a thorough internal reform process in 2009. Key input for this reform process was JIU’s review on management and administration of the UNWTO (JIU/REP/2009/1), attached as Annex 14. Following consideration of JIU’s report by the Executive Council (CE/85/8(b)), it was decided to prepare an implementation plan for these recommendations (CE/DEC/15(LXXXV)). The report was presented to the 18th General Assembly in 2009 (Annex to A/18/10).
13. At that Assembly, the Secretary-General a.i. also presented a document on Management Strategy and Designation of the Management Team of the Secretariat (A/18/14). This document elaborated on the input of six internal working groups on: (i) membership and improved engagement with Member States, (ii) UN and international relations and funding potential, (iii) Affiliate Members and PPPs, (iv) internal governance and structure, (v) communication strategy and new outlook, and (vi) models of management for centres and foundations associated with UNWTO. It further elaborated on suggestions made by an “ad hoc” working group of Member States on the recommendations contained in the JIU report. The General Assembly resolved (A/RES/571/XVIII) to support the modernization process of the Secretariat as proposed by the Secretary-General and requested him to present at the 88th Session of the Executive Council a White Paper on the reform process and to report on the progress of that reform.

14. At the 88th Executive Council, document CE/88/7 (Presentation of the White Paper) was in the Agenda for discussion. The Council supported (CE/DEC/11/LXXXVIII) the proposed reforms, inviting to present an updated version of the White Paper to the 89th Executive Council session, while encouraging the Secretary-General to continue with the implementation of the reforms.

15. At the 89th Executive Council, document CE/89/7 presented a second draft of the White Paper. This Council in CE/DEC/10/LXXXIX supported and encouraged the Secretary-General in the reform process. Further, it considered that the White Paper reflects and responds to the key issues raised by the JIU in its report on the UNWTO and consequently discontinued the “ad hoc” working group of Member States established for following up on recommendations provided by JIU in its report.

16. At the 19th General Assembly in Korea in 2011, document A/19/11 “Report on the progress of the reform of the Organization (White Paper)” was presented. This paper could be seen as a major breakthrough in the format and content of the dialogue among Members for the reform of the Organization, enhancing its relevance and optimizing its resources. In resolution A/RES/602(XIX) UNWTO’s General Assembly endorsed the White Paper and requested the Secretary-General to implement it and to report on its implementation to subsequent Executive Council sessions.

17. At the 93rd Executive Council, document CE/93/8 containing a draft implementation plan on the White Paper was presented. The plan, made of 48 specific initiatives on different subjects and encompassing major paradigm shifts for the UNWTO, was endorsed by the Executive Council (see decision CE/DEC/14/XCIII). In Annex 15 to this document the link between the White Paper implementation plan and JIU/REP/2009/1 is detailed and current status of implementation of each recommendation is presented.

18. Inasmuch as the White Paper and its implementation plan could be seen as fairly far-reaching and elaborated documents, reformulation of the White Paper by including new initiatives or by re-focusing ongoing activities in light of progress made and emerging inputs appears much in line with the spirit of that document. The White Paper could therefore be conceived as a living document to be updated if and when the situation so requires, becoming henceforth UNWTO’s internal tool for driving and following up changes and internal reforms of the Organization.

VI. Handling of JIU’s reports and recommendations by the UNWTO

19. The aim of UNWTO’s White Paper and of JIU’s reports and recommendations could be seen as mutually reinforcing each other: to increase the efficiency and effectiveness of the UNWTO, making it more relevant to its Members, by fostering new approaches or improving existing ones.
20. While there is a coincidence between the goals of both review processes, UNWTO's White Paper is targeted to the needs and organizational shortcomings specifically identified for the UNWTO. Further, its implementation plan already internalizes the implications -both on results and on resources- each initiative implies. This dual point of view embedded in the White Paper is essential for a very small Secretariat operating under severe resource restrictions.

21. The monitoring, reporting and following up of JIU’s recommendations through the mechanism proposed by the JIU cannot be done without specifically dedicated resources for these tasks. These resources are not available today at the UNWTO. In the context of a 10% reduction of resources in real terms since 2008 due to the strict abidance of the UNWTO to a Zero Nominal Growth policy, if the proposed mechanism to monitor JIU recommendations were to be followed, such specifically dedicated resources could only be made available by shifting them from programme areas of the Organization, resulting in a further reduction of resources to implement the Organization’s mandate.

22. Further, JIU recommendations appear to address an array of support issues or working methods of Specialized Agencies through the creation of additional internal functions or review processes. Their implementation would result in additional internal shifts of resources from programme of work implementation to internal management of the Secretariat.

23. Moreover, even if additional resources were deployed for the follow-up of recommendations, this may not necessarily result in enhancements of internal management practices. This could be so as either practical implementation of recommendations may not reach a threshold of materiality for the UNWTO due to the very small size of the Organization, or the minimum costs required to evaluating and implementing any given recommendation may exceed the benefits of its deployment as substantive issues addressed by the recommendation may not reach a minimum critical mass. This particular difficulty related to the cost-efficiency of reform actions seem to be distinctive of the UNWTO.

24. Finally, reviewing and implementing over 100 new recommendations every year risks the Organization losing its focus from the most dearly needed changes as presented in the White Paper: The White Paper implementation plan identifies 48 recommendations, each one of them of major caliber and whose implementation is a substantive challenge for the Secretariat. The challenge is not only derived from the stress managing such changes with no additional resources represents, but because of the risk of crowding out the Secretariat capacity, hence side-tracking the reforms already targeted in the White Paper if many more initiatives and recommendations have to be dealt with in parallel with the White Paper implementation plan.

25. In view of the above, it is therefore suggested that Members consider whether the UNWTO should provide the follow-up to JIU recommendations as outlined. Alternatively, Members could consider another approach for reviewing JIU reports and recommendations, as follows: Under this alternative approach, the Secretariat could present to the Executive Council on an annual basis and through the Program and Budget Committee, the recommendations formulated by the JIU in the previous year, selecting those deemed to have a major impact on the character and fundamental principles of the Organization as a member of the UN family, its programme of work, or its management practices. In view of the ensuing debate, the White Paper implementation plan would be updated, as appropriate, and submitted to the Executive Council together with the review of JIU reports and recommendations. Recommendations not retained in the modified White Paper would be considered closed.

26. While this alternative mechanism may result in a number of JIU recommendations having no further follow-up, it is seen as having the benefit of raising Members’ awareness on the issues JIU
considers relevant to the UN family, while steering the Secretariat’s efforts and resources only into the issues of higher impact. This alternative mechanism is seen as trying to achieve a delicate balance between ensuring due consideration of JIU’s proposals on the one hand and proper priority-setting by the Organization on the other.

VII. Actions to be taken by the Executive Council

27. The Executive Council is requested:

(a) To take note of the reports of the Joint Inspection Unit annexed to this document, thanking the Unit for their insights;

(b) To approve that the main instrument to drive the reform process at the UNWTO should be the Implementation Plan for the White Paper. To this effect, the Secretary-General will present annually an update on its implementation and further proposals that could be included on it, as appropriate;

(c) To note the correspondence made in Annex XV between the JIU Report on Management and Administration of the UNWTO prepared in 2009 and the White Paper and action plan;

(d) To consider recommendations, 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 15, 16, 17, 18, 19, 21, 23 and 25 of JIU/REP/2009/1 in line of debates among Member States in the context of the White Paper as closed; while noting that good progress is being achieved on the other recommendations; and

(e) To note the 110 recommendations presented in JIU reports and notes in 2011 and summarized in Annex XVI, considering that no further action is to be made on them by the Organization at this point, in view of current status of the matter within the Secretariat and the costs required by their implementation.