Executive Council
104th session
Luxor, Egypt, 30 October – 1 November 2016
Provisional agenda item 4

Report of the Programme and Budget Committee

I. Introduction

1. The Programme and Budget Committee (PBC) held its tenth meeting in Luxor, Egypt, on 30 October 2016, under the chairmanship of Argentina. A list of participants is annexed to this report.

2. The PBC members proceeded to consider the following points and corresponding documents to be submitted to the Executive Council at its 104th session (1 November 2016):

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<thead>
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<th>Documents</th>
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<tr>
<td>Implementation of the General Programme of Work 2016-2017</td>
<td>CE/104/5(a)</td>
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<td>Preparation of the General Programme of Work 2018-2019</td>
<td>CE/104/5(b)</td>
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<td>Financial situation of the Organization for 2016</td>
<td>CE/104/7(a)</td>
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<td>Addendum 1: Detailed Financial Rules</td>
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<td>Application of Article 34 of the Statutes and paragraph 13 of the Financing Rules</td>
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<td>Report on the reform of the Organization (White Paper implementation)</td>
<td>CE/104/7(c)</td>
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<td>Report on the recommendations of the Joint Inspection Unit in 2015</td>
<td>CE/104/7(d)</td>
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<tr>
<td>Information and communication technologies at the Secretariat</td>
<td>CE/104/7(e)</td>
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II. Implementation of the General Programme of Work 2016-2017

3. The Executive Director for Programme and Coordination presented an update of the activities carried out by the Secretariat since the last PBC meeting (May 2016), based on the documents of the Executive Council. The PBC took note of all activities presented in the report and recommended the Executive Council to approve them, as well as specifically, but not only:

(a) To take note of the official Roadmap for celebrating the IY2017 and encourage all UNWTO Members, the private sector, academia, civil society and other tourism stakeholders to celebrate the IY2017 as well as to support, contribute to, and participate in UNWTO activities;

(b) To invite all Member States to respond to the public consultation on the Convention on the Protection of Tourists and the Rights and Obligations of Tourism Service Providers and to entrust the Secretary-General to continue with its elaboration as well as that of the draft Convention on Tourism Ethics; and

(c) To take note of the Rules for the Operation and Management of Observatories.

4. The Chair highlighted that the seventeen Sustainable Development Goals have a link with tourism, particularly the first one, i.e., fighting against poverty, for which tourism is in a position to play a major role. He emphasized that there are some places in the world where only tourism is able to provide an economic opportunity to local communities. The Vice-Chair, France, supported the statement made by Argentina and added that tourism plays a fundamental role in building peace around the world.

5. Mexico informed the Committee about the next meeting of the Conference of the Parties (Cancún, Mexico, December 2016), during which tourism ministers will reflect on the sector’s role for the preservation of biodiversity.

III. Preparation of the General Programme of Work 2018-2019

6. The Executive Director for Programme and Coordination presented the preparatory calendar of the General Programme of Work 2018-2019, including the survey on priorities drafted by the Secretariat taking into account the comments sent by the PBC Members.

7. The members of the Committee approved both the survey and the calendar and urged all UNWTO Members to complete the online survey to allow a more inclusive and representative picture of everyone’s needs.

IV. Financial situation of the Organization for 2016

8. The Committee took note of document CE/104/7(a) which provides financial information as at 30 June 2016.

9. The Committee noted that, as of the end of June, the level of assessed contributions from Full, Associate and Affiliate Members received for the current year amounts to EUR 9,908,913. This represents 76 per cent of the assessed contributions receivable of 2016 (EUR 13,091,955) (75 per cent at 30 June 2015) and 88 per cent of the estimated contributions (EUR 11,300,000), and therefore income targets are expected to be met by year’s end. After the addition of the budgetary allocation and
the arrear contributions, the total budgetary income amounts to EUR 11,052,238 representing 86 per cent of the estimate plan of income for the year (EUR 12,847,000).

10. The Committee took note that contribution arrears collected as of 30 June 2016 were EUR 810,325, i.e., 67 per cent of the forecast amount (EUR 1,214,000).

11. The Committee also took note that the implemented expenditure amounted to EUR 12,281,045 out of which EUR 5,840,921 had been expended, and that EUR 6,440,124 had been committed until year end, staff costs included.

12. The Committee urged Members that have not yet complied with their financial obligations to take the necessary steps to pay their contributions for 2016 thereby averting delays that could hamper programme execution.

13. The Committee took note of the adjustments made by the Secretary-General on the structure of programmes for 2016. These adjustments have resulted in a modified distribution of appropriations per programme as reflected in Annex I of the document.

14. The Committee recommends that the Executive Council approve the implementation of the Initiative projects as decided by the Secretary-General and the use of the Special Contingency Reserve (SCR) to fund the project to replace the flooring of the Headquarters building in lieu of the renovation of the ninth-floor meeting rooms.

15. The Committee noted that an updated salary scale and dependency allowance for staff in the General Service category will be applied by the Secretary-General when the relevant scale is formally notified by the ICSC and that the new compensation package for staff in the Professional and higher categories will be applied by the Secretary-General as shown in CE/DEC/12(CIII) unless other application dates are approved by the UN General Assembly.

16. Detailed Financial Rules: The Committee requested the Executive Council to approve the amendments of the UNWTO Detailed Financial Rules as presented in document CE/104/7(a) Add.1 to enter into force as per dates of effect indicated in document CE/103/7(e).

V. Application of Article 34 of the Statutes and paragraph 13 of the Financing Rules

17. The Committee took note that the Full Members the 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.

18. The Committee expressed its satisfaction that Full Member Gabon was no longer subject to the provisions of paragraph 13 of the Financing Rules since it had partially reduced its contribution arrears.

19. The Committee approves the payment plan submitted by Guinea Bissau and Kyrgyzstan for the settlement of their arrear contributions.

20. The Committee further took note of the negotiations being held between the Secretariat and Full Members Afghanistan, Bahrain, Equatorial Guinea, Guinea, Guinea Bissau, Sierra Leona, the Syrian Arab Republic, Turkmenistan and Yemen for the settlement of their arrears.
VI. Report on the reform of the Organization (White Paper implementation)

21. The Executive Director for Programme and Coordination recalled the role played by the PBC, at the request of the Executive Council, in evaluating JIU recommendations up to 2014 and presented an overview of the different recommendations and their level of progress. The PBC took note of the actions proposed by the Secretariat in the report and recommended that the Executive Council approve it.

VII. Report on the recommendations of the Joint Inspection Unit in 2015

22. The Committee took note of the reports and the management letter issued by the Joint Inspection Unit in 2015 and supported the Implementation Plan carried out in the White Paper as per decision CE/DEC/7(XCIV).

23. It welcomed the JIU’s constructive approach in its recommendations addressed to smaller agencies and requests the Executive Council to approve the actions to be taken on each of them and the Secretary-General to report accordingly.

VIII. Information and communication technologies at the Secretariat

24. The Committee took note of the audit report on the status of ICT activities and invited the Executive Council to take note of the progress in the technology infrastructure already implemented by the Organization as well as of the challenge a rapidly evolving technology environment and budgetary constraints represent.

IX. Place and date of the eleventh meeting of the PBC

25. The eleventh meeting of the PBC will be held immediately before the 105th session of the Executive Council, in Madrid, Spain.

X. Actions to be taken by the Executive Council

26. The Executive Council is invited to approve the recommendations presented in the present report and corresponding documents.
## Annex I: List of participants

<table>
<thead>
<tr>
<th>I. Chair</th>
<th>II. Members of the Committee</th>
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| **Argentina** | Ms. Cláudia Marisa Santos Liberato  
Minister  
Embassy of Angola in Spain |
| **Argentina** | Mr. Jose Gustavo Santos  
Minister  
Ministry of Tourism  
Ms. Romina Nardi  
Director  
Ministry of Tourism |
| **Angola** | Mr. Michel Durrieu  
Responsible for Tourism  
Ministry of Foreign Affairs |
| **France (Vice Chair)** | Ms. Cláudia Marisa Santos Liberato  
First Secretary  
Embassy of Angola in Spain |
| **India** | Mr. Suman Billa  
Joint Secretary  
Ministry of Tourism  
I.R.V. Rao  
India Tourism Johannesburg  
Ministry of Tourism |
| **India** | Mr. Yasuto Kawarabayashi  
Vice Commissioner  
Japan Tourism Agency  
Ministry of Land, Infrastructure, Transport and Tourism  
Ms. Yui Toyonaga  
Official  
Japan Tourism Agency  
Ministry of Land, Infrastructure, Transport and Tourism  
Mr. Koichi Takatsuki  
Director for International Tourism Relations  
Japan Tourism Agency  
Ministry of Land, Infrastructure, Transport and Tourism  
Mr. Yuji Toyama  
Second Secretary  
Embassy of Japan in Egypt |
| **Japan** | Mr. Hasbullah Rashidi  
Deputy Secretary General for Tourism  
Ministry of Tourism and Culture |
| **Japan** | Mr. Saad Khairolnizam  
Senior Principal Assistant Secretary  
Ministry of Tourism and Culture |
| **Mexico** | Mr. Javier Guillermo  
Head of Unit, International Cooperation  
SECTUR  
Mr. Hesiquio Benitez  
Director General, International Cooperation and Implementation |
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<tr>
<th>National Commission for Knowledge and Use of Biodiversity</th>
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<tr>
<td><strong>Saudi Arabia</strong></td>
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<td>Ms. Basmah Al-Mayman</td>
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<td>Manager of International Organizations &amp; Committees</td>
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<td>Department</td>
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<td>Saudi Commission for Tourism &amp; National Heritage</td>
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**Representative of the Associate Members**

Mr. Jan Korthoudt
Director – Tourism Policy Advisor
Flanders Department of Foreign Affairs
Flanders

**Representative of the Affiliate Members**

Mr. Edmund Bartlett
Consolidated Tourism and Investment Consultants Limited (CTICO)
Jamaica

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<td><strong>Armenia</strong></td>
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<tr>
<td>Mr. Mekhak Apresyan</td>
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<td>Head of Department</td>
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<td>Ministry of Economy</td>
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**Brazil**

Mr. Rafael Augusto Luisi de Oliveira
Special Advisor for International Relations
Ministry of Tourism

**Italy**

Ms. Alessandra Priante
Head of International Relations
Ministry of Culture, Cultural Heritage and Tourism

**Jamaica**

Ms. Jennifer Griffith
Permanent Secretary
Ministry of Tourism

**Kenya**

Mr. Bramwel Waliaula Kisuya
Ambassador
Embassy of the Republic of Kenya in Spain

**Tunisia**

Mr. Walid Lassoued
Counsellor
Embassy of the Republic of Tunisia in Egypt

**Zimbabwe**

Mr. Douglas Mavhembu
Deputy Director
Ministry of Tourism and Hospitality Industry

**League of Arab States**

Mr. Abdullah M. Al-Zabidy
Diplomatic Attaché, Economic Sector

**ST-EP**

Ms. Ambassador Dho
Chairperson

**UNWTO Secretariat**

Mr. Taleb Rifai, Secretary-General

Mr. Zoltan Somogyi, Executive Director for Programme and Coordination

Mr. Marcio Favilla, Executive Director for Operational Programmes and Institutional Relations

Mr. Shanzhong Zhu, Executive Director for Technical cooperation and Services

Mr. Carlos Vogeler, Executive Director for Members Relations

Mr. José García Blanch, Director of Administration

Ms. Yolanda Perdomo, Director, Affiliate Members Programme

Mr. Philippe Lemaistre, Chief, Programme and Coordination

Ms. Alicia Gómez, Legal Officer