



Executive Council

Ninety-ninth session
Samarkand, Uzbekistan, 1-4 October 2014
Provisional agenda item 6

CE/99/6
Samarkand, 1 October 2014
Original: English

Report of the Programme and Budget Committee (Budget part)

I. Introduction

1. The Programme and Budget Committee started its fifth meeting at Samarkand, Uzbekistan, on 1 October 2014, under the chairmanship of Argentina. The list of participants of the fifth meeting of the Programme and Budget Committee is included as Annex 1 of document CE/99/4.

2. The Committee adopted the provisional agenda PBC/05/1 prov. and considered the following documents, which will be submitted to the Executive Council at its ninety-ninth session (1-4 October 2014) except for document PBC/05/2:

<u>Items</u>	<u>Documents</u>
Financial situation of the Organization as of 30 June 2014	CE/99/5(a)
Application of Article 34 of the Statutes and paragraph 13 of the Financing Rules	CE/99/5(b)
IPSAS progress report: UNWTO restated Statement of Financial Position compliant with IPSAS as at 1 January 2014	CE/99/5(c)
Information and communication technologies at the Secretariat	CE/99/5(d)
Review of recommendations provided by Joint Inspection Unit and External Auditors reports	PBC/05/2
Place and dates of the sixth meeting of the Programme and Budget Committee	n.a.

II. Financial situation of the Organization as of 30 June 2014 (document CE/99/5(a))

3. The Committee took note of document CE/99/5(a) which provides information as of 30 June 2014. The Committee noted with satisfaction that, as of the end of June, the level of contributions collected for the current year had risen to EUR9,439,334.54.



4. This represents 76 per cent (a slightly higher percentage than last year's on the same date) of the total amount of contributions payable by Members in 2014 (EUR12,480,000) and 89% per cent of the estimated income from contributions (EUR12,756,000), and therefore income targets are expected to be met by year's end. After the addition of allocations from sundry income, publications and arrear contributions, the total budgetary income received amounts to EUR10,723,091.97 representing 84 per cent of the income estimates for the year (EUR12,756,000).

5. The Committee took note that arrears of Members' contributions collected as of 30 June 2014 were EUR639,757.43, i.e., 43 per cent of the forecast amount (EUR1,500,000).

6. The Committee also took note that the implemented expenditure amounts to EUR12,207,470.79 out of which EUR5,857,048.13 have already been disbursed, and that, furthermore, EUR6,350,422.66 are already committed until year's end, staff costs included.

7. The Committee noted that the contributions received for the current year would enable the Secretary-General to finalize implementation of the expenditure plan proposed for 2014 and maintain a balance between income and expenditure in accordance with the mandate recommendation of the twentieth session of the General Assembly.

8. The Committee noted that the outcome of the salary survey for General Service staff held in October 2013 resulted in a new salary scale to be applied by the Secretary-General when the Secretariat is formally notified by the ICSC.

III. Application of Article 34 of the Statutes and paragraph 13 of the Financing Rules (document CE/99/5(b))

9. The Committee observed that the provisions of paragraph 13 of the Financing Rules attached to the Statutes were applied to seven Full Members and one Associate Member, while Article 34 of the Statutes applied to fourteen Members as of 30 June 2014.

10. It recommended the Executive Council to again urge all Members in arrears to discharge their debts to the Organization as soon as possible and noted that the total arrears of the Full Members to which the aforementioned provisions are applied amount to EUR6,273,899.44, and EUR522,900.00 among the Affiliate Members, while the total arrears owed to the Organization by the Full and Associate Members, as of 30 June 2014, amount to EUR13,077,660.83 and, in the case of the Affiliate Members, EUR598,158.22.

11. The Committee took note with further satisfaction that the Full Members Cambodia, Lao People's Democratic Republic and Nicaragua had scrupulously complied with the commitments acquired with regard to the payment of their contributions up to and including the current year while Uganda did so partially.

IV. IPSAS progress report: UNWTO restated Statement of Financial Position compliant with IPSAS as at 1 January 2014 (document CE/99/5(c))

12. The Committee took note of the progress made within the implementation of IPSAS by UNWTO and of UNWTO's restated opening balance compliant with IPSAS at 1 January 2014 as approved by the External Auditors of the Organization.

13. It expressed its gratitude to the External Auditors (Germany, India and Spain) for the important work carried out.

V. Information and communication technologies at the Secretariat (document CE/99/5(d))

14. The Committee took note of the progress in the technology infrastructure already implemented by the Organization while acknowledging that a rapidly evolving technology environment and budgetary constraints represent a set of unique challenges in the near future.

15. It further took note of the audit reports on the status of ICT activities in document CE/99/5(d).

VI. Review of recommendations provided by Joint Inspection Unit and External Auditors reports (document PBC/05/2)

16. The Committee reviewed the recommendations provided by the Joint Inspection Unit in its report JIU/REP/2014/5 and on 10 selected JIU reports for the period 2006-2011. In addition it also reviewed the recommendations provided by the External Auditors in their reports for the closing of 2013 and on the opening of 2014.

17. The Committee agreed assessing all these recommendations so that an implementation plan could be prepared. This implementation plan, if approved, would become part of the White Paper Implementation Plan. In order to perform the said assessment, the Programme and Budget Committee has agreed on a roadmap so that it could be presented at an Executive Council prior to the 21st General Assembly.

VII. Place and date of the sixth meeting of the Programme and Budget Committee

18. The Committee proposed to consult the members of the Committee in writing in order to hold the sixth PBC meeting taking into consideration the venue and timing of the 100th Executive Council.

VIII. Actions to be taken by the Executive Council

19. The Executive Council is requested to approve the recommendations presented in the corresponding documents.